

**2007**

**SESSION LAWS**

OF THE

**STATE OF WASHINGTON**

REGULAR SESSION  
SIXTIETH LEGISLATURE  
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**WASHINGTON SESSION LAWS  
GENERAL INFORMATION**

1. EDITIONS AVAILABLE.

(a) *General Information.* The session laws are printed in a permanent softbound edition containing the accumulation of all laws adopted in the legislative session. The edition contains a subject index and tables indicating Revised Code of Washington sections affected.

(b) *Where and how obtained - price.* The permanent session laws may be ordered from the Statute Law Committee, Pritchard Building, P.O. Box 40552, Olympia, Washington 98504-0552. The edition costs \$32.10 per volume (\$25.00 plus \$2.10 for state and local sales tax at 8.4% and \$5.00 shipping and handling). All orders must be accompanied by payment.

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

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

(a) In amendatory sections

(i) underlined matter is new matter.

(ii) deleted matter is (~~lined out and bracketed between double parentheses~~).

(b) Complete new sections are prefaced by the words NEW SECTION.

3. PARTIAL VETOES.

(a) Vetoed matter is *printed in bold italics*.

(b) Pertinent excerpts of the governor's explanation of partial vetoes are printed at the end of the chapter concerned.

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

5. EFFECTIVE DATE OF LAWS.

(a) The state Constitution provides that unless otherwise qualified, the laws of any session take effect ninety days after adjournment sine die. The Secretary of State has determined the pertinent date for the Laws of the 2007 regular session to be July 22, 2007 (midnight July 21st).

(b) Laws that carry an emergency clause take effect immediately upon approval by the Governor.

(c) Laws that prescribe an effective date take effect upon that date.

6. INDEX AND TABLES.

A cumulative index and tables of all 2007 laws may be found at the back of the final volume.

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## CHAPTER 477

[Senate Bill 5434]

## EXCISE TAXATION—PERSONAL PROPERTY—FOREIGN COUNTRIES

AN ACT Relating to the excise taxation of sales of tangible personal property originating from or destined to foreign countries; adding a new section to chapter 82.04 RCW; adding a new section to chapter 82.08 RCW; and creating a new section.

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

NEW SECTION. Sec. 1. Because of the uncertainty regarding the constitutional limitations on the taxation of import and export sales of tangible personal property, the legislature recognizes the need to provide clarity in the taxation of imports and exports. It is the legislature's intent to provide a statutory tax exemption for the sale of tangible personal property in import or export commerce, which is not dependent on future interpretation of the constitutional limitations on the taxation of imports and exports by the courts. The sole purpose of the legislature in enacting sections 2 and 3 of this act is to codify current department practice in the taxation of import and export sales of tangible personal property consistent with WAC 458-20-193C. It is not the intent of the legislature in enacting sections 2 and 3 of this act to eliminate, narrow, or expand existing exemptions under WAC 458-20-193C.

NEW SECTION. Sec. 2. A new section is added to chapter 82.04 RCW to read as follows:

(1) This chapter does not apply to the sale of tangible personal property in import or export commerce.

(2) Tangible personal property is in import commerce while the property is in the process of import transportation. Except as provided in (a) through (c) of this subsection, property is in the process of import transportation from the time the property begins its transportation at a point outside of the United States until the time that the property is delivered to the buyer in this state. Property is also in the process of import transportation if it is merely flowing through this state on its way to a destination in some other state or country. However, property is no longer in the process of import transportation when the property is:

(a) Put to actual use in any state, territory, or possession of the United States for any purpose;

(b) Resold by the importer or any other person after the property has arrived in this state or any other state, territory, or possession of the United States, regardless of whether the property is in its original unbroken package or container; or

(c) Processed, handled, or otherwise stopped in transit for a business purpose other than shipping needs, if the processing, handling or other stoppage of transit occurs within the United States, including any of its possessions or territories, or the territorial waters of this state or any other state, regardless of whether the processing, handling, or other stoppage of transit occurs within a foreign trade zone.

(3)(a) Tangible personal property is in export commerce when the seller delivers the property to:

(i) The buyer at a destination in a foreign country;

(ii) A carrier consigned to and for transportation to a destination in a foreign country;

(iii) The buyer at shipside or aboard the buyer's vessel or other vehicle of transportation under circumstances where it is clear that the process of exportation of the property has begun; or

(iv) The buyer in this state if the property is capable of being transported to a foreign destination under its own power, the seller files a shipper's export declaration with respect to the property listing the seller as the exporter, and the buyer immediately transports the property directly to a destination in a foreign country. This subsection (3)(a)(iv) does not apply to sales of motor vehicles as defined in RCW 46.04.320.

(b) The exemption under this subsection (3) applies with respect to property delivered to the buyer in this state if, at the time of delivery, there is a certainty of export, and the process of export has begun. The process of exportation will not be deemed to have begun if the property is merely in storage awaiting shipment, even though there is reasonable certainty that the property will be exported. The intention to export, as evidenced for example, by financial and contractual relationships does not indicate certainty of export. The process of exportation begins when the property starts its final and certain continuous movement to a destination in a foreign country.

(4) Persons claiming an exemption under this section must keep and maintain records for the period required by RCW 82.32.070 establishing their right to the exemption.

NEW SECTION. Sec. 3. A new section is added to chapter 82.08 RCW to read as follows:

The tax imposed by RCW 82.08.020 does not apply to sales of tangible personal property if the sale is exempt from business and occupation tax under section 2 of this act.

Passed by the Senate April 2, 2007.

Passed by the House April 20, 2007.

Approved by the Governor May 14, 2007.

Filed in Office of Secretary of State May 15, 2007.

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## CHAPTER 478

[Engrossed Second Substitute Senate Bill 5557]

### PUBLIC FACILITIES—ECONOMIC DEVELOPMENT

AN ACT Relating to public facilities for economic development purposes; amending RCW 82.14.370; and providing an effective date.

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

**Sec. 1.** RCW 82.14.370 and 2004 c 130 s 2 are each amended to read as follows:

(1) The legislative authority of a rural county may impose a sales and use tax in accordance with the terms of this chapter. The tax is in addition to other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the county. The rate of tax shall not exceed ~~((0.08))~~ 0.09 percent of the selling price in the case of a sales tax or value of the article used in the case of a use tax, except that for rural counties with population

densities between sixty and one hundred persons per square mile, the rate shall not exceed 0.04 percent before January 1, 2000.

(2) The tax imposed under subsection (1) of this section shall be deducted from the amount of tax otherwise required to be collected or paid over to the department of revenue under chapter 82.08 or 82.12 RCW. The department of revenue shall perform the collection of such taxes on behalf of the county at no cost to the county.

(3)(a) Moneys collected under this section shall only be used to finance public facilities serving economic development purposes in rural counties. The public facility must be listed as an item in the officially adopted county overall economic development plan, or the economic development section of the county's comprehensive plan, or the comprehensive plan of a city or town located within the county for those counties planning under RCW 36.70A.040. For those counties that do not have an adopted overall economic development plan and do not plan under the growth management act, the public facility must be listed in the county's capital facilities plan or the capital facilities plan of a city or town located within the county.

(b) In implementing this section, the county shall consult with cities, towns, and port districts located within the county and the associate development organization serving the county to ensure that the expenditure meets the goals of chapter 130, Laws of 2004 and the requirements of (a) of this subsection. Each county collecting money under this section shall report, as follows, to the office of the state auditor, ~~((no later than October 1st))~~ within one hundred fifty days after the close of each fiscal year(¿): (i) A list of new projects ((from)) begun during the ((prior)) fiscal year, showing that the county has used the funds for those projects consistent with the goals of chapter 130, Laws of 2004 and the requirements of (a) of this subsection; and (ii) expenditures during the fiscal year on projects begun in a previous year. Any projects financed prior to June 10, 2004, from the proceeds of obligations to which the tax imposed under subsection (1) of this section has been pledged shall not be deemed to be new projects under this subsection. No new projects funded with money collected under this section may be for justice system facilities.

(c) For the purposes of this section, (i) "public facilities" means bridges, roads, domestic and industrial water facilities, sanitary sewer facilities, earth stabilization, storm sewer facilities, railroad, electricity, natural gas, buildings, structures, telecommunications infrastructure, transportation infrastructure, or commercial infrastructure, and port facilities in the state of Washington; and (ii) "economic development purposes" means those purposes which facilitate the creation or retention of businesses and jobs in a county.

(4) No tax may be collected under this section before July 1, 1998. No tax may be collected under this section by a county more than twenty-five years after the date that a tax is first imposed under this section.

(5) For purposes of this section, "rural county" means a county with a population density of less than one hundred persons per square mile or a county smaller than two hundred twenty-five square miles as determined by the office of financial management and published each year by the department for the period July 1st to June 30th.

NEW SECTION. Sec. 2. This act takes effect August 1, 2007.

Passed by the Senate April 20, 2007.  
Passed by the House April 20, 2007.  
Approved by the Governor May 14, 2007.  
Filed in Office of Secretary of State May 15, 2007.

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**CHAPTER 479**

[Substitute Senate Bill 5447]

**COASTAL DUNGENESS CRAB FISHERY**

AN ACT Relating to ensuring a sustainable coastal Dungeness crab fishery; creating new sections; and providing an expiration date.

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

NEW SECTION. Sec. 1. The legislature finds that the coastal Dungeness crab fishery is one of the most valuable commercial fisheries in Washington. For example, the 2004-05 season resulted in landings of twenty-one million pounds with an estimated ex-vessel value of over thirty million dollars. The fishery represents a vital economic foundation for many coastal communities.

Since 1994, the coastal Dungeness crab fishery has faced significant pressure and has undergone many regulatory changes stemming from issues relating to the sustainability of the resource, the safety and sustainability of the fleet, interstate and federal jurisdiction questions, as well as allocation issues.

In order to further promote the sustainability of the coastal Dungeness crab resource, the coastal crab fleet, and coastal communities, the legislature intends for the department of fish and wildlife to develop a proposed coastal Dungeness buyback program that would be implemented in cooperation with the federal government upon future legislative direction.

NEW SECTION. Sec. 2. (1) The department shall develop a detailed proposed Dungeness crab-coastal fishery buyback program. The proposed program must provide for the purchase and permanent retirement of Dungeness crab-coastal fishery licenses. The department shall design this element of the proposed program with the goal of purchasing between eighty and one hundred Dungeness crab-coastal fishery licenses.

(2) In addition to license purchase and retirement, the proposed program may provide for the purchase or retirement of vessels designated on Dungeness crab-coastal fishery licenses.

(3) The proposed program must explore funding alternatives that involve federal funding, state funding, funding provided by Dungeness crab-coastal license holders, low-interest loans to license holders, and combinations thereof.

(4)(a) The department must include in the proposed program those elements necessary for the administration of the buyback, including the mechanisms by which Dungeness crab-coastal license holders may apply to participate in the program if it is authorized and by which the department will select licenses or vessels for purchase from among the applicants.

(b) The proposed program must include and clearly set forth any conditions that will be placed on Dungeness crab-coastal license holders participating in the program.

(5) The proposed program must be designed to have a neutral impact on Dungeness crab harvests in the state and federal waters off the coasts of Oregon and California.

(6) The proposed program must assume that participation by Dungeness crab-coastal license holders in the program would be entirely voluntary.

(7) The department shall consult with Dungeness crab-coastal license holders when designing the proposal.

(8) To assist the department in the development of the proposal, the department may contract with persons not employed by the state.

(9) By December 1, 2007, the department shall provide a report detailing the program proposal to the appropriate policy and fiscal committees of the senate and house of representatives.

(10) The proposed program developed under this section is not authorized to be implemented, and state funds are not authorized to be expended, without further specific legislative authorization.

(11) This section expires December 31, 2007.

Passed by the Senate April 14, 2007.

Passed by the House April 5, 2007.

Approved by the Governor May 14, 2007.

Filed in Office of Secretary of State May 15, 2007.

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## CHAPTER 480

[Substitute Senate Bill 6141]

### FOREST HEALTH

AN ACT Relating to forest health; amending RCW 76.06.140, 76.06.020, 76.06.030, 76.06.040, 76.09.220, 76.09.060, 76.04.005, and 76.04.660; adding new sections to chapter 76.06 RCW; and repealing RCW 76.06.050, 76.06.060, 76.06.070, 76.06.080, 76.06.090, and 76.06.110.

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

**Sec. 1.** RCW 76.06.140 and 2004 c 218 s 1 are each amended to read as follows:

~~((+))~~ The legislature finds ~~((that))~~ as follows:

(1) Washington faces serious forest health problems, primarily in eastern Washington, where forests are overcrowded or trees ~~((are infested with or susceptible))~~ lack sufficient resilience to insects, diseases, wind, ice storms, and fire. The causes of and contributions to these ~~((susceptible))~~ conditions include fire suppression, past timber harvesting and silvicultural practices, altered species composition and stand structure, and the amplified risks that occur when the urban interface penetrates forest land.

(2) ~~((The legislature further finds that))~~ There is a private and public interest in addressing uncharacteristic outbreaks of native, naturalized, and nonnative insects and diseases, and reducing the risk of significant loss due to ice storms, wind storms, and uncharacteristic fire. The public interest is in protecting forest productivity on forests managed for commodity production; restoring and maintaining forest ecosystem vitality and natural forest processes and functions; reducing the cost of fire suppression and the resulting public expenditures; protecting, restoring, and enhancing fish and wildlife habitat, including the habitat of threatened or endangered species; and protecting drinking water supplies and water quality.

(3) Well managed forests are the first line of defense in reducing the likelihood of uncharacteristic fire, insect, and disease events, and supporting conservation and restoration of desired plants and animals. Active management of forests, consistent with landowner objectives and the protection of public resources, is the most economical and effective way to promote forest health and protect communities. Fire, native insects, and diseases perform important ecological functions when their occurrence does not present a material threat to long-term forest productivity and increase the likelihood of uncharacteristic fire.

(4) Forest health problems may exist on forest land regardless of ownership, and the state should ((explore all possible avenues for working in)) pursue collaboration with the federal government to address common health deficiencies.

~~((3) The legislature further finds that healthy forests benefit not only the economic interests that rely on forest products but also provide environmental benefits, such as improved water quality and habitat for fish and wildlife.))~~

**Sec. 2.** RCW 76.06.020 and 2003 c 314 s 2 are each amended to read as follows:

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

(1) "Agent" means the recognized legal representative, representatives, agent, or agents for any owner.

(2) "Commissioner" means the commissioner of public lands.

(3) "Department" means the department of natural resources.

~~((3) "Owner" means and includes persons or their agents.~~

(4) "Timber land" means any land on which there is a sufficient number of trees, standing or down, to constitute, in the judgment of the department, a forest insect or forest disease breeding ground of a nature to constitute a menace, injurious and dangerous to permanent forest growth in the district under consideration.

~~((5) "Commissioner" means the commissioner of public lands.~~

~~((6))~~ (4) "Disturbance agent" means those forces that damage or kill significant numbers of forest trees, such as insects, diseases, wind storms, ice storms, and fires.

(5) "Exotic" means not native to forest lands in Washington state.

~~((7) "Forest land" means any land on which there are sufficient numbers and distribution of trees and associated species to, in the judgment of the department, contribute to the spread of forest insect or forest disease outbreaks that could be injurious to forest health.~~

~~((8))~~ (6) "Forest health" means, for the purposes of this chapter, the condition of a forest being sound in ecological function, sustainable, resilient, and resistant to insects, diseases, fire, and other disturbance, and having the capacity to meet landowner objectives.

~~((9))~~ (7) "Forest health emergency" means the introduction of, or an outbreak of, an exotic forest insect or disease that poses an imminent danger of damage to the environment by threatening the survivability of native tree species.

~~((10))~~ (8) "Forest insect or disease" means a living stage of an insect, other invertebrate animal, or disease-causing organism or agent that can directly or

indirectly injure or cause disease or damage in trees, or parts of trees, or in processed or manufactured wood, or other products of trees.

~~((14))~~ (9) "Forest land" means any land on which there are sufficient numbers and distribution of trees and associated species to, in the judgment of the department, contribute to the spread of forest insect or forest disease outbreaks that could be detrimental to forest health.

(10) "Integrated pest management" means a strategy that uses various combinations of pest control methods, including biological, cultural, and chemical methods, in a compatible manner to achieve satisfactory control and ensure favorable economic and environmental consequences.

~~((12))~~ (11) "Native" means having populated Washington's forested lands prior to European settlement.

~~((13))~~ (12) "Outbreak" means a rapidly expanding population of insects or diseases with potential to spread.

(13) "Owner" means and includes persons or their agents.

(14) "Person" means any individual, partnership, private, public, or municipal corporation, county, federal, state, or local governmental agency, tribes, or association of individuals of whatever nature.

(15) "Timber land" means any land on which there is a sufficient number of trees, standing or down, to constitute, in the judgment of the department, a forest insect or forest disease breeding ground of a nature to constitute a menace, injurious and dangerous to permanent forest growth in the district under consideration.

(16) "Uncharacteristic" means ecologically atypical for a forest or vegetation type or plant association and refers to fire, insect, or disease events that are not within a natural range of variability.

**Sec. 3.** RCW 76.06.030 and 1988 c 128 s 16 are each amended to read as follows:

(1) This chapter shall be administered by the department.

(2) The department has the lead role in developing a comprehensive forest health program to achieve the goals of this act. Within available funding, the department shall:

(a) Develop, gather, and disseminate information on forest health conditions, monitor forest health conditions and changes over time, and coordinate and enter agreements with interested and affected parties;

(b) Coordinate with universities, university extension services, federal and state agencies, private, public, and tribal forest landowners, consulting foresters, and forest managers to monitor forest fuel buildup, forest insect and disease outbreaks, and wind and ice storm events; and

(c) Coordinate with universities, university extension services, and state and federal agencies to provide education and technical assistance to private, public, and tribal forest landowners on silvicultural and forest management science, techniques, and technology to maintain forests in conditions that are resilient and resistant to disturbance agents.

(3) The department may implement a technical committee to advise on subjects and procedures for monitoring forest health conditions and program activities.

(4) The department may coordinate, support, and assist in establishing cooperative forest health projects to address outbreaks of insects or diseases.

Priority for assistance authorized under this section shall be given to areas under forest health hazard warnings and areas where forest health decline has resulted in increased risk to public safety from fire.

(5) The state and its officers and employees are not liable for damages to a person or their property to the extent that liability is asserted to arise from providing or failing to provide assistance under this act.

**Sec. 4.** RCW 76.06.040 and 1951 c 233 s 4 are each amended to read as follows:

~~(Every owner of timber lands, or his agent, shall make every reasonable effort to control, destroy and eradicate such forest insect pests and forest tree diseases which threaten the existence of any stand of timber or provide for the same to be done on timber lands owned by him or under his control. In the event he fails, neglects, or is unable to accomplish such control, the action may be performed as provided for in this chapter.)~~ Landowners and managers are encouraged to maintain their forest lands in a healthy condition in order to meet their individual ownership objectives, protect public resources as defined in chapter 76.09 RCW, and avoid contributing to forest insect or disease outbreaks or increasing the risk of uncharacteristic fire.

**NEW SECTION. Sec. 5.** A new section is added to chapter 76.06 RCW to read as follows:

Forest health issues shall be addressed by a tiered system.

(1) The first tier is intended to maintain forest health and protect forests from disturbance agents through the voluntary efforts of landowners. Tier 1 is the desired status. Consistent with landowner objectives and the protection of public resources, forests should be managed in ways that create, restore, or maintain healthy forest ecosystems so that disturbance agents occur or exist at nonepidemic levels. To the extent of available funding, information and technical assistance will be made available to forest landowners so they can plan for and implement necessary forest health maintenance and restoration activities.

(2) The second tier is intended to manage the development of threats to forest health, or address existing threats to forest health, due to disturbance agents. Actions by landowners to address such threats to forest health are voluntary except as required under chapter 76.04 RCW to reduce the danger of the spread of fire. Actions suggested to reduce threats to forest health are specified in forest health hazard warnings issued by the commissioner of public lands under section 7 of this act. Within available funding, site-specific information, technical assistance, and project coordination services shall be offered as determined appropriate by the department.

(3) The third tier is intended to address significant threats to forest health due to disturbance agents that have spread to multiple forest ownerships or increased forest fuel that is likely to further the spread of fire. Actions required to reduce significant threats to forest health are specified in forest health hazard orders issued by the commissioner of public lands under section 7(5) of this act. Within available funding, site-specific information, technical assistance, and project coordination services shall be offered as determined appropriate by the department. Landowners who are provided notice of a forest health hazard order under section 7(5) of this act and fail to take the action required under such order may be subject to increased liability for the spread of fire as described in RCW



76.04.495 and 76.04.660. However, a private landowner need not take actions required under the third tier, and may not be held liable for the failure to take such actions, where the disturbance agents on the private landowner's land spread from state or federal lands or where the presence of disturbance agents on state or federal lands would limit the effectiveness of actions required on the private landowner's land under the third tier.

NEW SECTION. Sec. 6. A new section is added to chapter 76.06 RCW to read as follows:

(1) The commissioner of public lands may appoint a forest health technical advisory committee when the commissioner determines that forest lands in any area of the state appear to be threatened by a forest health condition of such a nature, extent, or timing that action to reduce the threat may be necessary.

(a) The committee shall consist of one scientist chosen for expertise in forest ecology, one scientist chosen for expertise in aquatic ecology, one scientist chosen for expertise in wildlife biology, two scientists chosen for expertise relative to the attendant risk, one specialist in wildfire protection, one specialist in fuels management, one forester with extensive silvicultural experience in the affected forest type, and a chairperson who shall represent the commissioner. The departments of fish and wildlife, ecology, and natural resources shall provide technical assistance to the committee in the areas of fish and wildlife, water quality, and forest practices, but shall not be members of the committee. The director of forest health protection of region 6 of the United States department of agriculture forest service or their named designee shall be invited to be an ex officio member of the committee. In the event the area affected contains substantial acreage of tribal or federally owned lands, representatives of the affected agencies and tribes shall be invited to participate in the proceedings of the committee.

(b) The commissioner may disband the committee when he or she deems appropriate.

(2) The committee shall evaluate the threat to forest health and make a timely report to the commissioner on its nature, extent, and location.

(a) In its deliberations, the committee shall consider the need for action to reduce the threat and alternative methods of achieving the desired results, including the environmental risks associated with the alternatives and the risks associated with taking no action.

(b) The committee shall also recommend potential approaches to achieve the desired results for forest land ownerships of fewer than ten acres and for forests owned for scientific, study, recreational, or other uses not compatible with active management.

(c) The committee shall recommend to the commissioner whether a forest health hazard warning or forest health hazard order is warranted based on the factors in section 7(2) of this act or when otherwise determined by the committee to be warranted.

(d) When the commissioner issues a forest health hazard warning or forest health hazard order, the committee shall monitor the progress and results of activities to address the hazard, and periodically report its findings to the commissioner.

(3) The exercise by forest health technical advisory committee members of their authority under this section shall not imply or create any liability on their

part. Advisory committee members shall be compensated as provided in RCW 43.03.250 and shall receive reimbursement for travel expenses as provided by RCW 43.03.050 and 43.03.060. Costs associated with the committee may be paid from the general fund appropriation made available to the department of natural resources for fire suppression.

NEW SECTION. **Sec. 7.** A new section is added to chapter 76.06 RCW to read as follows:

(1) Prior to issuing a forest health hazard warning or forest health hazard order, the commissioner shall consider the findings and recommendations of the forest health technical advisory committee and shall consult with county government officials, forest landowners and forest land managers, consulting foresters, and other interested parties to gather information on the threat, opportunities or constraints on treatment options, and other information they may provide. The commissioner, or a designee, shall conduct a public hearing in a county within the geographical area being considered.

(2) The commissioner of public lands may issue a forest health hazard warning when he or she deems such action is necessary to manage the development of a threat to forest health or address an existing threat to forest health. A decision to issue a forest health hazard warning may be based on existing forest stand conditions and:

(a) The presence of an uncharacteristic insect or disease outbreak that has or is likely to (i) spread to multiple forest ownerships and cause extensive damage to forests; or (ii) significantly increase forest fuel that is likely to further the spread of uncharacteristic fire;

(b) When, due to extensive physical damage from wind or ice storm or other cause, there are (i) insect populations building up to large scale levels; or (ii) significantly increased forest fuels that are likely to further the spread of uncharacteristic fire; or

(c) When otherwise determined by the commissioner to be appropriate.

(3) The commissioner of public lands may issue a forest health hazard order when he or she deems such action is necessary to address a significant threat to forest health. A decision to issue a forest health hazard order may be based on existing forest stand conditions and:

(a) The presence of an uncharacteristic insect or disease outbreak that has (i) spread to multiple forest ownerships and has caused and is likely to continue to cause extensive damage to forests; or (ii) significantly increased forest fuels that are likely to further the spread of uncharacteristic fire;

(b) When, due to extensive physical damage from wind or ice storm or other cause (i) insect populations are causing extensive damage to forests; or (ii) significantly increased forest fuels are likely to further the spread of uncharacteristic fire;

(c) Insufficient landowner action under a forest health hazard warning; or

(d) When otherwise determined by the commissioner to be appropriate.

(4) A forest health hazard warning or forest health hazard order shall be issued by use of a commissioner's order. General notice of the commissioner's order shall be published in a newspaper of general circulation in each county within the area covered by the order and on the department's web site. The order shall specify the boundaries of the area affected, including federal and tribal lands, the forest stand conditions that would make a parcel subject to the

provisions of the order, and the actions landowners or land managers should take to reduce the hazard.

(5) Written notice of a forest health hazard warning or forest health hazard order shall be provided to forest landowners of specifically affected property.

(a) The notice shall set forth:

(i) The reasons for the action;

(ii) The boundaries of the area affected, including federal and tribal lands;

(iii) Suggested actions that should be taken by the forest landowner under a forest health hazard warning or the actions that must be taken by a forest landowner under a forest health hazard order;

(iv) The time within which such actions should or must be taken;

(v) How to obtain information or technical assistance on forest health conditions and treatment options;

(vi) The right to request mitigation under subsection (6) of this section and appeal under subsection (7) of this section;

(vii) These requirements are advisory only for federal and tribal lands.

(b) The notice shall be served by personal service or by mail to the latest recorded real property owner, as shown by the records of the county recording officer as defined in RCW 65.08.060. Service by mail is effective on the date of mailing. Proof of service shall be by affidavit or declaration under penalty of perjury.

(6) Forest landowners who have been issued a forest health hazard order under subsection (5) of this section may apply to the department for the remission or mitigation of such order. The application shall be made to the department within fifteen days after notice of the order has been served. Upon receipt of the application, the department may remit or mitigate the order upon whatever terms the department in its discretion deems proper, provided the department deems the remission or mitigation to be in the best interests of carrying out the purposes of this chapter. The department may ascertain the facts regarding all such applications in such reasonable manner and under such rule as it deems proper.

(7) Forest landowners who have been issued a forest health hazard order under subsection (5) of this section may appeal the order to the forest practices appeals board.

(a) The appeal shall be filed within thirty days after notice of the order has been served, unless application for mitigation has been made to the department. When such an application for mitigation is made, such appeal shall be filed within thirty days after notice of the disposition of the application for mitigation has been served.

(b) The appeal must set forth:

(i) The name and mailing address of the appellant;

(ii) The name and mailing address of the appellant's attorney, if any;

(iii) A duplicate copy of the forest health hazard order;

(iv) A separate and concise statement of each error alleged to have been committed;

(v) A concise statement of facts upon which the appellant relies to sustain the statement of error; and

(vi) A statement of the relief requested.

(8) A forest health hazard order issued under subsection (5) of this section is effective thirty days after date of service unless application for remission or mitigation is made or an appeal is filed. When an application for remission or mitigation is made, the order is effective thirty days after notice setting forth the disposition of the application is served unless an appeal is filed from such disposition. Whenever an appeal of the order is filed, the order shall become effective only upon completion of all administrative and judicial review proceedings and the issuance of a final decision confirming the order in whole or in part.

(9) Upon written request, the department may certify as adequate a forest health management plan developed by a forest landowner, before or in response to a forest health hazard warning or forest health hazard order, if the plan is likely to achieve the desired result and the terms of the plan are being diligently followed by the forest landowner. The certification of adequacy shall be determined by the department in its sole discretion, and be provided to the requestor in writing.

**Sec. 8.** RCW 76.09.220 and 2003 c 393 s 20 are each amended to read as follows:

(1) The appeals board shall operate on either a part-time or a full-time basis, as determined by the governor. If it is determined that the appeals board shall operate on a full-time basis, each member shall receive an annual salary to be determined by the governor. If it is determined that the appeals board shall operate on a part-time basis, each member shall be compensated in accordance with RCW 43.03.250. The director of the environmental hearings office shall make the determination, required under RCW 43.03.250, as to what statutorily prescribed duties, in addition to attendance at a hearing or meeting of the board, shall merit compensation. This compensation shall not exceed ten thousand dollars in a fiscal year. Each member shall receive reimbursement for travel expenses incurred in the discharge of his or her duties in accordance with the provisions of RCW 43.03.050 and 43.03.060.

(2) The appeals board shall as soon as practicable after the initial appointment of the members thereof, meet and elect from among its members a chair, and shall at least biennially thereafter meet and elect or reelect a chair.

(3) The principal office of the appeals board shall be at the state capital, but it may sit or hold hearings at any other place in the state. A majority of the appeals board shall constitute a quorum for making orders or decisions, adopting rules necessary for the conduct of its powers and duties, or transacting other official business, and may act though one position on the board be vacant. One or more members may hold hearings and take testimony to be reported for action by the board when authorized by rule or order of the board. The appeals board shall perform all the powers and duties granted to it in this chapter or as otherwise provided by law.

(4) The appeals board shall make findings of fact and prepare a written decision in each case decided by it, and such findings and decision shall be effective upon being signed by two or more members and upon being filed at the appeals board's principal office, and shall be open to public inspection at all reasonable times.

(5) The appeals board shall either publish at its expense or make arrangements with a publishing firm for the publication of those of its findings

and decisions which are of general public interest, in such form as to assure reasonable distribution thereof.

(6) The appeals board shall maintain at its principal office a journal which shall contain all official actions of the appeals board, with the exception of findings and decisions, together with the vote of each member on such actions. The journal shall be available for public inspection at the principal office of the appeals board at all reasonable times.

(7) The forest practices appeals board shall have exclusive jurisdiction to hear appeals arising from an action or determination by the department, and the department of fish and wildlife, and the department of ecology with respect to management plans provided for under RCW 76.09.350.

(8)(a) Any person aggrieved by the approval or disapproval of an application to conduct a forest practice or the approval or disapproval of any landscape plan or permit or watershed analysis may, except as otherwise provided in chapter 43.21L RCW, seek review from the appeals board by filing a request for the same within thirty days of the approval or disapproval. Concurrently with the filing of any request for review with the board as provided in this section, the requestor shall file a copy of his or her request with the department and the attorney general. The attorney general may intervene to protect the public interest and ensure that the provisions of this chapter are complied with.

(b) The review proceedings authorized in (a) of this subsection are subject to the provisions of chapter 34.05 RCW pertaining to procedures in adjudicative proceedings.

(9) The forest practices appeals board shall have exclusive jurisdiction to hear appeals of forest health hazard orders issued by the commissioner under section 7(5) of this act. Such proceedings are subject to the provisions of chapter 34.05 RCW pertaining to procedures in adjudicative proceedings.

NEW SECTION. Sec. 9. A new section is added to chapter 76.06 RCW to read as follows:

Nothing in this act shall exempt actions specified under the authority of this act from the application of the provisions of chapter 76.09 RCW and rules adopted thereunder which govern forest practices.

NEW SECTION. Sec. 10. A new section is added to chapter 76.06 RCW to read as follows:

If any part of this chapter or requirements imposed upon landowners pursuant to this chapter are found to conflict with requirements of other statutes or rules, the conflicting part of this chapter or requirements imposed pursuant to this chapter shall be inoperative solely to the extent of the conflict. The finding or determination shall not affect the operation of the remainder of this chapter or such requirements.

**Sec. 11.** RCW 76.09.060 and 2005 c 274 s 357 are each amended to read as follows:

~~((The following shall apply to those forest practices administered and enforced by the department and for which the board shall promulgate regulations as provided in this chapter.))~~

(1) The department shall prescribe the form and contents of the notification and application. The forest practices rules shall specify by whom and under

what conditions the notification and application shall be signed or otherwise certified as acceptable. Activities conducted by the department or a contractor under the direction of the department under the provisions of RCW 76.04.660, shall be exempt from the landowner signature requirement on any forest practice application required to be filed. The application or notification shall be delivered in person to the department, sent by first class mail to the department or electronically filed in a form defined by the department. The form for electronic filing shall be readily convertible to a paper copy, which shall be available to the public pursuant to chapter 42.56 RCW. The information required may include, but is not limited to:

- (a) Name and address of the forest landowner, timber owner, and operator;
  - (b) Description of the proposed forest practice or practices to be conducted;
  - (c) Legal description and tax parcel identification numbers of the land on which the forest practices are to be conducted;
  - (d) Planimetric and topographic maps showing location and size of all lakes and streams and other public waters in and immediately adjacent to the operating area and showing all existing and proposed roads and major tractor roads;
  - (e) Description of the silvicultural, harvesting, or other forest practice methods to be used, including the type of equipment to be used and materials to be applied;
  - (f) Proposed plan for reforestation and for any revegetation necessary to reduce erosion potential from roadsides and yarding roads, as required by the forest practices rules;
  - (g) Soil, geological, and hydrological data with respect to forest practices;
  - (h) The expected dates of commencement and completion of all forest practices specified in the application;
  - (i) Provisions for continuing maintenance of roads and other construction or other measures necessary to afford protection to public resources;
  - (j) An affirmation that the statements contained in the notification or application are true; and
  - (k) All necessary application or notification fees.
- (2) Long range plans may be submitted to the department for review and consultation.
- (3) The application for a forest practice or the notification of a Class II forest practice is subject to the three-year reforestation requirement.
- (a) If the application states that any such land will be or is intended to be so converted:
- (i) The reforestation requirements of this chapter and of the forest practices rules shall not apply if the land is in fact so converted unless applicable alternatives or limitations are provided in forest practices rules issued under RCW 76.09.070 as now or hereafter amended;
  - (ii) Completion of such forest practice operations shall be deemed conversion of the lands to another use for purposes of chapters 84.33 and 84.34 RCW unless the conversion is to a use permitted under a current use tax agreement permitted under chapter 84.34 RCW;
  - (iii) The forest practices described in the application are subject to applicable county, city, town, and regional governmental authority permitted under RCW 76.09.240 as now or hereafter amended as well as the forest practices rules.

(b) Except as provided elsewhere in this section, if the application or notification does not state that any land covered by the application or notification will be or is intended to be so converted:

(i) For six years after the date of the application the county, city, town, and regional governmental entities shall deny any or all applications for permits or approvals, including building permits and subdivision approvals, relating to nonforestry uses of land subject to the application;

(A) The department shall submit to the local governmental entity a copy of the statement of a forest landowner's intention not to convert which shall represent a recognition by the landowner that the six-year moratorium shall be imposed and shall preclude the landowner's ability to obtain development permits while the moratorium is in place. This statement shall be filed by the local governmental entity with the county recording officer, who shall record the documents as provided in chapter 65.04 RCW, except that lands designated as forest lands of long-term commercial significance under chapter 36.70A RCW shall not be recorded due to the low likelihood of conversion. Not recording the statement of a forest landowner's conversion intention shall not be construed to mean the moratorium is not in effect.

(B) The department shall collect the recording fee and reimburse the local governmental entity for the cost of recording the application.

(C) When harvesting takes place without an application, the local governmental entity shall impose the six-year moratorium provided in (b)(i) of this subsection from the date the unpermitted harvesting was discovered by the department or the local governmental entity.

(D) The local governmental entity shall develop a process for lifting the six-year moratorium, which shall include public notification, and procedures for appeals and public hearings.

(E) The local governmental entity may develop an administrative process for lifting or waiving the six-year moratorium for the purposes of constructing a single-family residence or outbuildings, or both, on a legal lot and building site. Lifting or waiving of the six-year moratorium is subject to compliance with all local ordinances.

(F) The six-year moratorium shall not be imposed on a forest practices application that contains a conversion option harvest plan approved by the local governmental entity unless the forest practice was not in compliance with the approved forest practice permit. Where not in compliance with the conversion option harvest plan, the six-year moratorium shall be imposed from the date the application was approved by the department or the local governmental entity;

(ii) Failure to comply with the reforestation requirements contained in any final order or decision shall constitute a removal of designation under the provisions of RCW 84.33.140, and a change of use under the provisions of RCW 84.34.080, and, if applicable, shall subject such lands to the payments and/or penalties resulting from such removals or changes; and

(iii) Conversion to a use other than commercial forest product operations within six years after approval of the forest practices without the consent of the county, city, or town shall constitute a violation of each of the county, municipal city, town, and regional authorities to which the forest practice operations would have been subject if the application had so stated.

(c) The application or notification shall be signed by the forest landowner and accompanied by a statement signed by the forest landowner indicating his or her intent with respect to conversion and acknowledging that he or she is familiar with the effects of this subsection.

(4) Whenever an approved application authorizes a forest practice which, because of soil condition, proximity to a water course or other unusual factor, has a potential for causing material damage to a public resource, as determined by the department, the applicant shall, when requested on the approved application, notify the department two days before the commencement of actual operations.

(5) Before the operator commences any forest practice in a manner or to an extent significantly different from that described in a previously approved application or notification, there shall be submitted to the department a new application or notification form in the manner set forth in this section.

(6) Except as provided in RCW 76.09.350(4), the notification to or the approval given by the department to an application to conduct a forest practice shall be effective for a term of two years from the date of approval or notification and shall not be renewed unless a new application is filed and approved or a new notification has been filed. At the option of the applicant, an application or notification may be submitted to cover a single forest practice or a number of forest practices within reasonable geographic or political boundaries as specified by the department. An application or notification that covers more than one forest practice may have an effective term of more than two years. The board shall adopt rules that establish standards and procedures for approving an application or notification that has an effective term of more than two years. Such rules shall include extended time periods for application or notification approval or disapproval. On an approved application with a term of more than two years, the applicant shall inform the department before commencing operations.

(7) Notwithstanding any other provision of this section, no prior application or notification shall be required for any emergency forest practice necessitated by fire, flood, windstorm, earthquake, or other emergency as defined by the board, but the operator shall submit an application or notification, whichever is applicable, to the department within forty-eight hours after commencement of such practice or as required by local regulations.

(8) Forest practices applications or notifications are not required for forest practices conducted to control exotic forest insect or disease outbreaks, when conducted by or under the direction of the department of agriculture in carrying out an order of the governor or director of the department of agriculture to implement pest control measures as authorized under chapter 17.24 RCW, and are not required when conducted by or under the direction of the department in carrying out emergency measures under a forest health emergency declaration by the commissioner of public lands as provided in RCW 76.06.130.

(a) For the purposes of this subsection, exotic forest insect or disease has the same meaning as defined in RCW 76.06.020.

(b) In order to minimize adverse impacts to public resources, control measures must be based on integrated pest management, as defined in RCW 17.15.010, and must follow forest practices rules relating to road construction



and maintenance, timber harvest, and forest chemicals, to the extent possible without compromising control objectives.

(c) Agencies conducting or directing control efforts must provide advance notice to the appropriate regulatory staff of the department of the operations that would be subject to exemption from forest practices application or notification requirements.

(d) When the appropriate regulatory staff of the department are notified under (c) of this subsection, they must consult with the landowner, interested agencies, and affected tribes, and assist the notifying agencies in the development of integrated pest management plans that comply with forest practices rules as required under (b) of this subsection.

(e) Nothing under this subsection relieves agencies conducting or directing control efforts from requirements of the federal clean water act as administered by the department of ecology under RCW 90.48.260.

(f) Forest lands where trees have been cut as part of an exotic forest insect or disease control effort under this subsection are subject to reforestation requirements under RCW 76.09.070.

(g) The exemption from obtaining approved forest practices applications or notifications does not apply to forest practices conducted after the governor, the director of the department of agriculture, or the commissioner of public lands have declared that an emergency no longer exists because control objectives have been met, that there is no longer an imminent threat, or that there is no longer a good likelihood of control.

**Sec. 12.** RCW 76.04.005 and 1992 c 52 s 24 are each amended to read as follows:

As used in this chapter, the following terms have the meanings indicated unless the context clearly requires otherwise.

(1) "Additional fire hazard" means a condition existing on any land in the state:

(a) Covered wholly or in part by forest debris which is likely to further the spread of fire and thereby endanger life or property; or

(b) When, due to the effects of disturbance agents, broken, down, dead, or dying trees exist on forest land in sufficient quantity to be likely to further the spread of fire within areas covered by a forest health hazard warning or order issued by the commissioner of public lands under section 7 of this act. The term "additional fire hazard" does not include green trees or snags left standing in upland or riparian areas under the provisions of RCW 76.04.465 or chapter 76.09 RCW.

(2) "Closed season" means the period between April 15 and October 15, unless the department designates different dates because of prevailing fire weather conditions.

(3) "Department" means the department of natural resources, or its authorized representatives, as defined in chapter 43.30 RCW.

(4) "Department protected lands" means all lands subject to the forest protection assessment under RCW 76.04.610 or covered under contract or agreement pursuant to RCW 76.04.135 by the department.

(5) "Disturbance agent" means those forces that damage or kill significant numbers of forest trees, such as insects, diseases, wind storms, ice storms, and fires.

~~(6)~~ (6) "Emergency fire costs" means those costs incurred or approved by the department for emergency forest fire suppression, including the employment of personnel, rental of equipment, and purchase of supplies over and above costs regularly budgeted and provided for nonemergency fire expenses for the biennium in which the costs occur.

~~((6))~~ (7) "Forest debris" includes forest slash, chips, and any other vegetative residue resulting from activities on forest land.

~~((7))~~ (8) "Forest fire service" includes all wardens, rangers, and other persons employed especially for preventing or fighting forest fires.

~~((8))~~ (9) "Forest land" means any unimproved lands which have enough trees, standing or down, or flammable material, to constitute in the judgment of the department, a fire menace to life or property. Sagebrush and grass areas east of the summit of the Cascade mountains may be considered forest lands when such areas are adjacent to or intermingled with areas supporting tree growth. Forest land, for protection purposes, does not include structures.

~~((9))~~ (10) "Forest landowner," "owner of forest land," "landowner," or "owner" means the owner or the person in possession of any public or private forest land.

~~((10))~~ (11) "Forest material" means forest slash, chips, timber, standing or down, or other vegetation.

~~((11))~~ (12) "Landowner operation" means every activity, and supporting activities, of a forest landowner and the landowner's agents, employees, or independent contractors or permittees in the management and use of forest land subject to the forest protection assessment under RCW 76.04.610 for the primary benefit of the owner. The term includes, but is not limited to, the growing and harvesting of forest products, the development of transportation systems, the utilization of minerals or other natural resources, and the clearing of land. The term does not include recreational and/or residential activities not associated with these enumerated activities.

~~((12))~~ (13) "Participating landowner" means an owner of forest land whose land is subject to the forest protection assessment under RCW 76.04.610.

~~((13))~~ (14) "Slash" means organic forest debris such as tree tops, limbs, brush, and other dead flammable material remaining on forest land as a result of a landowner operation.

~~((14))~~ (15) "Slash burning" means the planned and controlled burning of forest debris on forest lands by broadcast burning, underburning, pile burning, or other means, for the purposes of silviculture, hazard abatement, or reduction and prevention or elimination of a fire hazard.

~~((15))~~ (16) "Suppression" means all activities involved in the containment and control of forest fires, including the patrolling thereof until such fires are extinguished or considered by the department to pose no further threat to life or property.

~~((16))~~ (17) "Unimproved lands" means those lands that will support grass, brush and tree growth, or other flammable material when such lands are not cleared or cultivated and, in the opinion of the department, are a fire menace to life and property.

**Sec. 13.** RCW 76.04.660 and 1986 c 100 s 39 are each amended to read as follows:

(1) The owner of land on which there is an additional fire hazard (~~and the person responsible for the existence of an additional fire hazard~~), when the hazard is the result of a landowner operation or the land is within an area covered by a forest health hazard warning issued under section 7 of this act, shall take reasonable measures to reduce the danger of fire spreading from the area and may abate the hazard by burning or other satisfactory means.

(2) An extreme fire hazard shall exist within areas covered by a forest health hazard order issued by the commissioner of public lands under section 7 of this act in which there is an additional fire hazard caused by disturbance agents and the landowner has failed to take such action as required by the forest health hazard order. The duties and liability of such landowner under this chapter are as described in subsections (5), (6), and (7) of this section.

(3) The department shall adopt rules defining areas of extreme fire hazard that the owner and person responsible shall abate. The areas shall include but are not limited to high risk areas such as where life or buildings may be endangered, areas adjacent to public highways, and areas of frequent public use.

~~((3))~~ (4) The department may adopt rules, after consultation with the forest fire advisory board, defining other conditions of extreme fire hazard with a high potential for fire spreading to lands in other ownerships. The department may prescribe additional measures that shall be taken by the owner and person responsible to isolate or reduce the extreme fire hazard.

~~((4))~~ (5) The owner or person responsible for the existence of the extreme fire hazard is required to abate, isolate, or reduce the hazard. The duty to abate, isolate, or reduce, and liability under this chapter, arise upon creation of the extreme fire hazard. Liability shall include but not be limited to all fire suppression expenses incurred by the department, regardless of fire cause.

~~((5))~~ (6) If the owner or person responsible for the existence of the extreme fire hazard or forest debris subject to RCW 76.04.650 refuses, neglects, or unsuccessfully attempts to abate, isolate, or reduce the same, the department may summarily abate, isolate, or reduce the hazard as required by this chapter and recover twice the actual cost thereof from the owner or person responsible. Landowner contingency forest fire suppression account moneys may be used by the department, when available, for this purpose. Moneys recovered by the department pursuant to this section shall be returned to the landowner contingency forest fire suppression account.

~~((6))~~ (7) Such costs shall include all salaries and expenses of people and equipment incurred therein, including those of the department. All such costs shall also be a lien upon the land enforceable in the same manner with the same effect as a mechanic's lien.

~~((7))~~ (8) The summary action may be taken only after ten days' notice in writing has been given to the owner or reputed owner of the land on which the extreme fire hazard or forest debris subject to RCW 76.04.650 exists. The notice shall include a suggested method of abatement and estimated cost thereof. The notice shall be by personal service or by registered or certified mail addressed to the owner or reputed owner at the owner's last known place of residence.

(9) A landowner or manager may make a written request to the department to inspect their property and provide a written notice that they have complied

with a forest health hazard warning or forest health hazard order, or otherwise adequately abated, isolated, or reduced an additional or extreme fire hazard. An additional or extreme fire hazard shall be considered to continue to exist unless and until the department, in its sole discretion, issues such notice.

NEW SECTION. Sec. 14. The following acts or parts of acts are each repealed:

(1) RCW 76.06.050 (Infestation control district—Creation—Notice to owners) and 1988 c 128 s 17, 1961 c 72 s 1, & 1951 c 233 s 5;

(2) RCW 76.06.060 (Department to control pests and diseases if owner fails) and 1988 c 128 s 18 & 1951 c 233 s 6;

(3) RCW 76.06.070 (Lien for costs of control—Collection) and 1988 c 128 s 19 & 1951 c 233 s 7;

(4) RCW 76.06.080 (Owner complying with notice is exempt) and 1988 c 128 s 20 & 1951 c 233 s 11;

(5) RCW 76.06.090 (Dissolution of infestation control district) and 1988 c 128 s 21 & 1951 c 233 s 12; and

(6) RCW 76.06.110 (Deposit of moneys in general fund—Allotment as unanticipated receipts) and 1979 ex.s. c 67 s 12 & 1951 c 233 s 9.

Passed by the Senate March 14, 2007.

Passed by the House April 6, 2007.

Approved by the Governor May 14, 2007.

Filed in Office of Secretary of State May 15, 2007.

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## CHAPTER 481

[Substitute House Bill 2378]

### STATE FERRIES—NEW VESSEL CONSTRUCTION

AN ACT Relating to construction of new vessels for Washington state ferries; adding a new section to chapter 47.60 RCW; creating a new section; and declaring an emergency.

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

NEW SECTION. Sec. 1. The legislature finds that the Washington state ferry system has an excellent safety record and has commenced a long-term vessel procurement plan to ensure the replacement of older and outdated ferry vessels. The legislature further finds that the current vessel procurement process must move forward with all due speed, balancing the interests of both the taxpayers and shipyards. The commencement of construction of new vessels is important not only for safety reasons, but also to keep skilled marine construction jobs in the Puget Sound region and to sustain the capacity of the region to meet the ongoing preservation needs of the ferry system fleet of vessels.

The legislature further finds that the balancing of interests described in this section may necessitate the department of transportation to consider in the department's current new 144—auto ferries request for proposals a single proposal submitted jointly by the current best-qualified proposers. The department may, therefore, consider and accept or reject in the department's discretion such a single proposal, and the current best-qualified proposers may meet and confer to discuss matters that are reasonably necessary to determine whether to submit such a single proposal and to implement a single final contract

if the proposal is accepted by the department. Discussions may address the terms of any agreement that may be entered into between the best qualified proposers for purposes of submitting a single proposal, as well as any agreement that may be entered into with the department. Discussions may also address cost and price information and division of work under the request for proposals. The current best-qualified proposers shall each expressly declare in writing to the department, their intent, if any, to jointly submit a single proposal within thirty days of the effective date of this act, and shall further provide within the thirty-day period information that may be required by the department including, but not limited to, information regarding the proposed shipyard organizational structure and responsibilities of each participant. If at the end of the thirty-day period the proposers have not declared such an intent and provided the information required by the department, or if the department, in its discretion, determines that the joint venture, other legal entity, or organizational structure, or division of responsibilities intended by the joint proposers are unacceptable and not in the best interests of the state, the proposers will be deemed as proposing separately to the request for proposals, and further discussions related to the request for proposals shall not be allowed between the proposers.

To further facilitate the balancing of interests described in this section, the department of transportation may, in its discretion, make revisions to the request for proposals that the department deems necessary or appropriate to balance such interests.

NEW SECTION. Sec. 2. A new section is added to chapter 47.60 RCW to read as follows:

If at any point there is only a single best-qualified proposer participating in the competitive design-build procurement process prior to the submission of bids in phase three, or if there is only a single responsive and responsible bid submitted in phase three, or if the current best-qualified proposers elect to jointly submit a single proposal, the department may negotiate a fair-value contract with the proposer or joint proposers. The negotiations may consider the scope of work as well as contract price. The contract price must be established between the department and the proposer through negotiation based on detailed cost and price information provided by the proposer, the department, and other relevant sources in a format as determined by the department. To achieve efficiencies, the department may negotiate incentives and economic cost sharing between the state and the proposer. In addition to the cost incentives, other incentives may be considered, as determined by the department, to be in the best interests of the state. Such incentives may include, but are not limited to, key schedule milestones, technological innovations, performance efficiencies, constructability, and operational value or life-cycle cost. The department may issue guidelines, requirements, and procedures for all negotiations.

If the department conducts negotiations with a single remaining proposer or joint proposers prior to the submission of bids in phase three, all negotiations must be completed within forty-five days of the department's approval of the final technical proposal. If the department conducts negotiations with a single responsive and responsible phase three bidder, all negotiations must be completed within thirty days of submission of the phase three bids.

If the department reaches an agreement with the proposer or joint proposers, the department shall submit a copy of the contract, the final negotiated price, and

supporting information to the office of financial management at least ten days prior to execution of the contract. If the final negotiated price is greater than the legislature's adopted expenditure plan for vessel construction, the department may not execute the contract until the legislature reviews the final proposals and adjusts the expenditure plan accordingly.

If the department is unable within the designated time period to reach an agreement with the proposer or joint proposers that is fair, reasonable, and in the department's budget, or if the proposers initially provide notice of their intent to jointly submit a single proposal but fail to do so, or if any one of the proposers withdraws from a jointly submitted single proposal before entering into a contract with the department, or if both of the current best-qualified proposers withdraw or otherwise fail to proceed with the request for proposals process, the department may issue a new request for proposals or cancel the request for proposals process, to serve the best interests of the state.

The department may pay an honorarium in a specified amount determined by the department to a proposer or joint proposers who has submitted a final, approved technical proposal and with whom the department has engaged in unsuccessful negotiations. The proposer or joint proposers shall not receive any other compensation for attempting to negotiate a contract, except to the extent allowed by the department in a final contract awarded pursuant to the request for proposal.

NEW SECTION. Sec. 3. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House April 11, 2007.

Passed by the Senate April 13, 2007.

Approved by the Governor May 14, 2007.

Filed in Office of Secretary of State May 15, 2007.

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## CHAPTER 482

[Second Substitute House Bill 1636]

### REGIONAL TRANSFER OF DEVELOPMENT RIGHTS PROGRAM

AN ACT Relating to the creation of a regional transfer of development rights program; adding a new chapter to Title 43 RCW; and creating a new section.

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

NEW SECTION. Sec. 1. The legislature finds that current concern over the rapid and increasing loss of rural, agricultural, and forested land has led to the exploration of creative approaches to preserving these important lands. The legislature finds also that the creation of a regional transfer of development rights marketplace will assist in slowing the conversion of these lands.

The legislature further finds that transferring development rights is a market-based technique that encourages the voluntary transfer of growth from places where a community would like to see less development, referred to as sending areas, to places where a community would like to see more development, referred to as receiving areas. Under this technique, permanent deed restrictions are placed on the sending area properties to ensure that the land will be used only for approved activities such as farming, forest management,

conservation, or passive recreation. Also under this technique, the costs of purchasing the recorded development restrictions are borne by the developers who receive the building credit or bonus.

Accordingly, the legislature has determined that it is good public policy to build upon existing transfer of development rights programs, pilot projects, and private initiatives that foster effective use of transferred development rights through the creation of a market-based program that focuses on the central Puget Sound region.

**NEW SECTION. Sec. 2.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Department" means the department of community, trade, and economic development.

(2) "Nongovernmental entities" includes nonprofit or membership organizations with experience or expertise in transferring development rights.

(3) "Transfer of development rights" includes methods for protecting land from development by voluntarily removing the development rights from a sending area and transferring them to a receiving area for the purpose of increasing development density in the receiving area.

**NEW SECTION. Sec. 3.** Subject to the availability of amounts appropriated for this specific purpose, the department shall fund a process to develop a regional transfer of development rights program that comports with chapter 36.70A RCW that:

(1) Encourages King, Kitsap, Pierce, and Snohomish counties, and the cities within these counties, to participate in the development and implementation of regional frameworks and mechanisms that make transfer of development rights programs viable and successful. The department shall encourage and embrace the efforts in any of these counties or cities to develop local transfer of development rights programs. In fulfilling the requirements of this chapter, the department shall work with the Puget Sound regional council and its growth management policy board to develop a process that satisfies the requirements of this chapter. In the development of a process to create a regional transfer of development rights program, the Puget Sound regional council and its growth management policy board shall develop policies to discourage, or prohibit if necessary, the transfer of development rights from a sending area that would negatively impact the future economic viability of the sending area. The department shall also work with an advisory committee to develop a regional transfer of development rights marketplace that includes, but is not limited to, supporting strategies for financing infrastructure and conservation. The department shall establish an advisory committee of nine stakeholders with representatives of the following interests:

(a) Two qualified nongovernmental organizations with expertise in the transfer of development rights. At least one organization must have a statewide expertise in growth management planning and in the transfer of development rights and at least one organization must have a local perspective on market-based conservation strategies and transfer of development rights;

(b) Two representatives from real estate and development;

(c) One representative with a county government perspective;

(d) Two representatives from cities of different sizes and geographic areas within the four-county region; and

(e) Two representatives of the agricultural industry; and

(2) Allows the department to utilize recommendations of the interested local governments, nongovernmental entities, and the Puget Sound regional council to develop recommendations and strategies for a regional transfer of development rights marketplace with supporting strategies for financing infrastructure and conservation that represents the consensus of the governmental and nongovernmental parties engaged in the process. However, if agreement between the parties cannot be reached, the department shall make recommendations to the legislature that seek to balance the needs and interests of the interested governmental and nongovernmental parties. The department may contract for expertise to accomplish any of the following tasks. Recommendations developed under this subsection must:

(a) Identify opportunities for cities, counties, and the state to achieve significant benefits through using transfer of development rights programs and the value in modifying criteria by which capital budget funds are allocated, including but not limited to, existing state grant programs to provide incentives for local governments to implement transfer of development rights programs;

(b) Address challenges to the creation of an efficient and transparent transfer of development rights market, including the creation of a transfer of development rights bank, brokerage, or direct buyer-seller exchange;

(c) Address issues of certainty to buyers and sellers of development rights that address long-term environmental benefits and perceived inequities in land values and permitting processes;

(d) Address the means for assuring that appropriate values are recognized and updated, as well as specifically addressing the need to maintain the quality of life in receiving neighborhoods and the protection of environmental values over time;

(e) Identify opportunities and challenges that, if resolved, would result in cities throughout the Puget Sound region participating in a transfer of development rights market;

(f) Compare the uses of a regional transfer of development rights program to other existing land conservation strategies to protect rural and resource lands and implement the growth management act; and

(g) Identify appropriate sending areas so as to protect future growth and economic development needs of the sending areas.

**NEW SECTION. Sec. 4.** The department shall submit recommendations, findings, and legislative recommendations according to the following schedule:

(1) By December 1, 2007, the department shall notify the governor and the appropriate committees of the legislature of any recommended actions for advancing the purposes of this act.

(2) By December 1, 2008, the department shall notify the governor and the appropriate committees of the legislature of findings and legislative recommendations to implement a regional transfer of development rights program.

**NEW SECTION. Sec. 5.** Sections 1 through 3 of this act constitute a new chapter in Title 43 RCW.



Passed by the House April 14, 2007.  
Passed by the Senate April 9, 2007.  
Approved by the Governor May 15, 2007.  
Filed in Office of Secretary of State May 16, 2007.

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**CHAPTER 483**

[Engrossed Substitute Senate Bill 6157]

**OFFENDER RECIDIVISM**

AN ACT Relating to reducing offender recidivism by increasing access and coordination of offender services in communities through inventories of services and community transition coordination network pilot programs; by improving local law and justice councils to focus their efforts on effective use of correctional resources and coordination between state and local law enforcement and corrections agencies; by developing and implementing individual reentry plans that describe actions and services to prepare offenders for release from jail or prison and require an offender to participate in available programming directed in their plan in order to qualify for fifty percent earned early release; by excluding the use of an individual reentry plan as the basis in civil actions against local governments; by requiring an offender released to community supervision to be returned to the county of origin unless it is inappropriate due to matters of victim safety, lack of family or other supports for the offender in other locations, or negative influences on the offender in that community; by requiring the department of corrections to prepare a list of counties and rural multicounty areas for anticipated siting of work release, community justice centers and other community-based correctional facilities while making substantial efforts to provide for the equitable distribution of the facilities; by studying and identifying evidence-based practices for work release; by increasing the use of effective practices in residential and nonresidential transition facilities for offenders under the jurisdiction of the department of corrections; by permitting partial confinement in lieu of earned early release up to three months; by requiring, upon a finding at a third violation hearing that the offender committed a violation, the return of an offender to total confinement to serve up to the remaining portion of his or her sentence unless it is determined that returning the offender would interfere with the offender's ability to maintain community supports or participate in treatment and would increase the likelihood of reoffending; by requiring an offender arrested for a new felony while under community custody, community placement, or community supervision to be held in confinement until a hearing before the department or until a formal charge is filed, whichever is earlier; by prohibiting an offender under community custody, community placement, or community supervision who is found guilty of a new felony after the effective date of this act from qualifying for fifty percent earned early release; by creating a task force to study and review the current laws and policy regarding community custody and community supervision; by conducting a community corrections workload study; by improving educational opportunities; by providing liability protection for landlords who rent to former offenders and entities participating in the transitional housing program under certain conditions; by encouraging housing authorities to formulate rental policies not overly burdensome to previously incarcerated individuals; by establishing a transitional housing program for offenders in need of stable housing; by allowing funds to be disbursed from a personal inmate savings account in order to assist an offender to secure appropriate housing; by establishing expedited procedures for released offenders to obtain a driver's license or identification card; by reviewing and recommending changes to occupational licensing laws; and by adding appropriations for sections 305(2) and (4), section 304(1)(b)(ii)(D) and (E), and section 307 of this act; amending RCW 72.09.300, 72.09.015, 9.94A.728, 9.94A.737, 72.09.460, 72.09.480, and 72.09.111; adding new sections to chapter 72.09 RCW; adding a new section to chapter 59.18 RCW; adding a new section to chapter 35.82 RCW; adding a new section to chapter 43.185C RCW; adding a new chapter to Title 72 RCW; creating new sections; making appropriations; and providing expiration dates.

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

**NEW SECTION. Sec. 1.** The people of the state of Washington expect to live in safe communities in which the threat of crime is minimized. Attempting to keep communities safe by building more prisons and paying the costs of incarceration has proven to be expensive to taxpayers. Incarceration is a

necessary consequence for some offenders, however, the vast majority of those offenders will eventually return to their communities. Many of these former offenders will not have had the opportunity to address the deficiencies that may have contributed to their criminal behavior. Persons who do not have basic literacy and job skills, or who are ill-equipped to make the behavioral changes necessary to successfully function in the community, have a high risk of reoffense. Recidivism represents serious costs to victims, both financial and nonmonetary in nature, and also burdens state and local governments with those offenders who recycle through the criminal justice system.

The legislature believes that recidivism can be reduced and a substantial cost savings can be realized by utilizing evidence-based, research-based, and promising programs to address offender deficits, developing and better coordinating the reentry efforts of state and local governments and local communities. Research shows that if quality assurances are adhered to, implementing an optimal portfolio of evidence-based programming options for offenders who are willing to take advantage of such programs can have a notable impact on recidivism.

While the legislature recognizes that recidivism cannot be eliminated and that a significant number of offenders are unwilling or unable to work to develop the tools necessary to successfully reintegrate into society, the interests of the public overall are better served by better preparing offenders while incarcerated, and continuing those efforts for those recently released from prison or jail, for successful, productive, and healthy transitions to their communities. Educational, employment, and treatment opportunities should be designed to address individual deficits and ideally give offenders the ability to function in society. In order to foster reintegration, this act recognizes the importance of a strong partnership between the department of corrections, local governments, law enforcement, social service providers, and interested members of communities across our state.

#### **PART I - COMMUNITY TRANSITION COORDINATION NETWORKS**

NEW SECTION. **Sec. 101.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) A "community transition coordination network" is a system of coordination that facilitates partnerships between supervision and service providers. It is anticipated that an offender who is released to the community will be able to utilize a community transition coordination network to be connected directly to the supervision and/or services needed for successful reentry.

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

(3) An "individual reentry plan" means the plan to prepare an offender for release into the community. A reentry plan is developed collaboratively between the supervising authority and the offender and based on an assessment of the offender using a standardized and comprehensive tool to identify the offenders' risks and needs. An individual reentry plan describes actions that should occur to prepare individual offenders for release from jail or prison and specifies the

supervision and/or services he or she will experience in the community, taking into account no contact provisions of the judgment and sentence. An individual reentry plan should be updated throughout the period of an offender's incarceration and supervision to be relevant to the offender's current needs and risks.

(4) "Local community policing and supervision programs" include probation, work release, jails, and other programs operated by local police, courts, or local correctional agencies.

(5) "Promising practice" means a practice that presents, based on preliminary information, potential for becoming a research-based or consensus-based practice.

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

(7) "Supervising authority" means the agency or entity that has the responsibility for supervising an offender.

**NEW SECTION. Sec. 102.** (1) Each county or group of counties shall conduct an inventory of the services and resources available in the county or group of counties to assist offenders in reentering the community.

(2) In conducting its inventory, the county or group of counties should consult with the following:

(a) The department of corrections, including community corrections officers;

(b) The department of social and health services in applicable program areas;

(c) Representatives from county human services departments and, where applicable, multicounty regional support networks;

(d) Local public health jurisdictions;

(e) City and county law enforcement;

(f) Local probation/supervision programs;

(g) Local community and technical colleges;

(h) The local worksource center operated under the statewide workforce investment system;

(i) Faith-based and nonprofit organizations providing assistance to offenders;

(j) Housing providers;

(k) Crime victims service providers; and

(l) Other community stakeholders interested in reentry efforts.

(3) The inventory must include, but is not limited to:

(a) A list of programs available through the entities listed in subsection (2) of this section and services currently available in the community for offenders including, but not limited to, housing assistance, employment assistance, education, vocational training, parenting education, financial literacy, treatment for substance abuse, mental health, anger management, life skills training, specialized treatment programs such as batterers treatment and sex offender treatment, and any other service or program that will assist the former offender to successfully transition into the community; and

(b) An indication of the availability of community representatives or volunteers to assist the offender with his or her transition.

(4) No later than January 1, 2008, each county or group of counties shall present its inventory to the policy advisory committee convened in section 103(8) of this act.

NEW SECTION. Sec. 103. (1) The department of community, trade, and economic development shall establish a community transition coordination network pilot program for the purpose of awarding grants to counties or groups of counties for implementing coordinated reentry efforts for offenders returning to the community. Grant awards are subject to the availability of amounts appropriated for this specific purpose.

(2) By September 1, 2007, the Washington state institute for public policy shall, in consultation with the department of community, trade, and economic development, develop criteria for the counties in conducting its evaluation as directed by subsection (6)(c) of this section.

(3) Effective February 1, 2008, any county or group of counties may apply for participation in the community transition coordination network pilot program by submitting a proposal for a community transition coordination network.

(4) A proposal for a community transition coordination network initiated under this section must be collaborative in nature and must seek locally appropriate evidence-based or research-based solutions and promising practices utilizing the participation of public and private entities or programs to support successful, community-based offender reentry.

(5) In developing a proposal for a community transition coordination network, counties or groups of counties and the department of corrections shall collaborate in addressing:

(a) Efficiencies that may be gained by sharing space or resources in the provision of reentry services to offenders;

(b) Mechanisms for communication of information about offenders, including the feasibility of shared access to databases;

(c) Partnerships to establish neighborhood corrections initiatives as defined in section 302 of this act.

(6) A proposal for a community transition coordination network must include:

(a) Descriptions of collaboration and coordination between local community policing and supervision programs and those agencies and entities identified in the inventory conducted pursuant to section 102 of this act to address the risks and needs of offenders under a participating county or city misdemeanor probation or other supervision program including:

(i) A proposed method of assessing offenders to identify the offenders' risks and needs. Counties and cities are encouraged, where possible, to make use of assessment tools developed by the department of corrections in this regard;

(ii) A proposal for developing and/or maintaining an individual reentry plan for offenders;

(iii) Connecting offenders to services and resources that meet the offender's needs as identified in his or her individual reentry plan including the identification of community representatives or volunteers that may assist the offender with his or her transition; and

(iv) The communication of assessment information, individual reentry plans, and service information between parties involved with offender's reentry;

(b) Mechanisms to provide information to former offenders regarding services available to them in the community regardless of the length of time since the offender's release and regardless of whether the offender was released from prison or jail. Mechanisms shall, at a minimum, provide for:

(i) Maintenance of the information gathered in section 102 of this act regarding services currently existing within the community that are available to offenders; and

(ii) Coordination of access to existing services with community providers and provision of information to offenders regarding how to access the various type of services and resources that are available in the community; and

(c) An evaluation of the county's or group of counties' readiness to implement a community transition coordination network including the social service needs of offenders in general, capacity of local facilities and resources to meet offenders' needs, and the cost to implement and maintain a community transition coordination network for the duration of the pilot project.

(7) The department of community, trade, and economic development shall review county applications for funding through the community transition coordination network pilot program and, no later than April 1, 2008, shall select up to four counties or groups of counties. In selecting pilot counties or regions, the department shall consider the extent to which the proposal:

(a) Addresses the requirements set out in subsection (6) of this section;

(b) Proposes effective partnerships and coordination between local community policing and supervision programs, social service and treatment providers, and the department of corrections' community justice center, if a center is located in the county or region;

(c) Focuses on measurable outcomes such as increased employment and income, treatment objectives, maintenance of stable housing, and reduced recidivism;

(d) Contributes to the diversity of pilot programs, considering factors such as geographic location, size of county or region, and reentry services currently available. The department shall ensure that a grant is awarded to at least one rural county or group of counties and at least one county or group of counties where a community justice center operated by the department of corrections is located; and

(e) Is feasible, given the evaluation of the social service needs of offenders, the existing capacity of local facilities and resources to meet offenders' needs, and the cost to implement a community transition coordination network in the county or group of counties.

(8) The department of community, trade, and economic development shall convene a policy advisory committee composed of representatives from the senate, the house of representatives, the governor's office of financial management, the department of corrections, to include one representative who is a community corrections officer, the office of crime victims' advocacy, the Washington state association of counties, association of Washington cities, a nonprofit provider of reentry services, and an ex-offender who has discharged the terms of his or her sentence. The advisory committee shall meet no less than annually to receive status reports on the implementation of community transition coordination networks, review annual reports and the pilot project evaluations submitted pursuant to section 105 of this act, and identify evidence-based,

research-based, and promising practices for other counties seeking to establish community transition coordination networks.

(9) Pilot networks established under this section shall extend for a period of four fiscal years, beginning July 1, 2008, and ending June 30, 2012.

(10) This section expires June 30, 2013.

**NEW SECTION. Sec. 104.** (1) Nothing in section 103 of this act is intended to shift the supervising responsibility or sanctioning authority from one government entity to another or give a community transition coordination network oversight responsibility for those activities or allow imposition of civil liability where none existed previously.

(2) An individual reentry plan may not be used as the basis of liability against local government entities, or its officers or employees.

**NEW SECTION. Sec. 105.** (1) It is the intent of the legislature to provide funding for this project.

(2) Counties receiving state funds must:

(a) Demonstrate the funds allocated pursuant to this section will be used only for those purposes in establishing and maintaining a community transition coordination network;

(b) Consult with the Washington state institute for public policy at the inception of the pilot project to refine appropriate outcome measures and data tracking systems;

(c) Submit to the advisory committee established in section 103(8) of this act an annual progress report by June 30th of each year of the pilot project to report on identified outcome measures and identify evidence-based, research-based, or promising practices;

(d) Cooperate with the Washington state institute for public policy at the completion of the pilot project to conduct an evaluation of the project.

(3) The Washington state institute for public policy shall provide direction to counties in refining appropriate outcome measures for the pilot projects and establishing data tracking systems. At the completion of the pilot project, the institute shall conduct an evaluation of the projects including the benefit-cost ratio of service delivery through a community transition coordination network, associated reductions in recidivism, and identification of evidence-based, research-based, or promising practices. The institute shall report to the governor and the legislature with the results of its evaluation no later than December 31, 2012.

(4) This section expires June 30, 2013.

**NEW SECTION. Sec. 106.** (1) The community transition coordination network account is created in the state treasury. The account may receive legislative appropriations, gifts, and grants. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the purposes of section 103 of this act.

(2) This section expires June 30, 2013.

**NEW SECTION. Sec. 107.** Nothing in this act creates an entitlement for a county or group of counties to receive funding under the program created in section 103 of this act, nor an obligation for a county or group of counties to maintain a community transition coordination network established pursuant to section 103 of this act upon expiration of state funding.

**Sec. 108.** RCW 72.09.300 and 1996 c 232 s 7 are each amended to read as follows:

(1) Every county legislative authority shall by resolution or ordinance establish a local law and justice council. The county legislative authority shall determine the size and composition of the council, which shall include the county sheriff and a representative of the municipal police departments within the county, the county prosecutor and a representative of the municipal prosecutors within the county, a representative of the city legislative authorities within the county, a representative of the county's superior, juvenile, district, and municipal courts, the county jail administrator, the county clerk, the county risk manager, and the secretary of corrections and his or her designees. Officials designated may appoint representatives.

(2) A combination of counties may establish a local law and justice council by intergovernmental agreement. The agreement shall comply with the requirements of this section.

(3) The local law and justice council (~~(shall develop a local law and justice plan for the county. The council shall design the elements and scope of the plan, subject to final approval by the county legislative authority. The general intent of the plan shall include seeking means to maximize)~~) may address issues related to:

(a) Maximizing local resources including personnel and facilities, (~~reduce~~) reducing duplication of services, and (~~share~~) sharing resources between local and state government in order to accomplish local efficiencies without diminishing effectiveness(~~— The plan shall also include a section on jail management. This section may include the following elements:~~

~~(a) A description of current jail conditions, including whether the jail is overcrowded;~~

~~(b) A description of potential alternatives to incarceration;~~

~~(c) A description of current jail resources;~~

~~(d) A description of the jail population as it presently exists and how it is projected to change in the future;~~

~~(e) A description of projected future resource requirements;~~

~~(f) A proposed action plan, which shall include recommendations to maximize resources, maximize the use of intermediate sanctions, minimize overcrowding, avoid duplication of services, and effectively manage the jail and the offender population;~~

~~(g) A list of proposed advisory jail standards and methods to effect periodic quality assurance inspections of the jail;~~

~~(h) A proposed plan to collect, synthesize, and disseminate technical information concerning local criminal justice activities, facilities, and procedures;~~

~~(i) A description of existing and potential services for offenders including employment services, substance abuse treatment, mental health services, and housing referral services.~~

(4) ~~The council may propose other elements of the plan, which shall be subject to review and approval by the county legislative authority, prior to their inclusion into the plan.~~

~~(5));~~

(b) Jail management;

(c) Mechanisms for communication of information about offenders, including the feasibility of shared access to databases; and

(d) Partnerships between the department and local community policing and supervision programs to facilitate supervision of offenders under the respective jurisdictions of each and timely response to an offender's failure to comply with the terms of supervision.

~~(4)~~ The county legislative authority may request technical assistance in ~~((developing or implementing the plan from))~~ coordinating services with other units or agencies of state or local government, which shall include the department, the office of financial management, and the Washington association of sheriffs and police chiefs.

~~((6))~~ (5) Upon receiving a request for assistance from a county, the department may provide the requested assistance.

~~((7))~~ (6) The secretary may adopt rules for the submittal, review, and approval of all requests for assistance made to the department. ~~((The secretary may also appoint an advisory committee of local and state government officials to recommend policies and procedures relating to the state and local correctional systems and to assist the department in providing technical assistance to local governments. The committee shall include representatives of the county sheriffs, the police chiefs, the county prosecuting attorneys, the county and city legislative authorities, and the jail administrators. The secretary may contract with other state and local agencies and provide funding in order to provide the assistance requested by counties.~~

~~(8)~~ The department shall establish a base level of state correctional services, which shall be determined and distributed in a consistent manner statewide. The department's contributions to any local government, approved pursuant to this section, shall not operate to reduce this base level of services.

~~(9)~~ The council shall establish an advisory committee on juvenile justice proportionality. ~~The council shall appoint the county juvenile court administrator and at least five citizens as advisory committee members. The citizen advisory committee members shall be representative of the county's ethnic and geographic diversity. The advisory committee members shall serve two year terms and may be reappointed. The duties of the advisory committee include:~~

~~(a) Monitoring and reporting to the sentencing guidelines commission on the proportionality, effectiveness, and cultural relevance of:~~

~~(i) The rehabilitative services offered by county and state institutions to juvenile offenders; and~~

~~(ii) The rehabilitative services offered in conjunction with diversions, deferred dispositions, community supervision, and parole;~~

~~(b) Reviewing citizen complaints regarding bias or disproportionality in that county's juvenile justice system;~~

~~(c) By September 1 of each year, beginning with 1995, submit to the sentencing guidelines commission a report summarizing the advisory committee's findings under (a) and (b) of this subsection.)~~

NEW SECTION. Sec. 109. Sections 101 through 107 of this act constitute a new chapter in Title 72 RCW.



## PART II - INDIVIDUAL REENTRY PLAN

NEW SECTION. **Sec. 201.** Individual reentry plans are intended to be a tool for the department of corrections to identify the needs of an offender. Individual reentry plans are meant to assist the department in targeting programming and services to offenders with the greatest need and to the extent that those services are funded and available. The state cannot meet every need that may have contributed to every offender's criminal proclivities. Further, an individual reentry plan, and the programming resulting from that plan, are not a guarantee that an offender will not recidivate. Rather, the legislature intends that by identifying offender needs and offering programs that have been proven to reduce the likelihood of reoffense, the state will benefit by an overall reduction in recidivism.

**Sec. 202.** RCW 72.09.015 and 2004 c 167 s 6 are each amended to read as follows:

The definitions in this section apply throughout this chapter.

(1) "Adult basic education" means education or instruction designed to achieve general competence of skills in reading, writing, and oral communication, including English as a second language and preparation and testing services for obtaining a high school diploma or a general equivalency diploma.

(2) "Base level of correctional services" means the minimum level of field services the department of corrections is required by statute to provide for the supervision and monitoring of offenders.

~~((2))~~ (3) "Contraband" means any object or communication the secretary determines shall not be allowed to be: (a) Brought into; (b) possessed while on the grounds of; or (c) sent from any institution under the control of the secretary.

~~((3))~~ (4) "County" means a county or combination of counties.

~~((4))~~ (5) "Department" means the department of corrections.

~~((5))~~ (6) "Earned early release" means earned release as authorized by RCW 9.94A.728.

~~((6))~~ (7) "Evidence-based" means a program or practice that has had multiple-site random controlled trials across heterogeneous populations demonstrating that the program or practice is effective in reducing recidivism for the population.

(8) "Extended family visit" means an authorized visit between an inmate and a member of his or her immediate family that occurs in a private visiting unit located at the correctional facility where the inmate is confined.

~~((7))~~ (9) "Good conduct" means compliance with department rules and policies.

~~((8))~~ (10) "Good performance" means successful completion of a program required by the department, including an education, work, or other program.

~~((9))~~ (11) "Immediate family" means the inmate's children, stepchildren, grandchildren, great grandchildren, parents, stepparents, grandparents, great grandparents, siblings, and a person legally married to an inmate. "Immediate family" does not include an inmate adopted by another inmate or the immediate family of the adopted or adopting inmate.

~~((10))~~ (12) "Indigent inmate," "indigent," and "indigency" mean an inmate who has less than a ten-dollar balance of disposable income in his or her

institutional account on the day a request is made to utilize funds and during the thirty days previous to the request.

~~((11))~~ (13) "Individual reentry plan" means the plan to prepare an offender for release into the community. It should be developed collaboratively between the department and the offender and based on an assessment of the offender using a standardized and comprehensive tool to identify the offenders' risks and needs. The individual reentry plan describes actions that should occur to prepare individual offenders for release from prison or jail, specifies the supervision and services they will experience in the community, and describes an offender's eventual discharge to aftercare upon successful completion of supervision. An individual reentry plan is updated throughout the period of an offender's incarceration and supervision to be relevant to the offender's current needs and risks.

(14) "Inmate" means a person committed to the custody of the department, including but not limited to persons residing in a correctional institution or facility and persons released on furlough, work release, or community custody, and persons received from another state, state agency, county, or federal jurisdiction.

~~((12))~~ (15) "Privilege" means any goods or services, education or work programs, or earned early release days, the receipt of which are directly linked to an inmate's (a) good conduct; and (b) good performance. Privileges do not include any goods or services the department is required to provide under the state or federal Constitution or under state or federal law.

~~((13))~~ (16) "Promising practice" means a practice that presents, based on preliminary information, potential for becoming a research-based or consensus-based practice.

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

(18) "Secretary" means the secretary of corrections or his or her designee.

~~((14))~~ (19) "Significant expansion" includes any expansion into a new product line or service to the class I business that results from an increase in benefits provided by the department, including a decrease in labor costs, rent, or utility rates (for water, sewer, electricity, and disposal), an increase in work program space, tax advantages, or other overhead costs.

~~((15))~~ (20) "Superintendent" means the superintendent of a correctional facility under the jurisdiction of the Washington state department of corrections, or his or her designee.

~~((16))~~ (21) "Unfair competition" means any net competitive advantage that a business may acquire as a result of a correctional industries contract, including labor costs, rent, tax advantages, utility rates (water, sewer, electricity, and disposal), and other overhead costs. To determine net competitive advantage, the correctional industries board shall review and quantify any expenses unique to operating a for-profit business inside a prison.

~~((17))~~ (22) "Vocational training" or "vocational education" means "vocational education" as defined in RCW 72.62.020.

(23) "Washington business" means an in-state manufacturer or service provider subject to chapter 82.04 RCW existing on June 10, 2004.

~~((18))~~ (24) "Work programs" means all classes of correctional industries jobs authorized under RCW 72.09.100.

NEW SECTION. Sec. 203. A new section is added to chapter 72.09 RCW to read as follows:

(1) The department of corrections shall develop an individual reentry plan as defined in RCW 72.09.015 for every offender who is committed to the jurisdiction of the department except:

(a) Offenders who are sentenced to life without the possibility of release or sentenced to death under chapter 10.95 RCW; and

(b) Offenders who are subject to the provisions of 8 U.S.C. Sec. 1227.

(2) The individual reentry plan may be one document, or may be a series of individual plans that combine to meet the requirements of this section.

(3) In developing individual reentry plans, the department shall assess all offenders using standardized and comprehensive tools to identify the criminogenic risks, programmatic needs, and educational and vocational skill levels for each offender. The assessment tool should take into account demographic biases, such as culture, age, and gender, as well as the needs of the offender, including any learning disabilities, substance abuse or mental health issues, and social or behavior deficits.

(4)(a) The initial assessment shall be conducted as early as sentencing, but, whenever possible, no later than forty-five days of being sentenced to the jurisdiction of the department of corrections.

(b) The offender's individual reentry plan shall be developed as soon as possible after the initial assessment is conducted, but, whenever possible, no later than sixty days after completion of the assessment, and shall be periodically reviewed and updated as appropriate.

(5) The individual reentry plan shall, at a minimum, include:

(a) A plan to maintain contact with the inmate's children and family, if appropriate. The plan should determine whether parenting classes, or other services, are appropriate to facilitate successful reunification with the offender's children and family;

(b) An individualized portfolio for each offender that includes the offender's education achievements, certifications, employment, work experience, skills, and any training received prior to and during incarceration; and

(c) A plan for the offender during the period of incarceration through reentry into the community that addresses the needs of the offender including education, employment, substance abuse treatment, mental health treatment, family reunification, and other areas which are needed to facilitate a successful reintegration into the community.

(6)(a) Prior to discharge of any offender, the department shall:

(i) Evaluate the offender's needs and, to the extent possible, connect the offender with existing services and resources that meet those needs; and

(ii) Connect the offender with a community justice center and/or community transition coordination network in the area in which the offender will be residing once released from the correctional system if one exists.

(b) If the department recommends partial confinement in an offender's individual reentry plan, the department shall maximize the period of partial confinement for the offender as allowed pursuant to RCW 9.94A.728 to facilitate the offender's transition to the community.

(7) The department shall establish mechanisms for sharing information from individual reentry plans to those persons involved with the offender's treatment, programming, and reentry, when deemed appropriate. When feasible, this information shall be shared electronically.

(8)(a) In determining the county of discharge for an offender released to community custody or community placement, the department may not approve a residence location that is not in the offender's county of origin unless it is determined by the department that the offender's return to his or her county of origin would be inappropriate considering any court-ordered condition of the offender's sentence, victim safety concerns, negative influences on the offender in the community, or the location of family or other sponsoring persons or organizations that will support the offender.

(b) If the offender is not returned to his or her county of origin, the department shall provide the law and justice council of the county in which the offender is placed with a written explanation.

(c) For purposes of this section, the offender's county of origin means the county of the offender's first felony conviction in Washington.

(9) Nothing in this section creates a vested right in programming, education, or other services.

### PART III - PARTIAL CONFINEMENT AND SUPERVISION

NEW SECTION. **Sec. 301.** (1) The legislature intends that Washington's work release centers be transformed into residential reentry centers with the capacity to provide or connect offenders with the full range of reentry services to achieve measurable outcomes. The Washington state institute for public policy shall conduct a comprehensive analysis and evaluation of residential reentry centers and work release facilities to identify evidence-based, research-based, and promising practices or programs for the state of Washington and the necessary performance measures that show the greatest quality, effectiveness, and efficiency of the program on key outcomes. The research should include an examination of reentry and work release practices in both urban and rural areas and both inside and outside of the state of Washington. The institute should identify what services or combination of services should be provided to participants of residential reentry centers and the length of time services should be provided to optimize the successful transition of an offender back into society.

(2) By May 1, 2008, the secretary of the department of corrections, or the secretary's designee, shall convene and chair a work group to review current laws and policy regarding work release.

(3) In addition to the secretary of the department of corrections, the following shall be members of the work group: A representative appointed by the governor, a community corrections officer, a representative of the Washington association of prosecuting attorneys, a representative of the superior court judges association, a member selected by the Washington association of sheriffs and police chiefs, a representative from the Washington state association of counties, a representative from the association of Washington cities, a representative from contract work release facilities in the state, a representative from state-run work release facilities in the state, a representative from a

nonprofit organization that works with former offenders who have completed a work release program, a crime victims' advocate, and a representative from the department of community, trade, and economic development. The secretary may designate a person to serve in his or her place. Members of the work group shall serve without compensation.

(4) In conducting its review, the work group must review and make recommendations for changes to corrections law and policies to ensure that:

(a) Work release facilities are transformed into residential reentry centers so that participants are provided with a combination of reentry services that conform to evidence-based, research-based, or promising practices as identified by the institute;

(b) Residential reentry centers lead to meaningful employment for offenders participating in the program;

(c) A plan is identified to ensure that residential reentry centers are distributed throughout the state;

(d) Residential reentry centers are of a size consistent with evidence-based, research-based, or promising practices and appropriate to the community in which they are located;

(e) Communities are given meaningful avenues for ongoing consultation regarding the establishment and operation of residential reentry centers in their area;

(f) Victim and community safety concerns are given priority when determining appropriate placement in residential reentry centers for individual offenders;

(g) Eligibility time to participate in residential reentry centers is sufficient to make it a meaningful experience for offenders; and

(h) Programs have the necessary performance measures needed to effectively monitor the quality, effectiveness, and efficiency of the programs.

(5) To the extent practicable, the institute shall cooperate with the work group.

(6)(a) The institute shall report its results and recommendations to the governor and the legislature no later than November 15, 2007.

(b) The department of corrections shall report the results and recommendations of the work group to the governor and the legislature no later than November 15, 2008.

NEW SECTION. Sec. 302. A new section is added to chapter 72.09 RCW to read as follows:

(1) The department shall continue to establish community justice centers throughout the state for the purpose of providing comprehensive services and monitoring for offenders who are reentering the community.

(2) For the purposes of this chapter, "community justice center" is defined as a nonresidential facility staffed primarily by the department in which recently released offenders may access services necessary to improve their successful reentry into the community. Such services may include but are not limited to, those listed in the individual reentry plan, mental health, chemical dependency, sex offender treatment, anger management, parenting education, financial literacy, housing assistance, and employment assistance.

(3) At a minimum, the community justice center shall include:

(a) A violator program to allow the department to utilize a range of available sanctions for offenders who violate conditions of their supervision;

(b) An employment opportunity program to assist an offender in finding employment; and

(c) Resources for connecting offenders with services such as treatment, transportation, training, family reunification, and community services.

(4) In addition to any other programs or services offered by a community justice center, the department shall designate a transition coordinator to facilitate connections between the former offender and the community. The department may designate transition coordination services to be provided by a community transition coordination network pursuant to section 103 of this act if one has been established in the community where the community justice center is located and the department has entered into a memorandum of understanding with the county to share resources.

(5) The transition coordinator shall provide information to former offenders regarding services available to them in the community regardless of the length of time since the offender's release from the correctional facility. The transition coordinator shall, at a minimum, be responsible for the following:

(a) Gathering and maintaining information regarding services currently existing within the community that are available to offenders including, but not limited to:

(i) Programs offered through the department of social and health services, the department of health, the department of licensing, housing authorities, local community and technical colleges, other state or federal entities which provide public benefits, and nonprofit entities;

(ii) Services such as housing assistance, employment assistance, education, vocational training, parent education, financial literacy, treatment for substance abuse, mental health, anger management, and any other service or program that will assist the former offender to successfully transition into the community;

(b) Coordinating access to the existing services with the community providers and provide offenders with information regarding how to access the various type of services and resources that are available in the community.

(6)(a) A minimum of six community justice centers shall be operational by December 1, 2009. The six community justice centers include those in operation on the effective date of this section.

(b) By December 1, 2011, the department shall establish a minimum of three additional community justice centers within the state.

(7) In locating new centers, the department shall:

(a) Give priority to the counties with the largest population of offenders who were under the jurisdiction of the department of corrections and that do not already have a community justice center;

(b) Ensure that at least two centers are operational in eastern Washington; and

(c) Comply with section 303 of this act and all applicable zoning laws and regulations.

(8) Before beginning the siting or opening of the new community justice center, the department shall:

(a) Notify the city, if applicable, and the county within which the community justice center is proposed. Such notice shall occur at least sixty days prior to selecting a specific location to provide the services listed in this section;

(b) Consult with the community providers listed in subsection (5) of this section to determine if they have the capacity to provide services to offenders through the community justice center; and

(c) Give due consideration to all comments received in response to the notice of the start of site selection and consultation with community providers.

(9) The department shall make efforts to enter into memoranda of understanding or agreements with the local community policing and supervision programs as defined in section 101 of this act in which the community justice center is located to address:

(a) Efficiencies that may be gained by sharing space or resources in the provision of reentry services to offenders, including services provided through a community transition coordination network established pursuant to section 103 of this act if a network has been established in the county;

(b) Mechanisms for communication of information about offenders, including the feasibility of shared access to databases;

(c) Partnerships to establish neighborhood corrections initiatives between the department of corrections and local police to supervise offenders.

(i) A neighborhood corrections initiative includes shared mechanisms to facilitate supervision of offenders which may include activities such as joint emphasis patrols to monitor high-risk offenders, service of bench and secretary warrants and detainers, joint field visits, connecting offenders with services, and, where appropriate, directing offenders into sanction alternatives in lieu of incarceration.

(ii) The agreement must address:

(A) The roles and responsibilities of police officers and corrections staff participating in the partnership; and

(B) The amount of corrections staff and police officer time that will be dedicated to partnership efforts.

**NEW SECTION. Sec. 303.** A new section is added to chapter 72.09 RCW to read as follows:

(1) No later than July 1, 2007, and every biennium thereafter starting with the biennium beginning July 1, 2009, the department shall prepare a list of counties and rural multicounty geographic areas in which work release facilities, community justice centers and other community-based correctional facilities are anticipated to be sited during the next three fiscal years and transmit the list to the office of financial management and the counties on the list. The list may be updated as needed.

(2) In preparing the list, the department shall make substantial efforts to provide for the equitable distribution of work release, community justice centers, or other community-based correctional facilities among counties. The department shall give great weight to the following factors in determining equitable distribution:

(a) The locations of existing residential facilities owned or operated by, or operated under contract with, the department in each county;

(b) The number and proportion of adult offenders sentenced to the custody or supervision of the department by the courts of the county or rural multicounty geographic area; and

(c) The number of adult registered sex offenders classified as level II or III and adult sex offenders registered per thousand persons residing in the county.

(3) For purposes of this section, "equitable distribution" means siting or locating work release, community justice centers, or other community-based correctional facilities in a manner that reasonably reflects the proportion of offenders sentenced to the custody or supervision of the department by the courts of each county or rural multicounty geographic area designated by the department, and, to the extent practicable, the proportion of offenders residing in particular jurisdictions or communities within such counties or rural multicounty geographic areas. Equitable distribution is a policy goal, not a basis for any legal challenge to the siting, construction, occupancy, or operation of any facility anywhere in the state.

**Sec. 304.** RCW 9.94A.728 and 2004 c 176 s 6 are each amended to read as follows:

No person serving a sentence imposed pursuant to this chapter and committed to the custody of the department shall leave the confines of the correctional facility or be released prior to the expiration of the sentence except as follows:

(1) Except as otherwise provided for in subsection (2) of this section, the term of the sentence of an offender committed to a correctional facility operated by the department may be reduced by earned release time in accordance with procedures that shall be developed and promulgated by the correctional agency having jurisdiction in which the offender is confined. The earned release time shall be for good behavior and good performance, as determined by the correctional agency having jurisdiction. The correctional agency shall not credit the offender with earned release credits in advance of the offender actually earning the credits. Any program established pursuant to this section shall allow an offender to earn early release credits for presentence incarceration. If an offender is transferred from a county jail to the department, the administrator of a county jail facility shall certify to the department the amount of time spent in custody at the facility and the amount of earned release time. An offender who has been convicted of a felony committed after July 23, 1995, that involves any applicable deadly weapon enhancements under RCW 9.94A.533 (3) or (4), or both, shall not receive any good time credits or earned release time for that portion of his or her sentence that results from any deadly weapon enhancements.

(a) In the case of an offender convicted of a serious violent offense, or a sex offense that is a class A felony, committed on or after July 1, 1990, and before July 1, 2003, the aggregate earned release time may not exceed fifteen percent of the sentence. In the case of an offender convicted of a serious violent offense, or a sex offense that is a class A felony, committed on or after July 1, 2003, the aggregate earned release time may not exceed ten percent of the sentence.

(b)(i) In the case of an offender who qualifies under (b)(ii) of this subsection, the aggregate earned release time may not exceed fifty percent of the sentence.



(ii) An offender is qualified to earn up to fifty percent of aggregate earned release time under this subsection (1)(b) if he or she:

(A) Is classified in one of the two lowest risk categories under (b)(iii) of this subsection;

(B) Is not confined pursuant to a sentence for:

(I) A sex offense;

(II) A violent offense;

(III) A crime against persons as defined in RCW 9.94A.411;

(IV) A felony that is domestic violence as defined in RCW 10.99.020;

(V) A violation of RCW 9A.52.025 (residential burglary);

(VI) A violation of, or an attempt, solicitation, or conspiracy to violate, RCW 69.50.401 by manufacture or delivery or possession with intent to deliver methamphetamine; or

(VII) A violation of, or an attempt, solicitation, or conspiracy to violate, RCW 69.50.406 (delivery of a controlled substance to a minor); ~~(and)~~

(C) Has no prior conviction for:

(I) A sex offense;

(II) A violent offense;

(III) A crime against persons as defined in RCW 9.94A.411;

(IV) A felony that is domestic violence as defined in RCW 10.99.020;

(V) A violation of RCW 9A.52.025 (residential burglary);

(VI) A violation of, or an attempt, solicitation, or conspiracy to violate, RCW 69.50.401 by manufacture or delivery or possession with intent to deliver methamphetamine; or

(VII) A violation of, or an attempt, solicitation, or conspiracy to violate, RCW 69.50.406 (delivery of a controlled substance to a minor);

(D) Participates in programming or activities as directed by the offender's individual reentry plan as provided under section 203 of this act to the extent that such programming or activities are made available by the department; and

(E) Has not committed a new felony after the effective date of this section while under community supervision, community placement, or community custody.

(iii) For purposes of determining an offender's eligibility under this subsection (1)(b), the department shall perform a risk assessment of every offender committed to a correctional facility operated by the department who has no current or prior conviction for a sex offense, a violent offense, a crime against persons as defined in RCW 9.94A.411, a felony that is domestic violence as defined in RCW 10.99.020, a violation of RCW 9A.52.025 (residential burglary), a violation of, or an attempt, solicitation, or conspiracy to violate, RCW 69.50.401 by manufacture or delivery or possession with intent to deliver methamphetamine, or a violation of, or an attempt, solicitation, or conspiracy to violate, RCW 69.50.406 (delivery of a controlled substance to a minor). The department must classify each assessed offender in one of four risk categories between highest and lowest risk.

(iv) The department shall recalculate the earned release time and reschedule the expected release dates for each qualified offender under this subsection (1)(b).

(v) This subsection (1)(b) applies retroactively to eligible offenders serving terms of total confinement in a state correctional facility as of July 1, 2003.

(vi) This subsection (1)(b) does not apply to offenders convicted after July 1, 2010.

(c) In no other case shall the aggregate earned release time exceed one-third of the total sentence;

(2)(a) A person convicted of a sex offense or an offense categorized as a serious violent offense, assault in the second degree, vehicular homicide, vehicular assault, assault of a child in the second degree, any crime against persons where it is determined in accordance with RCW 9.94A.602 that the offender or an accomplice was armed with a deadly weapon at the time of commission, or any felony offense under chapter 69.50 or 69.52 RCW, committed before July 1, 2000, may become eligible, in accordance with a program developed by the department, for transfer to community custody status in lieu of earned release time pursuant to subsection (1) of this section;

(b) A person convicted of a sex offense, a violent offense, any crime against persons under RCW 9.94A.411(2), or a felony offense under chapter 69.50 or 69.52 RCW, committed on or after July 1, 2000, may become eligible, in accordance with a program developed by the department, for transfer to community custody status in lieu of earned release time pursuant to subsection (1) of this section;

(c) The department shall, as a part of its program for release to the community in lieu of earned release, require the offender to propose a release plan that includes an approved residence and living arrangement. All offenders with community placement or community custody terms eligible for release to community custody status in lieu of earned release shall provide an approved residence and living arrangement prior to release to the community;

(d) The department may deny transfer to community custody status in lieu of earned release time pursuant to subsection (1) of this section if the department determines an offender's release plan, including proposed residence location and living arrangements, may violate the conditions of the sentence or conditions of supervision, place the offender at risk to violate the conditions of the sentence, place the offender at risk to reoffend, or present a risk to victim safety or community safety. The department's authority under this section is independent of any court-ordered condition of sentence or statutory provision regarding conditions for community custody or community placement;

(e) If the department denies transfer to community custody status in lieu of earned early release pursuant to (d) of this subsection, the department may transfer an offender to partial confinement in lieu of earned early release up to three months. The three months in partial confinement is in addition to that portion of the offender's term of confinement that may be served in partial confinement as provided in this section.

(f) An offender serving a term of confinement imposed under RCW 9.94A.670(4)(a) is not eligible for earned release credits under this section;

(3) An offender may leave a correctional facility pursuant to an authorized furlough or leave of absence. In addition, offenders may leave a correctional facility when in the custody of a corrections officer or officers;

(4)(a) The secretary may authorize an extraordinary medical placement for an offender when all of the following conditions exist:

(i) The offender has a medical condition that is serious enough to require costly care or treatment;

(ii) The offender poses a low risk to the community because he or she is physically incapacitated due to age or the medical condition; and

(iii) Granting the extraordinary medical placement will result in a cost savings to the state.

(b) An offender sentenced to death or to life imprisonment without the possibility of release or parole is not eligible for an extraordinary medical placement.

(c) The secretary shall require electronic monitoring for all offenders in extraordinary medical placement unless the electronic monitoring equipment interferes with the function of the offender's medical equipment or results in the loss of funding for the offender's medical care. The secretary shall specify who shall provide the monitoring services and the terms under which the monitoring shall be performed.

(d) The secretary may revoke an extraordinary medical placement under this subsection at any time;

(5) The governor, upon recommendation from the clemency and pardons board, may grant an extraordinary release for reasons of serious health problems, senility, advanced age, extraordinary meritorious acts, or other extraordinary circumstances;

(6) No more than the final six months of the ~~((sentence))~~ offender's term of confinement may be served in partial confinement designed to aid the offender in finding work and reestablishing himself or herself in the community. This is in addition to that period of earned early release time that may be exchanged for partial confinement pursuant to subsection (2)(e) of this section;

(7) The governor may pardon any offender;

(8) The department may release an offender from confinement any time within ten days before a release date calculated under this section; and

(9) An offender may leave a correctional facility prior to completion of his or her sentence if the sentence has been reduced as provided in RCW 9.94A.870.

Notwithstanding any other provisions of this section, an offender sentenced for a felony crime listed in RCW 9.94A.540 as subject to a mandatory minimum sentence of total confinement shall not be released from total confinement before the completion of the listed mandatory minimum sentence for that felony crime of conviction unless allowed under RCW 9.94A.540, however persistent offenders are not eligible for extraordinary medical placement.

**Sec. 305.** RCW 9.94A.737 and 2005 c 435 s 3 are each amended to read as follows:

(1) If an offender violates any condition or requirement of community custody, the department may transfer the offender to a more restrictive confinement status to serve up to the remaining portion of the sentence, less credit for any period actually spent in community custody or in detention awaiting disposition of an alleged violation and subject to the limitations of subsection ~~((2))~~ (3) of this section.

(2) If an offender has not completed his or her maximum term of total confinement and is subject to a third violation hearing for any violation of community custody and is found to have committed the violation, the department shall return the offender to total confinement in a state correctional facility to serve up to the remaining portion of his or her sentence, unless it is determined that returning the offender to a state correctional facility would

substantially interfere with the offender's ability to maintain necessary community supports or to participate in necessary treatment or programming and would substantially increase the offender's likelihood of reoffending.

(3)(a) For a sex offender sentenced to a term of community custody under RCW 9.94A.670 who violates any condition of community custody, the department may impose a sanction of up to sixty days' confinement in a local correctional facility for each violation. If the department imposes a sanction, the department shall submit within seventy-two hours a report to the court and the prosecuting attorney outlining the violation or violations and the sanctions imposed.

(b) For a sex offender sentenced to a term of community custody under RCW 9.94A.710 who violates any condition of community custody after having completed his or her maximum term of total confinement, including time served on community custody in lieu of earned release, the department may impose a sanction of up to sixty days in a local correctional facility for each violation.

(c) For an offender sentenced to a term of community custody under RCW 9.94A.505(2)(b), 9.94A.650, or 9.94A.715, or under RCW 9.94A.545, for a crime committed on or after July 1, 2000, who violates any condition of community custody after having completed his or her maximum term of total confinement, including time served on community custody in lieu of earned release, the department may impose a sanction of up to sixty days in total confinement for each violation. The department may impose sanctions such as work release, home detention with electronic monitoring, work crew, community restitution, inpatient treatment, daily reporting, curfew, educational or counseling sessions, supervision enhanced through electronic monitoring, or any other sanctions available in the community.

(d) For an offender sentenced to a term of community placement under RCW 9.94A.705 who violates any condition of community placement after having completed his or her maximum term of total confinement, including time served on community custody in lieu of earned release, the department may impose a sanction of up to sixty days in total confinement for each violation. The department may impose sanctions such as work release, home detention with electronic monitoring, work crew, community restitution, inpatient treatment, daily reporting, curfew, educational or counseling sessions, supervision enhanced through electronic monitoring, or any other sanctions available in the community.

~~((3))~~ (4) If an offender has been arrested for a new felony offense while under community supervision, community custody, or community placement, the department shall hold the offender in total confinement until a hearing before the department as provided in this section or until the offender has been formally charged for the new felony offense, whichever is earlier. Nothing in this subsection shall be construed as to permit the department to hold an offender past his or her maximum term of total confinement if the offender has not completed the maximum term of total confinement or to permit the department to hold an offender past the offender's term of community supervision, community custody, or community placement.

(5) The department shall be financially responsible for any portion of the sanctions authorized by this section that are served in a local correctional facility as the result of action by the department.

(6) If an offender is accused of violating any condition or requirement of community custody, he or she is entitled to a hearing before the department prior to the imposition of sanctions. The hearing shall be considered as offender disciplinary proceedings and shall not be subject to chapter 34.05 RCW. The department shall develop hearing procedures and a structure of graduated sanctions.

~~((4))~~ (7) The hearing procedures required under subsection ~~((3))~~ (6) of this section shall be developed by rule and include the following:

(a) Hearing officers shall report through a chain of command separate from that of community corrections officers;

(b) The department shall provide the offender with written notice of the violation, the evidence relied upon, and the reasons the particular sanction was imposed. The notice shall include a statement of the rights specified in this subsection, and the offender's right to file a personal restraint petition under court rules after the final decision of the department;

(c) The hearing shall be held unless waived by the offender, and shall be electronically recorded. For offenders not in total confinement, the hearing shall be held within fifteen working days, but not less than twenty-four hours, after notice of the violation. For offenders in total confinement, the hearing shall be held within five working days, but not less than twenty-four hours, after notice of the violation;

(d) The offender shall have the right to: (i) Be present at the hearing; (ii) have the assistance of a person qualified to assist the offender in the hearing, appointed by the hearing officer if the offender has a language or communications barrier; (iii) testify or remain silent; (iv) call witnesses and present documentary evidence; and (v) question witnesses who appear and testify; and

(e) The sanction shall take effect if affirmed by the hearing officer. Within seven days after the hearing officer's decision, the offender may appeal the decision to a panel of three reviewing officers designated by the secretary or by the secretary's designee. The sanction shall be reversed or modified if a majority of the panel finds that the sanction was not reasonably related to any of the following: (i) The crime of conviction; (ii) the violation committed; (iii) the offender's risk of reoffending; or (iv) the safety of the community.

~~((5))~~ (8) For purposes of this section, no finding of a violation of conditions may be based on unconfirmed or unconfirmable allegations.

~~((6))~~ (9) The department shall work with the Washington association of sheriffs and police chiefs to establish and operate an electronic monitoring program for low-risk offenders who violate the terms of their community custody. Between January 1, 2006, and December 31, 2006, the department shall endeavor to place at least one hundred low-risk community custody violators on the electronic monitoring program per day if there are at least that many low-risk offenders who qualify for the electronic monitoring program.

~~((7))~~ (10) Local governments, their subdivisions and employees, the department and its employees, and the Washington association of sheriffs and police chiefs and its employees shall be immune from civil liability for damages arising from incidents involving low-risk offenders who are placed on electronic monitoring unless it is shown that an employee acted with gross negligence or bad faith.

NEW SECTION. **Sec. 306.** (1) A legislative task force on laws related to community custody and community supervision is established.

(2) The task force shall be composed of fifteen members appointed in the following manner:

(a) The president of the senate shall appoint one member from each of the two largest caucuses of the senate;

(b) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives;

(c) The governor shall appoint the chair of the task force and the following members:

(i) A superior court judge;

(ii) A representative of a prosecutor's association;

(iii) A defense attorney or representative of an organization of defense attorneys;

(iv) A representative of local elected officials;

(v) A sheriff or representative of an organization of sheriffs;

(vi) A police chief or representative of an organization of police chiefs;

(vii) A community corrections officer;

(viii) A crime victim or advocate;

(d) The following agencies shall also be represented on the task force:

(i) The attorney general, or the attorney general's designee; and

(ii) The secretary of the department of corrections, or the secretary's designee.

(3) The task force shall:

(a) Convene at the call of the chair by August 1, 2007;

(b) Review and analyze all statutes of the Revised Code of Washington related to community custody and community supervision of offenders;

(c) Make specific recommendations, if any, related to sentencing laws that would allow the department of corrections and its community corrections officers to more easily identify statutory requirements associated with an offender's sentence;

(d) Make specific recommendations, if any, related to community custody and community supervision laws that would allow the department of corrections and its community corrections officers to more easily identify statutory requirements associated with an offender's term of community custody or supervision;

(e) Make specific recommendations, if any, related to the statutory requirements of the violation hearing process that would enable the department of corrections and its community corrections officers to respond to an offender's behavior by imposing appropriate and timely sanctions when necessary;

(f) Make specific recommendations related to definitions and language used in the statutes, which would make the statutes easily readable and unambiguous;

(g) Receive input from the public and interested stakeholders to assist in making suggested changes; and

(h) Report its findings to the governor and legislature in the form of a final report to be submitted by November 1, 2007.

(i) The report shall propose specific amendatory language wherever possible, when making recommendations;

(ii) Each recommendation in the report shall, whenever possible, site to specific evidence-based programs or promising programs which support the recommended change;

(iii) Each recommendation in the report shall, whenever possible, site to a specific study from the Washington institute for public policy, national institute for justice, bureau of justice assistance, or other academic study supporting the suggested change;

(iv) The report shall contain a summary of public comment.

(4) The task force shall use legislative facilities, and staff support shall be provided by the office of financial management, senate committee services, and house of representatives office of program research.

(5) The Washington institute for public policy, the department of corrections, and the sentencing guidelines commission shall cooperate with the task force and provide all information and support reasonably requested by the task force.

(6) Nonlegislative members of the task force shall serve without compensation, but shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(7) Legislative members of the task force shall be reimbursed for travel expenses in accordance with RCW 44.04.120.

(8) This section expires December 31, 2007.

**NEW SECTION. Sec. 307.** The department of corrections shall conduct an updated community corrections workload study and report the results of that study to the governor and the legislature on or before November 1, 2007.

#### PART IV - EDUCATION

**NEW SECTION. Sec. 401.** Research and practice show that long-term success in helping offenders prepare for economic self-sufficiency requires strategies that address their education and employment needs. Recent research suggests that a solid academic foundation and employment- and career-focused programs can be cost-effective in reducing the likelihood of reoffense. To this end, the legislature intends that the state strive to provide every inmate with basic academic skills as well as educational and vocational training designed to meet the assessed needs of the offender.

Nonetheless, it is vital that offenders engaged in educational or vocational training contribute to their own success. An offender should financially contribute to his or her education, particularly postsecondary educational pursuits. The legislature intends to provide more flexibility for offenders in obtaining postsecondary education by allowing third parties to make contributions to the offender's education without mandatory deductions. In developing the loan program, the department is encouraged to adopt rules and standards similar to those that apply to students in noninstitutional settings for issues such as applying for a loan, maintaining accountability, and accruing interest on the loan obligation.

**Sec. 402.** RCW 72.09.460 and 2004 c 167 s 5 are each amended to read as follows:

(1) The legislature intends that all inmates be required to participate in department-approved education programs, work programs, or both, unless

exempted ~~((under subsection (4) of))~~ as specifically provided in this section. Eligible inmates who refuse to participate in available education or work programs available at no charge to the inmates shall lose privileges according to the system established under RCW 72.09.130. Eligible inmates who are required to contribute financially to an education or work program and refuse to contribute shall be placed in another work program. Refusal to contribute shall not result in a loss of privileges.

(2) The legislature recognizes more inmates may agree to participate in education and work programs than are available. The department must make every effort to achieve maximum public benefit by placing inmates in available and appropriate education and work programs.

~~((2) The department shall provide access to a program of education to all offenders who are under the age of eighteen and who have not met high school graduation or general equivalency diploma requirements in accordance with chapter 28A.193 RCW. The program of education established by the department and education provider under RCW 28A.193.020 for offenders under the age of eighteen must provide each offender a choice of curriculum that will assist the inmate in achieving a high school diploma or general equivalency diploma. The program of education may include but not be limited to basic education, prevocational training, work ethic skills, conflict resolution counseling, substance abuse intervention, and anger management counseling. The curriculum may balance these and other rehabilitation, work, and training components.))~~

(3)(a) The department shall, to the extent possible and considering all available funds, prioritize its resources to meet the following goals for inmates in the order listed:

~~((a))~~ (i) Achievement of basic academic skills through obtaining a high school diploma or its equivalent ~~((and))~~;

(ii) Achievement of vocational skills necessary for purposes of work programs and for an inmate to qualify for work upon release;

~~((b) Additional work and education programs based on assessments and placements under subsection (5) of this section; and~~

~~(c) Other work and education programs as appropriate.~~

~~(4) The department shall establish, by rule, objective medical standards to determine when an inmate is physically or mentally unable to participate in available education or work programs. When the department determines an inmate is permanently unable to participate in any available education or work program due to a medical condition, the inmate is exempt from the requirement under subsection (1) of this section. When the department determines an inmate is temporarily unable to participate in an education or work program due to a medical condition, the inmate is exempt from the requirement of subsection (1) of this section for the period of time he or she is temporarily disabled. The department shall periodically review the medical condition of all temporarily disabled inmates to ensure the earliest possible entry or reentry by inmates into available programming.~~

~~(5) The department shall establish, by rule, standards for participation in department-approved education and work programs. The standards shall address the following areas:~~



~~(a) Assessment.—The department shall assess all inmates for their basic academic skill levels using a professionally accepted method of scoring reading, math, and language skills as grade level equivalents. The department shall determine an inmate's education history, work history, and vocational or work skills. The initial assessment shall be conducted, whenever possible, within the first thirty days of an inmate's entry into the correctional system, except that initial assessments are not required for inmates who are sentenced to life without the possibility of release, assigned to an intensive management unit within the first thirty days after entry into the correctional system, are returning to the correctional system within one year of a prior release, or whose physical or mental condition renders them unable to complete the assessment process. The department shall track and record changes in the basic academic skill levels of all inmates reflected in any testing or assessment performed as part of their education programming;~~

~~(b) Placement.—The department shall follow the policies set forth in subsection (1) of this section in establishing criteria for placing inmates in education and work programs. The department shall, to the extent possible, place all inmates whose composite grade level score for basic academic skills is below the eighth grade level in a combined education and work program. The placement criteria shall include at least the following factors)) (iii) Additional work and education programs necessary for compliance with an offender's individual reentry plan under section 203 of this act with the exception of postsecondary education degree programs as provided in section 403 of this act; and~~

~~(iv) Other appropriate vocational, work, or education programs that are not necessary for compliance with an offender's individual reentry plan under section 203 of this act with the exception of postsecondary education degree programs as provided in section 403 of this act.~~

~~(b) If programming is provided pursuant to (a)(i) through (iii) of this subsection, the department shall pay the cost of such programming, including but not limited to books, materials, supplies, and postage costs related to correspondence courses.~~

~~(c) If programming is provided pursuant to (a)(iv) of this subsection, inmates shall be required to pay all or a portion of the costs, including books, fees, and tuition, for participation in any vocational, work, or education program as provided in department policies. Department policies shall include a formula for determining how much an offender shall be required to pay. The formula shall include steps which correlate to an offender average monthly income or average available balance in a personal inmate savings account and which are correlated to a prorated portion or percent of the per credit fee for tuition, books, or other ancillary costs. The formula shall be reviewed every two years. A third party may pay directly to the department all or a portion of costs and tuition for any programming provided pursuant to (a)(iv) of this subsection on behalf of an inmate. Such payments shall not be subject to any of the deductions as provided in this chapter.~~

~~(d) The department may accept any and all donations and grants of money, equipment, supplies, materials, and services from any third party, including but not limited to nonprofit entities, and may receive, utilize, and dispose of same to complete the purposes of this section.~~

(e) Any funds collected by the department under (c) and (d) of this subsection and subsections (8) and (9) of this section shall be used solely for the creation, maintenance, or expansion of inmate educational and vocational programs.

(4) The department shall provide access to a program of education to all offenders who are under the age of eighteen and who have not met high school graduation or general equivalency diploma requirements in accordance with chapter 28A.193 RCW. The program of education established by the department and education provider under RCW 28A.193.020 for offenders under the age of eighteen must provide each offender a choice of curriculum that will assist the inmate in achieving a high school diploma or general equivalency diploma. The program of education may include but not be limited to basic education, prevocational training, work ethic skills, conflict resolution counseling, substance abuse intervention, and anger management counseling. The curriculum may balance these and other rehabilitation, work, and training components.

(5)(a) In addition to the policies set forth in this section, the department shall consider the following factors in establishing criteria for assessing the inclusion of education and work programs in an inmate's individual reentry plan and in placing inmates in education and work programs:

(i) An inmate's release date and custody level. An inmate shall not be precluded from participating in an education or work program solely on the basis of his or her release date, except that inmates with a release date of more than one hundred twenty months in the future shall not comprise more than ten percent of inmates participating in a new class I correctional industry not in existence on June 10, 2004;

(ii) An inmate's education history and basic academic skills;

(iii) An inmate's work history and vocational or work skills;

(iv) An inmate's economic circumstances, including but not limited to an inmate's family support obligations; and

(v) Where applicable, an inmate's prior performance in department-approved education or work programs;

~~((e) Performance and goals.))~~ (b) The department shall establish, and periodically review, inmate behavior standards and program goals for all education and work programs. Inmates shall be notified of applicable behavior standards and program goals prior to placement in an education or work program and shall be removed from the education or work program if they consistently fail to meet the standards or goals;

~~(d) Financial responsibility. (i) The department shall establish a formula by which inmates, based on their ability to pay, shall pay all or a portion of the costs or tuition of certain programs. Inmates shall, based on the formula, pay a portion of the costs or tuition of participation in:~~

~~(A) Second and subsequent vocational programs associated with an inmate's work programs; and~~

~~(B) An associate of arts or baccalaureate degree program when placement in a degree program is the result of a placement made under this subsection;~~

~~(ii) Inmates shall pay all costs and tuition for participation in:~~

~~(A) Any postsecondary academic degree program which is entered independently of a placement decision made under this subsection; and~~

~~(B) Second and subsequent vocational programs not associated with an inmate's work program.~~

~~Enrollment in any program specified in (d)(ii) of this subsection shall only be allowed by correspondence or if there is an opening in an education or work program at the institution where an inmate is incarcerated and no other inmate who is placed in a program under this subsection will be displaced; and~~

~~(e) Notwithstanding any other provision in this section, an inmate sentenced to life without the possibility of release:~~

~~(i) Shall not be required to participate in education programming; and~~

~~(ii) May receive not more than one postsecondary academic degree in a program offered by the department or its contracted providers.~~

~~If an inmate sentenced to life without the possibility of release requires prevocational or vocational training for a work program, he or she may participate in the training subject to this section.~~

~~(6) The department shall coordinate education and work programs among its institutions, to the greatest extent possible, to facilitate continuity of programming among inmates transferred between institutions. Before transferring an inmate enrolled in a program, the department shall consider the effect the transfer will have on the inmate's ability to continue or complete a program. This subsection shall not be used to delay or prohibit a transfer necessary for legitimate safety or security concerns.~~

~~(7) Before construction of a new correctional institution or expansion of an existing correctional institution, the department shall adopt a plan demonstrating how cable, closed circuit, and satellite television will be used for education and training purposes in the institution. The plan shall specify how the use of television in the education and training programs will improve inmates' preparedness for available work programs and job opportunities for which inmates may qualify upon release.~~

~~(8) The department shall adopt a plan to reduce the per-pupil cost of instruction by, among other methods, increasing the use of volunteer instructors and implementing technological efficiencies. The plan shall be adopted by December 1996 and shall be transmitted to the legislature upon adoption. The department shall, in adoption of the plan, consider distance learning, satellite instruction, video tape usage, computer-aided instruction, and flexible scheduling of offender instruction.~~

~~(9) Following completion of the review required by section 27(3), chapter 19, Laws of 1995 1st sp. sess. the department shall take all necessary steps to assure the vocation and education programs are relevant to work programs and skills necessary to enhance the employability of inmates upon release).~~

(6) Eligible inmates who refuse to participate in available education or work programs available at no charge to the inmates shall lose privileges according to the system established under RCW 72.09.130. Eligible inmates who are required to contribute financially to an education or work program and refuse to contribute shall be placed in another work program. Refusal to contribute shall not result in a loss of privileges.

(7) The department shall establish, by rule, objective medical standards to determine when an inmate is physically or mentally unable to participate in available education or work programs. When the department determines an inmate is permanently unable to participate in any available education or work

program due to a health condition, the inmate is exempt from the requirement under subsection (1) of this section. When the department determines an inmate is temporarily unable to participate in an education or work program due to a medical condition, the inmate is exempt from the requirement of subsection (1) of this section for the period of time he or she is temporarily disabled. The department shall periodically review the medical condition of all inmates with temporary disabilities to ensure the earliest possible entry or reentry by inmates into available programming.

(8) The department shall establish policies requiring an offender to pay all or a portion of the costs and tuition for any vocational training or postsecondary education program if the offender previously abandoned coursework related to education or vocational training without excuse as defined in rule by the department. Department policies shall include a formula for determining how much an offender shall be required to pay. The formula shall include steps which correlate to an offender average monthly income or average available balance in a personal inmate savings account and which are correlated to a prorated portion or percent of the per credit fee for tuition, books, or other ancillary costs. The formula shall be reviewed every two years. A third party may pay directly to the department all or a portion of costs and tuition for any program on behalf of an inmate under this subsection. Such payments shall not be subject to any of the deductions as provided in this chapter.

(9) Notwithstanding any other provision in this section, an inmate sentenced to life without the possibility of release, sentenced to death under chapter 10.95 RCW, or subject to the provisions of 8 U.S.C. Sec. 1227:

(a) Shall not be required to participate in education programming except as may be necessary for the maintenance of discipline and security;

(b) May receive not more than one postsecondary academic degree in a program offered by the department or its contracted providers;

(c) May participate in prevocational or vocational training that may be necessary to participate in a work program;

(d) Shall be subject to the applicable provisions of this chapter relating to inmate financial responsibility for programming.

NEW SECTION. Sec. 403. A new section is added to chapter 72.09 RCW to read as follows:

(1) The department shall, if funds are appropriated for the specific purpose, implement postsecondary education degree programs within state correctional institutions, including the state correctional institution with the largest population of female inmates. The department shall consider for inclusion in any postsecondary education degree program, any postsecondary education degree program from an accredited community college, college, or university that is part of an associate of arts, baccalaureate, masters of arts, or other graduate degree program.

(2) Except as provided in subsection (3) of this section, inmates shall be required to pay the costs for participation in any postsecondary education degree programs established under this subsection, including books, fees, tuition, or any other appropriate ancillary costs, by one or more of the following means:

(a) The inmate who is participating in the postsecondary education degree program shall, during confinement, provide the required payment or payments to the department; or

(b) A third party shall provide the required payment or payments directly to the department on behalf of an inmate, and such payments shall not be subject to any of the deductions as provided in this chapter.

(3) The department may accept any and all donations and grants of money, equipment, supplies, materials, and services from any third party, including but not limited to nonprofit entities, and may receive, utilize, and dispose of same to provide postsecondary education to inmates.

(4) Any funds collected by the department under this section and RCW 72.09.450(4) shall be used solely for the creation, maintenance, or expansion of inmate postsecondary education degree programs.

**Sec. 404.** RCW 72.09.480 and 2003 c 271 s 3 are each amended to read as follows:

(1) Unless the context clearly requires otherwise, the definitions in this section apply to this section.

(a) "Cost of incarceration" means the cost of providing an inmate with shelter, food, clothing, transportation, supervision, and other services and supplies as may be necessary for the maintenance and support of the inmate while in the custody of the department, based on the average per inmate costs established by the department and the office of financial management.

(b) "Minimum term of confinement" means the minimum amount of time an inmate will be confined in the custody of the department, considering the sentence imposed and adjusted for the total potential earned early release time available to the inmate.

(c) "Program" means any series of courses or classes necessary to achieve a proficiency standard, certificate, or postsecondary degree.

(2) When an inmate, except as provided in subsection (7) of this section, receives any funds in addition to his or her wages or gratuities, except settlements or awards resulting from legal action, the additional funds shall be subject to the following deductions and the priorities established in chapter 72.11 RCW:

(a) Five percent to the public safety and education account for the purpose of crime victims' compensation;

(b) Ten percent to a department personal inmate savings account;

(c) Twenty percent to the department to contribute to the cost of incarceration;

(d) Twenty percent for payment of legal financial obligations for all inmates who have legal financial obligations owing in any Washington state superior court; and

(e) Fifteen percent for any child support owed under a support order.

(3) When an inmate, except as provided in subsection (7) of this section, receives any funds from a settlement or award resulting from a legal action, the additional funds shall be subject to the deductions in RCW 72.09.111(1)(a) and the priorities established in chapter 72.11 RCW.

(4) The amount deducted from an inmate's funds under subsection (2) of this section shall not exceed the department's total cost of incarceration for the inmate incurred during the inmate's minimum or actual term of confinement, whichever is longer.

(5)(a) The deductions required under subsection (2) of this section shall not apply to funds received by the department from an offender or from a third party

on behalf of an offender for payment of ~~((one fee-based))~~ education or vocational programs ~~((that is associated with an inmate's work program or a placement decision made by the department under RCW 72.09.460 to prepare an inmate for work upon release.~~

~~An inmate may, prior to the completion of the fee based education or vocational program authorized under this subsection, apply to a person designated by the secretary for permission to make a change in his or her program. The secretary, or his or her designee, may approve the application based solely on the following criteria: (a) The inmate has been transferred to another institution by the department for reasons unrelated to education or a change to a higher security classification and the offender's current program is unavailable in the offender's new placement; (b) the inmate entered an academic program as an undeclared major and wishes to declare a major. No inmate may apply for more than one change to his or her major and receive the exemption from deductions specified in this subsection; (c) the educational or vocational institution is terminating the inmate's current program; or (d) the offender's training or education has demonstrated that the current program is not the appropriate program to assist the offender to achieve a placement decision made by the department under RCW 72.09.460 to prepare the inmate for work upon release)) or postsecondary education degree programs as provided in RCW 72.09.460 and section 403 of this act.~~

(b) The deductions required under subsection (2) of this section shall not apply to funds received by the department from a third party, including but not limited to a nonprofit entity on behalf of the department's education, vocation, or postsecondary education degree programs.

(6) The deductions required under subsection (2) of this section shall not apply to any money received by the department, on behalf of an inmate, from family or other outside sources for the payment of postage expenses. Money received under this subsection may only be used for the payment of postage expenses and may not be transferred to any other account or purpose. Money that remains unused in the inmate's postage fund at the time of release shall be subject to the deductions outlined in subsection (2) of this section.

(7) When an inmate sentenced to life imprisonment without possibility of release or parole, or to death under chapter 10.95 RCW, receives any funds in addition to his or her gratuities, except settlements or awards resulting from legal action, the additional funds shall be subject to: Deductions of five percent to the public safety and education account for the purpose of crime victims' compensation, twenty percent to the department to contribute to the cost of incarceration, and fifteen percent to child support payments.

(8) When an inmate sentenced to life imprisonment without possibility of release or parole, or to death under chapter 10.95 RCW, receives any funds from a settlement or award resulting from a legal action in addition to his or her gratuities, the additional funds shall be subject to: Deductions of five percent to the public safety and education account for the purpose of crime victims' compensation and twenty percent to the department to contribute to the cost of incarceration.

(9) The interest earned on an inmate savings account created as a result of the plan in section 4, chapter 325, Laws of 1999 shall be exempt from the mandatory deductions under this section and RCW 72.09.111.

(10) Nothing in this section shall limit the authority of the department of social and health services division of child support from taking collection action against an inmate's moneys, assets, or property pursuant to chapter 26.23, 74.20, or 74.20A RCW including, but not limited to, the collection of moneys received by the inmate from settlements or awards resulting from legal action.

**NEW SECTION. Sec. 405.** (1) The department of corrections and the state board for community and technical colleges, in cooperation with the unions representing academic employees in corrections education programs, shall investigate and review methods to optimize educational and vocational programming opportunities to meet the needs of each offender as identified in his or her individual reentry plan while an offender is under the jurisdiction of the department.

(2) In conducting its review, the department and state board shall consider and make recommendations regarding:

(a) Technological advances which could serve to expand educational programs and vocational training including, but not limited to, distance learning, satellite instruction, videotape usage, computer aided instruction, and flexible scheduling and also considering the infrastructure, resources, and security that would be needed to implement the program or training. These advances shall be assessed for their ability to provide the most cost-efficient and effective programming for offenders;

(b) Methods to ensure that educational programs and vocational training are relevant to enhance the employability of offenders upon release; and

(c) Long-term methods for maintaining channels of communication between the department, state board administration, academic employees, and students.

(3) The department and state board shall report to the governor and the legislature no later than July 1, 2008.

**NEW SECTION. Sec. 406.** (1) The Washington state institute for public policy shall conduct a comprehensive analysis and evaluation of evidence-based, research-based, and promising correctional education programs and the extent to which Washington's programs are in accord with these practices. In gathering data regarding correctional education programs, the institute may consult with academic employees from correctional education programs.

(2) The institute shall report to the governor and the legislature no later than November 15, 2007.

## PART V - EMPLOYMENT BARRIERS

**NEW SECTION. Sec. 501.** On or before October 1, 2007, the department of corrections and the department of licensing shall enter into an agreement establishing expedited procedures to assist offenders in obtaining a driver's license or identification card upon their release from a department of corrections' institution.

**NEW SECTION. Sec. 502.** (1) The director of the department of licensing, or the director's designee, shall, within existing resources, convene and chair a work group to review and recommend changes to occupational licensing laws

and policies to encourage the employment of individuals with criminal convictions while ensuring the safety of the public.

(2) In addition to the director of the department of licensing, the following shall be members of the work group: A representative from the employment security department, a representative from the department of corrections, a representative from the Washington state association of prosecuting attorneys, and up to five members appointed by the governor from state agencies that issue occupational licenses. The department shall also invite participation from victim service agencies, the state board for community and technical colleges, association of Washington business, nonprofit organizations providing workforce training to released offenders, and legislative staff who provide support to the human services and human services and corrections committees. Members of the work group shall serve without compensation.

(3) In conducting its review, the work group must:

(a) Review approaches used by other states and jurisdictions for awarding occupational licenses to those with criminal convictions;

(b) Develop a process and standards by which the department of licensing and licensing agencies will determine whether a criminal conviction renders an applicant an unsuitable candidate for a license or whether a conviction warrants revocation or suspension of a license previously granted;

(c) Develop guidelines for potential applicants that reflect the most common or well-known categories of crimes and their relation to specific license types;

(d) Establish mechanisms for making information regarding the process and guidelines easily accessible to potential applicants with criminal histories.

(4) The department of licensing shall present a report of its findings and recommendations to the governor and the appropriate committees of the legislature, including any proposed legislation, by November 15, 2008.

(5) This section expires December 15, 2008.

## PART VI - HOUSING

NEW SECTION. Sec. 601. The legislature finds that, in order to improve the safety of our communities, more housing needs to be made available to offenders returning to the community. The legislature intends to increase the housing available to offenders by providing that landlords who rent to offenders shall be immune from civil liability for damages that may result from the criminal conduct of the tenant.

NEW SECTION. Sec. 602. A new section is added to chapter 59.18 RCW to read as follows:

A landlord who rents to an offender is not liable for civil damages arising from the criminal conduct of the tenant. In order for a landlord to be protected from liability as provided under this section, a landlord must:

(1) Disclose to residents of the property that he or she rents or has a policy of renting to offenders; and

(2) Take steps to report or halt criminal activity if the landlord has actual knowledge of criminal activity on the landlord's premises.

NEW SECTION. Sec. 603. A new section is added to chapter 35.82 RCW to read as follows:



The legislature recognizes that stable, habitable, and supportive housing is a critical factor that increases a previously incarcerated individual's access to treatment and services as well as the likelihood of success in the community. Housing authorities are therefore encouraged to formulate rental policies that are not unduly burdensome to previously incarcerated individuals attempting to reenter the community, particularly when the individual's family may already reside in government subsidized housing.

**NEW SECTION. Sec. 604.** A new section is added to chapter 43.185C RCW to read as follows:

(1) The department of community, trade, and economic development shall establish a pilot program to provide grants to eligible organizations, as described in RCW 43.185.060, to provide transitional housing assistance to offenders who are reentering the community and are in need of housing.

(2) There shall be a minimum of two pilot programs established in two counties. The pilot programs shall be selected through a request for proposal process and in consultation with the department of corrections. The department shall select the pilot sites by January 1, 2008.

(3) The pilot program shall:

(a) Be operated in collaboration with the community justice center existing in the location of the pilot site;

(b) Offer transitional supportive housing that includes individual support and mentoring available on an ongoing basis, life skills training, and close working relationships with community justice centers and community corrections officers. Supportive housing services can be provided directly by the housing operator, or in partnership with community-based organizations;

(c) In providing assistance, give priority to offenders who are designated as high risk or high needs as well as those determined not to have a viable release plan by the department of corrections;

(d) Optimize available funding by utilizing cost-effective community-based shared housing arrangements or other noninstitutional living arrangements; and

(e) Provide housing assistance for a period of time not to exceed twelve months for a participating offender.

(4) The department may also use up to twenty percent of the funding appropriated in the operating budget for this section to support the development of additional supportive housing resources for offenders who are reentering the community.

(5) The department shall:

(a) Collaborate with the department of corrections in developing criteria to determine who will qualify for housing assistance; and

(b) Gather data, and report to the legislature by November 1, 2008, on the number of offenders seeking housing, the number of offenders eligible for housing, the number of offenders who receive the housing, and the number of offenders who commit new crimes while residing in the housing to the extent information is available.

(6) The department of corrections shall collaborate with organizations receiving grant funds to:

(a) Help identify appropriate housing solutions in the community for offenders;

(b) Where possible, facilitate an offender's application for housing prior to discharge;

(c) Identify enhancements to training provided to offenders prior to discharge that may assist an offender in effectively transitioning to the community;

(d) Maintain communication between the organization receiving grant funds, the housing provider, and corrections staff supervising the offender; and

(e) Assist the offender in accessing resources and services available through the department of corrections and a community justice center.

(7) The state, department of community, trade, and economic development, department of corrections, local governments, local housing authorities, eligible organizations as described in RCW 43.185.060, and their employees are not liable for civil damages arising from the criminal conduct of an offender solely due to the placement of an offender in housing provided under this section or the provision of housing assistance.

(8) Nothing in this section allows placement of an offender into housing without an analysis of the risk the offender may pose to that particular community or other residents.

**Sec. 605.** RCW 72.09.111 and 2004 c 167 s 7 are each amended to read as follows:

(1) The secretary shall deduct taxes and legal financial obligations from the gross wages, gratuities, or workers' compensation benefits payable directly to the inmate under chapter 51.32 RCW, of each inmate working in correctional industries work programs, or otherwise receiving such wages, gratuities, or benefits. The secretary shall also deduct child support payments from the gratuities of each inmate working in class II through class IV correctional industries work programs. The secretary shall develop a formula for the distribution of offender wages, gratuities, and benefits. The formula shall not reduce the inmate account below the indigency level, as defined in RCW 72.09.015.

(a) The formula shall include the following minimum deductions from class I gross wages and from all others earning at least minimum wage:

(i) Five percent to the public safety and education account for the purpose of crime victims' compensation;

(ii) Ten percent to a department personal inmate savings account;

(iii) Twenty percent to the department to contribute to the cost of incarceration; and

(iv) Twenty percent for payment of legal financial obligations for all inmates who have legal financial obligations owing in any Washington state superior court.

(b) The formula shall include the following minimum deductions from class II gross gratuities:

(i) Five percent to the public safety and education account for the purpose of crime victims' compensation;

(ii) Ten percent to a department personal inmate savings account;

(iii) Fifteen percent to the department to contribute to the cost of incarceration;

(iv) Twenty percent for payment of legal financial obligations for all inmates who have legal financial obligations owing in any Washington state superior court; and

(v) Fifteen percent for any child support owed under a support order.

(c) The formula shall include the following minimum deductions from any workers' compensation benefits paid pursuant to RCW 51.32.080:

(i) Five percent to the public safety and education account for the purpose of crime victims' compensation;

(ii) Ten percent to a department personal inmate savings account;

(iii) Twenty percent to the department to contribute to the cost of incarceration; and

(iv) An amount equal to any legal financial obligations owed by the inmate established by an order of any Washington state superior court up to the total amount of the award.

(d) The formula shall include the following minimum deductions from class III gratuities:

(i) Five percent for the purpose of crime victims' compensation; and

(ii) Fifteen percent for any child support owed under a support order.

(e) The formula shall include the following minimum deduction from class IV gross gratuities:

(i) Five percent to the department to contribute to the cost of incarceration; and

(ii) Fifteen percent for any child support owed under a support order.

(2) Any person sentenced to life imprisonment without possibility of release or parole under chapter 10.95 RCW or sentenced to death shall be exempt from the requirement under subsection (1)(a)(ii), (b)(ii), or (c)(ii).

(3)(a) The department personal inmate savings account, together with any accrued interest, shall only be available to an inmate at the following times:

(i) The time of his or her release from confinement(~~(-unless)~~);

(ii) Prior to his or her release from confinement in order to secure approved housing; or

(iii) When the secretary determines that an emergency exists for the inmate(~~(-at which time the funds can be)~~).

(b) If funds are made available pursuant to (a)(ii) or (iii) of this subsection, the funds shall be made available to the inmate in an amount determined by the secretary.

(c) The management of classes I, II, and IV correctional industries may establish an incentive payment for offender workers based on productivity criteria. This incentive shall be paid separately from the hourly wage/gratuity rate and shall not be subject to the specified deduction for cost of incarceration.

(4)(a) Subject to availability of funds for the correctional industries program, the expansion of inmate employment in class I and class II correctional industries shall be implemented according to the following schedule:

(i) Not later than June 30, 2005, the secretary shall achieve a net increase of at least two hundred in the number of inmates employed in class I or class II correctional industries work programs above the number so employed on June 30, 2003;

(ii) Not later than June 30, 2006, the secretary shall achieve a net increase of at least four hundred in the number of inmates employed in class I or class II

correctional industries work programs above the number so employed on June 30, 2003;

(iii) Not later than June 30, 2007, the secretary shall achieve a net increase of at least six hundred in the number of inmates employed in class I or class II correctional industries work programs above the number so employed on June 30, 2003;

(iv) Not later than June 30, 2008, the secretary shall achieve a net increase of at least nine hundred in the number of inmates employed in class I or class II correctional industries work programs above the number so employed on June 30, 2003;

(v) Not later than June 30, 2009, the secretary shall achieve a net increase of at least one thousand two hundred in the number of inmates employed in class I or class II correctional industries work programs above the number so employed on June 30, 2003;

(vi) Not later than June 30, 2010, the secretary shall achieve a net increase of at least one thousand five hundred in the number of inmates employed in class I or class II correctional industries work programs above the number so employed on June 30, 2003.

(b) Failure to comply with the schedule in this subsection does not create a private right of action.

(5) In the event that the offender worker's wages, gratuity, or workers' compensation benefit is subject to garnishment for support enforcement, the crime victims' compensation, savings, and cost of incarceration deductions shall be calculated on the net wages after taxes, legal financial obligations, and garnishment.

(6) The department shall explore other methods of recovering a portion of the cost of the inmate's incarceration and for encouraging participation in work programs, including development of incentive programs that offer inmates benefits and amenities paid for only from wages earned while working in a correctional industries work program.

(7) The department shall develop the necessary administrative structure to recover inmates' wages and keep records of the amount inmates pay for the costs of incarceration and amenities. All funds deducted from inmate wages under subsection (1) of this section for the purpose of contributions to the cost of incarceration shall be deposited in a dedicated fund with the department and shall be used only for the purpose of enhancing and maintaining correctional industries work programs.

(8) It shall be in the discretion of the secretary to apportion the inmates between class I and class II depending on available contracts and resources.

(9) Nothing in this section shall limit the authority of the department of social and health services division of child support from taking collection action against an inmate's moneys, assets, or property pursuant to chapter 26.23, 74.20, or 74.20A RCW.

#### PART VII - MISCELLANEOUS

NEW SECTION. **Sec. 701.** Part headings used in this act are not any part of the law.

NEW SECTION. Sec. 702. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 703. (1) The sum of three hundred thousand dollars of the general fund—state appropriation for fiscal year 2008 and three hundred thousand dollars of the general fund—state appropriation for fiscal year 2009 are provided solely to the department of corrections for the purposes of section 305(2) and (4) of this act.

(2) The sum of nine hundred thousand dollars of the general fund—state appropriation for fiscal year 2008 and nine hundred thousand dollars of the general fund—state appropriation for fiscal year 2009 are provided solely to the department of corrections for the purposes of section 304(1)(b)(ii)(D) and (E) of this act.

(3) The sum of one hundred thousand dollars of the general fund—state appropriation for fiscal year 2008 and one hundred thousand dollars of the general fund—state appropriation for fiscal year 2009 are provided solely for the department of corrections for the purposes of section 307 of this act.

Passed by the Senate April 22, 2007.

Passed by the House April 21, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 484

[Engrossed Substitute Senate Bill 5311]

### BUDGET STABILIZATION ACCOUNT

AN ACT Relating to a budget stabilization account; amending RCW 43.135.035; reenacting and amending RCW 43.84.092 and 43.135.045; adding new sections to chapter 43.79 RCW; adding a new section to chapter 82.33 RCW; creating a new section; repealing RCW 43.33A.220 and 43.135.051; providing a contingent effective date; and declaring an emergency.

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

NEW SECTION. Sec. 1. A new section is added to chapter 43.79 RCW to read as follows:

The budget stabilization account shall be established and maintained in the state treasury. Moneys in the fund may be spent only after appropriation.

NEW SECTION. Sec. 2. A new section is added to chapter 43.79 RCW to read as follows:

(1) The budget stabilization account is governed by the provisions in Article VII, section . . . (Senate Joint Resolution No. 8206) and this section.

(2) By June 30th of each fiscal year, the state treasurer shall transfer an amount equal to one percent of the general state revenues for that fiscal year to the budget stabilization account.

(3) The state investment board has the full power to invest, reinvest, manage, contract, sell, or exchange investment moneys in the budget stabilization account. All investment and operating costs associated with the investment of money shall be paid pursuant to RCW 43.33A.160 and 43.84.160. With the exception of these expenses, the earnings from the investment of the money shall be retained by the account. All investments made by the state

investment board shall be made with the exercise of that degree of judgment and care pursuant to RCW 43.33A.140 and the investment policies established by the state investment board. As deemed appropriate by the state investment board, moneys in the account may be commingled for investment with other funds subject to investment by the board.

(4) For the purposes of Article VII, section . . . (Senate Joint Resolution No. 8206), this section, and section 3 of this act, the state employment growth forecast shall be based on the total nonfarm payroll employment data series.

NEW SECTION. **Sec. 3.** A new section is added to chapter 82.33 RCW to read as follows:

The state economic and revenue forecast council shall perform the state employment growth forecast and general state revenue estimates required by Article VII, section . . . (Senate Joint Resolution No. 8206).

**Sec. 4.** RCW 43.84.092 and 2006 c 337 s 11, 2006 c 311 s 23, 2006 c 171 s 10, 2006 c 56 s 10, and 2006 c 6 s 8 are each reenacted and amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The budget stabilization account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Columbia river

basin water supply development account, the common school construction fund, the county criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, ~~((the emergency reserve fund,))~~ the energy freedom account, The Evergreen State College capital projects account, the federal forest revolving account, the freight mobility investment account, the freight mobility multimodal account, the health services account, the public health services account, the health system capacity account, the personal health services account, the state higher education construction account, the higher education construction account, the highway infrastructure account, the high-occupancy toll lanes operations account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public works assistance account, the Puyallup tribal settlement account, the real estate appraiser commission account, the regional mobility grant program account, the resource management cost account, the rural Washington loan fund, the site closure account, the small city pavement and sidewalk account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation infrastructure account, the transportation partnership account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, the Washington fruit express account, the Washington judicial retirement system account, the Washington law enforcement officers' and fire fighters' system plan 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3

account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts. All earnings to be distributed under this subsection (4)(a) shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

(b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the county arterial preservation account, the department of licensing services account, the essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high capacity transportation account, the highway bond retirement fund, the highway safety account, the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C account, the state patrol highway account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, and the urban arterial trust account.

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

**Sec. 5.** RCW 43.135.045 and 2005 c 518 s 931, 2005 c 314 s 401, and 2005 c 76 s 2 are each reenacted and amended to read as follows:

(1) ~~((The emergency reserve fund is established in the state treasury. During each fiscal year, the state treasurer shall transfer an amount from the state general fund to the emergency reserve fund. The amount transferred shall equal the amount by which total state revenue for the general fund and related funds exceeds the state expenditure limit, multiplied by the percentage that general fund expenditures are of total expenditures from the general fund and related funds. Transfers shall be made at the end of each fiscal quarter based on projections of state revenues, expenditures, and the state expenditure limit. The treasurer shall make transfers between these accounts as necessary to reconcile actual annual revenues and the expenditure limit for fiscal year 2000 and thereafter.~~

~~(2) The legislature may appropriate moneys from the emergency reserve fund only with approval of at least two-thirds of the members of each house of the legislature, and then only if the appropriation does not cause total expenditures to exceed the state expenditure limit under this chapter.~~

~~(3) The emergency reserve fund balance shall not exceed five percent of annual general fund state revenues as projected by the official state revenue forecast. Any balance in excess of five percent shall be transferred on a~~



~~quarterly basis by the state treasurer as follows: Seventy-five percent to)) The student achievement fund is hereby created in the state treasury ((and twenty-five percent to the general fund balance. The treasurer shall make transfers between these accounts as necessary to reconcile actual annual revenues for fiscal year 2000 and thereafter. When per-student state funding for the maintenance and operation of K-12 education meets a level of no less than ninety percent of the national average of total funding from all sources per student as determined by the most recent published data from the national center for education statistics of the United States department of education, as calculated by the office of financial management, further deposits to the student achievement fund shall be required only to the extent necessary to maintain the ninety percent level. Remaining funds are part of the general fund balance and these funds are subject to the expenditure limits of this chapter)).~~

~~((4))~~ (2) The education construction fund is hereby created in the state treasury.

(a) Funds may be appropriated from the education construction fund exclusively for common school construction or higher education construction.

(b) Funds may be appropriated for any other purpose only if approved by a two-thirds vote of each house of the legislature and if approved by a vote of the people at the next general election. An appropriation approved by the people under this subsection shall result in an adjustment to the state expenditure limit only for the fiscal period for which the appropriation is made and shall not affect any subsequent fiscal period.

~~((5))~~ (3) Funds from the student achievement fund shall be appropriated to the superintendent of public instruction strictly for distribution to school districts to meet the provisions set out in the student achievement act. Allocations shall be made on an equal per full-time equivalent student basis to each school district.

**Sec. 6.** RCW 43.135.035 and 2005 c 72 s 5 are each amended to read as follows:

(1) After July 1, 1995, any action or combination of actions by the legislature that raises state revenue or requires revenue-neutral tax shifts may be taken only if approved by a two-thirds vote of each house, and then only if state expenditures in any fiscal year, including the new revenue, will not exceed the state expenditure limits established under this chapter.

(2)(a) If the legislative action under subsection (1) of this section will result in expenditures in excess of the state expenditure limit, then the action of the legislature shall not take effect until approved by a vote of the people at a November general election. The state expenditure limit committee shall adjust the state expenditure limit by the amount of additional revenue approved by the voters under this section. This adjustment shall not exceed the amount of revenue generated by the legislative action during the first full fiscal year in which it is in effect. The state expenditure limit shall be adjusted downward upon expiration or repeal of the legislative action.

(b) The ballot title for any vote of the people required under this section shall be substantially as follows:

"Shall taxes be imposed on . . . . . in order to allow a spending increase above last year's authorized spending adjusted for personal income growth?"

(3)(a) The state expenditure limit may be exceeded upon declaration of an emergency for a period not to exceed twenty-four months by a law approved by a two-thirds vote of each house of the legislature and signed by the governor. The law shall set forth the nature of the emergency, which is limited to natural disasters that require immediate government action to alleviate human suffering and provide humanitarian assistance. The state expenditure limit may be exceeded for no more than twenty-four months following the declaration of the emergency and only for the purposes contained in the emergency declaration.

(b) Additional taxes required for an emergency under this section may be imposed only until thirty days following the next general election, unless an extension is approved at that general election. The additional taxes shall expire upon expiration of the declaration of emergency. The legislature shall not impose additional taxes for emergency purposes under this subsection unless funds in the education construction fund have been exhausted.

(c) The state or any political subdivision of the state shall not impose any tax on intangible property listed in RCW 84.36.070 as that statute exists on January 1, 1993.

(4) If the cost of any state program or function is shifted from the state general fund or a related fund to another source of funding, or if moneys are transferred from the state general fund or a related fund to another fund or account, the state expenditure limit committee, acting pursuant to RCW 43.135.025(5), shall lower the state expenditure limit to reflect the shift. For the purposes of this section, a transfer of money from the state general fund or a related fund to another fund or account includes any state legislative action taken that has the effect of reducing revenues from a particular source, where such revenues would otherwise be deposited into the state general fund or a related fund, while increasing the revenues from that particular source to another state or local government account. This subsection does not apply to: (a) The dedication or use of lottery revenues under RCW 67.70.240(3) or property taxes under RCW 84.52.068, in support of education or education expenditures; or (b) a transfer of moneys to, or an expenditure from, the budget stabilization account.

(5) If the cost of any state program or function and the ongoing revenue necessary to fund the program or function are shifted to the state general fund or a related fund on or after January 1, 2007, the state expenditure limit committee, acting pursuant to RCW 43.135.025(5), shall increase the state expenditure limit to reflect the shift.

NEW SECTION. Sec. 7. On the effective date of this section, the state treasurer shall transfer all money remaining in the emergency reserve fund to the budget stabilization account.

NEW SECTION. Sec. 8. The following acts or parts of acts are each repealed:

(1) RCW 43.33A.220 (Emergency reserve fund—Board's duties) and 1999 c 288 s 2; and

(2) RCW 43.135.051 (Emergency reserve fund—State investment board authority to invest or manage) and 1999 c 288 s 1.

NEW SECTION. Sec. 9. Section 1 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the

state government and its existing public institutions, and takes effect immediately.

**NEW SECTION. Sec. 10.** Sections 2 through 8 of this act take effect July 1, 2008, if the proposed amendment to Article VII of the state Constitution (Senate Joint Resolution No. 8206) is validly submitted to and is approved and ratified by the voters at a general election held in November 2007. If the proposed amendment is not approved and ratified, sections 2 through 8 of this act are void in their entirety.

Passed by the Senate February 21, 2007.

Passed by the House April 20, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

## CHAPTER 485

[Substitute House Bill 1566]

### RURAL COUNTY TAX CREDIT

AN ACT Relating to modifying the rural county tax credit provided in chapter 82.62 RCW; amending RCW 82.62.010, 82.62.020, 82.62.030, 82.62.045, and 82.62.050; creating new sections; and providing an effective date.

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

**Sec. 1.** RCW 82.62.010 and 2001 c 320 s 12 are each amended to read as follows:

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

(1) "Applicant" means a person applying for a tax credit under this chapter.

(2) "Department" means the department of revenue.

(3) "Eligible area" means an area as defined in RCW 82.60.020.

(4)(a) "Eligible business project" means manufacturing or research and development activities which are conducted by an applicant in an eligible area at a specific facility, provided the applicant's average (~~full-time~~) qualified employment positions at the specific facility will be at least fifteen percent greater in the (~~year for which the credit is being sought~~) four consecutive full calendar quarters after the calendar quarter during which the first qualified employment position is filled than the applicant's average (~~full-time~~) qualified employment positions at the same facility in the four consecutive full calendar quarters immediately preceding (~~year~~) the calendar quarter during which the first qualified employment position is filled.

(b) "Eligible business project" does not include any portion of a business project undertaken by a light and power business as defined in RCW 82.16.010(5) or that portion of a business project creating qualified full-time employment positions outside an eligible area.

(5) "First qualified employment position" means the first qualified employment position filled for which a credit under this chapter is sought.

(6) "Manufacturing" means the same as defined in RCW 82.04.120. "Manufacturing" also includes computer programming, the production of computer software, and other computer-related services, and the activities

performed by research and development laboratories and commercial testing laboratories.

~~((6))~~ (7) "Person" has the meaning given in RCW 82.04.030.

~~((7))~~ (8)(a)(i) "Qualified employment position" means a permanent full-time employee employed in the eligible business project during ~~((the entire tax year))~~ four consecutive full calendar quarters.

(ii) For seasonal employers, "qualified employment position" also includes the equivalent of a full-time employee in work hours for four consecutive full calendar quarters.

(b) For purposes of this subsection, "full time" means a normal work week of at least thirty-five hours.

(c) Once a permanent, full-time employee has been employed, a position does not cease to be a qualified employment position solely due to periods in which the position goes vacant, as long as:

(i) The cumulative period of any vacancies in that position is not more than one hundred twenty days in the four-quarter period; and

(ii) During a vacancy, the employer is training or actively recruiting a replacement permanent, full-time employee for the position.

~~((8) "Tax year" means the calendar year in which taxes are due.)~~

(9) "Recipient" means a person receiving tax credits under this chapter.

(10) "Research and development" means the development, refinement, testing, marketing, and commercialization of a product, service, or process before commercial sales have begun. As used in this subsection, "commercial sales" excludes sales of prototypes or sales for market testing if the total gross receipts from such sales of the product, service, or process do not exceed one million dollars.

(11) "Seasonal employee" means an employee of a seasonal employer who works on a seasonal basis. For the purposes of this subsection and subsection (12) of this section, "seasonal basis" means a continuous employment period of less than twelve consecutive months.

(12) "Seasonal employer" means a person who regularly hires more than fifty percent of its employees to work on a seasonal basis.

**Sec. 2.** RCW 82.62.020 and 1986 c 116 s 16 are each amended to read as follows:

Application for tax credits under this chapter must be made ~~((before))~~ within ninety consecutive days after the ~~((actual hiring of))~~ first qualified employment position~~((s))~~ is filled. The application shall be made to the department in a form and manner prescribed by the department. The application shall contain information regarding the location of the business project, the applicant's average employment, if any, at the facility for the ~~((prior year))~~ four consecutive full calendar quarters immediately preceding the earlier of the calendar quarter during which the application required by this section is submitted to the department or the first qualified employment position is filled, estimated or actual new employment related to the project, estimated or actual wages of employees related to the project, estimated or actual costs, time schedules for completion and operation, and other information required by the department. The department shall prescribe a method for calculating a seasonal employer's average employment levels. The department shall rule on the application within sixty days.

**Sec. 3.** RCW 82.62.030 and 2001 c 320 s 13 are each amended to read as follows:

(1)(a) A person shall be allowed a credit against the tax due under chapter 82.04 RCW as provided in this section. The credit shall equal: ~~((a))~~ (i) Four thousand dollars for each qualified employment position with wages and benefits greater than forty thousand dollars annually that is directly created in an eligible business project and ~~((b))~~ (ii) two thousand dollars for each qualified employment position with wages and benefits less than or equal to forty thousand dollars annually that is directly created in an eligible business project.

(b) For purposes of calculating the amount of credit under (a) of this subsection with respect to qualified employment positions as defined in RCW 82.62.010(8)(a)(ii):

(i) In determining the number of qualified employment positions, a fractional amount is rounded down to the nearest whole number; and

(ii) Wages and benefits for each qualified employment position shall be equal to the quotient derived by dividing: (A) The sum of the wages and benefits earned for the four consecutive full calendar quarter period for which a credit under this chapter is earned by all of the person's new seasonal employees hired during that period; by (B) the number of qualified employment positions plus any fractional amount subject to rounding as provided under (b)(i) of this subsection. For purposes of this chapter, a credit is earned for the four consecutive full calendar quarters after the calendar quarter during which the first qualified position is filled.

(2) The department shall keep a running total of all credits allowed under this chapter during each fiscal year. The department shall not allow any credits which would cause the total to exceed seven million five hundred thousand dollars in any fiscal year. If all or part of an application for credit is disallowed under this subsection, the disallowed portion shall be carried over to the next fiscal year. However, the carryover into the next fiscal year is only permitted to the extent that the cap for the next fiscal year is not exceeded.

(3) No recipient may use the tax credits to decertify a union or to displace existing jobs in any community in the state.

(4) The credit may be used against any tax due under chapter 82.04 RCW, and may be carried over until used. No refunds may be granted for credits under this section.

**Sec. 4.** RCW 82.62.045 and 1999 c 164 s 307 are each amended to read as follows:

(1) For the purposes of this section "eligible area" also means a designated community empowerment zone approved under RCW ~~((43.63A.700))~~ 43.31C.020.

(2) An eligible business project located within an eligible area as defined in this section qualifies for a credit under this chapter for those employees who at the time of hire are residents of the community empowerment zone in which the project is located, if the fifteen percent threshold is met. As used in this subsection, "resident" means the person makes his or her home in the community empowerment zone. A mailing address alone is insufficient to establish that a person is a resident for the purposes of this section.

(3) All other provisions and eligibility requirements of this chapter apply to applicants eligible under this section.

**Sec. 5.** RCW 82.62.050 and 2001 c 320 s 14 are each amended to read as follows:

(1) Each recipient shall submit a report to the department (~~on January 31st following the year the application for credit was allowed~~) by the last day of the month immediately following the end of the four consecutive full calendar quarter period for which a credit under this chapter is earned. The report shall contain information, as required by the department, from which the department may determine whether the recipient is meeting the requirements of this chapter. If the recipient fails to submit a report or submits an inadequate report, the department may declare the amount of taxes for which a credit has been used to be immediately assessed and payable. The recipient must keep records, such as payroll records showing the date of hire and employment security reports, to verify eligibility under this section.

(2) If, on the basis of a report under this section or other information, the department finds that a business project is not eligible for tax credit under this chapter for reasons other than failure to create the required number of qualified employment positions, the amount of taxes for which a credit has been used for the project shall be immediately due.

(3) If, on the basis of a report under this section or other information, the department finds that a business project has failed to create the specified number of qualified employment positions, the department shall assess interest, but not penalties, on the credited taxes for which a credit has been used for the project. The interest shall be assessed at the rate provided for delinquent excise taxes, shall be assessed retroactively to the date of the tax credit, and shall accrue until the taxes for which a credit has been used are repaid.

NEW SECTION. **Sec. 6.** This act applies prospectively only, except that section 4 of this act applies both prospectively and retroactively.

NEW SECTION. **Sec. 7.** Sections 1 through 3 and 5 of this act apply with respect to applications for credit under chapter 82.62 RCW received by the department of revenue on or after January 1, 2008.

NEW SECTION. **Sec. 8.** This act takes effect January 1, 2008.

Passed by the House March 8, 2007.

Passed by the Senate April 20, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 486

[Engrossed House Bill 2388]

### PUBLIC FACILITIES DISTRICTS—FINANCING REGIONAL CENTERS

AN ACT Relating to financing regional centers with seating capacities less than ten thousand that are acquired, constructed, financed, or owned by a public facilities district; amending RCW 35.57.010 and 82.14.390; and adding a new section to chapter 82.14 RCW.

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

**Sec. 1.** RCW 35.57.010 and 2002 c 363 s 1 are each amended to read as follows:

(1)(a) The legislative authority of any town or city located in a county with a population of less than one million may create a public facilities district.

(b) The legislative authorities of any contiguous group of towns or cities located in a county or counties each with a population of less than one million may enter an agreement under chapter 39.34 RCW for the creation and joint operation of a public facilities district.

(c) The legislative authority of any town or city, or any contiguous group of towns or cities, located in a county with a population of less than one million and the legislative authority of a contiguous county, or the legislative authority of the county or counties in which the towns or cities are located, may enter into an agreement under chapter 39.34 RCW for the creation and joint operation of a public facilities district.

(d) The legislative authority of a city located in a county with a population greater than one million may create a public facilities district, when the city has a total population of less than one hundred fifteen thousand but greater than eighty thousand and commences construction of a regional center prior to July 1, 2008.

(2)(a) A public facilities district shall be coextensive with the boundaries of the city or town or contiguous group of cities or towns that created the district.

(b) A public facilities district created by an agreement between a town or city, or a contiguous group of towns or cities, and a contiguous county or the county in which they are located, shall be coextensive with the boundaries of the towns or cities, and the boundaries of the county or counties as to the unincorporated areas of the county or counties. The boundaries shall not include incorporated towns or cities that are not parties to the agreement for the creation and joint operation of the district.

(3)(a) A public facilities district created by a single city or town shall be governed by a board of directors consisting of five members selected as follows: (i) Two members appointed by the legislative authority of the city or town; and (ii) three members appointed by legislative authority based on recommendations from local organizations. The members appointed under (a)(i) of this subsection, shall not be members of the legislative authority of the city or town. The members appointed under (a)(ii) of this subsection, shall be based on recommendations received from local organizations that may include, but are not limited to the local chamber of commerce, local economic development council, and local labor council. The members shall serve four-year terms. Of the initial members, one must be appointed for a one-year term, one must be appointed for a two-year term, one must be appointed for a three-year term, and the remainder must be appointed for four-year terms.

(b) A public facilities district created by a contiguous group of cities and towns shall be governed by a board of directors consisting of seven members selected as follows: (i) Three members appointed by the legislative authorities of the cities and towns; and (ii) four members appointed by the legislative authority based on recommendations from local organizations. The members appointed under (b)(i) of this subsection shall not be members of the legislative authorities of the cities and towns. The members appointed under (b)(ii) of this subsection, shall be based on recommendations received from local organizations that include, but are not limited to the local chamber of commerce, local economic development council, local labor council, and a neighborhood organization that is directly affected by the location of the regional center in their area. The members of the board of directors shall be appointed in accordance with the terms of the agreement under chapter 39.34 RCW for the joint operation

of the district and shall serve four-year terms. Of the initial members, one must be appointed for a one-year term, one must be appointed for a two-year term, one must be appointed for a three-year term, and the remainder must be appointed for four-year terms.

(c) A public facilities district created by a town or city, or a contiguous group of towns or cities, and a contiguous county or the county or counties in which they are located, shall be governed by a board of directors consisting of seven members selected as follows: (i) Three members appointed by the legislative authorities of the cities, towns, and county; and (ii) four members appointed by the legislative authority based on recommendations from local organizations. The members appointed under (c)(i) of this subsection shall not be members of the legislative authorities of the cities, towns, or county. The members appointed under (c)(ii) of this subsection shall be based on recommendations received from local organizations that include, but are not limited to, the local chamber of commerce, the local economic development council, the local labor council, and a neighborhood organization that is directly affected by the location of the regional center in their area. The members of the board of directors shall be appointed in accordance with the terms of the agreement under chapter 39.34 RCW for the joint operation of the district and shall serve four-year terms. Of the initial members, one must be appointed for a one-year term, one must be appointed for a two-year term, one must be appointed for a three-year term, and the remainder must be appointed for four-year terms.

(4) A public facilities district is a municipal corporation, an independent taxing "authority" within the meaning of Article VII, section 1 of the state Constitution, and a "taxing district" within the meaning of Article VII, section 2 of the state Constitution.

(5) A public facilities district shall constitute a body corporate and shall possess all the usual powers of a corporation for public purposes as well as all other powers that may now or hereafter be specifically conferred by statute, including, but not limited to, the authority to hire employees, staff, and services, to enter into contracts, and to sue and be sued.

(6) A public facilities district may acquire and transfer real and personal property by lease, sublease, purchase, or sale. No direct or collateral attack on any public facilities district purported to be authorized or created in conformance with this chapter may be commenced more than thirty days after creation by the city and/or county legislative authority.

**Sec. 2.** RCW 82.14.390 and 2006 c 298 s 1 are each amended to read as follows:

(1) Except as provided in subsection (6) of this section, the governing body of a public facilities district (a) created before July 31, 2002, under chapter 35.57 or 36.100 RCW that commences construction of a new regional center, or improvement or rehabilitation of an existing new regional center, before January 1, 2004~~(-or)~~; (b) created before July 1, 2006, under chapter 35.57 RCW in a county or counties in which there are no other public facilities districts on June 7, 2006, and in which the total population in the public facilities district is greater than ninety thousand that commences construction of a new regional center before February 1, 2007; (c) created under the authority of RCW 35.57.010(1)(d); or (d) created before September 1, 2007, under chapter 35.57 or



36.100 RCW, in a county or counties in which there are no other public facilities districts on the effective date of this act, and in which the total population in the public facilities district is greater than seventy thousand, that commences construction of a new regional center before January 1, 2009, may impose a sales and use tax in accordance with the terms of this chapter. The tax is in addition to other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the public facilities district. The rate of tax shall not exceed 0.033 percent of the selling price in the case of a sales tax or value of the article used in the case of a use tax.

(2) The tax imposed under subsection (1) of this section shall be deducted from the amount of tax otherwise required to be collected or paid over to the department of revenue under chapter 82.08 or 82.12 RCW. The department of revenue shall perform the collection of such taxes on behalf of the county at no cost to the public facilities district.

(3) No tax may be collected under this section before August 1, 2000. The tax imposed in this section shall expire when the bonds issued for the construction of the regional center and related parking facilities are retired, but not more than twenty-five years after the tax is first collected.

(4) Moneys collected under this section shall only be used for the purposes set forth in RCW 35.57.020 and must be matched with an amount from other public or private sources equal to thirty-three percent of the amount collected under this section, provided that amounts generated from nonvoter approved taxes authorized under chapter 35.57 RCW or nonvoter approved taxes authorized under chapter 36.100 RCW shall not constitute a public or private source. For the purpose of this section, public or private sources includes, but is not limited to cash or in-kind contributions used in all phases of the development or improvement of the regional center, land that is donated and used for the siting of the regional center, cash or in-kind contributions from public or private foundations, or amounts attributed to private sector partners as part of a public and private partnership agreement negotiated by the public facilities district.

(5) The combined total tax levied under this section shall not be greater than 0.033 percent. If both a public facilities district created under chapter 35.57 RCW and a public facilities district created under chapter 36.100 RCW impose a tax under this section, the tax imposed by a public facilities district created under chapter 35.57 RCW shall be credited against the tax imposed by a public facilities district created under chapter 36.100 RCW.

(6) A public facilities district created under chapter 36.100 RCW is not eligible to impose the tax under this section if the legislative authority of the county where the public facilities district is located has imposed a sales and use tax under RCW 82.14.0485 or 82.14.0494.

NEW SECTION. Sec. 3. A new section is added to chapter 82.14 RCW to read as follows:

(1) In a county with a population under three hundred thousand, the governing body of a public facilities district, which is created before August 1, 2001, under chapter 35.57 RCW or before January 1, 2000, under chapter 36.100 RCW, in which the total population in the public facilities district is greater than ninety thousand and less than one hundred thousand that commences improvement or rehabilitation of an existing regional center, to be used for

community events, and artistic, musical, theatrical, or other cultural exhibitions, presentations, or performances and having two thousand or fewer permanent seats, before January 1, 2009, may impose a sales and use tax in accordance with the terms of this chapter. The tax is in addition to other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the public facilities district. The rate of tax for a public facilities district created prior to August 1, 2001, under chapter 35.57 RCW, may not exceed 0.025 percent of the selling price in the case of a sales tax or value of the article used in the case of a use tax. The rate of tax, for a public facilities district created prior to January 1, 2000, under chapter 36.100 RCW, may not exceed 0.020 percent of the selling price in the case of a sales tax or the value of the article used in the case of a use tax.

(2) The tax imposed under subsection (1) of this section shall be deducted from the amount of tax otherwise required to be collected or paid over to the department under chapter 82.08 or 82.12 RCW. The department shall perform the collection of such taxes on behalf of the county at no cost to the public facilities district.

(3) The tax imposed in this section shall expire when the bonds issued for the construction of the regional center and related parking facilities are retired, but not more than twenty-five years after the tax is first collected.

(4) Moneys collected under this section shall only be used for the purposes set forth in RCW 35.57.020 and must be matched with an amount from other public or private sources equal to thirty-three percent of the amount collected under this section, provided that amounts generated from nonvoter-approved taxes authorized under chapter 35.57 RCW may not constitute a public or private source. For the purpose of this section, public or private sources include, but are not limited to cash or in-kind contributions used in all phases of the development or improvement of the regional center, land that is donated and used for the siting of the regional center, cash or in-kind contributions from public or private foundations, or amounts attributed to private sector partners as part of a public and private partnership agreement negotiated by the public facilities district.

Passed by the House April 20, 2007.

Passed by the Senate April 20, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 487

[Substitute House Bill 1266]

### PUBLIC EMPLOYEES—DEATH BENEFITS

AN ACT Relating to death benefits for public employees; and amending RCW 41.04.017, 41.26.048, 41.32.053, 41.35.115, 41.37.110, 41.40.0931, 41.40.0932, 41.40.700, and 43.43.285.

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

**Sec. 1.** RCW 41.04.017 and 2003 c 402 s 4 are each amended to read as follows:

A one hundred fifty thousand dollar death benefit shall be paid as a sundry claim to the estate of an employee of any state agency, the common school

system of the state, or institution of higher education who dies as a result of (1) injuries sustained in the course of employment; or (2) an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter, and is not otherwise provided a death benefit through coverage under their enrolled retirement system under chapter 402, Laws of 2003. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the director of the department of general administration by order under RCW 51.52.050.

**Sec. 2.** RCW 41.26.048 and 2006 c 351 s 1 are each amended to read as follows:

(1) A one hundred fifty thousand dollar death benefit shall be paid to the member's estate, or such person or persons, trust or organization as the member shall have nominated by written designation duly executed and filed with the department. If there be no such designated person or persons still living at the time of the member's death, such member's death benefit shall be paid to the member's surviving spouse as if in fact such spouse had been nominated by written designation, or if there be no such surviving spouse, then to such member's legal representatives.

(2) The benefit under this section shall be paid only when death occurs: (a) As a result of injuries sustained in the course of employment; or (b) ~~((to a member of plan 2))~~ as a result of an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.

**Sec. 3.** RCW 41.32.053 and 2003 c 402 s 2 are each amended to read as follows:

(1) A one hundred fifty thousand dollar death benefit shall be paid to the member's estate, or such person or persons, trust or organization as the member has nominated by written designation duly executed and filed with the department. If no such designated person or persons are still living at the time of the member's death, the member's death benefit shall be paid to the member's surviving spouse as if in fact the spouse had been nominated by written designation, or if there is no surviving spouse, then to the member's legal representatives.

(2) The benefit under this section shall be paid only where death occurs as a result of (a) injuries sustained in the course of employment; or (b) an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.

**Sec. 4.** RCW 41.35.115 and 2003 c 402 s 3 are each amended to read as follows:

(1) A one hundred fifty thousand dollar death benefit shall be paid to the member's estate, or such person or persons, trust or organization as the member

has nominated by written designation duly executed and filed with the department. If no such designated person or persons are still living at the time of the member's death, the member's death benefit shall be paid to the member's surviving spouse as if in fact the spouse had been nominated by written designation, or if there is no surviving spouse, then to the member's legal representatives.

(2) The benefit under this section shall be paid only where death occurs as a result of (a) injuries sustained in the course of employment; or (b) an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.

**Sec. 5.** RCW 41.37.110 and 2004 c 242 s 14 are each amended to read as follows:

(1) A one hundred fifty thousand dollar death benefit shall be paid to the member's estate, or the person or persons, trust, or organization the member has nominated by written designation duly executed and filed with the department. If the designated person or persons are not still living at the time of the member's death, the member's death benefit shall be paid to the member's surviving spouse as if in fact the spouse had been nominated by written designation, or if there is no surviving spouse, then to the member's legal representatives.

(2) The benefit under this section shall be paid only where death occurs as a result of (a) injuries sustained in the course of employment; or (b) an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.

**Sec. 6.** RCW 41.40.0931 and 1998 c 157 s 1 are each amended to read as follows:

(1) A one hundred fifty thousand dollar death benefit for members who had the opportunity to transfer to the law enforcement officers' and fire fighters' retirement system pursuant to chapter 502, Laws of 1993, but elected to remain in the public employees' retirement system, shall be paid to the member's estate, or such person or persons, trust, or organization as the member has nominated by written designation duly executed and filed with the department. If there is no designated person or persons still living at the time of the member's death, the member's death benefit shall be paid to the member's surviving spouse as if in fact the spouse had been nominated by written designation, or if there is no surviving spouse, then to the member's legal representatives.

(2) Subject to subsection (3) of this section, the benefit under this section shall be paid only where death occurs as a result of (a) injuries sustained in the course of employment as a general authority police officer; or (b) an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor

and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.

(3) The benefit under this section shall not be paid in the event the member was in the act of committing a felony when the fatal injuries were suffered.

**Sec. 7.** RCW 41.40.0932 and 2003 c 402 s 1 are each amended to read as follows:

(1) A one hundred fifty thousand dollar death benefit shall be paid to the member's estate, or such person or persons, trust or organization as the member has nominated by written designation duly executed and filed with the department. If no such designated person or persons are still living at the time of the member's death, the member's death benefit shall be paid to the member's surviving spouse as if in fact the spouse had been nominated by written designation, or if there is no surviving spouse, then to the member's legal representatives.

(2) The benefit under this section shall be paid only where death occurs as a result of (a) injuries sustained in the course of employment; or (b) an occupational disease or infection that arises naturally and proximately out of employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.

**Sec. 8.** RCW 41.40.700 and 2003 c 155 s 7 are each amended to read as follows:

(1) Except as provided in RCW 11.07.010, if a member or a vested member who has not completed at least ten years of service dies, the amount of the accumulated contributions standing to such member's credit in the retirement system at the time of such member's death, less any amount identified as owing to an obligee upon withdrawal of accumulated contributions pursuant to a court order filed under RCW 41.50.670, shall be paid to the member's estate, or such person or persons, trust, or organization as the member shall have nominated by written designation duly executed and filed with the department. If there be no such designated person or persons still living at the time of the member's death, such member's accumulated contributions standing to such member's credit in the retirement system, less any amount identified as owing to an obligee upon withdrawal of accumulated contributions pursuant to a court order filed under RCW 41.50.670, shall be paid to the member's surviving spouse as if in fact such spouse had been nominated by written designation, or if there be no such surviving spouse, then to such member's legal representatives.

(2) If a member who is eligible for retirement or a member who has completed at least ten years of service dies, the surviving spouse or eligible child or children shall elect to receive ~~((either))~~ one of the following:

(a) A retirement allowance computed as provided for in RCW 41.40.630, actuarially reduced by the amount of any lump sum benefit identified as owing to an obligee upon withdrawal of accumulated contributions pursuant to a court order filed under RCW 41.50.670 and actuarially adjusted to reflect a joint and one hundred percent survivor option under RCW 41.40.660 and, except under subsection (4) of this section, if the member was not eligible for normal retirement at the date of death a further reduction as described in RCW

41.40.630; if a surviving spouse who is receiving a retirement allowance dies leaving a child or children of the member under the age of majority, then such child or children shall continue to receive an allowance in an amount equal to that which was being received by the surviving spouse, share and share alike, until such child or children reach the age of majority; if there is no surviving spouse eligible to receive an allowance at the time of the member's death, such member's child or children under the age of majority shall receive an allowance share and share alike calculated as herein provided making the assumption that the ages of the spouse and member were equal at the time of the member's death; ~~((or))~~

(b) The member's accumulated contributions, less any amount identified as owing to an obligee upon withdrawal of accumulated contributions pursuant to a court order filed under RCW 41.50.670; or

(c) For a member who leaves the employ of an employer to enter the uniformed services of the United States and who dies after January 1, 2007, while honorably serving in the uniformed services of the United States in Operation Enduring Freedom or Persian Gulf, Operation Iraqi Freedom, an amount equal to two hundred percent of the member's accumulated contributions, less any amount identified as owing to an obligee upon withdrawal of accumulated contributions pursuant to a court order filed under RCW 41.50.670.

(3) If a member who is eligible for retirement or a member who has completed at least ten years of service dies after October 1, 1977, and is not survived by a spouse or an eligible child, then the accumulated contributions standing to the member's credit, less any amount identified as owing to an obligee upon withdrawal of accumulated contributions pursuant to a court order filed under RCW 41.50.670, shall be paid:

(a) To a person or persons, estate, trust, or organization as the member shall have nominated by written designation duly executed and filed with the department; or

(b) If there is no such designated person or persons still living at the time of the member's death, then to the member's legal representatives.

(4) A member who is killed in the course of employment, as determined by the director of the department of labor and industries, is not subject to an actuarial reduction under RCW 41.40.630. The member's retirement allowance is computed under RCW 41.40.620.

**Sec. 9.** RCW 43.43.285 and 1996 c 226 s 2 are each amended to read as follows:

(1) A one hundred fifty thousand dollar death benefit shall be paid to the member's estate, or such person or persons, trust or organization as the member shall have nominated by written designation duly executed and filed with the department. If there be no such designated person or persons still living at the time of the member's death, such member's death benefit shall be paid to the member's surviving spouse as if in fact such spouse had been nominated by written designation, or if there be no such surviving spouse, then to such member's legal representatives.

(2) The benefit under this section shall be paid only where death occurs as a result of (a) injuries sustained in the course of employment; or (b) an occupational disease or infection that arises naturally and proximately out of

employment covered under this chapter. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.

Passed by the House April 20, 2007.

Passed by the Senate April 20, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 488

[Substitute House Bill 1417]

### STATE PATROL SURVIVOR BENEFITS

AN ACT Relating to Washington state patrol survivor benefits; amending RCW 43.43.285 and 41.05.011; amending 2006 c 345 s 2 (uncodified); adding a new section to chapter 43.43 RCW; and creating a new section.

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

**Sec. 1.** RCW 43.43.285 and 1996 c 226 s 2 are each amended to read as follows:

(1) A one hundred fifty thousand dollar death benefit shall be paid to the member's estate, or such person or persons, trust or organization as the member shall have nominated by written designation duly executed and filed with the department. If there be no such designated person or persons still living at the time of the member's death, such member's death benefit shall be paid to the member's surviving spouse as if in fact such spouse had been nominated by written designation, or if there be no such surviving spouse, then to such member's legal representatives.

(2)(a) The benefit under this section shall be paid only where death occurs as a result of injuries sustained in the course of employment. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the department of retirement systems by order under RCW 51.52.050.

(b) The retirement allowance paid to the spouse and dependent children of a member who is killed in the course of employment, as set forth in RCW 41.05.011(14), shall include reimbursement for any payments of premium rates to the Washington state health care authority under RCW 41.05.080.

**Sec. 2.** RCW 41.05.011 and 2005 c 143 s 1 are each amended to read as follows:

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

(1) "Administrator" means the administrator of the authority.

(2) "State purchased health care" or "health care" means medical and health care, pharmaceuticals, and medical equipment purchased with state and federal funds by the department of social and health services, the department of health, the basic health plan, the state health care authority, the department of labor and industries, the department of corrections, the department of veterans affairs, and local school districts.

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

(4) "Insuring entity" means an insurer as defined in chapter 48.01 RCW, a health care service contractor as defined in chapter 48.44 RCW, or a health maintenance organization as defined in chapter 48.46 RCW.

(5) "Flexible benefit plan" means a benefit plan that allows employees to choose the level of health care coverage provided and the amount of employee contributions from among a range of choices offered by the authority.

(6) "Employee" includes all full-time and career seasonal employees of the state, whether or not covered by civil service; elected and appointed officials of the executive branch of government, including full-time members of boards, commissions, or committees; and includes any or all part-time and temporary employees under the terms and conditions established under this chapter by the authority; justices of the supreme court and judges of the court of appeals and the superior courts; and members of the state legislature or of the legislative authority of any county, city, or town who are elected to office after February 20, 1970. "Employee" also includes: (a) Employees of a county, municipality, or other political subdivision of the state if the legislative authority of the county, municipality, or other political subdivision of the state seeks and receives the approval of the authority to provide any of its insurance programs by contract with the authority, as provided in RCW 41.04.205; (b) employees of employee organizations representing state civil service employees, at the option of each such employee organization, and, effective October 1, 1995, employees of employee organizations currently pooled with employees of school districts for the purpose of purchasing insurance benefits, at the option of each such employee organization; and (c) employees of a school district if the authority agrees to provide any of the school districts' insurance programs by contract with the authority as provided in RCW 28A.400.350.

(7) "Board" means the public employees' benefits board established under RCW 41.05.055.

(8) "Retired or disabled school employee" means:

(a) Persons who separated from employment with a school district or educational service district and are receiving a retirement allowance under chapter 41.32 or 41.40 RCW as of September 30, 1993;

(b) Persons who separate from employment with a school district or educational service district on or after October 1, 1993, and immediately upon separation receive a retirement allowance under chapter 41.32, 41.35, or 41.40 RCW;

(c) Persons who separate from employment with a school district or educational service district due to a total and permanent disability, and are eligible to receive a deferred retirement allowance under chapter 41.32, 41.35, or 41.40 RCW.

(9) "Benefits contribution plan" means a premium only contribution plan, a medical flexible spending arrangement, or a cafeteria plan whereby state and public employees may agree to a contribution to benefit costs which will allow the employee to participate in benefits offered pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

(10) "Salary" means a state employee's monthly salary or wages.

(11) "Participant" means an individual who fulfills the eligibility and enrollment requirements under the benefits contribution plan.

(12) "Plan year" means the time period established by the authority.



(13) "Separated employees" means persons who separate from employment with an employer as defined in:

- (a) RCW 41.32.010(11) on or after July 1, 1996; or
- (b) RCW 41.35.010 on or after September 1, 2000; or
- (c) RCW 41.40.010 on or after March 1, 2002;

and who are at least age fifty-five and have at least ten years of service under the teachers' retirement system plan 3 as defined in RCW 41.32.010(40), the Washington school employees' retirement system plan 3 as defined in RCW 41.35.010, or the public employees' retirement system plan 3 as defined in RCW 41.40.010.

(14) "Emergency service personnel killed in the line of duty" means law enforcement officers and fire fighters as defined in RCW 41.26.030, members of the Washington state patrol retirement fund as defined in RCW 43.43.120, and reserve officers and fire fighters as defined in RCW 41.24.010 who die as a result of injuries sustained in the course of employment as determined consistent with Title 51 RCW by the department of labor and industries.

(15) "Employer" means the state of Washington.

(16) "Employing agency" means a division, department, or separate agency of state government and a county, municipality, school district, educational service district, or other political subdivision, covered by this chapter.

*\*Sec. 3. 2006 c 345 s 2 (uncodified) is amended to read as follows:*

*This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and except for section 2 of this act takes effect immediately [May 7, 2001]. This act applies to all surviving spouses and dependent children of (1) emergency service personnel (~~and~~), (2) members of the law enforcement officers' and fire fighters' retirement system plan 2, and (3) members of the Washington state patrol retirement fund, killed in the line of duty.*

*\*Sec. 3 was vetoed. See message at end of chapter.*

NEW SECTION. Sec. 4. A new section is added to chapter 43.43 RCW to read as follows:

The legislature reserves the right to amend or repeal the reimbursement provisions of this act in the future and no member or beneficiary has a contractual right to receive any distribution not granted prior to that time.

NEW SECTION. Sec. 5. This act shall be known as "The Steve Frink's and Jim Saunder's Law" in honor of Steve Frink and Jim Saunders, Washington state patrol officers who were killed in the line of duty.

Passed by the House April 16, 2007.

Passed by the Senate March 12, 2007.

Approved by the Governor May 15, 2007, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 16, 2007.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Section 3, Substitute House Bill 1417 entitled:

"AN ACT Relating to Washington state patrol survivor benefits."

This bill reimburses the cost of health insurance premiums for survivors of members of the Washington State Patrol Retirement System who are killed in the line of duty. Section 3 amends an

uncodified emergency clause from legislation passed in 2001, and could lead to confusion about the effective date of the bill. This section is not needed to provide the insurance benefits that the bill is designed to offer.

For these reasons, I have vetoed Section 3 of Substitute House Bill No. 1417.

With the exception of Section 3, Substitute House Bill No. 1417 is approved."

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### CHAPTER 489

[House Bill 1671]

CIVIL SERVICE

AN ACT Relating to reclassifications, class studies, and salary adjustments; and amending RCW 41.06.152.

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

**Sec. 1.** RCW 41.06.152 and 2002 c 354 s 241 are each amended to read as follows:

(1) The director shall adopt only those job classification revisions, class studies, and salary adjustments under RCW 41.06.150(4) that:

(a) ~~As defined by the director, are due to documented recruitment ((and) or retention difficulties, salary compression or inversion, ((increased)) classification plan maintenance, higher level duties and responsibilities, or inequities((. For these purposes, inequities are defined as similar work assigned to different job classes with a salary disparity greater than 7.5 percent))~~; and

(b) Are such that the office of financial management has reviewed the affected agency's fiscal impact statement and has concurred that the affected agency can absorb the biennialized cost of the reclassification, class study, or salary adjustment within the agency's current authorized level of funding for the current fiscal biennium and subsequent fiscal biennia.

(2) ~~((In addition to reclassifications, class studies, and salary adjustments under subsection (1)(b) of this section, the board may approve other reclassifications, class studies, and salary adjustments that meet the requirements of subsection (1)(a) of this section and have been approved under the procedures established under this subsection.~~

~~Before the department of personnel's biennial budget request is due to the office of financial management, the board shall prioritize requests for reclassifications, class studies, and salary adjustments for the next fiscal biennium. The board shall prioritize according to such criteria as are developed by the board consistent with RCW 41.06.150(4)(a). The board shall submit the prioritized list to the governor's office and the fiscal committees of the house of representatives and senate at the same time the department of personnel's biennial budget request is submitted. The office of financial management shall review the biennial cost of each proposed salary adjustment on the board's prioritized list.~~

~~In the biennial appropriations acts, the legislature may establish a level of funding, from the state general fund and other accounts, to be applied by the board to the prioritized list. Upon enactment of the appropriations act, the board may approve reclassifications, class studies, and salary adjustments only to the extent that the total cost does not exceed the level of funding established in the appropriations acts and the board's actions are consistent with the priorities~~

established in the list. The legislature may also specify or otherwise limit in the appropriations act the implementation dates for actions approved by the board under this section.

~~(3) When the board develops its priority list in the 1999-2001 biennium, for increases proposed for funding in the 2001-2003 biennium, the board shall give top priority to proposed increases to address documented recruitment and retention increases, and shall give lowest priority to proposed increases to recognize increased duties and responsibilities. When the board submits its prioritized list for the 2001-2003 biennium, the board shall also provide: A comparison of any differences between the salary increases recommended by the department of personnel staff and those adopted by the board; a review of any salary compression, inversion, or inequities that would result from implementing a recommended increase; and a complete description of the information relied upon by the board in adopting its proposals and priorities.~~

(4)) This section does not apply to the higher education hospital special pay plan or to any adjustments to the classification plan under RCW 41.06.150(4) that are due to emergent conditions. Emergent conditions are defined as emergency conditions requiring the establishment of positions necessary for the preservation of the public health, safety, or general welfare.

Passed by the House March 7, 2007.

Passed by the Senate April 13, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 490

[Engrossed Substitute House Bill 1833]

### FIREFIGHTERS—OCCUPATIONAL DISEASES

AN ACT Relating to occupational diseases affecting firefighters; amending RCW 51.32.185, 51.52.120, and 51.52.130; and creating a new section.

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

***\*NEW SECTION. Sec. 1. The legislature finds and declares:***

***(1) By reason of their employment, firefighters are required to work in the midst of, and are subject to, smoke, fumes, infectious diseases, and toxic and hazardous substances;***

***(2) Firefighters enter uncontrolled environments to save lives, provide emergency medical services, and reduce property damage and are frequently not aware of the potential toxic and carcinogenic substances, and infectious diseases that they may be exposed to;***

***(3) Harmful effects caused by firefighters' exposure to hazardous substances may develop very slowly, manifesting themselves years after exposure;***

***(4) Firefighters frequently and at unpredictable intervals perform job duties under strenuous physical conditions unique to their employment when engaged in firefighting activities; and***

***(5) Firefighting duties exacerbate and increase the incidence of cardiovascular disease in firefighters.***

\*Sec. 1 was vetoed. See message at end of chapter.

**Sec. 2.** RCW 51.32.185 and 2002 c 337 s 2 are each amended to read as follows:

(1) In the case of fire fighters as defined in RCW 41.26.030(4) (a), (b), and (c) who are covered under Title 51 RCW and fire fighters, including supervisors, employed on a full-time, fully compensated basis as a fire fighter of a private sector employer's fire department that includes over fifty such fire fighters, there shall exist a prima facie presumption that: (a) Respiratory disease; (b) ~~(heart problems that are experienced within seventy-two hours of exposure to smoke, fumes, or toxic substances)~~ any heart problems, experienced within seventy-two hours of exposure to smoke, fumes, or toxic substances, or experienced within twenty-four hours of strenuous physical exertion due to firefighting activities; (c) cancer; and (d) infectious diseases are occupational diseases under RCW 51.08.140. This presumption of occupational disease may be rebutted by a preponderance of the evidence. Such evidence may include, but is not limited to, use of tobacco products, physical fitness and weight, lifestyle, hereditary factors, and exposure from other employment or nonemployment activities.

(2) The presumptions established in subsection (1) of this section shall be extended to an applicable member following termination of service for a period of three calendar months for each year of requisite service, but may not extend more than sixty months following the last date of employment.

(3) The presumption established in subsection (1)(c) of this section shall only apply to any active or former fire fighter who has cancer that develops or manifests itself after the fire fighter has served at least ten years and who was given a qualifying medical examination upon becoming a fire fighter that showed no evidence of cancer. The presumption within subsection (1)(c) of this section shall only apply to prostate cancer diagnosed prior to the age of fifty, primary brain cancer, malignant melanoma, leukemia, non-Hodgkin's lymphoma, bladder cancer, ureter cancer, colorectal cancer, multiple myeloma, testicular cancer, and kidney cancer.

(4) The presumption established in subsection (1)(d) of this section shall be extended to any fire fighter who has contracted any of the following infectious diseases: Human immunodeficiency virus/acquired immunodeficiency syndrome, all strains of hepatitis, meningococcal meningitis, or mycobacterium tuberculosis.

(5) Beginning July 1, 2003, this section does not apply to a fire fighter who develops a heart or lung condition and who is a regular user of tobacco products or who has a history of tobacco use. The department, using existing medical research, shall define in rule the extent of tobacco use that shall exclude a fire fighter from the provisions of this section.

(6) For purposes of this section, "firefighting activities" means fire suppression, fire prevention, emergency medical services, rescue operations, hazardous materials response, aircraft rescue, and training and other assigned duties related to emergency response.

(7)(a) When a determination involving the presumption established in this section is appealed to the board of industrial insurance appeals and the final decision allows the claim for benefits, the board of industrial insurance appeals shall order that all reasonable costs of the appeal, including attorney fees and witness fees, be paid to the firefighter or his or her beneficiary by the opposing party.

(b) When a determination involving the presumption established in this section is appealed to any court and the final decision allows the claim for benefits, the court shall order that all reasonable costs of the appeal, including attorney fees and witness fees, be paid to the firefighter or his or her beneficiary by the opposing party.

(c) When reasonable costs of the appeal must be paid by the department under this section in a state fund case, the costs shall be paid from the accident fund and charged to the costs of the claim.

**Sec. 3.** RCW 51.52.120 and 2003 c 53 s 285 are each amended to read as follows:

(1) It shall be unlawful for an attorney engaged in the representation of any worker or beneficiary to charge for services in the department any fee in excess of a reasonable fee, of not more than thirty percent of the increase in the award secured by the attorney's services. Such reasonable fee shall be fixed by the director or the director's designee for services performed by an attorney for such worker or beneficiary, if written application therefor is made by the attorney, worker, or beneficiary within one year from the date the final decision and order of the department is communicated to the party making the application.

(2) If, on appeal to the board, the order, decision, or award of the department is reversed or modified and additional relief is granted to a worker or beneficiary, or in cases where a party other than the worker or beneficiary is the appealing party and the worker's or beneficiary's right to relief is sustained by the board, the board shall fix a reasonable fee for the services of his or her attorney in proceedings before the board if written application therefor is made by the attorney, worker, or beneficiary within one year from the date the final decision and order of the board is communicated to the party making the application. In fixing the amount of such attorney's fee, the board shall take into consideration the fee allowed, if any, by the director, for services before the department, and the board may review the fee fixed by the director. Any attorney's fee set by the department or the board may be reviewed by the superior court upon application of such attorney, worker, or beneficiary. The department or self-insured employer, as the case may be, shall be served a copy of the application and shall be entitled to appear and take part in the proceedings. Where the board, pursuant to this section, fixes the attorney's fee, it shall be unlawful for an attorney to charge or receive any fee for services before the board in excess of that fee fixed by the board.

(3) In an appeal to the board involving the presumption established under RCW 51.32.185, the attorney's fee shall be payable as set forth under RCW 51.32.185.

(4) Any person who violates this section is guilty of a misdemeanor.

**Sec. 4.** RCW 51.52.130 and 1993 c 122 s 1 are each amended to read as follows:

(1) If, on appeal to the superior or appellate court from the decision and order of the board, said decision and order is reversed or modified and additional relief is granted to a worker or beneficiary, or in cases where a party other than the worker or beneficiary is the appealing party and the worker's or beneficiary's right to relief is sustained, a reasonable fee for the services of the worker's or beneficiary's attorney shall be fixed by the court. In fixing the fee the court shall

take into consideration the fee or fees, if any, fixed by the director and the board for such attorney's services before the department and the board. If the court finds that the fee fixed by the director or by the board is inadequate for services performed before the department or board, or if the director or the board has fixed no fee for such services, then the court shall fix a fee for the attorney's services before the department, or the board, as the case may be, in addition to the fee fixed for the services in the court. If in a worker or beneficiary appeal the decision and order of the board is reversed or modified and if the accident fund or medical aid fund is affected by the litigation, or if in an appeal by the department or employer the worker or beneficiary's right to relief is sustained, or in an appeal by a worker involving a state fund employer with twenty-five employees or less, in which the department does not appear and defend, and the board order in favor of the employer is sustained, the attorney's fee fixed by the court, for services before the court only, and the fees of medical and other witnesses and the costs shall be payable out of the administrative fund of the department. In the case of self-insured employers, the attorney fees fixed by the court, for services before the court only, and the fees of medical and other witnesses and the costs shall be payable directly by the self-insured employer.

(2) In an appeal to the superior or appellate court involving the presumption established under RCW 51.32.185, the attorney's fee shall be payable as set forth under RCW 51.32.185.

Passed by the House April 18, 2007.

Passed by the Senate April 10, 2007.

Approved by the Governor May 15, 2007, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 16, 2007.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Section 1, Engrossed Substitute House Bill 1833 entitled:

"AN ACT Relating to occupational diseases affecting firefighters."

Engrossed Substitute House Bill 1833 creates a rebuttable presumption that certain heart problems, cancer and infectious diseases are occupational diseases for firefighters that are covered by industrial insurance. I strongly support this law. The legislature's statement of intent in Section 1, however, makes broad generalizations about the incidence of cardiovascular disease. In an effort to avoid the unintended interpretations of broad generalizations, Section 2 of the bill has been carefully crafted to define specific "firefighting activities" that are related to occupational diseases.

For these reasons, I have vetoed Section 1 Engrossed Substitute House Bill 1833.

With the exception of Section 1, Engrossed Substitute House Bill 1833 is approved."

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## CHAPTER 491

[Engrossed House Bill 2391]

### GAIN-SHARING—ALTERNATE PENSION BENEFITS

AN ACT Relating to retirement system gain-sharing and alternate benefits; amending RCW 41.31A.020, 41.32.765, 41.32.835, 41.32.875, 41.35.420, 41.35.610, 41.35.680, 41.40.630, 41.40.820, and 41.45.070; adding a new section to chapter 41.32 RCW; adding a new section to chapter 41.40 RCW; creating new sections; repealing RCW 41.31.010, 41.31.020, 41.31.030, 41.31A.010, 41.31A.020, 41.31A.030, and 41.31A.040; providing effective dates; and declaring an emergency.

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

**Sec. 1.** RCW 41.31A.020 and 2003 c 294 s 4 are each amended to read as follows:

(1) On January 1, 2004, and on January 1st of even-numbered years thereafter, the member account of a person meeting the requirements of this section shall be credited by the extraordinary investment gain amount.

(2) The following persons, hired prior to July 1, 2007, shall be eligible for the benefit provided in subsection (1) of this section:

(a) Any member of the teachers' retirement system plan 3, the Washington school employees' retirement system plan 3, or the public employees' retirement system plan 3 who earned service credit during the twelve-month period from September 1st to August 31st immediately preceding the distribution and had a balance of at least one thousand dollars in their member account on August 31st of the year immediately preceding the distribution; or

(b) Any person in receipt of a benefit pursuant to RCW 41.32.875, 41.35.680, or 41.40.820; or

(c) Any person who is a retiree pursuant to RCW 41.34.020(8) and who:

(i) Completed ten service credit years; or

(ii) Completed five service credit years, including twelve service months after attaining age fifty-four; or

(d) Any teacher who is a retiree pursuant to RCW 41.34.020(8) and who has completed five service credit years by July 1, 1996, under plan 2 and who transferred to plan 3 under RCW 41.32.817; or

(e) Any classified employee who is a retiree pursuant to RCW 41.34.020(8) and who has completed five service credit years by September 1, 2000, and who transferred to plan 3 under RCW 41.35.510; or

(f) Any public employee who is a retiree pursuant to RCW 41.34.020(8) and who has completed five service credit years by March 1, 2002, and who transferred to plan 3 under RCW 41.40.795; or

(g) Any person who had a balance of at least one thousand dollars in their member account on August 31st of the year immediately preceding the distribution and who:

(i) Completed ten service credit years; or

(ii) Completed five service credit years, including twelve service months after attaining age fifty-four; or

(h) Any teacher who had a balance of at least one thousand dollars in their member account on August 31st of the year immediately preceding the distribution and who has completed five service credit years by July 1, 1996, under plan 2 and who transferred to plan 3 under RCW 41.32.817; or

(i) Any classified employee who had a balance of at least one thousand dollars in their member account on August 31st of the year immediately preceding the distribution and who has completed five service credit years by September 1, 2000, and who transferred to plan 3 under RCW 41.35.510; or

(j) Any public employee who had a balance of at least one thousand dollars in their member account on August 31st of the year immediately preceding the distribution and who has completed five service credit years by March 1, 2002, and who transferred to plan 3 under RCW 41.40.795.

(3) The extraordinary investment gain amount shall be calculated as follows:

(a) One-half of the sum of the value of the net assets held in trust for pension benefits in the teachers' retirement system combined plan 2 and 3 fund, the Washington school employees' retirement system combined plan 2 and 3 fund, and the public employees' retirement system combined plan 2 and 3 fund at the close of the previous state fiscal year not including the amount attributable to member accounts;

(b) Multiplied by the amount which the compound average of investment returns on those assets over the previous four state fiscal years exceeds ten percent;

(c) Multiplied by the proportion of:

(i) The sum of the service credit on August 31st of the previous year of all persons eligible for the benefit provided in subsection (1) of this section; to

(ii) The sum of the service credit on August 31st of the previous year of:

(A) All persons eligible for the benefit provided in subsection (1) of this section;

(B) Any person who earned service credit in the teachers' retirement system plan 2, the Washington school employees' retirement system plan 2, or the public employees' retirement system plan 2 during the twelve-month period from September 1st to August 31st immediately preceding the distribution;

(C) Any person in receipt of a benefit pursuant to RCW 41.32.765, 41.35.420, or 41.40.630; and

(D) Any person with five or more years of service in the teachers' retirement system plan 2, the Washington school employees' retirement system plan 2, or the public employees' retirement system plan 2;

(d) Divided proportionally among persons eligible for the benefit provided in subsection (1) of this section on the basis of their service credit total on August 31st of the previous year.

(4) The legislature reserves the right to amend or repeal this section in the future and no member or beneficiary has a contractual right to receive this distribution not granted prior to that time.

**Sec. 2.** RCW 41.32.765 and 2000 c 247 s 902 are each amended to read as follows:

(1) **NORMAL RETIREMENT.** Any member with at least five service credit years of service who has attained at least age sixty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.32.760.

(2) **EARLY RETIREMENT.** Any member who has completed at least twenty service credit years of service who has attained at least age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.32.760, except that a member retiring pursuant to this subsection shall have the retirement allowance actuarially reduced to reflect the difference in the number of years between age at retirement and the attainment of age sixty-five.

(3) **ALTERNATE EARLY RETIREMENT.**

(a) Any member who has completed at least thirty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.32.760, except that a member retiring pursuant to this subsection shall have the retirement allowance



reduced by three percent per year to reflect the difference in the number of years between age at retirement and the attainment of age sixty-five.

(b) On or after September 1, 2008, any member who has completed at least thirty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.32.760, except that a member retiring pursuant to this subsection shall have the retirement allowance reduced as follows:

<u>Retirement Age</u>	<u>Percent Reduction</u>
<u>55</u>	<u>20%</u>
<u>56</u>	<u>17%</u>
<u>57</u>	<u>14%</u>
<u>58</u>	<u>11%</u>
<u>59</u>	<u>8%</u>
<u>60</u>	<u>5%</u>
<u>61</u>	<u>2%</u>
<u>62</u>	<u>0%</u>
<u>63</u>	<u>0%</u>
<u>64</u>	<u>0%</u>

Any member who retires under the provisions of this subsection is ineligible for the postretirement employment provisions of RCW 41.32.802(2) until the retired member has reached sixty-five years of age. For purposes of this subsection, employment with an employer also includes any personal service contract, service by an employer as a temporary or project employee, or any other similar compensated relationship with any employer included under the provisions of RCW 41.32.800(1).

The subsidized reductions for alternate early retirement in this subsection as set forth in section 2, chapter . . . (this act), Laws of 2007 were intended by the legislature as replacement benefits for gain-sharing. Until there is legal certainty with respect to the repeal of chapter 41.31A RCW, the right to retire under this subsection is noncontractual, and the legislature reserves the right to amend or repeal this subsection. Legal certainty includes, but is not limited to, the expiration of any: Applicable limitations on actions; and periods of time for seeking appellate review, up to and including reconsideration by the Washington supreme court and the supreme court of the United States. Until that time, eligible members may still retire under this subsection, and upon receipt of the first installment of a retirement allowance computed under this subsection, the resulting benefit becomes contractual for the recipient. If the repeal of chapter 41.31A RCW is held to be invalid in a final determination of a court of law, and the court orders reinstatement of gain-sharing or other alternate benefits as a remedy, then retirement benefits for any member who has completed at least thirty service credit years and has attained age fifty-five but has not yet received the first installment of a retirement allowance under this subsection shall be computed using the reductions in (a) of this subsection.

**Sec. 3.** RCW 41.32.835 and 1995 c 239 s 105 are each amended to read as follows:

(1) All teachers who first become employed by an employer in an eligible position on or after July 1, ((1996, shall be members of plan 3)) 2007, shall have a period of ninety days to make an irrevocable choice to become a member of plan 2 or plan 3. At the end of ninety days, if the member has not made a choice to become a member of plan 2, he or she becomes a member of plan 3.

(2) For administrative efficiency, until a member elects to become a member of plan 3, or becomes a member of plan 3 by default under subsection (1) of this section, the member shall be reported to the department in plan 2, with member and employer contributions. Upon becoming a member of plan 3 by election or by default, all service credit shall be transferred to the member's plan 3 defined benefit, and all employee accumulated contributions shall be transferred to the member's plan 3 defined contribution account.

(3) The plan choice provision as set forth in section 3, chapter . . . (this act), Laws of 2007 was intended by the legislature as a replacement benefit for gain-sharing. Until there is legal certainty with respect to the repeal of chapter 41.31A RCW, the right to plan choice under this section is noncontractual, and the legislature reserves the right to amend or repeal this section. Legal certainty includes, but is not limited to, the expiration of any: Applicable limitations on actions; and periods of time for seeking appellate review, up to and including reconsideration by the Washington supreme court and the supreme court of the United States. Until that time, all teachers who first become employed by an employer in an eligible position on or after July 1, 2007, may choose either plan 2 or plan 3 under this section. If the repeal of chapter 41.31A RCW is held to be invalid in a final determination of a court of law, and the court orders reinstatement of gain-sharing or other alternate benefits as a remedy, then all teachers who first become employed by an employer in an eligible position on or after the date of such reinstatement shall be members of plan 3.

**Sec. 4.** RCW 41.32.875 and 2006 c 33 s 1 are each amended to read as follows:

(1) NORMAL RETIREMENT. Any member who is at least age sixty-five and who has:

- (a) Completed ten service credit years; or
- (b) Completed five service credit years, including twelve service credit months after attaining age forty-four; or
- (c) Completed five service credit years by July 1, 1996, under plan 2 and who transferred to plan 3 under RCW 41.32.817;

shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.32.840.

(2) EARLY RETIREMENT. Any member who has attained at least age fifty-five and has completed at least ten years of service shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.32.840, except that a member retiring pursuant to this subsection shall have the retirement allowance actuarially reduced to reflect the difference in the number of years between age at retirement and the attainment of age sixty-five.

(3) ALTERNATE EARLY RETIREMENT.

(a) Any member who has completed at least thirty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.32.840, except that a member retiring pursuant to this subsection shall have the retirement allowance reduced by three percent per year to reflect the difference in the number of years between age at retirement and the attainment of age sixty-five.

(b) On or after September 1, 2008, any member who has completed at least thirty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.32.840, except that a member retiring pursuant to this subsection shall have the retirement allowance reduced as follows:

<u>Retirement Age</u>	<u>Percent Reduction</u>
<u>55</u>	<u>20%</u>
<u>56</u>	<u>17%</u>
<u>57</u>	<u>14%</u>
<u>58</u>	<u>11%</u>
<u>59</u>	<u>8%</u>
<u>60</u>	<u>5%</u>
<u>61</u>	<u>2%</u>
<u>62</u>	<u>0%</u>
<u>63</u>	<u>0%</u>
<u>64</u>	<u>0%</u>

Any member who retires under the provisions of this subsection is ineligible for the postretirement employment provisions of RCW 41.32.862(2) until the retired member has reached sixty-five years of age. For purposes of this subsection, employment with an employer also includes any personal service contract, service by an employer as a temporary or project employee, or any other similar compensated relationship with any employer included under the provisions of RCW 41.32.860(1).

The subsidized reductions for alternate early retirement in this subsection as set forth in section 4, chapter . . . (this act), Laws of 2007 were intended by the legislature as replacement benefits for gain-sharing. Until there is legal certainty with respect to the repeal of chapter 41.31A RCW, the right to retire under this subsection is noncontractual, and the legislature reserves the right to amend or repeal this subsection. Legal certainty includes, but is not limited to, the expiration of any: Applicable limitations on actions; and periods of time for seeking appellate review, up to and including reconsideration by the Washington supreme court and the supreme court of the United States. Until that time, eligible members may still retire under this subsection, and upon receipt of the first installment of a retirement allowance computed under this subsection, the resulting benefit becomes contractual for the recipient. If the repeal of chapter 41.31A RCW is held to be invalid in a final determination of a court of law, and

the court orders reinstatement of gain-sharing or other alternate benefits as a remedy, then retirement benefits for any member who has completed at least thirty service credit years and has attained age fifty-five but has not yet received the first installment of a retirement allowance under this subsection shall be computed using the reductions in (a) of this subsection.

**NEW SECTION. Sec. 5.** A new section is added to chapter 41.32 RCW under the subchapter heading "plan 1" to read as follows:

(1) Beginning July 1, 2009, the annual increase amount as defined in RCW 41.32.010(46) shall be increased by an amount equal to \$0.40 per month per year of service minus the 2008 gain-sharing increase amount under RCW 41.31.010 as it exists on the effective date of this section. This adjustment shall not decrease the annual increase amount, and is not to exceed \$0.20 per month per year of service. The legislature reserves the right to amend or repeal this section in the future and no member or beneficiary has the contractual right to receive this adjustment to the annual increase amount not granted prior to that time.

(2) The adjustment to the annual increase amount as set forth in section 5, chapter . . . (this act), Laws of 2007 was intended by the legislature as a replacement benefit for gain-sharing. If the repeal of chapter 41.31 RCW is held to be invalid in a final determination of a court of law, and the court orders reinstatement of gain-sharing or other alternate benefits as a remedy, then this adjustment to the annual increase amount shall not be included in future annual increase amounts paid on or after the date of such reinstatement.

**Sec. 6.** RCW 41.35.420 and 2000 c 247 s 905 are each amended to read as follows:

(1) **NORMAL RETIREMENT.** Any member with at least five service credit years who has attained at least age sixty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.35.400.

(2) **EARLY RETIREMENT.** Any member who has completed at least twenty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.35.400, except that a member retiring pursuant to this subsection shall have the retirement allowance actuarially reduced to reflect the difference in the number of years between age at retirement and the attainment of age sixty-five.

(3) **ALTERNATE EARLY RETIREMENT.**

(a) Any member who has completed at least thirty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.35.400, except that a member retiring pursuant to this subsection shall have the retirement allowance reduced by three percent per year to reflect the difference in the number of years between age at retirement and the attainment of age sixty-five.

(b) On or after September 1, 2008, any member who has completed at least thirty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.35.400, except that a member retiring pursuant to this subsection shall have the retirement allowance reduced as follows:

<u>Retirement Age</u>	<u>Percent Reduction</u>
<u>55</u>	<u>20%</u>
<u>56</u>	<u>17%</u>
<u>57</u>	<u>14%</u>
<u>58</u>	<u>11%</u>
<u>59</u>	<u>8%</u>
<u>60</u>	<u>5%</u>
<u>61</u>	<u>2%</u>
<u>62</u>	<u>0%</u>
<u>63</u>	<u>0%</u>
<u>64</u>	<u>0%</u>

Any member who retires under the provisions of this subsection is ineligible for the postretirement employment provisions of RCW 41.35.060(2) until the retired member has reached sixty-five years of age. For purposes of this subsection, employment with an employer also includes any personal service contract, service by an employer as a temporary or project employee, or any other similar compensated relationship with any employer included under the provisions of RCW 41.35.230(1).

The subsidized reductions for alternate early retirement in this subsection as set forth in section 6, chapter . . . (this act), Laws of 2007 were intended by the legislature as replacement benefits for gain-sharing. Until there is legal certainty with respect to the repeal of chapter 41.31A RCW, the right to retire under this subsection is noncontractual, and the legislature reserves the right to amend or repeal this subsection. Legal certainty includes, but is not limited to, the expiration of any: Applicable limitations on actions; and periods of time for seeking appellate review, up to and including reconsideration by the Washington supreme court and the supreme court of the United States. Until that time, eligible members may still retire under this subsection, and upon receipt of the first installment of a retirement allowance computed under this subsection, the resulting benefit becomes contractual for the recipient. If the repeal of chapter 41.31A RCW is held to be invalid in a final determination of a court of law, and the court orders reinstatement of gain-sharing or other alternate benefits as a remedy, then retirement benefits for any member who has completed at least thirty service credit years and has attained age fifty-five but has not yet received the first installment of a retirement allowance under this subsection shall be computed using the reductions in (a) of this subsection.

**Sec. 7.** RCW 41.35.610 and 1998 c 341 s 202 are each amended to read as follows:

(1) All classified employees who first become employed by an employer in an eligible position on or after ((September 1, 2000, shall be members of plan 3)) July 1, 2007, shall have a period of ninety days to make an irrevocable choice to become a member of plan 2 or plan 3. At the end of ninety days, if the member has not made a choice to become a member of plan 2, he or she becomes a member of plan 3.

(2) For administrative efficiency, until a member elects to become a member of plan 3, or becomes a member of plan 3 by default under subsection (1) of this section, the member shall be reported to the department in plan 2, with member and employer contributions. Upon becoming a member of plan 3 by election or by default, all service credit shall be transferred to the member's plan 3 defined benefit, and all employee accumulated contributions shall be transferred to the member's plan 3 defined contribution account.

(3) The plan choice provision as set forth in section 7, chapter . . . (this act), Laws of 2007 was intended by the legislature as a replacement benefit for gain-sharing. Until there is legal certainty with respect to the repeal of chapter 41.31A RCW, the right to plan choice under this section is noncontractual, and the legislature reserves the right to amend or repeal this section. Legal certainty includes, but is not limited to, the expiration of any: Applicable limitations on actions; and periods of time for seeking appellate review, up to and including reconsideration by the Washington supreme court and the supreme court of the United States. Until that time, all classified employees who first become employed by an employer in an eligible position on or after July 1, 2007, may choose either plan 2 or plan 3 under this section. If the repeal of chapter 41.31A RCW is held to be invalid in a final determination of a court of law, and the court orders reinstatement of gain-sharing or other alternate benefits as a remedy, then all classified employees who first become employed by an employer in an eligible position on or after the date of such reinstatement shall be members of plan 3.

**Sec. 8.** RCW 41.35.680 and 2006 c 33 s 2 are each amended to read as follows:

(1) NORMAL RETIREMENT. Any member who is at least age sixty-five and who has:

(a) Completed ten service credit years; or

(b) Completed five service credit years, including twelve service credit months after attaining age forty-four; or

(c) Completed five service credit years by September 1, 2000, under the public employees' retirement system plan 2 and who transferred to plan 3 under RCW 41.35.510;

shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.35.620.

(2) EARLY RETIREMENT. Any member who has attained at least age fifty-five and has completed at least ten years of service shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.35.620, except that a member retiring pursuant to this subsection shall have the retirement allowance actuarially reduced to reflect the difference in the number of years between age at retirement and the attainment of age sixty-five.

(3) ALTERNATE EARLY RETIREMENT.

(a) Any member who has completed at least thirty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.35.620, except that a member retiring pursuant to this subsection shall have the retirement allowance reduced by three percent per year to reflect the difference in the number of years between age at retirement and the attainment of age sixty-five.

(b) On or after September 1, 2008, any member who has completed at least thirty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.35.620, except that a member retiring pursuant to this subsection shall have the retirement allowance reduced as follows:

<u>Retirement Age</u>	<u>Percent Reduction</u>
<u>55</u>	<u>20%</u>
<u>56</u>	<u>17%</u>
<u>57</u>	<u>14%</u>
<u>58</u>	<u>11%</u>
<u>59</u>	<u>8%</u>
<u>60</u>	<u>5%</u>
<u>61</u>	<u>2%</u>
<u>62</u>	<u>0%</u>
<u>63</u>	<u>0%</u>
<u>64</u>	<u>0%</u>

Any member who retires under the provisions of this subsection is ineligible for the postretirement employment provisions of RCW 41.35.060(2) until the retired member has reached sixty-five years of age. For purposes of this subsection, employment with an employer also includes any personal service contract, service by an employer as a temporary or project employee, or any other similar compensated relationship with any employer included under the provisions of RCW 41.35.230(1).

The subsidized reductions for alternate early retirement in this subsection as set forth in section 8, chapter . . . (this act), Laws of 2007 were intended by the legislature as replacement benefits for gain-sharing. Until there is legal certainty with respect to the repeal of chapter 41.31A RCW, the right to retire under this subsection is noncontractual, and the legislature reserves the right to amend or repeal this subsection. Legal certainty includes, but is not limited to, the expiration of any: Applicable limitations on actions; and periods of time for seeking appellate review, up to and including reconsideration by the Washington supreme court and the supreme court of the United States. Until that time, eligible members may still retire under this subsection, and upon receipt of the first installment of a retirement allowance computed under this subsection, the resulting benefit becomes contractual for the recipient. If the repeal of chapter 41.31A RCW is held to be invalid in a final determination of a court of law, and the court orders reinstatement of gain-sharing or other alternate benefits as a remedy, then retirement benefits for any member who has completed at least thirty service credit years and has attained age fifty-five but has not yet received the first installment of a retirement allowance under this subsection shall be computed using the reductions in (a) of this subsection.

Sec. 9. RCW 41.40.630 and 2000 c 247 s 901 are each amended to read as follows:

(1) NORMAL RETIREMENT. Any member with at least five service credit years who has attained at least age sixty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.40.620.

(2) EARLY RETIREMENT. Any member who has completed at least twenty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.40.620, except that a member retiring pursuant to this subsection shall have the retirement allowance actuarially reduced to reflect the difference in the number of years between age at retirement and the attainment of age sixty-five.

(3) ALTERNATE EARLY RETIREMENT.

(a) Any member who has completed at least thirty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.40.620, except that a member retiring pursuant to this subsection shall have the retirement allowance reduced by three percent per year to reflect the difference in the number of years between age at retirement and the attainment of age sixty-five.

(b) On or after July 1, 2008, any member who has completed at least thirty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.40.620, except that a member retiring pursuant to this subsection shall have the retirement allowance reduced as follows:

<u>Retirement Age</u>	<u>Percent Reduction</u>
<u>55</u>	<u>20%</u>
<u>56</u>	<u>17%</u>
<u>57</u>	<u>14%</u>
<u>58</u>	<u>11%</u>
<u>59</u>	<u>8%</u>
<u>60</u>	<u>5%</u>
<u>61</u>	<u>2%</u>
<u>62</u>	<u>0%</u>
<u>63</u>	<u>0%</u>
<u>64</u>	<u>0%</u>

Any member who retires under the provisions of this subsection is ineligible for the postretirement employment provisions of RCW 41.40.037(2)(d) until the retired member has reached sixty-five years of age. For purposes of this subsection, employment with an employer also includes any personal service contract, service by an employer as a temporary or project employee, or any other similar compensated relationship with any employer included under the provisions of RCW 41.40.690(1).



The subsidized reductions for alternate early retirement in this subsection as set forth in section 9, chapter . . . (this act), Laws of 2007 were intended by the legislature as replacement benefits for gain-sharing. Until there is legal certainty with respect to the repeal of chapter 41.31A RCW, the right to retire under this subsection is noncontractual, and the legislature reserves the right to amend or repeal this subsection. Legal certainty includes, but is not limited to, the expiration of any: Applicable limitations on actions; and periods of time for seeking appellate review, up to and including reconsideration by the Washington supreme court and the supreme court of the United States. Until that time, eligible members may still retire under this subsection, and upon receipt of the first installment of a retirement allowance computed under this subsection, the resulting benefit becomes contractual for the recipient. If the repeal of chapter 41.31A RCW is held to be invalid in a final determination of a court of law, and the court orders reinstatement of gain-sharing or other alternate benefits as a remedy, then retirement benefits for any member who has completed at least thirty service credit years and has attained age fifty-five but has not yet received the first installment of a retirement allowance under this subsection shall be computed using the reductions in (a) of this subsection.

**Sec. 10.** RCW 41.40.820 and 2006 c 33 s 3 are each amended to read as follows:

(1) NORMAL RETIREMENT. Any member who is at least age sixty-five and who has:

- (a) Completed ten service credit years; or
  - (b) Completed five service credit years, including twelve service credit months after attaining age forty-four; or
  - (c) Completed five service credit years by the transfer payment date specified in RCW 41.40.795, under the public employees' retirement system plan 2 and who transferred to plan 3 under RCW 41.40.795;
- shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.40.790.

(2) EARLY RETIREMENT. Any member who has attained at least age fifty-five and has completed at least ten years of service shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.40.790, except that a member retiring pursuant to this subsection shall have the retirement allowance actuarially reduced to reflect the difference in the number of years between age at retirement and the attainment of age sixty-five.

(3) ALTERNATE EARLY RETIREMENT.

(a) Any member who has completed at least thirty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.40.790, except that a member retiring pursuant to this subsection shall have the retirement allowance reduced by three percent per year to reflect the difference in the number of years between age at retirement and the attainment of age sixty-five.

(b) On or after July 1, 2008, any member who has completed at least thirty service credit years and has attained age fifty-five shall be eligible to retire and to receive a retirement allowance computed according to the provisions of RCW 41.40.790, except that a member retiring pursuant to this subsection shall have the retirement allowance reduced as follows:

<u>Retirement</u> <u>Age</u>	<u>Percent</u> <u>Reduction</u>
<u>55</u>	<u>20%</u>
<u>56</u>	<u>17%</u>
<u>57</u>	<u>14%</u>
<u>58</u>	<u>11%</u>
<u>59</u>	<u>8%</u>
<u>60</u>	<u>5%</u>
<u>61</u>	<u>2%</u>
<u>62</u>	<u>0%</u>
<u>63</u>	<u>0%</u>
<u>64</u>	<u>0%</u>

Any member who retires under the provisions of this subsection is ineligible for the postretirement employment provisions of RCW 41.40.037(2)(d) until the retired member has reached sixty-five years of age. For purposes of this subsection, employment with an employer also includes any personal service contract, service by an employer as a temporary or project employee, or any other similar compensated relationship with any employer included under the provisions of RCW 41.40.850(1).

The subsidized reductions for alternate early retirement in this subsection as set forth in section 10, chapter . . . (this act), Laws of 2007 were intended by the legislature as replacement benefits for gain-sharing. Until there is legal certainty with respect to the repeal of chapter 41.31A RCW, the right to retire under this subsection is noncontractual, and the legislature reserves the right to amend or repeal this subsection. Legal certainty includes, but is not limited to, the expiration of any: Applicable limitations on actions; and periods of time for seeking appellate review, up to and including reconsideration by the Washington supreme court and the supreme court of the United States. Until that time, eligible members may still retire under this subsection, and upon receipt of the first installment of a retirement allowance computed under this subsection, the resulting benefit becomes contractual for the recipient. If the repeal of chapter 41.31A RCW is held to be invalid in a final determination of a court of law, and the court orders reinstatement of gain-sharing or other alternate benefits as a remedy, then retirement benefits for any member who has completed at least thirty service credit years and has attained age fifty-five but has not yet received the first installment of a retirement allowance under this subsection shall be computed using the reductions in (a) of this subsection.

NEW SECTION. Sec. 11. A new section is added to chapter 41.40 RCW under the subchapter heading "plan 1" to read as follows:

(1) Beginning July 1, 2009, the annual increase amount as defined in RCW 41.40.010(41) shall be increased by an amount equal to \$0.40 per month per year of service minus the 2008 gain-sharing increase amount under RCW 41.31.010 as it exists on the effective date of this section. This adjustment shall not decrease the annual increase amount, and is not to exceed \$0.20 per month per year of service. The legislature reserves the right to amend or repeal this section

in the future and no member or beneficiary has the contractual right to receive this adjustment to the annual increase amount not granted prior to that time.

(2) The adjustment to the annual increase amount as set forth in section 11, chapter . . . (this act), Laws of 2007 was intended by the legislature as a replacement benefit for gain-sharing. If the repeal of chapter 41.31 RCW is held to be invalid in a final determination of a court of law, and the court orders reinstatement of gain-sharing or other alternate benefits as a remedy, then this adjustment to the annual increase amount shall not be included in future annual increase amounts paid on or after the date of such reinstatement.

**Sec. 12.** RCW 41.45.070 and 2006 c 94 s 3 are each amended to read as follows:

(1) In addition to the basic employer contribution rate established in RCW 41.45.060 or 41.45.054, the department shall also charge employers of public employees' retirement system, teachers' retirement system, school employees' retirement system, public safety employees' retirement system, or Washington state patrol retirement system members an additional supplemental rate to pay for the cost of additional benefits, if any, granted to members of those systems. Except as provided in subsections (6) ~~((and))~~, (7), and (9) of this section, the supplemental contribution rates required by this section shall be calculated by the state actuary and shall be charged regardless of language to the contrary contained in the statute which authorizes additional benefits.

(2) In addition to the basic member, employer, and state contribution rate established in RCW 41.45.0604 for the law enforcement officers' and firefighters' retirement system plan 2, the department shall also establish supplemental rates to pay for the cost of additional benefits, if any, granted to members of the law enforcement officers' and firefighters' retirement system plan 2. Except as provided in subsection (6) of this section, these supplemental rates shall be calculated by the actuary retained by the law enforcement officers' and firefighters' board and the state actuary through the process provided in RCW 41.26.720(1)(a) and the state treasurer shall transfer the additional required contributions regardless of language to the contrary contained in the statute which authorizes the additional benefits.

(3) The supplemental rate charged under this section to fund benefit increases provided to active members of the public employees' retirement system plan 1, the teachers' retirement system plan 1, and Washington state patrol retirement system, shall be calculated as the level percentage of all members' pay needed to fund the cost of the benefit not later than June 30, 2024.

(4) The supplemental rate charged under this section to fund benefit increases provided to active and retired members of the public employees' retirement system plan 2 and plan 3, the teachers' retirement system plan 2 and plan 3, the public safety employees' retirement system plan 2, or the school employees' retirement system plan 2 and plan 3 shall be calculated as the level percentage of all members' pay needed to fund the cost of the benefit, as calculated under RCW 41.45.060, 41.45.061, or 41.45.067.

(5) The supplemental rate charged under this section to fund postretirement adjustments which are provided on a nonautomatic basis to current retirees shall be calculated as the percentage of pay needed to fund the adjustments as they are paid to the retirees. The supplemental rate charged under this section to fund automatic postretirement adjustments for active or retired members of the public

employees' retirement system plan 1 and the teachers' retirement system plan 1 shall be calculated as the level percentage of pay needed to fund the cost of the automatic adjustments not later than June 30, 2024.

(6) A supplemental rate shall not be charged to pay for the cost of additional benefits granted to members pursuant to chapter 340, Laws of 1998.

(7) A supplemental rate shall not be charged to pay for the cost of additional benefits granted to members pursuant to chapter 41.31A RCW; section 309, chapter 341, Laws of 1998; or section 701, chapter 341, Laws of 1998.

(8) A supplemental rate shall not be charged to pay for the cost of additional benefits granted to members and survivors pursuant to chapter 94, Laws of 2006.

(9) A supplemental rate shall not be charged to pay for the cost of the additional benefits granted to members of the teachers' retirement system and the school employees' retirement system plans 2 and 3 in sections 2, 4, 6, and 8 of this act until September 1, 2008. A supplemental rate shall not be charged to pay for the cost of the additional benefits granted to members of the public employees' retirement system plans 2 and 3 under sections 9 and 10 of this act until July 1, 2008.

NEW SECTION. Sec. 13. The following acts or parts of acts are each repealed, effective January 2, 2008:

(1) RCW 41.31.010 (Annual pension increases—Increased by gain-sharing increase amount) and 1998 c 340 s 1;

(2) RCW 41.31.020 (Gain-sharing increase amount calculated) and 1998 c 340 s 2;

(3) RCW 41.31.030 (Contractual right to increase not granted) and 1998 c 340 s 3;

(4) RCW 41.31A.010 (Definitions) and 2000 c 247 s 407 & 1998 c 341 s 311;

(5) RCW 41.31A.020 (Extraordinary investment gain—Credited to member accounts—Persons eligible—Calculation of amount—Contractual right not granted) and 2003 c 294 s 4, 2000 c 247 s 408, & 1998 c 341 s 312;

(6) RCW 41.31A.030 (Retroactive extraordinary investment gain—Credited to member accounts—Persons eligible—Calculation of amount—Contractual right not granted) and 1998 c 341 s 313; and

(7) RCW 41.31A.040 (Retroactive extraordinary investment gain—Credited to member accounts—Persons eligible—Calculation of amount—Contractual right not granted) and 2000 c 247 s 409.

NEW SECTION. Sec. 14. If any part of this act is found to be in conflict with a final determination by the federal internal revenue service that is a prescribed condition to favorable tax treatment of one or more of the retirement plans, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the individual members directly affected. This finding does not affect the operation of the remainder of this act in its application to the members concerned. The legislature reserves the right to amend or repeal this act in the future as may be required to comply with a final federal determination that amendment or repeal is necessary to maintain the favorable tax treatment of a plan.

NEW SECTION. Sec. 15. The new benefits provided pursuant to sections 2(3)(b), 4(3)(b), 6(3)(b), and 8(3)(b) of this act are not provided to employees as

a matter of contractual right prior to September 1, 2008, and will not become a contractual right thereafter if the repeal of chapter 41.31A RCW is held to be invalid in a final determination of a court of law. The legislature retains the right to alter or abolish these benefits at any time prior to September 1, 2008.

NEW SECTION. Sec. 16. The new benefits provided pursuant to sections 9(3)(b) and 10(3)(b) of this act are not provided to employees as a matter of contractual right prior to July 1, 2008, and will not become a contractual right thereafter if the repeal of chapter 41.31A RCW is held to be invalid in a final determination of a court of law. The legislature retains the right to alter or abolish these benefits at any time prior to July 1, 2008.

NEW SECTION. Sec. 17. Any action brought under this act must be commenced within three years after the effective date of this section.

NEW SECTION. Sec. 18. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 19. Sections 1, 3, and 7 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2007.

Passed by the House April 21, 2007.

Passed by the Senate April 22, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 492

[Substitute Senate Bill 5174]

### PUBLIC RETIREMENT SYSTEMS

AN ACT Relating to corrections in the public retirement systems; amending RCW 41.04.410, 41.04.440, 41.04.445, 41.04.450, 41.05.320, 41.24.400, 41.26.080, 41.26.195, 41.31A.020, 41.37.010, and 41.45.203; reenacting and amending RCW 6.15.020; and creating a new section.

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

**Sec. 1.** RCW 6.15.020 and 1999 c 81 s 1 and 1999 c 42 s 603 are each reenacted and amended to read as follows:

(1) It is the policy of the state of Washington to ensure the well-being of its citizens by protecting retirement income to which they are or may become entitled. For that purpose generally and pursuant to the authority granted to the state of Washington under 11 U.S.C. Sec. 522(b)(2), the exemptions in this section relating to retirement benefits are provided.

(2) Unless otherwise provided by federal law, any money received by any citizen of the state of Washington as a pension from the government of the United States, whether the same be in the actual possession of such person or be deposited or loaned, shall be exempt from execution, attachment, garnishment, or seizure by or under any legal process whatever, and when a debtor dies, or absconds, and leaves his or her family any money exempted by this subsection, the same shall be exempt to the family as provided in this subsection. This

subsection shall not apply to child support collection actions issued under chapter 26.18, 26.23, or 74.20A RCW, if otherwise permitted by federal law.

(3) The right of a person to a pension, annuity, or retirement allowance or disability allowance, or death benefits, or any optional benefit, or any other right accrued or accruing to any citizen of the state of Washington under any employee benefit plan, and any fund created by such a plan or arrangement, shall be exempt from execution, attachment, garnishment, or seizure by or under any legal process whatever. This subsection shall not apply to child support collection actions issued under chapter 26.18, 26.23, or 74.20A RCW if otherwise permitted by federal law. This subsection shall permit benefits under any such plan or arrangement to be payable to a spouse, former spouse, child, or other dependent of a participant in such plan to the extent expressly provided for in a qualified domestic relations order that meets the requirements for such orders under the plan, or, in the case of benefits payable under a plan described in sections 403(b) or 408 of the internal revenue code of 1986, as amended, or section 409 of such code as in effect before January 1, 1984, to the extent provided in any order issued by a court of competent jurisdiction that provides for maintenance or support. This subsection shall not prohibit actions against an employee benefit plan, or fund for valid obligations incurred by the plan or fund for the benefit of the plan or fund.

(4) For the purposes of this section, the term "employee benefit plan" means any plan or arrangement that is described in RCW 49.64.020, including any Keogh plan, whether funded by a trust or by an annuity contract, and in sections 401(a) or 403(a) of the internal revenue code of 1986, as amended; or that is a tax-sheltered annuity described in section 403(b) of such code or an individual retirement account described in section 408 of such code; or a Roth individual retirement account described in section 408A of such code; or a medical savings account described in section 220 of such code; or an education individual retirement account described in section 530 of such code; or a retirement bond described in section 409 of such code as in effect before January 1, 1984. The term "employee benefit plan" also means any rights accruing on account of money paid currently or in advance for purchase of tuition units under the advanced college tuition payment program in chapter 28B.95 RCW. The term "employee benefit plan" shall not include any employee benefit plan that is established or maintained for its employees by the government of the United States, by the state of Washington under chapter 2.10, 2.12, 41.26, 41.32, 41.34, 41.35, 41.37, 41.40, or 43.43 RCW or RCW 41.50.770, or by any agency or instrumentality of the government of the United States.

(5) An employee benefit plan shall be deemed to be a spendthrift trust, regardless of the source of funds, the relationship between the trustee or custodian of the plan and the beneficiary, or the ability of the debtor to withdraw or borrow or otherwise become entitled to benefits from the plan before retirement. This subsection shall not apply to child support collection actions issued under chapter 26.18, 26.23, or 74.20A RCW, if otherwise permitted by federal law. This subsection shall permit benefits under any such plan or arrangement to be payable to a spouse, former spouse, child, or other dependent of a participant in such plan to the extent expressly provided for in a qualified domestic relations order that meets the requirements for such orders under the plan, or, in the case of benefits payable under a plan described in sections 403(b)

or 408 of the internal revenue code of 1986, as amended, or section 409 of such code as in effect before January 1, 1984, to the extent provided in any order issued by a court of competent jurisdiction that provides for maintenance or support.

(6) Unless contrary to applicable federal law, nothing contained in subsection (3), (4), or (5) of this section shall be construed as a termination or limitation of a spouse's community property interest in an individual retirement account held in the name of or on account of the other spouse, the account holder spouse. At the death of the nonaccount holder spouse, the nonaccount holder spouse may transfer or distribute the community property interest of the nonaccount holder spouse in the account holder spouse's individual retirement account to the nonaccount holder spouse's estate, testamentary trust, inter vivos trust, or other successor or successors pursuant to the last will of the nonaccount holder spouse or the law of intestate succession, and that distributee may, but shall not be required to, obtain an order of a court of competent jurisdiction, including a nonjudicial dispute resolution agreement (~~entered into pursuant to RCW 11.96.170~~) or other order entered under chapter 11.96A RCW, to confirm the distribution. For purposes of subsection (3) of this section, the distributee of the nonaccount holder spouse's community property interest in an individual retirement account shall be considered a person entitled to the full protection of subsection (3) of this section. The nonaccount holder spouse's consent to a beneficiary designation by the account holder spouse with respect to an individual retirement account shall not, absent clear and convincing evidence to the contrary, be deemed a release, gift, relinquishment, termination, limitation, or transfer of the nonaccount holder spouse's community property interest in an individual retirement account. For purposes of this subsection, the term "nonaccount holder spouse" means the spouse of the person in whose name the individual retirement account is maintained. The term "individual retirement account" includes an individual retirement account and an individual retirement annuity both as described in section 408 of the internal revenue code of 1986, as amended, a Roth individual retirement account as described in section 408A of the internal revenue code of 1986, as amended, and an individual retirement bond as described in section 409 of the internal revenue code as in effect before January 1, 1984. As used in this subsection, an order of a court of competent jurisdiction includes an agreement, as that term is used under RCW 11.96A.220.

**Sec. 2.** RCW 41.04.410 and 1984 c 184 s 24 are each amended to read as follows:

If a consolidated employer is a participating member in the public employees' retirement system under chapter 41.40 RCW prior to the consolidation or in the public safety employees' retirement system under chapter 41.37 RCW prior to the consolidation:

(1) All existing employees of the consolidated employer who are active members of the public employees' or public safety employees' retirement system immediately prior to the consolidation shall continue to be members of that retirement system while employed by the consolidated employer.

(2) All existing employees of the consolidated employer who are active members of a first class city retirement system under chapter 41.28 RCW immediately prior to the consolidation shall cease to be members of that system at the time of the consolidation and, if eligible, shall immediately become

members of the public employees' or public safety employees' retirement system. However, any such active member may, by a writing filed with the consolidated employer within thirty days after the consolidation or within thirty days after March 15, 1984, whichever is later, irrevocably elect instead to continue to be a member of the first class city retirement system, thereby forever waiving any rights under the public employees' or public safety employees' retirement system based upon employment with the consolidated employer.

(3) Only prospective periods of qualifying service under the public employees' or public safety employees' retirement system may be established under this section.

**Sec. 3.** RCW 41.04.440 and 2000 c 247 s 1101 are each amended to read as follows:

(1) The sole purpose of RCW 41.04.445 and 41.04.450 is to allow the members of the retirement systems created in chapters 2.10, 2.12, 41.26, 41.32, 41.35, 41.37, 41.40, 41.34, and 43.43 RCW to enjoy the tax deferral benefits allowed under 26 U.S.C. 414(h). Chapter 227, Laws of 1984 does not alter in any manner the provisions of RCW 41.45.060, 41.45.061, and 41.45.067 which require that the member contribution rates shall be set so as to provide fifty percent of the cost of the respective retirement plans.

(2) Should the legislature revoke any benefit allowed under 26 U.S.C. 414(h), no affected employee shall be entitled thereafter to receive such benefit as a matter of contractual right.

**Sec. 4.** RCW 41.04.445 and 2000 c 247 s 1102 are each amended to read as follows:

(1) This section applies to all members who are:

(a) Judges under the retirement system established under chapter 2.10, 2.12, or 2.14 RCW;

(b) Employees of the state under the retirement system established by chapter 41.32, 41.37, 41.40, or 43.43 RCW;

(c) Employees of school districts under the retirement system established by chapter 41.32 or 41.40 RCW, except for substitute teachers as defined by RCW 41.32.010;

(d) Employees of educational service districts under the retirement system established by chapter 41.32 or 41.40 RCW; or

(e) Employees of community college districts under the retirement system established by chapter 41.32 or 41.40 RCW.

(2) Only for compensation earned after the effective date of the implementation of this section and as provided by section 414(h) of the federal internal revenue code, the employer of all the members specified in subsection (1) of this section shall pick up only those member contributions as required under:

(a) RCW 2.10.090(1);

(b) RCW 2.12.060;

(c) RCW 2.14.090;

(d) RCW 41.32.263;

(e) RCW 41.32.350;

(f) RCW 41.40.330 (1) and (3);

(g) RCW 41.45.061 and 41.45.067;



- (h) RCW 41.34.070;
- (i) RCW 43.43.300; and
- (j) RCW 41.34.040.

(3) Only for the purposes of federal income taxation, the gross income of the member shall be reduced by the amount of the contribution to the respective retirement system picked up by the employer.

(4) All member contributions to the respective retirement system picked up by the employer as provided by this section, plus the accrued interest earned thereon, shall be paid to the member upon the withdrawal of funds or lump-sum payment of accumulated contributions as provided under the provisions of the retirement systems.

(5) At least forty-five days prior to implementing this section, the employer shall provide:

- (a) A complete explanation of the effects of this section to all members; and
- (b) Notification of such implementation to the director of the department of retirement systems.

**Sec. 5.** RCW 41.04.450 and 2003 c 294 s 1 are each amended to read as follows:

(1) Employers of those members under chapters 41.26, 41.34, 41.35, 41.37, and 41.40 RCW who are not specified in RCW 41.04.445 may choose to implement the employer pick up of all member contributions without exception under RCW 41.26.080(1)(a), 41.26.450, 41.40.330(1), 41.45.060, 41.45.061, and 41.45.067 and chapter 41.34 RCW. If the employer does so choose, the employer and members shall be subject to the conditions and limitations of RCW 41.04.445 (3), (4), and (5) and RCW 41.04.455.

(2) An employer exercising the option under this section may later choose to withdraw from and/or reestablish the employer pick up of member contributions only once in a calendar year following forty-five days prior notice to the director of the department of retirement systems.

**Sec. 6.** RCW 41.05.320 and 1995 1st sp.s. c 6 s 13 are each amended to read as follows:

(1) Elected officials and all permanent employees of the state are eligible to participate in the benefits contribution plan and contribute amount(s) by agreement with the authority. The authority may adopt rules to permit participation in the plan by temporary employees of the state.

(2) Persons eligible under subsection (1) of this section may enter into benefits contribution agreements with the state.

(3)(a) In the initial year of the medical flexible spending arrangement or cafeteria plan, if authorized, an eligible person may become a participant after the adoption of the plan and before its effective date by agreeing to have a portion of his or her gross salary contributed and deposited into a health care and other benefits account to be used for reimbursement of expenses covered by the plan.

(b) After the initial year of the medical flexible spending arrangement or cafeteria plan, if authorized, an eligible person may become a participant for a full plan year, with annual benefit selection for each new plan year made before the beginning of the plan year, as determined by the authority, or upon becoming eligible.

(c) Once an eligible person elects to participate and the amount of gross salary that he or she shall contribute and the benefit for which the funds are to be used during the plan year is determined, the agreement shall be irrevocable and may not be amended during the plan year except as provided in (d) of this subsection. Prior to making an election to participate in the ~~((benefit[s]))~~ benefits contribution plan, the eligible person shall be informed in writing of all the benefits and contributions that will occur as a result of such election.

(d) The authority shall provide in the benefits contribution plan that a participant may enroll, terminate, or change his or her election after the plan year has begun if there is a significant change in a participant's status, as provided by 26 U.S.C. Sec. 125 and the regulations adopted under that section and defined by the authority.

(4) The authority shall establish as part of the benefits contribution plan the procedures for and effect of withdrawal from the plan by reason of retirement, death, leave of absence, or termination of employment. To the extent possible under federal law, the authority shall protect participants from forfeiture of rights under the plan.

(5) Any contribution under the benefits contribution plan shall continue to be included as reportable compensation for the purpose of computing the state retirement and pension benefits earned by the employee pursuant to chapters 41.26, 41.32, 41.35, 41.37, 41.40, and 43.43 RCW.

**Sec. 7.** RCW 41.24.400 and 1999 c 148 s 31 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, any municipality may make provision by appropriate legislation and payment of fees required by RCW 41.24.030(1) solely for the purpose of enabling any reserve officer to enroll under the retirement pension provisions of this chapter or fees required under RCW 41.24.030(1) to pay for the costs of extending the relief provisions of this chapter to its reserve officers.

(2) A reserve officer is not eligible to receive a benefit under the retirement provisions of this chapter for service under chapter 41.26, 41.32, 41.35, 41.37, or 41.40 RCW.

(3) Every municipality shall make provisions for the collection and payment of the fees required under this chapter, and shall continue to make provisions for all reserve officers who come under this chapter as long as they continue to be employed as reserve officers.

(4) Except as provided under RCW 41.24.450, a reserve officer is not eligible to receive a benefit under the relief provisions of this chapter.

**Sec. 8.** RCW 41.26.080 and 2000 2nd sp.s. c 1 s 907 are each amended to read as follows:

(1) Except as set forth under subsection (2) of this section, the total liability of the plan 1 system shall be funded as follows:

(a) Every plan 1 member shall have deducted from each payroll a sum equal to six percent of his or her basic salary for each pay period.

(b) Every employer shall contribute monthly a sum equal to six percent of the basic salary of each plan 1 employee who is a member of this retirement system. The employer shall transmit the employee and employer contributions with a copy of the payroll to the retirement system monthly.

(c) The remaining liabilities of the plan 1 system shall be funded as provided in chapter 41.45 RCW.

(d) Every member shall be deemed to consent and agree to the contribution made and provided for herein, and shall receipt in full for his or her salary or compensation. Payment less said contributions shall be a complete discharge of all claims and demands whatsoever for the services rendered by such person during the period covered by such payments, except his or her claim to the benefits to which he or she may be entitled under the provisions of this chapter.

(2) No employer or member contribution is required after June 30, 2000, unless the most recent valuation study for law enforcement officers' and fire fighters' retirement system plan 1 indicates the plan has unfunded liabilities. The legislature clarifies the enactment of section 907, chapter 1, Laws of 2000 2nd sp. sess. and affirms the suspension of employer and member contributions to plan 1 of the law enforcement officers' and fire fighters' retirement system, effective June 30, 2000, as provided in this subsection. The legislature intends this 2007 amendment of this subsection to be curative, remedial, and retrospectively applicable to June 30, 2000.

**Sec. 9.** RCW 41.26.195 and 2003 c 294 s 2 are each amended to read as follows:

Any member of the teachers' retirement system plans 1, 2, or 3, the public employees' retirement system plans 1, 2, or 3, the public safety employees' retirement system plan 2, the school employees' retirement system plans 2 or 3, or the Washington state patrol retirement system plans 1 or 2 who has previously established service credit in the law enforcement officers' and fire fighters' retirement system plan 1 may make an irrevocable election to have such service transferred to their current retirement system and plan subject to the following conditions:

(1) If the individual is employed by an employer in an eligible position, as of July 1, 1997, the election to transfer service must be filed in writing with the department no later than July 1, 1998. If the individual is not employed by an employer in an eligible position, as of July 1, 1997, the election to transfer service must be filed in writing with the department no later than one year from the date they are employed by an employer in an eligible position.

(2) An individual transferring service under this section forfeits the rights to all benefits as a member of the law enforcement officers' and fire fighters' retirement system plan 1 and will be permanently excluded from membership.

(3) Any individual choosing to transfer service under this section will have transferred to their current retirement system and plan: (a) All the individual's accumulated contributions; (b) an amount sufficient to ensure that the employer contribution rate in the individual's current system and plan will not increase due to the transfer; and (c) all applicable months of service, as defined in RCW 41.26.030(14)(a).

(4) If an individual has withdrawn contributions from the law enforcement officers' and fire fighters' retirement system plan 1, the individual may restore the contributions, together with interest as determined by the director, and recover the service represented by the contributions for the sole purpose of transferring service under this section. The contributions must be restored before the transfer can occur and the restoration must be completed within the time limitations specified in subsection (1) of this section.

(5) Any service transferred under this section does not apply to the eligibility requirements for military service credit as defined in RCW 41.40.170(3) or 43.43.260(3).

(6) If an individual does not meet the time limitations of subsection (1) of this section, the individual may elect to restore any withdrawn contributions and transfer service under this section by paying the amount required under subsection (3)(b) of this section less any employee contributions transferred.

**Sec. 10.** RCW 41.31A.020 and 2003 c 294 s 4 are each amended to read as follows:

(1) On January 1, 2004, and on January 1st of even-numbered years thereafter, the member account of a person meeting the requirements of this section shall be credited by the extraordinary investment gain amount.

(2) The following persons shall be eligible for the benefit provided in subsection (1) of this section:

(a) Any member of the teachers' retirement system plan 3, the Washington school employees' retirement system plan 3, or the public employees' retirement system plan 3 who earned service credit during the twelve-month period from September 1st to August 31st immediately preceding the distribution and had a balance of at least one thousand dollars in their member account on August 31st of the year immediately preceding the distribution; or

(b) Any person in receipt of a benefit pursuant to RCW 41.32.875, 41.35.680, or 41.40.820; or

(c) Any person who is a retiree pursuant to RCW 41.34.020(8) and who:

(i) Completed ten service credit years; or

(ii) Completed five service credit years, including twelve service months after attaining age (~~fifty-four~~) forty-four; or

(d) Any teacher who is a retiree pursuant to RCW 41.34.020(8) and who has completed five service credit years by July 1, 1996, under plan 2 and who transferred to plan 3 under RCW 41.32.817; or

(e) Any classified employee who is a retiree pursuant to RCW 41.34.020(8) and who has completed five service credit years by September 1, 2000, and who transferred to plan 3 under RCW 41.35.510; or

(f) Any public employee who is a retiree pursuant to RCW 41.34.020(8) and who has completed five service credit years by March 1, 2002, and who transferred to plan 3 under RCW 41.40.795; or

(g) Any person who had a balance of at least one thousand dollars in their member account on August 31st of the year immediately preceding the distribution and who:

(i) Completed ten service credit years; or

(ii) Completed five service credit years, including twelve service months after attaining age (~~fifty-four~~) forty-four; or

(h) Any teacher who had a balance of at least one thousand dollars in their member account on August 31st of the year immediately preceding the distribution and who has completed five service credit years by July 1, 1996, under plan 2 and who transferred to plan 3 under RCW 41.32.817; or

(i) Any classified employee who had a balance of at least one thousand dollars in their member account on August 31st of the year immediately preceding the distribution and who has completed five service credit years by September 1, 2000, and who transferred to plan 3 under RCW 41.35.510; or

(j) Any public employee who had a balance of at least one thousand dollars in their member account on August 31st of the year immediately preceding the distribution and who has completed five service credit years by March 1, 2002, and who transferred to plan 3 under RCW 41.40.795.

(3) The extraordinary investment gain amount shall be calculated as follows:

(a) One-half of the sum of the value of the net assets held in trust for pension benefits in the teachers' retirement system combined plan 2 and 3 fund, the Washington school employees' retirement system combined plan 2 and 3 fund, and the public employees' retirement system combined plan 2 and 3 fund at the close of the previous state fiscal year not including the amount attributable to member accounts;

(b) Multiplied by the amount which the compound average of investment returns on those assets over the previous four state fiscal years exceeds ten percent;

(c) Multiplied by the proportion of:

(i) The sum of the service credit on August 31st of the previous year of all persons eligible for the benefit provided in subsection (1) of this section; to

(ii) The sum of the service credit on August 31st of the previous year of:

(A) All persons eligible for the benefit provided in subsection (1) of this section;

(B) Any person who earned service credit in the teachers' retirement system plan 2, the Washington school employees' retirement system plan 2, or the public employees' retirement system plan 2 during the twelve-month period from September 1st to August 31st immediately preceding the distribution;

(C) Any person in receipt of a benefit pursuant to RCW 41.32.765, 41.35.420, or 41.40.630; and

(D) Any person with five or more years of service in the teachers' retirement system plan 2, the Washington school employees' retirement system plan 2, or the public employees' retirement system plan 2;

(d) Divided proportionally among persons eligible for the benefit provided in subsection (1) of this section on the basis of their service credit total on August 31st of the previous year.

(4) The legislature reserves the right to amend or repeal this section in the future and no member or beneficiary has a contractual right to receive this distribution not granted prior to that time.

**Sec. 11.** RCW 41.37.010 and 2006 c 309 s 2 are each amended to read as follows:

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

(1) "Retirement system" means the Washington public safety employees' retirement system provided for in this chapter.

(2) "Department" means the department of retirement systems created in chapter 41.50 RCW.

(3) "State treasurer" means the treasurer of the state of Washington.

(4) "Employer" means the Washington state department of corrections, the Washington state parks and recreation commission, the Washington state gambling commission, the Washington state patrol, and the Washington state liquor control board; any county corrections department; any city corrections

department not covered under chapter 41.28 RCW; or other employers employing statewide elective officials.

(5) "Member" means any employee employed by an employer on a full-time basis:

(a) Who is in a position that requires completion of a certified criminal justice training course and is authorized by their employer to arrest, conduct criminal investigations, enforce the criminal laws of the state of Washington, and carry a firearm as part of the job;

(b) Whose primary responsibility is to ensure the custody and security of incarcerated or probationary individuals as a corrections officer, probation officer, or jailer;

(c) Who is a limited authority Washington peace officer, as defined in RCW 10.93.020, for an employer; or

(d) Whose primary responsibility is to supervise members eligible under this subsection.

(6)(a) "Compensation earnable" for members, means salaries or wages earned by a member during a payroll period for personal services, including overtime payments, and shall include wages and salaries deferred under provisions established pursuant to sections 403(b), 414(h), and 457 of the United States internal revenue code, but shall exclude nonmoney maintenance compensation and lump sum or other payments for deferred annual sick leave, unused accumulated vacation, unused accumulated annual leave, or any form of severance pay.

(b) "Compensation earnable" for members also includes the following actual or imputed payments, which are not paid for personal services:

(i) Retroactive payments to an individual by an employer on reinstatement of the employee in a position, or payments by an employer to an individual in lieu of reinstatement, which are awarded or granted as the equivalent of the salary or wage which the individual would have earned during a payroll period shall be considered compensation earnable to the extent provided in this subsection, and the individual shall receive the equivalent service credit;

(ii) In any year in which a member serves in the legislature, the member shall have the option of having such member's compensation earnable be the greater of:

(A) The compensation earnable the member would have received had such member not served in the legislature; or

(B) Such member's actual compensation earnable received for nonlegislative public employment and legislative service combined. Any additional contributions to the retirement system required because compensation earnable under (b)(ii)(A) of this subsection is greater than compensation earnable under (b)(ii)(B) of this subsection shall be paid by the member for both member and employer contributions;

(iii) Assault pay only as authorized by RCW 27.04.100, 72.01.045, and 72.09.240;

(iv) Compensation that a member would have received but for a disability occurring in the line of duty only as authorized by RCW ~~((41.37.070))~~ 41.37.060;

(v) Compensation that a member receives due to participation in the leave sharing program only as authorized by RCW 41.04.650 through 41.04.670; and

(vi) Compensation that a member receives for being in standby status. For the purposes of this section, a member is in standby status when not being paid for time actually worked and the employer requires the member to be prepared to report immediately for work, if the need arises, although the need may not arise.

(7) "Service" means periods of employment by a member on or after July 1, 2006, for one or more employers for which compensation earnable is paid. Compensation earnable earned for ninety or more hours in any calendar month shall constitute one service credit month. Compensation earnable earned for at least seventy hours but less than ninety hours in any calendar month shall constitute one-half service credit month of service. Compensation earnable earned for less than seventy hours in any calendar month shall constitute one-quarter service credit month of service. Time spent in standby status, whether compensated or not, is not service.

Any fraction of a year of service shall be taken into account in the computation of such retirement allowance or benefits.

(a) Service in any state elective position shall be deemed to be full-time service.

(b) A member shall receive a total of not more than twelve service credit months of service for such calendar year. If an individual is employed in an eligible position by one or more employers the individual shall receive no more than one service credit month during any calendar month in which multiple service for ninety or more hours is rendered.

(8) "Service credit year" means an accumulation of months of service credit which is equal to one when divided by twelve.

(9) "Service credit month" means a month or an accumulation of months of service credit which is equal to one.

(10) "Membership service" means all service rendered as a member.

(11) "Beneficiary" means any person in receipt of a retirement allowance or other benefit provided by this chapter resulting from service rendered to an employer by another person.

(12) "Regular interest" means such rate as the director may determine.

(13) "Accumulated contributions" means the sum of all contributions standing to the credit of a member in the member's individual account, including any amount paid under RCW 41.50.165(2), together with the regular interest thereon.

(14) "Average final compensation" means the member's average compensation earnable of the highest consecutive sixty months of service credit months prior to such member's retirement, termination, or death. Periods constituting authorized leaves of absence may not be used in the calculation of average final compensation except under RCW 41.37.290.

(15) "Final compensation" means the annual rate of compensation earnable by a member at the time of termination of employment.

(16) "Annuity" means payments for life derived from accumulated contributions of a member. All annuities shall be paid in monthly installments.

(17) "Pension" means payments for life derived from contributions made by the employer. All pensions shall be paid in monthly installments.

(18) "Retirement allowance" means monthly payments to a retiree or beneficiary as provided in this chapter.

(19) "Employee" or "employed" means a person who is providing services for compensation to an employer, unless the person is free from the employer's direction and control over the performance of work. The department shall adopt rules and interpret this subsection consistent with common law.

(20) "Actuarial equivalent" means a benefit of equal value when computed upon the basis of such mortality and other tables as may be adopted by the director.

(21) "Retirement" means withdrawal from active service with a retirement allowance as provided by this chapter.

(22) "Eligible position" means any permanent, full-time(~~(, fully compensated)~~) position included in subsection (5) of this section.

(23) "Ineligible position" means any position which does not conform with the requirements set forth in subsection (22) of this section.

(24) "Leave of absence" means the period of time a member is authorized by the employer to be absent from service without being separated from membership.

(25) "Retiree" means any person who has begun accruing a retirement allowance or other benefit provided by this chapter resulting from service rendered to an employer while a member.

(26) "Director" means the director of the department.

(27) "State elective position" means any position held by any person elected or appointed to statewide office or elected or appointed as a member of the legislature.

(28) "State actuary" or "actuary" means the person appointed pursuant to RCW 44.44.010(2).

(29) "Plan" means the Washington public safety employees' retirement system plan 2.

(30) "Index" means, for any calendar year, that year's annual average consumer price index, Seattle, Washington area, for urban wage earners and clerical workers, all items, compiled by the bureau of labor statistics, United States department of labor.

(31) "Index A" means the index for the year prior to the determination of a postretirement adjustment.

(32) "Index B" means the index for the year prior to index A.

(33) "Adjustment ratio" means the value of index A divided by index B.

(34) "Separation from service" occurs when a person has terminated all employment with an employer.

**Sec. 12.** RCW 41.45.203 and 2006 c 189 s 18 are each amended to read as follows:

(1) The required employer contribution rate in support of teachers' retirement system members employed as supreme court justices, court of appeals judges, and superior court judges who elect to participate under RCW 41.32.584(1), or who are newly elected or appointed after January 1, 2007, shall equal the teachers' retirement system employer contribution rate established under this chapter.

(2) The required contribution rate for members of the teachers' retirement system plan 1 employed as supreme court justices, court of appeals judges, and superior court judges who elect to participate under RCW 41.32.584(1), or who are newly elected or appointed after January 1, 2007, shall be the deductions



established under RCW 41.50.235 plus (~~six and twenty-six~~) three and seventy-six one-hundredths percent of pay.

NEW SECTION. Sec. 13. Section 10 of this act is null and void, if legislation is enacted during 2007 repealing RCW 41.31A.020.

Passed by the Senate March 6, 2007.

Passed by the House April 21, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

### CHAPTER 493

[Senate Bill 6167]

#### PUBLIC RETIREMENT SYSTEMS—INTEREST

AN ACT Relating to clarifying the director's authority to determine interest in certain public retirement systems; and adding a new section to chapter 41.50 RCW.

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

NEW SECTION. Sec. 1. A new section is added to chapter 41.50 RCW to read as follows:

(1) The director shall determine when interest, if provided by a plan, shall be credited to accounts in the public employees' retirement system, the teachers' retirement system, the school employees' retirement system, the public safety employees' retirement system, the law enforcement officers' and firefighters' retirement system, or the Washington state patrol retirement system. The amounts to be credited and the methods of doing so shall be at the director's discretion, except that if interest is credited, it shall be done at least quarterly.

(2) Interest as determined by the director under this section is "regular interest" as defined in RCW 41.40.010(15), 41.32.010(23), 41.35.010(12), 41.37.010(12), 41.26.030(23), and 43.43.120(8).

(3) The legislature affirms that the authority of the director under RCW 41.40.020 and 41.50.030 includes the authority and responsibility to establish the amount and all conditions for regular interest, if any. The legislature intends this act to be curative, remedial, and retrospectively applicable.

Passed by the Senate April 11, 2007.

Passed by the House April 19, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

### CHAPTER 494

[Second Substitute House Bill 1506]

#### ALTERNATIVE PUBLIC WORKS

AN ACT Relating to alternative public works; amending RCW 39.10.010, 39.10.020, 39.10.800, 39.10.810, 39.10.080, 39.10.070, 39.10.130, 39.10.120, 60.28.011, and 70.150.070; reenacting and amending RCW 39.10.051 and 39.10.061; adding new sections to chapter 43.131 RCW; adding new sections to chapter 39.10 RCW; recodifying RCW 39.10.010, 39.10.020, 39.10.800, 39.10.810, 39.10.051, 39.10.080, 39.10.070, 39.10.061, 39.10.130, 39.10.100, 39.10.090, 39.10.120, 39.10.900, and 39.10.901; repealing RCW 39.10.902, 39.10.030, 39.10.040, 39.10.063, 39.10.065, 39.10.067, 39.10.068, 39.10.115, and 39.10.117; providing effective dates; and declaring an emergency.

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

**Sec. 1.** RCW 39.10.010 and 1994 c 132 s 1 are each amended to read as follows:

The legislature finds that the traditional process of awarding public works contracts in lump sum to the lowest responsible bidder is a fair and objective method of selecting a contractor. However, under certain circumstances, alternative public works contracting procedures may best serve the public interest if such procedures are implemented in an open and fair process based on objective and equitable criteria. The purpose of this chapter is to authorize the use of certain supplemental alternative public works contracting procedures (~~by state agencies and large municipalities under limited circumstances~~), to prescribe appropriate requirements to ensure that such contracting procedures serve the public interest, and to establish a process for evaluation of such contracting procedures.

#### PART 1 GENERAL PROVISIONS

**Sec. 101.** RCW 39.10.020 and 2005 c 469 s 3 are each amended to read as follows:

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

(1) "Alternative public works contracting procedure" means the design-build (~~and the~~) general contractor/construction manager, and job order contracting procedures authorized in RCW 39.10.051 (~~and~~), 39.10.061, and 39.10.130 (as recodified by this act), respectively. (~~Public bodies eligible to enter into agreements with service providers for the furnishing of services in connection with water pollution control facilities under the authority of chapter 70.150 RCW may elect to use either RCW 39.10.051 and 39.10.061 or chapter 70.150 RCW as their method of procurement for such services.~~)

(2) (~~"Public body" means the state department of general administration; the University of Washington; Washington State University; every city with a population greater than seventy thousand and any public authority chartered by such city under RCW 35.21.730 through 35.21.755 and specifically authorized as provided in RCW 39.10.120(4); every county with a population greater than four hundred fifty thousand; every port district with total revenues greater than fifteen million dollars per year; every public hospital district with total revenues greater than fifteen million dollars per year utilizing the design build procedure authorized by RCW 39.10.051 and every public hospital district, regardless of total revenues, proposing projects that are considered and approved by the public hospital district project review board under RCW 39.10.117; every public utility district with revenues from energy sales greater than twenty three million dollars per year; those school districts proposing projects that are considered and approved by the school district project review board under RCW 39.10.115; and the state ferry system.~~) "Board" means the capital projects advisory review board.

(3) (~~"Public works project" means any work for a public body within the definition of the term public work in RCW 39.04.010.~~) "Committee" means the project review committee.

(4) "Design-build procedure" means a contract between a public body and another party in which the party agrees to both design and build the facility, portion of the facility, or other item specified in the contract.

(5) "Total contract cost" means the fixed amount for the detailed specified general conditions work, the negotiated maximum allowable construction cost, and the percent fee on the negotiated maximum allowable construction cost.

(6) "General contractor/construction manager" means a firm with which a public body has selected and negotiated a maximum allowable construction cost to provide services during the design phase and to act as construction manager and general contractor during the construction phase.

(7) "Job order contract" means a contract (~~((between a public body or any school district and a registered or licensed contractor))~~) in which the contractor agrees to a fixed period, indefinite quantity delivery order contract which provides for the use of negotiated, definitive work orders for public works as defined in RCW 39.04.010.

~~((5))~~ (8) "Job order contractor" means a registered or licensed contractor awarded a job order contract.

~~((6))~~ (9) "Maximum allowable construction cost" means the maximum cost of the work to construct the project including a percentage for risk contingency, negotiated support services, and approved change orders.

(10) "Negotiated support services" means items a general contractor would normally manage or perform on a construction project including, but not limited to surveying, hoisting, safety enforcement, provision of toilet facilities, temporary heat, cleanup, and trash removal.

(11) "Percent fee" means the percentage amount to be earned by the general contractor/construction manager as overhead and profit.

(12) "Public body" means any general or special purpose government, including but not limited to state agencies, institutions of higher education, counties, cities, towns, ports, school districts, and special purpose districts.

(13) "Certified public body" means a public body certified to use design-build or general contractor/construction manager contracting procedures, or both, under section 107 of this act.

(14) "Public works project" means any work for a public body within the definition of "public work" in RCW 39.04.010.

(15) "Total project cost" means the cost of the project less financing and land acquisition costs.

(16) "Unit price book" means a book containing specific prices, based on generally accepted industry standards and information, where available, for various items of work to be performed by the job order contractor. The prices may include: All the costs of materials; labor; equipment; overhead, including bonding costs; and profit for performing the items of work. The unit prices for labor must be at the rates in effect at the time the individual work order is issued.

~~((7))~~ (17) "Work order" means an order issued for a definite scope of work to be performed pursuant to a job order contract.

**Sec. 102.** RCW 39.10.800 and 2005 c 377 s 1 are each amended to read as follows:

(1) The (~~capital projects advisory review~~) board is created in the department of general administration to provide an evaluation of public capital projects construction processes, including the impact of contracting methods on

project outcomes, and to advise the legislature on policies related to ~~((alternative))~~ public works delivery methods.

(2)(a) The ~~((capital projects advisory review))~~ board shall consist of the following members appointed by the governor: ~~((One))~~ Two representatives from construction general contracting; one representative from the ~~((design industries))~~ architectural profession; one representative from the engineering profession; two representatives from construction specialty subcontracting; ~~((one))~~ two representatives from ~~((a))~~ construction trades labor organizations; one representative from the office of minority and women's business enterprises; one representative from a higher education institution; one representative from the department of general administration; two representatives from private industry; and one representative of a domestic insurer authorized to write surety bonds for contractors in Washington state. All appointed members must be ~~((actively engaged in or authorized to use alternative))~~ knowledgeable about public works contracting procedures.

(b) ~~((Two))~~ Three members shall be ~~((at-large))~~ positions representing different local public owners~~((The two at-large positions shall serve on a rotating basis to be determined and appointed))~~, selected by the association of Washington cities, the Washington state association of counties, and the Washington public ports association, respectively.

(c) One member shall be a ~~((member of))~~ representative from the public hospital districts ~~((project review board))~~, selected by ~~((that board, who shall be nonvoting))~~ the association of Washington public hospital districts.

(d) One member shall be a ~~((member of the))~~ representative from school districts ~~((project review board))~~, selected by ~~((that board, who shall be nonvoting))~~ the Washington state school directors' association.

(e) The ~~((advisory review))~~ board shall include two members of the house of representatives, one from each major caucus, appointed by the speaker of the house of representatives, and two members of the senate, one from each major caucus, appointed by the president of the senate. Legislative members are nonvoting.

(3) Members selected under subsection (2)(a) of this section shall serve for terms of four years, with the terms expiring on June 30th on the fourth year of the term. ~~((However, in the case of the initial members, four members shall serve four-year terms, four members shall serve three-year terms, and three members shall serve a two-year term, with each of the terms expiring on June 30th of the applicable year. Appointees may be reappointed to serve more than one term.))~~

(4) The ~~((capital projects advisory review))~~ board chair is selected from among the appointed members by the majority vote of the voting members.

(5) Legislative members of the ~~((capital projects advisory review))~~ board shall be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members of the ~~((capital projects advisory review))~~ board, ~~((including any subcommittee members, except those representing an employer or organization,))~~ project review committee members, and subcommittee chairs shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(6) If a vacancy occurs of the appointive members of the board, the governor shall fill the vacancy for the unexpired term. Members of the board

may be removed for malfeasance or misfeasance in office, upon specific written charges by the governor, under chapter 34.05 RCW.

(7) The ~~((capital projects advisory review))~~ board shall ~~((convene as soon as practical after July 1, 2005, and may))~~ meet as often as necessary ~~((thereafter))~~.

(8) ~~((Capital projects advisory review))~~ Board members are expected to consistently attend ~~((review))~~ board meetings. The chair of the ~~((capital projects advisory review))~~ board may ask the governor to remove any member who misses more than two meetings in any calendar year without cause.

(9) The department of general administration shall provide staff support as may be required for the proper discharge of the function of the ~~((capital projects advisory review))~~ board.

(10) The ~~((capital projects advisory review))~~ board may establish subcommittees as it desires and may invite nonmembers of the ~~((capital projects advisory review))~~ board to serve as committee members.

(11) The board shall encourage participation from persons and entities not represented on the ~~((capital projects advisory review))~~ board.

**Sec. 103.** RCW 39.10.810 and 2005 c 377 s 2 are each amended to read as follows:

The ~~((capital projects advisory review))~~ board has the following powers and duties:

~~(1) ((Develop and recommend to the legislature criteria that may be used to determine effective and feasible use of alternative contracting procedures;~~

~~(2) Develop and recommend to the legislature qualification standards for general contractors bidding on alternative public works projects;~~

~~(3))~~ Develop and recommend to the legislature policies to further enhance the quality, efficiency, and accountability of capital construction projects through the use of traditional and alternative delivery methods in Washington, and make recommendations regarding expansion, continuation, elimination, or modification of the alternative public works contracting methods;

~~((4))~~ (2) Evaluate the use of existing contracting procedures and potential future use of other alternative contracting procedures including competitive negotiation contracts;

(3) Appoint members of the committee; and

(4) Develop and administer questionnaires designed to provide quantitative and qualitative data on alternative public works contracting procedures on which evaluations are based.

NEW SECTION. Sec. 104. PROJECT REVIEW COMMITTEE—CREATED. (1) The board shall establish a project review committee to review and approve public works projects using the design-build and general contractor/construction manager contracting procedures authorized in RCW 39.10.051 and 39.10.061 (as recodified by this act) and to certify public bodies as provided in section 107 of this act.

(2) The board shall, by a majority vote of the board, appoint persons to the committee who are knowledgeable in the use of the design-build and general contractor/construction manager contracting procedures. Appointments must represent a balance among the industries and public owners on the board listed in RCW 39.10.800 (as recodified by this act).

(a) When making initial appointments to the committee, the board shall consider for appointment former members of the school district project review board and the public hospital district project review board.

(b) Each member of the committee shall be appointed for a term of three years. However, for initial appointments, the board shall stagger the appointment of committee members so that the first members are appointed to serve terms of one, two, or three years from the date of appointment. Appointees may be reappointed to serve more than one term.

(c) The committee shall, by a majority vote, elect a chair and vice-chair for the committee.

(d) The committee chair may select a person or persons on a temporary basis as a nonvoting member if project specific expertise is needed to assist in a review.

(3) The chair of the committee, in consultation with the vice-chair, may appoint one or more panels of at least six committee members to carry out the duties of the committee. Each panel shall have balanced representation of the private and public sector representatives serving on the committee.

(4) Any member of the committee directly or indirectly affiliated with a submittal before the committee must recuse himself or herself from the committee consideration of that submittal.

(5) Any person who sits on the committee or panel is not precluded from subsequently bidding on or participating in projects that have been reviewed by the committee.

(6) The committee shall meet as often as necessary to ensure that certification and approvals are completed in a timely manner.

NEW SECTION. Sec. 105. PROJECT REVIEW COMMITTEE DUTIES. The committee shall:

(1) Certify, or recertify, public bodies for a period of three years to use the design-build or general contractor/construction manager, or both, contracting procedures for projects with a total project cost of ten million dollars or more;

(2) Review and approve the use of the design-build or general contractor/construction manager contracting procedures on a project by project basis for public bodies that are not certified under section 107 of this act; and

(3) Review and approve the use of the general contractor/construction manager contracting procedure by certified public bodies for projects with a total project cost under ten million dollars.

NEW SECTION. Sec. 106. PROJECT REVIEW COMMITTEE MEETINGS—OPEN AND PUBLIC. (1) The committee shall hold regular public meetings to carry out its duties as described in section 105 of this act. Committee meetings are subject to chapter 42.30 RCW.

(2) The committee shall publish notice of its public meetings at least twenty days before the meeting in a legal newspaper circulated in the area where the public body seeking certification is located, or where each of the proposed projects under consideration will be constructed. All meeting notices must be posted on the committee's web site.

(3) The meeting notice must identify the public body that is seeking certification or project approval, and where applicable, a description of projects to be considered at the meeting. The notice must indicate when, where, and how

the public may present comments regarding the committee's certification of a public body or approval of a project. Information submitted by a public body to be reviewed at the meeting shall be available on the committee's web site at the time the notice is published.

(4) The committee must allow for public comment on the appropriateness of certification of a public body or on the appropriateness of the use of the proposed contracting procedure and the qualifications of a public body to use the contracting procedure. The committee shall receive and record both written and oral comments at the public hearing.

**NEW SECTION. Sec. 107. PROJECT REVIEW COMMITTEE—CERTIFICATION OF PUBLIC BODIES.** (1) A public body may apply for certification to use the design-build or general contractor/construction manager contracting procedure, or both. Once certified, a public body may use the contracting procedure for which it is certified on individual projects with a total project cost over ten million dollars without seeking committee approval. The certification period is three years. A public body seeking certification must submit to the committee an application in a format and manner as prescribed by the committee. The application must include a description of the public body's qualifications, its capital plan during the certification period, and its intended use of alternative contracting procedures.

(2) To certify a public body, the committee shall determine that the public body:

(a) Has the necessary experience and qualifications to determine which projects are appropriate for using alternative contracting procedures;

(b) Has the necessary experience and qualifications to carry out the alternative contracting procedure including, but not limited to: (i) Project delivery knowledge and experience; (ii) personnel with appropriate construction experience; (iii) a management plan and rationale for its alternative public works projects; (iv) demonstrated success in managing public works projects; (v) demonstrated success in managing at least one general contractor/construction manager or design-build project within the previous five years; (vi) the ability to properly manage its capital facilities plan including, but not limited to, appropriate project planning and budgeting experience; and (vii) the ability to meet requirements of this chapter; and

(c) Has resolved any audit findings on previous public works projects in a manner satisfactory to the committee.

(3) The committee shall, if practicable, make its determination at the public meeting during which an application for certification is reviewed. Public comments must be considered before a determination is made. Within ten business days of the public meeting, the committee shall provide a written determination to the public body, and make its determination available to the public on the committee's web site.

(4) The committee may revoke any public body's certification upon a finding, after a public hearing, that its use of design-build or general contractor/construction manager contracting procedures no longer serves the public interest.

(5) The committee may renew the certification of a public body for one additional three-year period. The public body must submit an application for recertification at least three months before the initial certification expires. The

application shall include updated information on the public body's capital plan for the next three years, its intended use of the procedures, and any other information requested by the committee. The committee must review the application for recertification at a meeting held before expiration of the applicant's initial certification period. A public body must reapply for certification under the process described in subsection (1) of this section once the period of recertification expires.

(6) Certified public bodies must submit project data information as required in RCW 39.10.070 (as recodified by this act) and section 302 of this act.

**NEW SECTION. Sec. 108. PROJECT REVIEW COMMITTEE—PROJECT APPROVAL PROCESS.** (1) A public body not certified under section 107 of this act must apply for approval from the committee to use the design-build or general contractor/construction manager contracting procedure on a project. A public body seeking approval must submit to the committee an application in a format and manner as prescribed by the committee. The application must include a description of the public body's qualifications, a description of the project, and its intended use of alternative contracting procedures.

(2) To approve a proposed project, the committee shall determine that:

(a) The alternative contracting procedure will provide a substantial fiscal benefit or the use of the traditional method of awarding contracts in lump sum to the low responsive bidder is not practical for meeting desired quality standards or delivery schedules;

(b) The proposed project meets the requirements for using the alternative contracting procedure as described in section 201 or 301 of this act;

(c) The public body has the necessary experience or qualified team to carry out the alternative contracting procedure including, but not limited to: (i) Project delivery knowledge and experience; (ii) sufficient personnel with construction experience to administer the contract; (iii) a written management plan that shows clear and logical lines of authority; (iv) the necessary and appropriate funding and time to properly manage the job and complete the project; (v) continuity of project management team, including personnel with experience managing projects of similar scope and size to the project being proposed; and (vi) necessary and appropriate construction budget;

(d) For design-build projects, construction personnel independent of the design-build team are knowledgeable in the design-build process and are able to oversee and administer the contract; and

(e) The public body has resolved any audit findings related to previous public works projects in a manner satisfactory to the committee.

(3) The committee shall, if practicable, make its determination at the public meeting during which a submittal is reviewed. Public comments must be considered before a determination is made.

(4) Within ten business days after the public meeting, the committee shall provide a written determination to the public body, and make its determination available to the public on the committee's web site. If the committee fails to make a written determination within ten business days of the public meeting, the request of the public body to use the alternative contracting procedure on the requested project shall be deemed approved.



(5) The requirements of subsection (1) of this section also apply to certified public bodies seeking to use the general contractor/construction manager contracting procedure on projects with a total project cost of less than ten million dollars.

(6) Failure of the committee to meet within sixty calendar days of a public body's application to use an alternative contracting procedure on a project shall be deemed an approval of the application.

NEW SECTION. Sec. 109. APPEAL PROCESS. Final determinations by the committee may be appealed to the board within seven days by the public body or by an interested party. A written notice of an appeal must be provided to the committee and, as applicable, to the public body. The board shall resolve an appeal within forty-five days of receipt of the appeal and shall send a written determination of its decision to the party making the appeal and to the appropriate public body, as applicable. The public body shall comply with the determination of the board.

## PART 2 DESIGN-BUILD

**Sec. 201.** RCW 39.10.051 and 2003 c 352 s 2 and 2003 c 300 s 4 are each reenacted and amended to read as follows:

(1) ~~((Notwithstanding any other provision of law, and after complying with RCW 39.10.030, the following public bodies may utilize the design build procedure of public works contracting for public works projects authorized under this section: The state department of general administration; the state ferry system; the University of Washington; Washington State University; every city with a population greater than seventy thousand and any public authority chartered by such city under RCW 35.21.730 through 35.21.755 and specifically authorized as provided in RCW 39.10.120(4); every county with a population greater than four hundred fifty thousand; every public utility district with revenues from energy sales greater than twenty three million dollars per year; every public hospital district with total revenues greater than fifteen million dollars per year; and every port district with total revenues greater than fifteen million dollars per year. The authority granted to port districts in this section is in addition to and does not affect existing contracting authority under RCW 53.08.120 and 53.08.130. For the purposes of this section, "design build procedure" means a contract between a public body and another party in which the party agrees to both design and build the facility, portion of the facility, or other item specified in the contract.~~

~~(2) Public bodies authorized under this section))~~ Subject to the process in section 107 or 108 of this act, public bodies may utilize the design-build procedure for public works projects ((valued)) in which the total project cost is over ten million dollars and where:

(a) The design and construction activities ~~((or))~~, technologies, or schedule to be used are highly specialized and a design-build approach is critical in developing the construction methodology or implementing the proposed technology; or

(b) The project design is repetitive in nature and is an incidental part of the installation or construction; or

(c) Regular interaction with and feedback from facilities users and operators during design is not critical to an effective facility design.

(2) Subject to the process in section 107 or 108 of this act, public bodies may use the design-build procedure for parking garages, regardless of cost.

~~(3) ((Public bodies authorized under this section may also use)) The design-build procedure also may be used for the ((following projects that meet the criteria in subsection (2)(b) and (c) of this section:~~

~~(a) The)) construction or erection of preengineered metal buildings or prefabricated modular buildings, regardless of cost((; or~~

~~(b) The construction of new student housing projects valued over five million dollars.~~

~~(4) Contracts for design build services shall be awarded through a competitive process utilizing public solicitation of proposals for design-build services. The public body shall publish at least once in a legal newspaper of general circulation published in or as near as possible to that part of the county in which the public work will be done, a notice of its request for proposals for design-build services and the availability and location of the request for proposal documents. The request for proposal documents shall include:~~

~~(a) A detailed description of the project including programmatic, performance, and technical requirements and specifications, functional and operational elements, minimum and maximum net and gross areas of any building, and, at the discretion of the public body, preliminary engineering and architectural drawings;~~

~~(b) The reasons for using the design-build procedure;~~

~~(c) A description of the qualifications to be required of the proposer including, but not limited to, submission of the proposer's accident prevention program;~~

~~(d) A description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors. Evaluation factors shall include, but not be limited to: Proposal price; ability of professional personnel; past performance on similar projects; ability to meet time and budget requirements; ability to provide a performance and payment bond for the project; recent, current, and projected work loads of the firm; location; and the concept of the proposal;~~

~~(e) The form of the contract to be awarded;~~

~~(f) The amount to be paid to finalists submitting best and final proposals who are not awarded a design-build contract; and~~

~~(g) Other information relevant to the project.~~

~~(5) The public body shall establish a committee to evaluate the proposals based on the factors, weighting, and process identified in the request for proposals. Based on its evaluation, the public body shall select not fewer than three nor more than five finalists to submit best and final proposals. The public body may, in its sole discretion, reject all proposals. Design-build contracts shall be awarded using the procedures in (a) or (b) of this subsection.~~

~~(a) Best and final proposals shall be evaluated and scored based on the factors, weighting, and process identified in the initial request for proposals. The public body may score the proposals using a system that measures the quality and technical merits of the proposal on a unit price basis. Final proposals may not be considered if the proposal cost is greater than the maximum~~

~~allowable construction cost identified in the initial request for proposals. The public body shall initiate negotiations with the firm submitting the highest scored best and final proposal. If the public body is unable to execute a contract with the firm submitting the highest scored best and final proposal, negotiations with that firm may be suspended or terminated and the public body may proceed to negotiate with the next highest scored firm. Public bodies shall continue in accordance with this procedure until a contract agreement is reached or the selection process is terminated.~~

~~(b) If the public body determines that all finalists are capable of producing plans and specifications that adequately meet project requirements, the public body may award the contract to the firm that submits the responsive best and final proposal with the lowest price.~~

~~(6) The firm awarded the contract shall provide a performance and payment bond for the contracted amount. The public body shall provide appropriate honorarium payments to finalists submitting best and final proposals who are not awarded a design-build contract. Honorarium payments shall be sufficient to generate meaningful competition among potential proposers on design-build projects.~~

~~(7) The authority provided to the state ferry system in this section is limited to projects concerning construction, renovation, preservation, demolition, and reconstruction of ferry terminals and associated land-based facilities)) and is not subject to approval by the committee.~~

(4) Except for utility projects, the design-build procedure may not be used to procure operations and maintenance services for a period longer than three years. State agency projects that propose to use the design-build-operate-maintain procedure shall submit cost estimates for the construction portion of the project consistent with the office of financial management's capital budget requirements. Operations and maintenance costs must be shown separately and must not be included as part of the capital budget request.

**Sec. 202.** RCW 39.10.080 and 1994 c 132 s 8 are each amended to read as follows:

Notwithstanding the provisions of RCW 39.04.015, a public body using the design-build contracting procedure is authorized to negotiate an adjustment to the lowest bid or proposal price for a public works project ~~((awarded under RCW 39.10.050 and 39.10.060))~~ based upon agreed changes to the contract plans and specifications under the following conditions:

(1) All responsive bids or proposal prices exceed the available funds, as certified by an appropriate fiscal officer;

(2) The apparent low-responsive bid or proposal does not exceed the available funds by the greater of one hundred twenty-five thousand dollars or two percent for projects valued over ten million dollars; and

(3) The negotiated adjustment will bring the bid or proposal price within the amount of available funds.

**Sec. 203.** RCW 39.10.070 and 1994 c 132 s 7 are each amended to read as follows:

(1) A public body utilizing the ~~((alternative public works))~~ design-build contracting procedure~~((s authorized under RCW 39.10.050 and 39.10.060))~~ shall provide for:

~~(a) ((The preparation of appropriate, complete, and coordinated design documents consistent with the procedure utilized;~~

~~(b) To the extent appropriate, an independent review of the contract documents through value engineering or constructability studies prior to bid or proposal solicitation;~~

~~(e)) Reasonable budget contingencies totaling not less than five percent of the anticipated contract value;~~

~~((d) To the extent appropriate, on-site architectural or engineering representatives during major construction or installation phases;~~

~~(e)) (b) Employment of staff or consultants with expertise and prior experience in the management of comparable projects; ((and~~

~~(f)) (c) Contract documents that include alternative dispute resolution procedures to be attempted prior to the initiation of litigation;~~

(d) Submission of project information, as required by the board; and

(e) Contract documents that require the contractor, subcontractors, and designers to submit project information required by the board.

(2) A public body utilizing the ~~((alternative public works))~~ design-build contracting procedure~~((s under RCW 39.10.050 and 39.10.060))~~ may provide incentive payments to contractors for early completion, cost savings, or other goals if such payments are identified in the request for proposals.

**NEW SECTION. Sec. 204. DESIGN-BUILD CONTRACT AWARD.** (1) Contracts for design-build services shall be awarded through a competitive process using public solicitation of proposals for design-build services. The public body shall publish at least once in a legal newspaper of general circulation published in, or as near as possible to, that part of the county in which the public work will be done, a notice of its request for qualifications from proposers for design-build services, and the availability and location of the request for proposal documents. The request for qualifications documents shall include:

(a) A general description of the project that provides sufficient information for proposers to submit qualifications;

(b) The reasons for using the design-build procedure;

(c) A description of the qualifications to be required of the proposer including, but not limited to, submission of the proposer's accident prevention program;

(d) A description of the process the public body will use to evaluate qualifications and finalists' proposals, including evaluation factors and the relative weight of factors and any specific forms to be used by the proposers;

(i) Evaluation factors for request for qualifications shall include, but not be limited to, technical qualifications, such as specialized experience and technical competence; capability to perform; past performance of the proposers' team, including the architect-engineer and construction members; and other appropriate factors. Cost or price-related factors are not permitted in the request for qualifications phase;

(ii) Evaluation factors for finalists' proposals shall include, but not be limited to, the factors listed in (d)(i) of this subsection, as well as technical approach design concept; proposal price; ability of professional personnel; past performance on similar projects; ability to meet time and budget requirements; ability to provide a performance and payment bond for the project; recent,

current, and projected work loads of the firm; and location. Alternatively, if the public body determines that all finalists will be capable of producing a design that adequately meets project requirements, the public body may award the contract to the firm that submits the responsive proposal with the lowest price;

(e) The form of the contract to be awarded;

(f) The amount to be paid to finalists submitting responsive proposals and who are not awarded a design-build contract;

(g) The schedule for the procurement process and the project; and

(h) Other information relevant to the project.

(2) The public body shall establish an evaluation committee to evaluate the responses to the request for qualifications based on the factors, weighting, and process identified in the request for qualifications. Based on the evaluation committee's findings, the public body shall select not more than five responsive and responsible finalists to submit proposals. The public body may, in its sole discretion, reject all proposals and shall provide its reasons for rejection in writing to all proposers.

(3) Upon selection of the finalists, the public body shall issue a request for proposals to the finalists, which shall provide the following information:

(a) A detailed description of the project including programmatic, performance, and technical requirements and specifications; functional and operational elements; minimum and maximum net and gross areas of any building; and, at the discretion of the public body, preliminary engineering and architectural drawings; and

(b) The target budget for the design-build portion of the project.

(4) The public body shall establish an evaluation committee to evaluate the proposals submitted by the finalists. Design-build contracts shall be awarded using the procedures in (a) or (b) of this subsection. The public body must identify in the request for qualifications which procedure will be used.

(a) The finalists' proposals shall be evaluated and scored based on the factors, weighting, and process identified in the initial request for qualifications and in any addenda published by the public body. Public bodies may request best and final proposals from finalists. The public body shall initiate negotiations with the firm submitting the highest scored proposal. If the public body is unable to execute a contract with the firm submitting the highest scored proposal, negotiations with that firm may be suspended or terminated and the public body may proceed to negotiate with the next highest scored firm. Public bodies shall continue in accordance with this procedure until a contract agreement is reached or the selection process is terminated.

(b) If the public body determines that all finalists are capable of producing a design that adequately meets project requirements, the public body may award the contract to the firm that submits the responsive proposal with the lowest price.

(5) The firm awarded the contract shall provide a performance and payment bond for the contracted amount. The public body shall provide appropriate honorarium payments to finalists submitting best and final proposals that are not awarded a design-build contract. Honorarium payments shall be sufficient to generate meaningful competition among potential proposers on design-build projects. In determining the amount of the honorarium, the public body shall consider the level of effort required to meet the selection criteria.

**PART 3  
GENERAL CONTRACTOR/CONSTRUCTION MANAGER**

**Sec. 301.** RCW 39.10.061 and 2003 c 352 s 3 and 2003 c 300 s 5 are each reenacted and amended to read as follows:

~~((1) Notwithstanding any other provision of law, and after complying with RCW 39.10.030, a public body may utilize the general contractor/construction manager procedure of public works contracting for public works projects authorized under subsection (2) of this section. For the purposes of this section, "general contractor/construction manager" means a firm with which a public body has selected and negotiated a maximum allowable construction cost to be guaranteed by the firm, after competitive selection through formal advertisement and competitive bids, to provide services during the design phase that may include life-cycle cost design considerations, value engineering, scheduling, cost estimating, constructability, alternative construction options for cost savings, and sequencing of work, and to act as the construction manager and general contractor during the construction phase.~~

~~(2) Except those school districts proposing projects that are considered and approved by the school district project review board and those public hospital districts proposing projects that are considered and approved by the public hospital district project review board) Subject to the process in section 107 or 108 of this act, public bodies ((authorized under this section)) may utilize the general contractor/construction manager procedure for public works projects ((valued over ten million dollars)) where:~~

~~((a)) (1) Implementation of the project involves complex scheduling ((requirements)), phasing, or coordination; ((or~~

~~((b)) (2) The project involves construction at an ((existing)) occupied facility which must continue to operate during construction; ((or~~

~~((c)) (3) The involvement of the general contractor/construction manager during the design stage is critical to the success of the project((:~~

~~(3) Public bodies should select general contractor/construction managers early in the life of public works projects, and in most situations no later than the completion of schematic design.~~

~~(4) Contracts for the services of a general contractor/construction manager under this section shall be awarded through a competitive process requiring the public solicitation of proposals for general contractor/construction manager services. The public solicitation of proposals shall include: A description of the project, including programmatic, performance, and technical requirements and specifications when available; the reasons for using the general contractor/construction manager procedure; a description of the qualifications to be required of the proposer, including submission of the proposer's accident prevention program; a description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors; the form of the contract to be awarded; the estimated maximum allowable construction cost; and the bid instructions to be used by the general contractor/construction manager finalists. Evaluation factors shall include, but not be limited to: Ability of professional personnel, past performance in negotiated and complex projects, and ability to meet time and budget requirements; the scope of work the general contractor/construction~~

~~manager proposes to self-perform and its ability to perform it; location; recent, current, and projected work loads of the firm; and the concept of their proposal. A public body shall establish a committee to evaluate the proposals. After the committee has selected the most qualified finalists, these finalists shall submit final proposals, including sealed bids for the percent fee, which is the percentage amount to be earned by the general contractor/construction manager as overhead and profit, on the estimated maximum allowable construction cost and the fixed amount for the detailed specified general conditions work. The public body shall select the firm submitting the highest scored final proposal using the evaluation factors and the relative weight of factors published in the public solicitation of proposals.~~

~~(5) The maximum allowable construction cost may be negotiated between the public body and the selected firm after the scope of the project is adequately determined to establish a guaranteed contract cost for which the general contractor/construction manager will provide a performance and payment bond. The guaranteed contract cost includes the fixed amount for the detailed specified general conditions work, the negotiated maximum allowable construction cost, the percent fee on the negotiated maximum allowable construction cost, and sales tax. If the public body is unable to negotiate a satisfactory maximum allowable construction cost with the firm selected that the public body determines to be fair, reasonable, and within the available funds, negotiations with that firm shall be formally terminated and the public body shall negotiate with the next highest scored firm and continue until an agreement is reached or the process is terminated. If the maximum allowable construction cost varies more than fifteen percent from the bid estimated maximum allowable construction cost due to requested and approved changes in the scope by the public body, the percent fee shall be renegotiated.~~

~~(6) All subcontract work shall be competitively bid with public bid openings. When critical to the successful completion of a subcontractor bid package and after publication of notice of intent to determine bidder eligibility in a legal newspaper of general circulation published in or as near as possible to that part of the county in which the public work will be done at least twenty days before requesting qualifications from interested subcontract bidders, the owner and general contractor/construction manager may determine subcontractor bidding eligibility using the following evaluation criteria:~~

- ~~(a) Adequate financial resources or the ability to secure such resources;~~
  - ~~(b) History of successful completion of a contract of similar type and scope;~~
  - ~~(c) Project management and project supervision personnel with experience on similar projects and the availability of such personnel for the project;~~
  - ~~(d) Current and projected workload and the impact the project will have on the subcontractor's current and projected workload;~~
  - ~~(e) Ability to accurately estimate the subcontract bid package scope of work;~~
  - ~~(f) Ability to meet subcontract bid package shop drawing and other coordination procedures;~~
  - ~~(g) Eligibility to receive an award under applicable laws and regulations;~~
- ~~and~~
- ~~(h) Ability to meet subcontract bid package scheduling requirements.~~

~~The owner and general contractor/construction manager shall weigh the evaluation criteria and determine a minimum acceptable score to be considered an eligible subcontract bidder.~~

~~After publication of notice of intent to determine bidder eligibility, subcontractors requesting eligibility shall be provided the evaluation criteria and weighting to be used by the owner and general contractor/construction manager to determine eligible subcontract bidders. After the owner and general contractor/construction manager determine eligible subcontract bidders, subcontractors requesting eligibility shall be provided the results and scoring of the subcontract bidder eligibility determination.~~

~~Subcontract bid packages shall be awarded to the responsible bidder submitting the low responsive bid. The requirements of RCW 39.30.060 apply to each subcontract bid package. All subcontractors who bid work over three hundred thousand dollars shall post a bid bond and all subcontractors who are awarded a contract over three hundred thousand dollars shall provide a performance and payment bond for their contract amount. All other subcontractors shall provide a performance and payment bond if required by the general contractor/construction manager. If a general contractor/construction manager receives a written protest from a subcontractor bidder, the general contractor/construction manager shall not execute a contract for the subcontract bid package with anyone other than the protesting bidder without first providing at least two full business days' written notice of the general contractor/construction manager's intent to execute a contract for the subcontract bid package; provided that the protesting bidder submits notice in writing of its protest no later than two full business days following bid opening. Intermediate Saturdays, Sundays, and legal holidays are not counted. A low bidder who claims error and fails to enter into a contract is prohibited from bidding on the same project if a second or subsequent call for bids is made for the project. Except as provided for under subsection (7) of this section, bidding on subcontract work by the general contractor/construction manager or its subsidiaries is prohibited. The general contractor/construction manager may negotiate with the low responsive bidder in accordance with RCW 39.10.080 or, if unsuccessful in such negotiations, rebid.~~

~~(7) The general contractor/construction manager, or its subsidiaries, may bid on subcontract work if:~~

~~(a) The work within the subcontract bid package is customarily performed by the general contractor/construction manager;~~

~~(b) The bid opening is managed by the public body; and~~

~~(c) Notification of the general contractor/construction manager's intention to bid is included in the public solicitation of bids for the bid package.~~

~~In no event may the value of subcontract work performed by the general contractor/construction manager exceed thirty percent of the negotiated maximum allowable construction cost.~~

~~(8) A public body may include an incentive clause in any contract awarded under this section for savings of either time or cost or both from that originally negotiated. No incentives granted may exceed five percent of the maximum allowable construction cost. If the project is completed for less than the agreed upon maximum allowable construction cost, any savings not otherwise negotiated as part of an incentive clause shall accrue to the public body. If the~~



~~project is completed for more than the agreed upon maximum allowable construction cost, excepting increases due to any contract change orders approved by the public body, the additional cost shall be the responsibility of the general contractor/construction manager.~~

~~(9) The authority provided to the state ferry system in this section is limited to projects concerning construction, renovation, preservation, demolition, and reconstruction of ferry terminals and associated land-based facilities);~~

~~(4) The project encompasses a complex or technical work environment; or~~

~~(5) The project requires specialized work on a building that has historic significance.~~

**NEW SECTION. Sec. 302. PROJECT MANAGEMENT AND CONTRACTING REQUIREMENTS.** (1) A public body using the general contractor/construction manager contracting procedure shall provide for:

(a) The preparation of appropriate, complete, and coordinated design documents;

(b) Confirmation that a constructability analysis of the design documents has been performed prior to solicitation of a subcontract bid package;

(c) Reasonable budget contingencies totaling not less than five percent of the anticipated contract value;

(d) To the extent appropriate, on-site architectural or engineering representatives during major construction or installation phases;

(e) Employment of staff or consultants with expertise and prior experience in the management of comparable projects, critical path method schedule review and analysis, and the administration, pricing, and negotiation of change orders;

(f) Contract documents that include alternative dispute resolution procedures to be attempted before the initiation of litigation;

(g) Contract documents that: (i) Obligate the public owner to accept or reject a request for equitable adjustment, change order, or claim within a specified time period but no later than sixty calendar days after the receipt by the public body of related documentation; and (ii) provide that if the public owner does not respond in writing to a request for equitable adjustment, change order, or claim within the specified time period, the request is deemed denied;

(h) Submission of project information, as required by the board; and

(i) Contract documents that require the contractor, subcontractors, and designers to submit project information required by the board.

(2) A public body using the general contractor/construction manager contracting procedure may include an incentive clause for early completion, cost savings, or other performance goals if such incentives are identified in the request for proposals. No incentives granted may exceed five percent of the maximum allowable construction cost. No incentives may be paid from any contingency fund established for coordination of the construction documents or coordination of the work.

(3) If the construction is completed for less than the maximum allowable construction cost, any savings not otherwise negotiated as part of an incentive clause shall accrue to the public body. If the construction is completed for more than the maximum allowable construction cost, the additional cost is the responsibility of the general contractor/construction manager.

(4) If the public body and the general contractor/construction manager agree, in writing, on a price for additional work, the public body must issue a

change order within thirty days of the written agreement. If the public body does not issue a change order within the thirty days, interest shall accrue on the dollar amount of the additional work satisfactorily completed until a change order is issued. The public body shall pay this interest at a rate of one percent per month.

NEW SECTION. Sec. 303. CONTRACT AWARD. (1) Public bodies should select general contractor/construction managers early in the life of public works projects, and in most situations no later than the completion of schematic design.

(2) Contracts for the services of a general contractor/ construction manager under this section shall be awarded through a competitive process requiring the public solicitation of proposals for general contractor/construction manager services. The public solicitation of proposals shall include:

(a) A description of the project, including programmatic, performance, and technical requirements and specifications when available;

(b) The reasons for using the general contractor/construction manager procedure;

(c) A description of the qualifications to be required of the firm, including submission of the firm's accident prevention program;

(d) A description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors;

(e) The form of the contract, including any contract for preconstruction services, to be awarded;

(f) The estimated maximum allowable construction cost; and

(g) The bid instructions to be used by the general contractor/ construction manager finalists.

(3) Evaluation factors for selection of the general contractor/construction shall include, but not be limited to:

(a) Ability of the firm's professional personnel;

(b) The firm's past performance in negotiated and complex projects;

(c) The firm's ability to meet time and budget requirements;

(d) The scope of work the firm proposes to self-perform and its ability to perform that work;

(e) The firm's proximity to the project location;

(f) Recent, current, and projected work loads of the firm; and

(g) The firm's approach to executing the project.

(4) A public body shall establish a committee to evaluate the proposals. After the committee has selected the most qualified finalists, these finalists shall submit final proposals, including sealed bids for the percent fee on the estimated maximum allowable construction cost and the fixed amount for the general conditions work specified in the request for proposal. The public body shall select the firm submitting the highest scored final proposal using the evaluation factors and the relative weight of factors published in the public solicitation of proposals. A public body shall not evaluate or disqualify a proposal based on the terms of a collective bargaining agreement.

(5) Public bodies may contract with the selected firm to provide services during the design phase that may include life-cycle cost design considerations, value engineering, scheduling, cost estimating, constructability, alternative

construction options for cost savings, and sequencing of work, and to act as the construction manager and general contractor during the construction phase.

**NEW SECTION. Sec. 304. MAXIMUM ALLOWABLE CONSTRUCTION COST.** (1) The maximum allowable construction cost shall be used to establish a total contract cost for which the general contractor/construction manager shall provide a performance and payment bond. The maximum allowable construction cost shall be negotiated between the public body and the selected firm when the construction documents and specifications are at least ninety percent complete.

(2) Major bid packages may be bid in accordance with section 305 of this act before agreement on the maximum allowable construction cost between the public body and the selected general contractor/construction manager. The general contractor/construction manager may issue an intent to award to the responsible bidder submitting the lowest responsive bid.

(3) The public body may, at its option, authorize the general contractor/construction manager to proceed with the bidding and award of bid packages and construction before receipt of complete project plans and specifications. Any contracts awarded under this subsection shall be incorporated in the negotiated maximum allowable construction cost.

(4) The total contract cost includes the fixed amount for the detailed specified general conditions work, the negotiated maximum allowable construction cost, the negotiated support services, and the percent fee on the negotiated maximum allowable construction cost. Negotiated support services may be included in the specified general conditions at the discretion of the public body.

(5) If the public body is unable to negotiate a satisfactory maximum allowable construction cost with the firm selected that the public body determines to be fair, reasonable, and within the available funds, negotiations with that firm shall be formally terminated and the public body shall negotiate with the next highest scored firm and continue until an agreement is reached or the process is terminated.

(6) If the maximum allowable construction cost varies more than fifteen percent from the bid estimated maximum allowable construction cost due to requested and approved changes in the scope by the public body, the percent fee shall be renegotiated.

**NEW SECTION. Sec. 305. SUBCONTRACT BIDDING PROCEDURE.** (1) All subcontract work and equipment and material purchases shall be competitively bid with public bid openings. Subcontract bid packages and equipment and materials purchases shall be awarded to the responsible bidder submitting the lowest responsive bid. In preparing subcontract bid packages, the general contractor/construction manager shall not be required to violate or waive terms of a collective bargaining agreement.

(2) All subcontract bid packages in which bidder eligibility was not determined in advance shall include the specific objective criteria that will be used by the general contractor/construction manager and the public body to evaluate bidder responsibility. If the lowest bidder submitting a responsive bid is determined by the general contractor/construction manager and the public body not to be responsible, the general contractor/construction manager and the

public body must provide written documentation to that bidder explaining their intent to reject the bidder as not responsible and afford the bidder the opportunity to establish that it is a responsible bidder. Responsibility shall be determined in accordance with criteria listed in the bid documents. Protests concerning bidder responsibility determination by the general contractor/construction manager and the public body shall be in accordance with subsection (4) of this section.

(3) All subcontractors who bid work over three hundred thousand dollars shall post a bid bond. All subcontractors who are awarded a contract over three hundred thousand dollars shall provide a performance and payment bond for the contract amount. All other subcontractors shall provide a performance and payment bond if required by the general contractor/construction manager.

(4) If the general contractor/construction manager receives a written protest from a subcontractor bidder or an equipment or material supplier, the general contractor/construction manager shall not execute a contract for the subcontract bid package or equipment or material purchase order with anyone other than the protesting bidder without first providing at least two full business days' written notice to all bidders of the intent to execute a contract for the subcontract bid package. The protesting bidder must submit written notice of its protest no later than two full business days following the bid opening. Intermediate Saturdays, Sundays, and legal holidays are not counted.

(5) A low bidder who claims error and fails to enter into a contract is prohibited from bidding on the same project if a second or subsequent call for bids is made for the project.

(6) The general contractor/construction manager may negotiate with the lowest responsive and responsive bidder to negotiate an adjustment to the lowest bid or proposal price based upon agreed changes to the contract plans and specifications under the following conditions:

(a) All responsive bids or proposal prices exceed the available funds, as certified by an appropriate fiscal officer;

(b) The apparent low responsive bid or proposal does not exceed the available funds by the greater of one hundred twenty-five thousand dollars or two percent for projects valued over ten million dollars; and

(c) The negotiated adjustment will bring the bid or proposal price within the amount of available funds.

(7) If the negotiation is unsuccessful, the subcontract work or equipment or material purchases must be rebid.

(8) The general contractor/construction manager must provide a written explanation if all bids are rejected.

NEW SECTION. **Sec. 306.** GENERAL CONTRACTOR/CONSTRUCTION MANAGER SELF PERFORMANCE OF SUBCONTRACT WORK. (1) Except as provided in this section, bidding on subcontract work or for the supply of equipment or materials by the general contractor/construction manager or its subsidiaries is prohibited.

(2) The general contractor/construction manager, or its subsidiaries, may bid on subcontract work or for the supply of equipment or materials if:

(a) The work within the subcontract bid package or equipment or materials is customarily performed or supplied by the general contractor/construction manager;

(b) The bid opening is managed by the public body and is in compliance with section 305 of this act; and

(c) Notification of the general contractor/construction manager's intention to bid is included in the public solicitation of bids for the bid package or for the equipment or materials.

(3) In no event may the general contractor/construction manager or its subsidiaries purchase equipment or materials for assignment to subcontract bid package bidders for installation or warranty. The value of subcontract work performed and equipment and materials supplied by the general contractor/construction manager may not exceed thirty percent of the negotiated maximum allowable construction cost. Negotiated support services performed by the general contractor/construction manager shall not be considered subcontract work for purposes of this subsection.

NEW SECTION. **Sec. 307.** PREBID DETERMINATION OF SUBCONTRACTOR ELIGIBILITY. (1) If determination of subcontractor eligibility prior to seeking bids is in the best interest of the project and critical to the successful completion of a subcontract bid package, the general contractor/construction manager and the public body may determine subcontractor eligibility to bid. The general contractor/construction manager and the public body must:

(a) Conduct a hearing and provide an opportunity for any interested party to submit written and verbal comments regarding the justification for conducting bidder eligibility, the evaluation criteria, and weights for each criteria and subcriteria;

(b) Publish a notice of intent to evaluate and determine bidder eligibility in a legal newspaper published in or as near as possible to that part of the county where the public work will be constructed at least fourteen calendar days before conducting a public hearing;

(c) Ensure the public hearing notice includes the date, time, and location of the hearing, a statement justifying the basis and need for performing eligibility analysis before bid opening, and specific eligibility criteria and applicable weights given to each criteria and subcriteria that will be used during evaluation;

(d) After the public hearing, consider written and verbal comments received and determine if establishing bidder eligibility in advance of seeking bids is in the best interests of the project and critical to the successful completion of a subcontract bid package; and

(e) Issue a written final determination to all interested parties. All protests of the decision to establish bidder eligibility before issuing a subcontractor bid package must be filed with the superior court within seven calendar days of the final determination. Any modifications to the eligibility criteria and weights shall be based on comments received during the public hearing process and shall be included in the final determination.

(2) Determinations of bidder eligibility shall be in accordance with the evaluation criteria and weights for each criteria established in the final determination and shall be provided to interested persons upon request. Any potential bidder determined not to meet eligibility criteria must be afforded the opportunity to establish its eligibility. Protests concerning bidder eligibility determinations shall be in accordance with subsection (1) of this section.

NEW SECTION. **Sec. 308.** SUBCONTRACT AGREEMENTS.  
Subcontract agreements used by the general contractor/construction manager shall not:

(1) Delegate, restrict, or assign the general contractor/construction manager's implied duty not to hinder or delay the subcontractor. Nothing in this subsection (1) prohibits the general contractor/construction manager from requiring subcontractors not to hinder or delay the work of the general contractor/construction manager or other subcontractors and to hold subcontractors responsible for such damages;

(2) Delegate, restrict, or assign the general contractor/construction manager's authority to resolve subcontractor conflicts. The general contractor/construction manager may delegate or assign coordination of specific elements of the work, including: (a) The coordination of shop drawings among subcontractors; (b) the coordination among subcontractors in ceiling spaces and mechanical rooms; and (c) the coordination of a subcontractor's lower tier subcontractors. Nothing in this subsection prohibits the general contractor/construction manager from imposing a duty on its subcontractors to cooperate with the general contractor/construction manager and other subcontractors in the coordination of the work;

(3) Restrict the subcontractor's right to damages for changes to the construction schedule or work to the extent that the delay or disruption is caused by the general contractor/construction manager or entities acting for it. The general contractor/construction manager may require the subcontractor to provide notice that rescheduling or resequencing will result in delays or additional costs;

(4) Require the subcontractor to bear the cost of trade damage repair except to the extent the subcontractor is responsible for the damage. Nothing in this subsection (4) precludes the general contractor/construction manager from requiring the subcontractor to take reasonable steps to protect the subcontractor's work from trade damage; or

(5) Require the subcontractor to execute progress payment applications that waive claims for additional time or compensation or bond or retainage rights as a condition of receipt of progress payment, except to the extent the subcontractor has received or will receive payment. Nothing in this section precludes the general contractor/construction manager from requiring the subcontractor to provide notice of claims for additional time or compensation as a condition precedent to right of recovery or to execute a full and final release, including a waiver of bond and retainage rights, as a condition of final payment.

#### **PART 4 JOB ORDER CONTRACTING**

**Sec. 401.** RCW 39.10.130 and 2003 c 301 s 1 are each amended to read as follows:

(1) The following public bodies are authorized to use the job order contracting procedure:

(a) The department of general administration;

(b) The University of Washington;

(c) Washington State University;

(d) Every city with a population greater than seventy thousand and any public authority chartered by such city under RCW 35.21.730 through 35.21.755;

(e) Every county with a population greater than four hundred fifty thousand;

(f) Every port district with total revenues greater than fifteen million dollars per year;

(g) Every public utility district with revenues from energy sales greater than twenty-three million dollars per year;

(h) Every school district; and

(i) The state ferry system.

(2) The department of general administration may issue job order contract work orders for Washington state parks department projects.

(3) Public bodies may use a job order contract for public works projects when(=

(a) A public body has made)) a determination is made that the use of job order contracts will benefit the public by providing an effective means of reducing the total lead-time and cost for the construction of public works projects ((=) for repair and renovation required at public facilities through the use of unit price books and work orders by eliminating time-consuming, costly aspects of the traditional public works process, which require separate contracting actions for each small project(=

(b) The work order to be issued for a particular project does not exceed two hundred thousand dollars;

(c) Less than twenty percent of the dollar value of the work order consists of items of work not contained in the unit price book; and

(d) At least eighty percent of the job order contract must be subcontracted to entities other than the job order contractor.

(2) Public bodies shall award job order contracts through a competitive process utilizing public requests for proposals. Public bodies shall make an effort to solicit proposals from a certified minority or certified woman-owned contractor to the extent permitted by the Washington state civil rights act, RCW 49.60.400. The public body shall publish, at least once in a legal newspaper of general circulation published in or as near as possible to that part of the county in which the public works will be done, a request for proposals for job order contracts and the availability and location of the request for proposal documents. The public body shall ensure that the request for proposal documents at a minimum includes:

(a) A detailed description of the scope of the job order contract including performance, technical requirements and specifications, functional and operational elements, minimum and maximum work order amounts, duration of the contract, and options to extend the job order contract;

(b) The reasons for using job order contracts;

(c) A description of the qualifications required of the proposer;

(d) The identity of the specific unit price book to be used;

(e) The minimum contracted amount committed to the selected job order contractor;

(f) A description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors. The public body shall ensure that evaluation factors include, but are

~~not limited to, proposal price and the ability of the proposer to perform the job order contract. In evaluating the ability of the proposer to perform the job order contract, the public body may consider: The ability of the professional personnel who will work on the job order contract; past performance on similar contracts; ability to meet time and budget requirements; ability to provide a performance and payment bond for the job order contract; recent, current, and projected work loads of the proposer; location; and the concept of the proposal;~~

~~(g) The form of the contract to be awarded;~~

~~(h) The method for pricing renewals of or extensions to the job order contract;~~

~~(i) A notice that the proposals are subject to the provisions of RCW 39.10.100; and~~

~~(j) Other information relevant to the project.~~

~~(3) A public body shall establish a committee to evaluate the proposals. After the committee has selected the most qualified finalists, the finalists shall submit final proposals, including sealed bids based upon the identified unit price book. Such bids may be in the form of coefficient markups from listed price book costs. The public body shall award the contract to the firm submitting the highest scored final proposal using the evaluation factors and the relative weight of factors published in the public request for proposals.~~

~~(4) The public body shall provide a protest period of at least ten business days following the day of the announcement of the apparent successful proposal to allow a protester to file a detailed statement of the grounds of the protest. The public body shall promptly make a determination on the merits of the protest and provide to all proposers a written decision of denial or acceptance of the protest. The public body shall not execute the contract until two business days following the public body's decision on the protest.~~

~~(5) The public body shall issue no work orders until it has approved, in consultation with the office of minority and women's business enterprises or the equivalent local agency, a plan prepared by the job order contractor that equitably spreads certified women and minority business enterprise subcontracting opportunities, to the extent permitted by the Washington state civil rights act, RCW 49.60.400, among the various subcontract disciplines.~~

~~(6) Job order contracts may be executed for an initial contract term of not to exceed two years, with the option of extending or renewing the job order contract for one year. All extensions or renewals must be priced as provided in the request for proposals. The extension or renewal must be mutually agreed to by the public body and the job order contractor.~~

~~(7) The maximum total dollar amount that may be awarded under a job order contract shall not exceed three million dollars in the first year of the job order contract, five million dollars over the first two years of the job order contract, and, if extended or renewed, eight million dollars over the three years of the job order contract.~~

~~(8) For each job order contract, public bodies shall not issue more than two work orders equal to or greater than one hundred fifty thousand dollars in a twelve-month contract performance period.~~

~~(9) All work orders issued for the same project shall be treated as a single work order for purposes of the one hundred fifty thousand dollar limit on work~~



~~orders in subsection (8) of this section and the two hundred thousand dollar limit on work orders in subsection (1)(b) of this section.~~

~~(10) Any new permanent, enclosed building space constructed under a work order shall not exceed two thousand gross square feet.~~

~~(11) Each public body may have no more than two job order contracts in effect at any one time.~~

~~(12) For purposes of chapters 39.08, 39.12, 39.76, and 60.28 RCW, each work order issued shall be treated as a separate contract. The alternate filing provisions of RCW 39.12.040(2) shall apply to each work order that otherwise meets the eligibility requirements of RCW 39.12.040(2).~~

~~(13) The requirements of RCW 39.30.060 do not apply to requests for proposals for job order contracts.~~

~~(14) Job order contractors shall pay prevailing wages for all work that would otherwise be subject to the requirements of chapter 39.12 RCW. Prevailing wages for all work performed pursuant to each work order must be the rates in effect at the time the individual work order is issued.~~

~~(15) If, in the initial contract term, the public body, at no fault of the job order contractor, fails to issue the minimum amount of work orders stated in the public request for proposals, the public body shall pay the contractor an amount equal to the difference between the minimum work order amount and the actual total of the work orders issued multiplied by an appropriate percentage for overhead and profit contained in the general conditions for Washington state facility construction. This will be the contractor's sole remedy.~~

~~(16) All job order contracts awarded under this section must be executed before July 1, 2007, however the job order contract may be extended or renewed as provided for in this section.~~

~~(17) For purposes of this section, "public body" includes any school district).~~

NEW SECTION. Sec. 402. CONTRACT AWARD. (1) Job order contracts shall be awarded through a competitive process using public requests for proposals.

(2) The public body shall make an effort to solicit proposals from certified minority or certified woman-owned contractors to the extent permitted by the Washington state civil rights act, RCW 49.60.400.

(3) The public body shall publish, at least once in a statewide publication and legal newspaper of general circulation published in every county in which the public works project is anticipated, a request for proposals for job order contracts and the availability and location of the request for proposal documents. The public body shall ensure that the request for proposal documents at a minimum includes:

(a) A detailed description of the scope of the job order contract including performance, technical requirements and specifications, functional and operational elements, minimum and maximum work order amounts, duration of the contract, and options to extend the job order contract;

(b) The reasons for using job order contracts;

(c) A description of the qualifications required of the proposer;

(d) The identity of the specific unit price book to be used;

(e) The minimum contracted amount committed to the selected job order contractor;

(f) A description of the process the public body will use to evaluate qualifications and proposals, including evaluation factors and the relative weight of factors. The public body shall ensure that evaluation factors include, but are not limited to, proposal price and the ability of the proposer to perform the job order contract. In evaluating the ability of the proposer to perform the job order contract, the public body may consider: The ability of the professional personnel who will work on the job order contract; past performance on similar contracts; ability to meet time and budget requirements; ability to provide a performance and payment bond for the job order contract; recent, current, and projected work loads of the proposer; location; and the concept of the proposal;

(g) The form of the contract to be awarded;

(h) The method for pricing renewals of or extensions to the job order contract;

(i) A notice that the proposals are subject to RCW 39.10.100 (as recodified by this act); and

(j) Other information relevant to the project.

(4) A public body shall establish a committee to evaluate the proposals. After the committee has selected the most qualified finalists, the finalists shall submit final proposals, including sealed bids based upon the identified unit price book. Such bids may be in the form of coefficient markups from listed price book costs. The public body shall award the contract to the firm submitting the highest scored final proposal using the evaluation factors and the relative weight of factors published in the public request for proposals and will notify the board of the award of the contract.

(5) The public body shall provide a protest period of at least ten business days following the day of the announcement of the apparent successful proposal to allow a protester to file a detailed statement of the grounds of the protest. The public body shall promptly make a determination on the merits of the protest and provide to all proposers a written decision of denial or acceptance of the protest. The public body shall not execute the contract until two business days following the public body's decision on the protest.

(6) The requirements of RCW 39.30.060 do not apply to requests for proposals for job order contracts.

**NEW SECTION. Sec. 403. JOB ORDER CONTRACT REQUIREMENTS.** (1) The maximum total dollar amount that may be awarded under a job order contract is four million dollars per year for a maximum of three years.

(2) Job order contracts may be executed for an initial contract term of not to exceed two years, with the option of extending or renewing the job order contract for one year. All extensions or renewals must be priced as provided in the request for proposals. The extension or renewal must be mutually agreed to by the public body and the job order contractor.

(3) A public body may have no more than two job order contracts in effect at any one time, with the exception of the department of general administration, which may have four job order contracts in effect at any one time.

(4) At least ninety percent of work contained in a job order contract must be subcontracted to entities other than the job order contractor. The job order contractor must distribute contracts as equitably as possible among qualified and

available subcontractors including minority and woman-owned subcontractors to the extent permitted by law.

(5) The job order contractor shall publish notification of intent to perform public works projects at the beginning of each contract year in a statewide publication and in a legal newspaper of general circulation in every county in which the public works projects are anticipated.

(6) Job order contractors shall pay prevailing wages for all work that would otherwise be subject to the requirements of chapter 39.12 RCW. Prevailing wages for all work performed pursuant to each work order must be the rates in effect at the time the individual work order is issued.

(7) If, in the initial contract term, the public body, at no fault of the job order contractor, fails to issue the minimum amount of work orders stated in the public request for proposals, the public body shall pay the contractor an amount equal to the difference between the minimum work order amount and the actual total of the work orders issued multiplied by an appropriate percentage for overhead and profit contained in the contract award coefficient for services as specified in the request for proposals. This is the contractor's sole remedy.

(8) All job order contracts awarded under this section must be signed before July 1, 2013; however the job order contract may be extended or renewed as provided for in this section.

(9) Public bodies may amend job order contracts awarded prior to July 1, 2007, in accordance with this chapter.

**NEW SECTION. Sec. 404. WORK ORDERS.** (1) The maximum dollar amount for a work order is three hundred fifty thousand dollars. For each job order contract, public bodies shall not issue more than two work orders equal to or greater than three hundred thousand dollars in a twelve-month contract period.

(2) All work orders issued for the same project shall be treated as a single work order for purposes of the dollar limit on work orders.

(3) No more than twenty percent of the dollar value of a work order may consist of items of work not contained in the unit price book.

(4) Any new permanent, enclosed building space constructed under a work order shall not exceed two thousand gross square feet.

(5) A public body may issue no work orders under a job order contract until it has approved, in consultation with the office of minority and women's business enterprises or the equivalent local agency, a plan prepared by the job order contractor that equitably spreads certified women and minority business enterprise subcontracting opportunities, to the extent permitted by the Washington state civil rights act, RCW 49.60.400, among the various subcontract disciplines.

(6) For purposes of chapters 39.08, 39.12, 39.76, and 60.28 RCW, each work order issued shall be treated as a separate contract. The alternate filing provisions of RCW 39.12.040(2) apply to each work order that otherwise meets the eligibility requirements of RCW 39.12.040(2).

(7) The job order contract shall not be used for the procurement of architectural or engineering services not associated with specific work orders. Architectural and engineering services shall be procured in accordance with RCW 39.80.040.

NEW SECTION. Sec. 405. A public body shall provide to the board the following information for each job order contract at the end of each contract year:

- (1) A list of work orders issued;
- (2) The cost of each work order;
- (3) A list of subcontractors hired under each work order;
- (4) If requested by the board, a copy of the intent to pay prevailing wage and the affidavit of wages paid for each work order subcontract; and
- (5) Any other information requested by the board.

#### PART 5 OTHER PROVISIONS

**Sec. 501.** RCW 39.10.120 and 2001 c 328 s 5 are each amended to read as follows:

~~((1) Except as provided in subsections (2) and (3) of this section,))~~ The alternative public works contracting procedures authorized under this chapter are limited to public works contracts signed before July 1, ~~((2007))~~ 2013. Methods of public works contracting authorized ~~((by RCW 39.10.050 and 39.10.060 or 39.10.051 and 39.10.061))~~ under this chapter shall remain in full force and effect until completion of contracts signed before July 1, ~~((2007))~~ 2013.

~~((2) For the purposes of a baseball stadium as defined in RCW 82.14.0485, the design-build contracting procedures under RCW 39.10.050 shall remain in full force and effect until completion of contracts signed before December 31, 1997.~~

~~(3) For the purposes of a stadium and exhibition center, as defined in RCW 36.102.010, the design-build contracting procedures under RCW 39.10.050 or 39.10.051 shall remain in full force and effect until completion of contracts signed before December 31, 2002.~~

~~(4) A public authority chartered by a city that is a public body may utilize an alternative public works contracting procedure under this chapter only after receiving specific authorization on a project-by-project basis from the governing body of the city. For purposes of public authorities authorized to use alternative public works contracting procedures under this chapter, the city chartering any such public authority shall itself comply with RCW 39.10.030 on behalf of the public authority.)~~

NEW SECTION. Sec. 502. Projects approved by the school district project review board established under RCW 39.10.115, and the hospital district project review board established under RCW 39.10.117 before July 1, 2007, may proceed without the approval of the committee established in section 104 of this act. The board may grant an exemption from any provision of this act for projects advertised before the effective date of this section. A public body seeking an exemption must submit a request in writing to the board no later than December 31, 2007. The board must respond to the request within sixty calendar days.

NEW SECTION. Sec. 503. Projects using the design-build or general contractor/construction manager contracting procedures in which advertising for selection of a contractor has begun by the effective date of this section but no

contract has been awarded may proceed without seeking approval of the committee under the processes in sections 107 and 108 of this act.

**Sec. 504.** RCW 60.28.011 and 2003 c 301 s 7 are each amended to read as follows:

(1) Public improvement contracts shall provide, and public bodies shall reserve, a contract retainage not to exceed five percent of the moneys earned by the contractor as a trust fund for the protection and payment of: (a) The claims of any person arising under the contract; and (b) the state with respect to taxes imposed pursuant to Title 82 RCW which may be due from such contractor.

(2) Every person performing labor or furnishing supplies toward the completion of a public improvement contract shall have a lien upon moneys reserved by a public body under the provisions of a public improvement contract. However, the notice of the lien of the claimant shall be given within forty-five days of completion of the contract work, and in the manner provided in RCW 39.08.030.

(3) The contractor at any time may request the contract retainage be reduced to one hundred percent of the value of the work remaining on the project.

(a) After completion of all contract work other than landscaping, the contractor may request that the public body release and pay in full the amounts retained during the performance of the contract, and sixty days thereafter the public body must release and pay in full the amounts retained (other than continuing retention of five percent of the moneys earned for landscaping) subject to the provisions of chapters 39.12 and 60.28 RCW.

(b) Sixty days after completion of all contract work the public body must release and pay in full the amounts retained during the performance of the contract subject to the provisions of chapters 39.12 and 60.28 RCW.

(4) The moneys reserved by a public body under the provisions of a public improvement contract, at the option of the contractor, shall be:

(a) Retained in a fund by the public body;

(b) Deposited by the public body in an interest bearing account in a bank, mutual savings bank, or savings and loan association. Interest on moneys reserved by a public body under the provision of a public improvement contract shall be paid to the contractor;

(c) Placed in escrow with a bank or trust company by the public body. When the moneys reserved are placed in escrow, the public body shall issue a check representing the sum of the moneys reserved payable to the bank or trust company and the contractor jointly. This check shall be converted into bonds and securities chosen by the contractor and approved by the public body and the bonds and securities shall be held in escrow. Interest on the bonds and securities shall be paid to the contractor as the interest accrues.

(5) The contractor or subcontractor may withhold payment of not more than five percent from the moneys earned by any subcontractor or sub-subcontractor or supplier contracted with by the contractor to provide labor, materials, or equipment to the public project. Whenever the contractor or subcontractor reserves funds earned by a subcontractor or sub-subcontractor or supplier, the contractor or subcontractor shall pay interest to the subcontractor or sub-subcontractor or supplier at a rate equal to that received by the contractor or subcontractor from reserved funds.

(6) A contractor may submit a bond for all or any portion of the contract retainage in a form acceptable to the public body and from a bonding company meeting standards established by the public body. The public body shall accept a bond meeting these requirements unless the public body can demonstrate good cause for refusing to accept it. This bond and any proceeds therefrom are subject to all claims and liens and in the same manner and priority as set forth for retained percentages in this chapter. The public body shall release the bonded portion of the retained funds to the contractor within thirty days of accepting the bond from the contractor. Whenever a public body accepts a bond in lieu of retained funds from a contractor, the contractor shall accept like bonds from any subcontractors or suppliers from which the contractor has retained funds. The contractor shall then release the funds retained from the subcontractor or supplier to the subcontractor or supplier within thirty days of accepting the bond from the subcontractor or supplier.

(7) If the public body administering a contract, after a substantial portion of the work has been completed, finds that an unreasonable delay will occur in the completion of the remaining portion of the contract for any reason not the result of a breach thereof, it may, if the contractor agrees, delete from the contract the remaining work and accept as final the improvement at the stage of completion then attained and make payment in proportion to the amount of the work accomplished and in this case any amounts retained and accumulated under this section shall be held for a period of sixty days following the completion. In the event that the work is terminated before final completion as provided in this section, the public body may thereafter enter into a new contract with the same contractor to perform the remaining work or improvement for an amount equal to or less than the cost of the remaining work as was provided for in the original contract without advertisement or bid. The provisions of this chapter are exclusive and shall supersede all provisions and regulations in conflict herewith.

(8) Whenever the department of transportation has contracted for the construction of two or more ferry vessels, sixty days after completion of all contract work on each ferry vessel, the department must release and pay in full the amounts retained in connection with the construction of the vessel subject to the provisions of RCW 60.28.020 and chapter 39.12 RCW. However, the department of transportation may at its discretion condition the release of funds retained in connection with the completed ferry upon the contractor delivering a good and sufficient bond with two or more sureties, or with a surety company, in the amount of the retained funds to be released to the contractor, conditioned that no taxes shall be certified or claims filed for work on the ferry after a period of sixty days following completion of the ferry; and if taxes are certified or claims filed, recovery may be had on the bond by the department of revenue and the materialmen and laborers filing claims.

(9) Except as provided in subsection (1) of this section, reservation by a public body for any purpose from the moneys earned by a contractor by fulfilling its responsibilities under public improvement contracts is prohibited.

(10) Contracts on projects funded in whole or in part by farmers home administration and subject to farmers home administration regulations are not subject to subsections (1) through (9) of this section.

(11) This subsection applies only to a public body that has contracted for the construction of a facility using the general contractor/construction manager

procedure, as defined under RCW (~~39.10.061~~) 39.10.020 (as recodified by this act). If the work performed by a subcontractor on the project has been completed within the first half of the time provided in the general contractor/construction manager contract for completing the work, the public body may accept the completion of the subcontract. The public body must give public notice of this acceptance. After a forty-five day period for giving notice of liens, and compliance with the retainage release procedures in RCW 60.28.021, the public body may release that portion of the retained funds associated with the subcontract. Claims against the retained funds after the forty-five day period are not valid.

(12) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this section.

(a) "Contract retainage" means an amount reserved by a public body from the moneys earned by a person under a public improvement contract.

(b) "Person" means a person or persons, mechanic, subcontractor, or materialperson who performs labor or provides materials for a public improvement contract, and any other person who supplies the person with provisions or supplies for the carrying on of a public improvement contract.

(c) "Public body" means the state, or a county, city, town, district, board, or other public body.

(d) "Public improvement contract" means a contract for public improvements or work, other than for professional services, or a work order as defined in RCW 39.10.020 (as recodified by this act).

**Sec. 505.** RCW 70.150.070 and 2005 c 469 s 2 are each amended to read as follows:

RCW 70.150.030 through 70.150.060 shall be deemed to provide an additional method for the provision of services from and in connection with facilities and shall be regarded as supplemental and additional to powers conferred by other state laws and by federal laws. (~~A public body that is also eligible to enter into agreements with service providers under the alternative public works contracting procedures in chapter 39.10 RCW may elect to use either RCW 39.10.051 and 39.10.061 or this chapter as its method of procurement for such services.~~)

**NEW SECTION. Sec. 506.** A new section is added to chapter 43.131 RCW to read as follows:

The alternative works contracting procedures under chapter 39.10 RCW shall be terminated June 30, 2013, as provided in section 507 of this act.

**NEW SECTION. Sec. 507.** A new section is added to chapter 43.131 RCW to read as follows:

The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective June 30, 2014:

(1) RCW 39.10.010 (as recodified by this act) and section 1 of this act & 1994 c 132 s 1;

(2) RCW 39.10.020 (as recodified by this act) and section 101 of this act & 2005 c 469 s 3;

(3) RCW 39.10.800 (as recodified by this act) and section 102 of this act & 2005 c 377 s 1;

- (4) RCW 39.10.810 (as recodified by this act) and section 103 of this act & 2005 c 377 s 2;
- (5) RCW 39.10.— and section 104 of this act;
- (6) RCW 39.10.— and section 105 of this act;
- (7) RCW 39.10.— and section 106 of this act;
- (8) RCW 39.10.— and section 107 of this act;
- (9) RCW 39.10.— and section 108 of this act;
- (10) RCW 39.10.— and section 109 of this act;
- (11) RCW 39.10.051 (as recodified by this act) and section 201 of this act, 2003 c 352 s 2, 2003 c 300 s 4, 2002 c 46 s 1, & 2001 c 328 s 2;
- (12) RCW 39.10.080 (as recodified by this act) and section 202 of this act & 1994 c 132 s 8;
- (13) RCW 39.10.070 (as recodified by this act) and section 203 of this act & 1994 c 132 s 7;
- (14) RCW 39.10.— and section 204 of this act;
- (15) RCW 39.10.061 (as recodified by this act) and section 301 of this act, 2003 c 352 s 3, 2003 c 300 s 5, 2002 c 46 s 2, & 2001 c 328 s 3;
- (16) RCW 39.10.— and section 302 of this act;
- (17) RCW 39.10.— and section 303 of this act;
- (18) RCW 39.10.— and section 304 of this act;
- (19) RCW 39.10.— and section 305 of this act;
- (20) RCW 39.10.— and section 306 of this act;
- (21) RCW 39.10.— and section 307 of this act;
- (22) RCW 39.10.— and section 308 of this act;
- (23) RCW 39.10.130 (as recodified by this act) and section 401 of this act & 2003 c 301 s 1;
- (24) RCW 39.10.— and section 402 of this act;
- (25) RCW 39.10.— and section 403 of this act;
- (26) RCW 39.10.— and section 404 of this act;
- (27) RCW 39.10.— and section 405 of this act;
- (28) RCW 39.10.100 (as recodified by this act) and 2005 c 274 s 275 & 1994 c 132 s 10;
- (29) RCW 39.10.090 (as recodified by this act) and 1994 c 132 s 9;
- (30) RCW 39.10.120 (as recodified by this act) and section 501 of this act & 2001 c 328 s 5;
- (31) RCW 39.10.— and section 502 of this act;
- (32) RCW 39.10.— and section 503 of this act;
- (33) RCW 39.10.900 (as recodified by this act) and 1994 c 132 s 13;
- (34) RCW 39.10.901 (as recodified by this act) and 1994 c 132 s 14; and
- (35) RCW 39.10.— and section 510 of this act.

NEW SECTION. Sec. 508. RCW 39.10.902 (Repealer) and 2006 c 261 s 3 & 2005 c 469 s 5 are each repealed.

NEW SECTION. Sec. 509. The following acts or parts of acts are each repealed:

- (1) RCW 39.10.030 (Public notification and review process) and 1997 c 376 s 2 & 1994 c 132 s 3;
- (2) RCW 39.10.040 (Baseball stadium project—Alternative procedure may be used) and 1994 c 132 s 4;



(3) RCW 39.10.063 (City demonstration projects—Conditions—Contract deadline) and 2005 c 377 s 3;

(4) RCW 39.10.065 (Demonstration projects—Contract deadline—Transfer of authority to other public body) and 1997 c 376 s 5;

(5) RCW 39.10.067 (School district capital demonstration projects—Conditions) and 2006 c 261 s 1, 2003 c 301 s 3, 2002 c 46 s 3, & 2000 c 209 s 3;

(6) RCW 39.10.068 (Public hospital district capital demonstration projects—Conditions) and 2003 c 300 s 6;

(7) RCW 39.10.115 (School district project review board—Established—Procedures) and 2006 c 261 s 2, 2001 c 328 s 4, & 2000 c 209 s 4; and

(8) RCW 39.10.117 (Public hospital district project review board—Established—Procedures) and 2003 c 300 s 7.

NEW SECTION. Sec. 510. PART HEADINGS AND CAPTIONS NOT LAW. Part headings and captions used in this act are not any part of the law.

NEW SECTION. Sec. 511. The following sections are codified or recodified in chapter 39.10 RCW in the following order:

RCW 39.10.010

RCW 39.10.020

RCW 39.10.800

RCW 39.10.810

Section 104 of this act

Section 105 of this act

Section 106 of this act

Section 107 of this act

Section 108 of this act

Section 109 of this act

RCW 39.10.051

RCW 39.10.080

RCW 39.10.070

Section 204 of this act

RCW 39.10.061

Section 302 of this act

Section 303 of this act

Section 304 of this act

Section 305 of this act

Section 306 of this act

Section 307 of this act

Section 308 of this act

RCW 39.10.130

Section 402 of this act

Section 403 of this act

Section 404 of this act

Section 405 of this act

RCW 39.10.100

RCW 39.10.090

RCW 39.10.120

Section 502 of this act

Section 503 of this act

RCW 39.10.900

RCW 39.10.901

Section 510 of this act

NEW SECTION. Sec. 512. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2007, except for section 104 of this act, which takes effect immediately, and section 508 of this act, which takes effect June 30, 2007.

NEW SECTION. Sec. 513. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed by the House April 17, 2007.

Passed by the Senate April 5, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 495

[Engrossed Substitute Senate Bill 5770]

### HIGHER EDUCATION INSTITUTIONS—PUBLIC WORKS

AN ACT Relating to work performed by institutions of higher education; and amending RCW 28B.10.350 and 28B.50.330.

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

**Sec. 1.** RCW 28B.10.350 and 2001 c 38 s 1 are each amended to read as follows:

(1) When the cost to The Evergreen State College(;) or any regional ((university,)) or state university(;) of any building, construction, renovation, remodeling, or demolition, other than maintenance or repairs, will equal or exceed the sum of ~~((thirty-five))~~ fifty-five thousand dollars, or thirty-five thousand dollars if the work involves one trade or craft area, complete plans and specifications for ~~((such))~~ the work shall be prepared ~~((and such)),~~ the work shall be put out for public bid(~~s~~), and the contract shall be awarded to the ~~((lowest))~~ responsible bidder ~~((if in accordance with the bid specifications: PROVIDED, That when the estimated cost of such building, construction, renovation, remodeling, or demolition equals or exceeds the sum of twenty-five thousand dollars, such project shall be deemed a public works and "the prevailing rate of wage," under chapter 39.12 RCW shall be applicable thereto: PROVIDED FURTHER, That when such building, construction, renovation, remodeling, or demolition involves one trade or craft area and the estimated cost exceeds fifteen thousand dollars, complete plans and specifications for such work shall be prepared and such work shall be put out for public bids, and the contract shall be awarded to the lowest responsible bidder if in accordance with the bid specifications. This subsection shall not apply when a contract is awarded by the small works roster procedure authorized in RCW 39.04.155 or under any other procedure authorized for an institution of higher education))~~ who submits the lowest responsive bid.

(2) Any building, construction, renovation, remodeling, or demolition project that exceeds the dollar amounts in subsection (1) of this section is subject to the provisions of chapter 39.12 RCW.

(3) The Evergreen State College(;) or any regional ((university;)) or state university may require a project to be put to public bid even when it is not required to do so under subsection (1) of this section. Any project publicly bid under this subsection is subject to the provisions of chapter 39.12 RCW.

~~((3))~~ (4) Where the estimated cost ((to The Evergreen State College, any regional university, or state university)) of any building, construction, renovation, remodeling, or demolition is less than ((twenty-five)) fifty-five thousand dollars or the contract is awarded by the small works roster procedure authorized in RCW 39.04.155, the publication requirements of RCW 39.04.020 ((shall be inapplicable)) do not apply.

~~((4))~~ (5) In the event of any emergency when the public interest or property of The Evergreen State College(;) or a regional ((university;)) or state university would suffer material injury or damage by delay, the president of such college or university may declare the existence of ((such)) an emergency and, reciting the facts constituting the same, may waive the requirements of this section with reference to any contract in order to correct the condition causing the emergency((-PROVIDED, That an "emergency,")). For the purposes of this section, "emergency" means a condition likely to result in immediate physical injury to persons or to property of ((such)) the college or university in the absence of prompt remedial action or a condition which immediately impairs the institution's ability to perform its educational obligations.

(6) This section does not apply when a contract is awarded by the small works roster procedure authorized in RCW 39.04.155 or under any other procedure authorized for an institution of higher education.

**Sec. 2.** RCW 28B.50.330 and 1993 c 379 s 108 are each amended to read as follows:

(1) The boards of trustees of college districts are empowered in accordance with the provisions of this chapter to provide for the construction, reconstruction, erection, equipping, demolition, and major alterations of buildings and other capital assets, and the acquisition of sites, rights-of-way, easements, improvements, or appurtenances for the use of the aforementioned colleges as authorized by the college board in accordance with RCW 28B.50.140; to be financed by bonds payable out of special funds from revenues hereafter derived from income received from such facilities, gifts, bequests, or grants, and such additional funds as the legislature may provide, and payable out of a bond retirement fund to be established by the respective district boards in accordance with rules and regulations of the state board. With respect to building, improvements, or repairs, or other work, where the estimated cost exceeds ((twenty-five)) fifty-five thousand dollars, or thirty-five thousand dollars if the work involves one trade or craft area, complete plans and specifications for ((such)) the work shall be prepared ((and such)), the work shall be put out for a public bid((s)), and the contract shall be awarded to the ((lowest)) responsible bidder ((if in accordance with the bid specifications: PROVIDED, That when such building, construction, renovation, remodeling, or demolition involves one trade or craft area and the estimated cost exceeds ten thousand dollars, complete plans and specifications for such work shall be

~~prepared and such work shall be put out for public bids, and the contract shall be awarded to the lowest responsible bidder if in accordance with the bid specifications)) who submits the lowest responsive bid. Any project regardless of dollar amount may be put to public bid.~~

~~(2) This ((subsection shall)) section does not apply when a contract is awarded by the small works roster procedure authorized in RCW ((39.04.150: PROVIDED FURTHER, That any project regardless of dollar amount may be put to public bid)) 39.04.155.~~

~~(3) Where the estimated cost to any college of any building, improvements, or repairs, or other work, is less than ((twenty-five thousand dollars)) fifty-five thousand dollars, or thirty-five thousand dollars if the work involves one trade or craft area, the publication requirements of RCW 39.04.020 ((shall be inapplicable)) do not apply.~~

Passed by the Senate April 16, 2007.

Passed by the House April 9, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 496

[Second Substitute Senate Bill 5470]

### DISSOLUTION PROCEEDINGS

AN ACT Relating to dissolution proceedings; amending RCW 26.09.002, 2.56.180, 26.09.020, 36.18.016, 26.09.191, 26.12.177, 26.09.015, 26.09.184, 26.09.015, 26.09.187, and 26.09.197; reenacting and amending RCW 2.56.030; adding new sections to chapter 26.09 RCW; adding a new section to chapter 26.12 RCW; adding a new section to chapter 2.53 RCW; adding a new section to chapter 26.18 RCW; creating new sections; providing effective dates; and providing an expiration date.

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

### PART I - Intent

**Sec. 101.** RCW 26.09.002 and 1987 c 460 s 2 are each amended to read as follows:

Parents have the responsibility to make decisions and perform other parental functions necessary for the care and growth of their minor children. In any proceeding between parents under this chapter, the best interests of the child shall be the standard by which the court determines and allocates the parties' parental responsibilities. The state recognizes the fundamental importance of the parent-child relationship to the welfare of the child, and that the relationship between the child and each parent should be fostered unless inconsistent with the child's best interests. Residential time and financial support are equally important components of parenting arrangements. The best interests of the child are served by a parenting arrangement that best maintains a child's emotional growth, health and stability, and physical care. Further, the best interest of the child is ordinarily served when the existing pattern of interaction between a parent and child is altered only to the extent necessitated by the changed relationship of the parents or as required to protect the child from physical, mental, or emotional harm.

NEW SECTION. Sec. 102. A new section is added to chapter 26.09 RCW to read as follows:

The legislature reaffirms the intent of the current law as expressed in RCW 26.09.002. However, after review, the legislature finds that there are certain components of the existing law which do not support the original legislative intent. In order to better implement the existing legislative intent the legislature finds that incentives for parties to reduce family conflict and additional alternative dispute resolution options can assist in reducing the number of contested trials. Furthermore, the legislature finds that the identification of domestic violence as defined in RCW 26.50.010 and the treatment needs of the parties to dissolutions are necessary to improve outcomes for children. When judicial officers have the discretion to tailor individualized resolutions, the legislative intent expressed in RCW 26.09.002 can more readily be achieved. Judicial officers should have the discretion and flexibility to assess each case based on the merits of the individual cases before them.

#### **PART II - Family Court Provisions**

NEW SECTION. Sec. 201. A new section is added to chapter 26.12 RCW to read as follows:

(1) After July 1, 2009, but no later than November 1, 2009, a county may, and to the extent state funding is provided to meet the minimum requirements of the program a county shall, create a program to provide services to all parties involved in proceedings under chapter 26.09 RCW. Minimum components of this program shall include: (a) An individual to serve as an initial point of contact for parties filing petitions for dissolutions or legal separations under chapter 26.09 RCW; (b) informing parties about courthouse facilitation programs and orientations; (c) informing parties of alternatives to filing a dissolution petition, such as marriage counseling; (d) informing parties of alternatives to litigation including counseling, legal separation, and mediation services if appropriate; (e) informing parties of supportive family services available in the community; (f) screening for referral for services in the areas of domestic violence as defined in RCW 26.50.010, child abuse, substance abuse, and mental health; and (g) assistance to the court in superior court cases filed under chapter 26.09 RCW.

(2) This program shall not provide legal advice. No attorney-client relationship or privilege is created, by implication or by inference, between persons providing basic information under this section and the participants in the program.

(3) The legislative authority of any county may impose user fees or may impose a surcharge of up to twenty dollars on only those superior court cases filed under this title, or both, to pay for the expenses of this program. Fees collected under this section shall be collected and deposited in the same manner as other county funds are collected and deposited, and shall be maintained in a separate account to be used as provided in this section. The program shall provide services to indigent persons at no expense.

(4) Persons who implement the program shall be appointed in the same manner as investigators, stenographers, and clerks as described in RCW 26.12.050.

(5) If the county has a program under this section, any petition under RCW 26.09.020 must allege that the moving party met and conferred with the program prior to the filing of the petition.

(6) If the county has a program under this section, parties shall meet and confer with the program prior to participation in mediation under section 301 of this act.

**Sec. 202.** RCW 2.56.180 and 2005 c 282 s 10 are each amended to read as follows:

(1) The administrative office of the courts shall create a handbook explaining the sections of Washington law pertaining to the rights and responsibilities of marital partners to each other and to any children during a marriage and a dissolution of marriage. The handbook may also be provided in videotape or other electronic form.

(2) The handbook created under subsection (1) of this section shall be provided by the county auditor when an individual applies for a marriage license under RCW 26.04.140.

(3) The handbook created under subsection (1) of this section shall also be provided to the petitioner when he or she files a petition for dissolution, and to the respondent, unless the respondent did not file a response, notice of appearance, or any other paper in the case or did not appear in court. The administrative office of the courts shall on an annual basis reimburse the counties for each copy of the handbook that is distributed directly to family law parties under this section, provided that the county submits documentation of the number of handbooks distributed on an annual basis.

(4) The information contained in the handbook created under subsection (1) of this section shall be reviewed and updated annually. The handbook must contain the following information:

(a) Information on prenuptial agreements as contracts and as a means of structuring financial arrangements and other aspects of the marital relationship;

(b) Information on shared parental responsibility for children, including establishing a residential schedule for the child in the event of the dissolution of the marriage;

(c) Information on notice requirements and standards for parental relocation;

(d) Information on child support for minor children;

(e) Information on property rights, including equitable distribution of assets and premarital and postmarital property rights;

(f) Information on spousal maintenance;

(g) Information on domestic violence, child abuse, and neglect, including penalties;

(h) Information on the court process for dissolution;

(i) Information on the effects of dissolution on children;

(j) Information on community resources that are available to separating or divorcing persons and their children.

**Sec. 203.** RCW 26.09.020 and 2001 c 42 s 1 are each amended to read as follows:

(1) A petition in a proceeding for dissolution of marriage, legal separation, or for a declaration concerning the validity of a marriage shall allege:

- (a) The last known state of residence of each party, and if a party's last known state of residence is Washington, the last known county of residence;
  - (b) The date and place of the marriage;
  - (c) If the parties are separated the date on which the separation occurred;
  - (d) The names and ages of any child dependent upon either or both spouses and whether the wife is pregnant;
  - (e) Any arrangements as to the residential schedule of, decision making for, dispute resolution for, and support of the children and the maintenance of a spouse;
  - (f) A statement specifying whether there is community or separate property owned by the parties to be disposed of;
  - (g) If the county has established a program under section 201 of this act, a statement affirming that the moving party met and conferred with the program prior to filing the petition;
  - (h) The relief sought.
- (2) Either or both parties to the marriage may initiate the proceeding.
- (3) The petitioner shall complete and file with the petition a certificate under RCW 43.70.150 on the form provided by the department of health and the confidential information form under RCW 26.23.050.
- (4) Nothing in this section shall be construed to limit or prohibit the ability of parties to obtain appropriate emergency orders.

**Sec. 204.** RCW 36.18.016 and 2006 c 192 s 2 are each amended to read as follows:

(1) Revenue collected under this section is not subject to division under RCW 36.18.025 or 27.24.070.

(2)(a) For the filing of a petition for modification of a decree of dissolution or paternity, within the same case as the original action, and any party filing a counterclaim, cross-claim, or third-party claim in any such action, a fee of thirty-six dollars must be paid.

(b) The party filing the first or initial petition for dissolution, legal separation, or declaration concerning the validity of marriage shall pay, at the time and in addition to the filing fee required under RCW 36.18.020, a fee of thirty dollars. The clerk of the superior court shall transmit monthly twenty-four dollars of the thirty-dollar fee collected under this subsection to the state treasury for deposit in the domestic violence prevention account. The remaining six dollars shall be retained by the county for the purpose of supporting community-based services within the county for victims of domestic violence, except for five percent of the six dollars, which may be retained by the court for administrative purposes.

(3)(a) The party making a demand for a jury of six in a civil action shall pay, at the time, a fee of one hundred twenty-five dollars; if the demand is for a jury of twelve, a fee of two hundred fifty dollars. If, after the party demands a jury of six and pays the required fee, any other party to the action requests a jury of twelve, an additional one hundred twenty-five dollar fee will be required of the party demanding the increased number of jurors.

(b) Upon conviction in criminal cases a jury demand charge of one hundred twenty-five dollars for a jury of six, or two hundred fifty dollars for a jury of twelve may be imposed as costs under RCW 10.46.190.

(4) For preparing a certified copy of an instrument on file or of record in the clerk's office, for the first page or portion of the first page, a fee of five dollars, and for each additional page or portion of a page, a fee of one dollar must be charged. For authenticating or exemplifying an instrument, a fee of two dollars for each additional seal affixed must be charged. For preparing a copy of an instrument on file or of record in the clerk's office without a seal, a fee of fifty cents per page must be charged. When copying a document without a seal or file that is in an electronic format, a fee of twenty-five cents per page must be charged. For copies made on a compact disc, an additional fee of twenty dollars for each compact disc must be charged.

(5) For executing a certificate, with or without a seal, a fee of two dollars must be charged.

(6) For a garnishee defendant named in an affidavit for garnishment and for a writ of attachment, a fee of twenty dollars must be charged.

(7) For filing a supplemental proceeding, a fee of twenty dollars must be charged.

(8) For approving a bond, including justification on the bond, in other than civil actions and probate proceedings, a fee of two dollars must be charged.

(9) For the issuance of a certificate of qualification and a certified copy of letters of administration, letters testamentary, or letters of guardianship, there must be a fee of two dollars.

(10) For the preparation of a passport application, the clerk may collect an execution fee as authorized by the federal government.

(11) For clerk's services such as processing ex parte orders, performing historical searches, compiling statistical reports, and conducting exceptional record searches, the clerk may collect a fee not to exceed twenty dollars per hour or portion of an hour.

(12) For duplicated recordings of court's proceedings there must be a fee of ten dollars for each audio tape and twenty-five dollars for each video tape or other electronic storage medium.

(13) For registration of land titles, Torrens Act, under RCW 65.12.780, a fee of twenty dollars must be charged.

(14) For the issuance of extension of judgment under RCW 6.17.020 and chapter 9.94A RCW, a fee of two hundred dollars must be charged. When the extension of judgment is at the request of the clerk, the two hundred dollar charge may be imposed as court costs under RCW 10.46.190.

(15) A facilitator surcharge of up to twenty dollars must be charged as authorized under RCW 26.12.240.

(16) For filing a water rights statement under RCW 90.03.180, a fee of twenty-five dollars must be charged.

(17) For filing a claim of frivolous lien under RCW 60.04.081, a fee of thirty-five dollars must be charged.

(18) For preparation of a change of venue, a fee of twenty dollars must be charged by the originating court in addition to the per page charges in subsection (4) of this section.

(19) A service fee of three dollars for the first page and one dollar for each additional page must be charged for receiving faxed documents, pursuant to Washington state rules of court, general rule 17.



(20) For preparation of clerk's papers under RAP 9.7, a fee of fifty cents per page must be charged.

(21) For copies and reports produced at the local level as permitted by RCW 2.68.020 and supreme court policy, a variable fee must be charged.

(22) Investment service charge and earnings under RCW 36.48.090 must be charged.

(23) Costs for nonstatutory services rendered by clerk by authority of local ordinance or policy must be charged.

(24) For filing a request for mandatory arbitration, a filing fee may be assessed against the party filing a statement of arbitrability not to exceed two hundred twenty dollars as established by authority of local ordinance. This charge shall be used solely to offset the cost of the mandatory arbitration program.

(25) For filing a request for trial de novo of an arbitration award, a fee not to exceed two hundred fifty dollars as established by authority of local ordinance must be charged.

(26) A public agency may not charge a fee to a law enforcement agency, for preparation, copying, or mailing of certified copies of the judgment and sentence, information, affidavit of probable cause, and/or the notice of requirement to register, of a sex offender convicted in a Washington court, when such records are necessary for risk assessment, preparation of a case for failure to register, or maintenance of a sex offender's registration file.

(27) For the filing of a will or codicil under the provisions of chapter 11.12 RCW, a fee of twenty dollars must be charged.

(28) A surcharge of up to twenty dollars may be charged as authorized by section 201 of this act.

The revenue to counties from the fees established in this section shall be deemed to be complete reimbursement from the state for the state's share of benefits paid to the superior court judges of the state prior to July 24, 2005, and no claim shall lie against the state for such benefits.

### PART III - Domestic Violence and Child Abuse

NEW SECTION. Sec. 301. A new section is added to chapter 26.09 RCW to read as follows:

Mediation is generally inappropriate in cases involving domestic violence and child abuse. In order to effectively identify cases where issues of domestic violence and child abuse are present and reduce conflict in dissolution matters: (1) Where appropriate parties shall be provided access to trained domestic violence advocates; and (2) in cases where a victim requests mediation the court may make exceptions and permit mediation, so long as the court makes a finding that mediation is appropriate under the circumstances and the victim is permitted to have a supporting person present during the mediation proceedings.

**Sec. 302.** RCW 2.56.030 and 2005 c 457 s 7 and 2005 c 282 s 7 are each reenacted and amended to read as follows:

The administrator for the courts shall, under the supervision and direction of the chief justice:

(1) Examine the administrative methods and systems employed in the offices of the judges, clerks, stenographers, and employees of the courts and

make recommendations, through the chief justice, for the improvement of the same;

(2) Examine the state of the dockets of the courts and determine the need for assistance by any court;

(3) Make recommendations to the chief justice relating to the assignment of judges where courts are in need of assistance and carry out the direction of the chief justice as to the assignments of judges to counties and districts where the courts are in need of assistance;

(4) Collect and compile statistical and other data and make reports of the business transacted by the courts and transmit the same to the chief justice to the end that proper action may be taken in respect thereto;

(5) Prepare and submit budget estimates of state appropriations necessary for the maintenance and operation of the judicial system and make recommendations in respect thereto;

(6) Collect statistical and other data and make reports relating to the expenditure of public moneys, state and local, for the maintenance and operation of the judicial system and the offices connected therewith;

(7) Obtain reports from clerks of courts in accordance with law or rules adopted by the supreme court of this state on cases and other judicial business in which action has been delayed beyond periods of time specified by law or rules of court and make report thereof to supreme court of this state;

(8) Act as secretary of the judicial conference referred to in RCW 2.56.060;

(9) Submit annually, as of February 1st, to the chief justice, a report of the activities of the administrator's office for the preceding calendar year including activities related to courthouse security;

(10) Administer programs and standards for the training and education of judicial personnel;

(11) Examine the need for new superior court and district court judge positions under an objective workload analysis. The results of the objective workload analysis shall be reviewed by the board for judicial administration which shall make recommendations to the legislature. It is the intent of the legislature that an objective workload analysis become the basis for creating additional district and superior court positions, and recommendations should address that objective;

(12) Provide staff to the judicial retirement account plan under chapter 2.14 RCW;

(13) Attend to such other matters as may be assigned by the supreme court of this state;

(14) Within available funds, develop a curriculum for a general understanding of child development, placement, and treatment resources, as well as specific legal skills and knowledge of relevant statutes including chapters 13.32A, 13.34, and 13.40 RCW, cases, court rules, interviewing skills, and special needs of the abused or neglected child. This curriculum shall be completed and made available to all juvenile court judges, court personnel, and service providers and be updated yearly to reflect changes in statutes, court rules, or case law;

(15) Develop, in consultation with the entities set forth in RCW 2.56.150(3), a comprehensive statewide curriculum for persons who act as guardians ad litem under Title 13 or 26 RCW. The curriculum shall be made available July 1,

((4997)) 2008, and include specialty sections on child development, child sexual abuse, child physical abuse, child neglect, domestic violence, clinical and forensic investigative and interviewing techniques, family reconciliation and mediation services, and relevant statutory and legal requirements. The curriculum shall be made available to all superior court judges, court personnel, and all persons who act as guardians ad litem;

(16) Develop a curriculum for a general understanding of crimes of malicious harassment, as well as specific legal skills and knowledge of RCW 9A.36.080, relevant cases, court rules, and the special needs of malicious harassment victims. This curriculum shall be made available to all superior court and court of appeals judges and to all justices of the supreme court;

(17) Develop, in consultation with the criminal justice training commission and the commissions established under chapters 43.113, 43.115, and 43.117 RCW, a curriculum for a general understanding of ethnic and cultural diversity and its implications for working with youth of color and their families. The curriculum shall be available to all superior court judges and court commissioners assigned to juvenile court, and other court personnel. Ethnic and cultural diversity training shall be provided annually so as to incorporate cultural sensitivity and awareness into the daily operation of juvenile courts statewide;

(18) Authorize the use of closed circuit television and other electronic equipment in judicial proceedings. The administrator shall promulgate necessary standards and procedures and shall provide technical assistance to courts as required;

(19) Develop a Washington family law handbook in accordance with RCW 2.56.180;

(20) Administer state funds for improving the operation of the courts and provide support for court coordinating councils, under the direction of the board for judicial administration;

(21)(a) Administer and distribute amounts appropriated from the equal justice subaccount under RCW 43.08.250(2) for district court judges' and qualifying elected municipal court judges' salary contributions. The administrator for the courts shall develop a distribution formula for these amounts that does not differentiate between district and elected municipal court judges.

(b) A city qualifies for state contribution of elected municipal court judges' salaries under (a) of this subsection if:

(i) The judge is serving in an elected position;

(ii) The city has established by ordinance that a full-time judge is compensated at a rate equivalent to at least ninety-five percent, but not more than one hundred percent, of a district court judge salary or for a part-time judge on a pro rata basis the same equivalent; and

(iii) The city has certified to the office of the administrator for the courts that the conditions in (b)(i) and (ii) of this subsection have been met.

**Sec. 303.** RCW 26.09.191 and 2004 c 38 s 12 are each amended to read as follows:

(1) The permanent parenting plan shall not require mutual decision-making or designation of a dispute resolution process other than court action if it is found that a parent has engaged in any of the following conduct: (a) Willful abandonment that continues for an extended period of time or substantial refusal

to perform parenting functions; (b) physical, sexual, or a pattern of emotional abuse of a child; or (c) a history of acts of domestic violence as defined in RCW 26.50.010(1) or an assault or sexual assault which causes grievous bodily harm or the fear of such harm.

(2)(a) The parent's residential time with the child shall be limited if it is found that the parent has engaged in any of the following conduct: (i) Willful abandonment that continues for an extended period of time or substantial refusal to perform parenting functions; (ii) physical, sexual, or a pattern of emotional abuse of a child; (iii) a history of acts of domestic violence as defined in RCW 26.50.010(1) or an assault or sexual assault which causes grievous bodily harm or the fear of such harm; or (iv) the parent has been convicted as an adult of a sex offense under:

(A) RCW 9A.44.076 if, because of the difference in age between the offender and the victim, no rebuttable presumption exists under (d) of this subsection;

(B) RCW 9A.44.079 if, because of the difference in age between the offender and the victim, no rebuttable presumption exists under (d) of this subsection;

(C) RCW 9A.44.086 if, because of the difference in age between the offender and the victim, no rebuttable presumption exists under (d) of this subsection;

(D) RCW 9A.44.089;

(E) RCW 9A.44.093;

(F) RCW 9A.44.096;

(G) RCW 9A.64.020 (1) or (2) if, because of the difference in age between the offender and the victim, no rebuttable presumption exists under (d) of this subsection;

(H) Chapter 9.68A RCW;

(I) Any predecessor or antecedent statute for the offenses listed in (a)(iv)(A) through (H) of this subsection;

(J) Any statute from any other jurisdiction that describes an offense analogous to the offenses listed in (a)(iv)(A) through (H) of this subsection.

This subsection (2)(a) shall not apply when (c) or (d) of this subsection applies.

(b) The parent's residential time with the child shall be limited if it is found that the parent resides with a person who has engaged in any of the following conduct: (i) Physical, sexual, or a pattern of emotional abuse of a child; (ii) a history of acts of domestic violence as defined in RCW 26.50.010(1) or an assault or sexual assault that causes grievous bodily harm or the fear of such harm; or (iii) the person has been convicted as an adult or as a juvenile has been adjudicated of a sex offense under:

(A) RCW 9A.44.076 if, because of the difference in age between the offender and the victim, no rebuttable presumption exists under (e) of this subsection;

(B) RCW 9A.44.079 if, because of the difference in age between the offender and the victim, no rebuttable presumption exists under (e) of this subsection;

(C) RCW 9A.44.086 if, because of the difference in age between the offender and the victim, no rebuttable presumption exists under (e) of this subsection;

(D) RCW 9A.44.089;

(E) RCW 9A.44.093;

(F) RCW 9A.44.096;

(G) RCW 9A.64.020 (1) or (2) if, because of the difference in age between the offender and the victim, no rebuttable presumption exists under (e) of this subsection;

(H) Chapter 9.68A RCW;

(I) Any predecessor or antecedent statute for the offenses listed in (b)(iii)(A) through (H) of this subsection;

(J) Any statute from any other jurisdiction that describes an offense analogous to the offenses listed in (b)(iii)(A) through (H) of this subsection.

This subsection (2)(b) shall not apply when (c) or (e) of this subsection applies.

(c) If a parent has been found to be a sexual predator under chapter 71.09 RCW or under an analogous statute of any other jurisdiction, the court shall restrain the parent from contact with a child that would otherwise be allowed under this chapter. If a parent resides with an adult or a juvenile who has been found to be a sexual predator under chapter 71.09 RCW or under an analogous statute of any other jurisdiction, the court shall restrain the parent from contact with the parent's child except contact that occurs outside that person's presence.

(d) There is a rebuttable presumption that a parent who has been convicted as an adult of a sex offense listed in (d)(i) through (ix) of this subsection poses a present danger to a child. Unless the parent rebuts this presumption, the court shall restrain the parent from contact with a child that would otherwise be allowed under this chapter:

(i) RCW 9A.64.020 (1) or (2), provided that the person convicted was at least five years older than the other person;

(ii) RCW 9A.44.073;

(iii) RCW 9A.44.076, provided that the person convicted was at least eight years older than the victim;

(iv) RCW 9A.44.079, provided that the person convicted was at least eight years older than the victim;

(v) RCW 9A.44.083;

(vi) RCW 9A.44.086, provided that the person convicted was at least eight years older than the victim;

(vii) RCW 9A.44.100;

(viii) Any predecessor or antecedent statute for the offenses listed in (d)(i) through (vii) of this subsection;

(ix) Any statute from any other jurisdiction that describes an offense analogous to the offenses listed in (d)(i) through (vii) of this subsection.

(e) There is a rebuttable presumption that a parent who resides with a person who, as an adult, has been convicted, or as a juvenile has been adjudicated, of the sex offenses listed in (e)(i) through (ix) of this subsection places a child at risk of abuse or harm when that parent exercises residential time in the presence of the convicted or adjudicated person. Unless the parent rebuts the presumption, the court shall restrain the parent from contact with the parent's

child except for contact that occurs outside of the convicted or adjudicated person's presence:

(i) RCW 9A.64.020 (1) or (2), provided that the person convicted was at least five years older than the other person;

(ii) RCW 9A.44.073;

(iii) RCW 9A.44.076, provided that the person convicted was at least eight years older than the victim;

(iv) RCW 9A.44.079, provided that the person convicted was at least eight years older than the victim;

(v) RCW 9A.44.083;

(vi) RCW 9A.44.086, provided that the person convicted was at least eight years older than the victim;

(vii) RCW 9A.44.100;

(viii) Any predecessor or antecedent statute for the offenses listed in (e)(i) through (vii) of this subsection;

(ix) Any statute from any other jurisdiction that describes an offense analogous to the offenses listed in (e)(i) through (vii) of this subsection.

(f) The presumption established in (d) of this subsection may be rebutted only after a written finding that:

(i) If the child was not the victim of the sex offense committed by the parent requesting residential time, (A) contact between the child and the offending parent is appropriate and poses minimal risk to the child, and (B) the offending parent has successfully engaged in treatment for sex offenders or is engaged in and making progress in such treatment, if any was ordered by a court, and the treatment provider believes such contact is appropriate and poses minimal risk to the child; or

(ii) If the child was the victim of the sex offense committed by the parent requesting residential time, (A) contact between the child and the offending parent is appropriate and poses minimal risk to the child, (B) if the child is in or has been in therapy for victims of sexual abuse, the child's counselor believes such contact between the child and the offending parent is in the child's best interest, and (C) the offending parent has successfully engaged in treatment for sex offenders or is engaged in and making progress in such treatment, if any was ordered by a court, and the treatment provider believes such contact is appropriate and poses minimal risk to the child.

(g) The presumption established in (e) of this subsection may be rebutted only after a written finding that:

(i) If the child was not the victim of the sex offense committed by the person who is residing with the parent requesting residential time, (A) contact between the child and the parent residing with the convicted or adjudicated person is appropriate and that parent is able to protect the child in the presence of the convicted or adjudicated person, and (B) the convicted or adjudicated person has successfully engaged in treatment for sex offenders or is engaged in and making progress in such treatment, if any was ordered by a court, and the treatment provider believes such contact is appropriate and poses minimal risk to the child; or

(ii) If the child was the victim of the sex offense committed by the person who is residing with the parent requesting residential time, (A) contact between the child and the parent in the presence of the convicted or adjudicated person is

appropriate and poses minimal risk to the child, (B) if the child is in or has been in therapy for victims of sexual abuse, the child's counselor believes such contact between the child and the parent residing with the convicted or adjudicated person in the presence of the convicted or adjudicated person is in the child's best interest, and (C) the convicted or adjudicated person has successfully engaged in treatment for sex offenders or is engaged in and making progress in such treatment, if any was ordered by a court, and the treatment provider believes contact between the parent and child in the presence of the convicted or adjudicated person is appropriate and poses minimal risk to the child.

(h) If the court finds that the parent has met the burden of rebutting the presumption under (f) of this subsection, the court may allow a parent who has been convicted as an adult of a sex offense listed in (d)(i) through (ix) of this subsection to have residential time with the child supervised by a neutral and independent adult and pursuant to an adequate plan for supervision of such residential time. The court shall not approve of a supervisor for contact between the child and the parent unless the court finds, based on the evidence, that the supervisor is willing and capable of protecting the child from harm. The court shall revoke court approval of the supervisor upon finding, based on the evidence, that the supervisor has failed to protect the child or is no longer willing or capable of protecting the child.

(i) If the court finds that the parent has met the burden of rebutting the presumption under (g) of this subsection, the court may allow a parent residing with a person who has been adjudicated as a juvenile of a sex offense listed in (e)(i) through (ix) of this subsection to have residential time with the child in the presence of the person adjudicated as a juvenile, supervised by a neutral and independent adult and pursuant to an adequate plan for supervision of such residential time. The court shall not approve of a supervisor for contact between the child and the parent unless the court finds, based on the evidence, that the supervisor is willing and capable of protecting the child from harm. The court shall revoke court approval of the supervisor upon finding, based on the evidence, that the supervisor has failed to protect the child or is no longer willing or capable of protecting the child.

(j) If the court finds that the parent has met the burden of rebutting the presumption under (g) of this subsection, the court may allow a parent residing with a person who, as an adult, has been convicted of a sex offense listed in (e)(i) through (ix) of this subsection to have residential time with the child in the presence of the convicted person supervised by a neutral and independent adult and pursuant to an adequate plan for supervision of such residential time. The court shall not approve of a supervisor for contact between the child and the parent unless the court finds, based on the evidence, that the supervisor is willing and capable of protecting the child from harm. The court shall revoke court approval of the supervisor upon finding, based on the evidence, that the supervisor has failed to protect the child or is no longer willing or capable of protecting the child.

(k) A court shall not order unsupervised contact between the offending parent and a child of the offending parent who was sexually abused by that parent. A court may order unsupervised contact between the offending parent and a child who was not sexually abused by the parent after the presumption under (d) of this subsection has been rebutted and supervised residential time has

occurred for at least two years with no further arrests or convictions of sex offenses involving children under chapter 9A.44 RCW, RCW 9A.64.020, or chapter 9.68A RCW and (i) the sex offense of the offending parent was not committed against a child of the offending parent, and (ii) the court finds that unsupervised contact between the child and the offending parent is appropriate and poses minimal risk to the child, after consideration of the testimony of a state-certified therapist, mental health counselor, or social worker with expertise in treating child sexual abuse victims who has supervised at least one period of residential time between the parent and the child, and after consideration of evidence of the offending parent's compliance with community supervision requirements, if any. If the offending parent was not ordered by a court to participate in treatment for sex offenders, then the parent shall obtain a psychosexual evaluation conducted by a certified sex offender treatment provider or a certified affiliate sex offender treatment provider indicating that the offender has the lowest likelihood of risk to reoffend before the court grants unsupervised contact between the parent and a child.

(l) A court may order unsupervised contact between the parent and a child which may occur in the presence of a juvenile adjudicated of a sex offense listed in (e)(i) through (ix) of this subsection who resides with the parent after the presumption under (e) of this subsection has been rebutted and supervised residential time has occurred for at least two years during which time the adjudicated juvenile has had no further arrests, adjudications, or convictions of sex offenses involving children under chapter 9A.44 RCW, RCW 9A.64.020, or chapter 9.68A RCW, and (i) the court finds that unsupervised contact between the child and the parent that may occur in the presence of the adjudicated juvenile is appropriate and poses minimal risk to the child, after consideration of the testimony of a state-certified therapist, mental health counselor, or social worker with expertise in treatment of child sexual abuse victims who has supervised at least one period of residential time between the parent and the child in the presence of the adjudicated juvenile, and after consideration of evidence of the adjudicated juvenile's compliance with community supervision or parole requirements, if any. If the adjudicated juvenile was not ordered by a court to participate in treatment for sex offenders, then the adjudicated juvenile shall obtain a psychosexual evaluation conducted by a certified sex offender treatment provider or a certified affiliate sex offender treatment provider indicating that the adjudicated juvenile has the lowest likelihood of risk to reoffend before the court grants unsupervised contact between the parent and a child which may occur in the presence of the adjudicated juvenile who is residing with the parent.

(m)(i) The limitations imposed by the court under (a) or (b) of this subsection shall be reasonably calculated to protect the child from the physical, sexual, or emotional abuse or harm that could result if the child has contact with the parent requesting residential time. The limitations shall also be reasonably calculated to provide for the safety of the parent who may be at risk of physical, sexual, or emotional abuse or harm that could result if the parent has contact with the parent requesting residential time. The limitations the court may impose include, but are not limited to: Supervised contact between the child and the parent or completion of relevant counseling or treatment. If the court expressly finds based on the evidence that limitations on the residential time



with the child will not adequately protect the child from the harm or abuse that could result if the child has contact with the parent requesting residential time, the court shall restrain the parent requesting residential time from all contact with the child.

(ii) The court shall not enter an order under (a) of this subsection allowing a parent to have contact with a child if the parent has been found by clear and convincing evidence in a civil action or by a preponderance of the evidence in a dependency action to have sexually abused the child, except upon recommendation by an evaluator or therapist for the child that the child is ready for contact with the parent and will not be harmed by the contact. The court shall not enter an order allowing a parent to have contact with the child in the offender's presence if the parent resides with a person who has been found by clear and convincing evidence in a civil action or by a preponderance of the evidence in a dependency action to have sexually abused a child, unless the court finds that the parent accepts that the person engaged in the harmful conduct and the parent is willing to and capable of protecting the child from harm from the person.

(iii) If the court limits residential time under (a) or (b) of this subsection to require supervised contact between the child and the parent, the court shall not approve of a supervisor for contact between a child and a parent who has engaged in physical, sexual, or a pattern of emotional abuse of the child unless the court finds based upon the evidence that the supervisor accepts that the harmful conduct occurred and is willing to and capable of protecting the child from harm. The court shall revoke court approval of the supervisor upon finding, based on the evidence, that the supervisor has failed to protect the child or is no longer willing to or capable of protecting the child.

(n) If the court expressly finds based on the evidence that contact between the parent and the child will not cause physical, sexual, or emotional abuse or harm to the child and that the probability that the parent's or other person's harmful or abusive conduct will recur is so remote that it would not be in the child's best interests to apply the limitations of (a), (b), and (m)(i) and (iii) of this subsection, or if the court expressly finds that the parent's conduct did not have an impact on the child, then the court need not apply the limitations of (a), (b), and (m)(i) and (iii) of this subsection. The weight given to the existence of a protection order issued under chapter 26.50 RCW as to domestic violence is within the discretion of the court. This subsection shall not apply when (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), and (m)(ii) of this subsection apply.

(3) A parent's involvement or conduct may have an adverse effect on the child's best interests, and the court may preclude or limit any provisions of the parenting plan, if any of the following factors exist:

- (a) A parent's neglect or substantial nonperformance of parenting functions;
- (b) A long-term emotional or physical impairment which interferes with the parent's performance of parenting functions as defined in RCW 26.09.004;
- (c) A long-term impairment resulting from drug, alcohol, or other substance abuse that interferes with the performance of parenting functions;
- (d) The absence or substantial impairment of emotional ties between the parent and the child;
- (e) The abusive use of conflict by the parent which creates the danger of serious damage to the child's psychological development;

(f) A parent has withheld from the other parent access to the child for a protracted period without good cause; or

(g) Such other factors or conduct as the court expressly finds adverse to the best interests of the child.

~~(4)~~ In cases involving allegations of limiting factors under subsection (2)(a)(ii) and (iii) of this section, both parties shall be screened to determine the appropriateness of a comprehensive assessment regarding the impact of the limiting factor on the child and the parties.

~~(5)~~ In entering a permanent parenting plan, the court shall not draw any presumptions from the provisions of the temporary parenting plan.

~~((5))~~ ~~(6)~~ In determining whether any of the conduct described in this section has occurred, the court shall apply the civil rules of evidence, proof, and procedure.

~~((6))~~ ~~(7)~~ For the purposes of this section, a parent's child means that parent's natural child, adopted child, or stepchild.

NEW SECTION. Sec. 304. A new section is added to chapter 26.09 RCW to read as follows:

Before entering a permanent parenting plan, the court shall determine the existence of any information and proceedings relevant to the placement of the child that are available in the judicial information system and databases.

**Sec. 305.** RCW 26.12.177 and 2005 c 282 s 30 are each amended to read as follows:

(1) All guardians ad litem and investigators appointed under this title must comply with the training requirements established under RCW 2.56.030(15), prior to their appointment in cases under Title 26 RCW, except that volunteer guardians ad litem or court-appointed special advocates may comply with alternative training requirements approved by the administrative office of the courts that meet or exceed the statewide requirements. In cases involving allegations of limiting factors under RCW 26.09.191, the guardians ad litem and investigators appointed under this title must have additional relevant training under RCW 2.56.030(15) and as recommended under section 306 of this act, when it is available.

(2)(a) Each guardian ad litem program for compensated guardians ad litem shall establish a rotational registry system for the appointment of guardians ad litem and investigators under this title. If a judicial district does not have a program the court shall establish the rotational registry system. Guardians ad litem and investigators under this title shall be selected from the registry except in exceptional circumstances as determined and documented by the court. The parties may make a joint recommendation for the appointment of a guardian ad litem from the registry.

(b) In judicial districts with a population over one hundred thousand, a list of three names shall be selected from the registry and given to the parties along with the background information as specified in RCW 26.12.175(3), including their hourly rate for services. Each party may, within three judicial days, strike one name from the list. If more than one name remains on the list, the court shall make the appointment from the names on the list. In the event all three names are stricken the person whose name appears next on the registry shall be appointed.

(c) If a party reasonably believes that the appointed guardian ad litem lacks the necessary expertise for the proceeding, charges an hourly rate higher than what is reasonable for the particular proceeding, or has a conflict of interest, the party may, within three judicial days from the appointment, move for substitution of the appointed guardian ad litem by filing a motion with the court.

(d) Under this section, within either registry referred to in (a) of this subsection, a subregistry may be created that consists of guardians ad litem under contract with the department of social and health services' division of child support. Guardians ad litem on such a subregistry shall be selected and appointed in state-initiated paternity cases only.

(e) The superior court shall remove any person from the guardian ad litem registry who misrepresents his or her qualifications pursuant to a grievance procedure established by the court.

(3) The rotational registry system shall not apply to court-appointed special advocate programs.

NEW SECTION. Sec. 306. A new section is added to chapter 2.53 RCW to read as follows:

(1)(a) The legislature requests that the supreme court convene and support a task force to establish statewide protocols for dissolution cases.

(b) The task force shall develop: (i) Clear and concise dispute resolution procedures; (ii) in conjunction with the office of crime victims advocacy, a sexual assault training curriculum; (iii) consistent standards for parenting evaluators; and (iv) a domestic violence training curriculum for individuals making evaluations in dissolution cases. The task force shall make recommendations concerning specialized evaluators for dissolution cases, dissolution forms and procedures, and fees.

(c) The task force shall also study issues related to: (i) Venue for filing and modifying petitions; and (ii) the program established under section 201 of this act, including but not limited to: (A) The minimum components of the program; (B) the extent of the program; (C) the administration of the program; (D) the handling of confidential information obtained; and (E) the selection of appropriate short screen tools to be utilized in the administration of the program.

(2) The governor shall appoint the following members of the task force:

(a) A representative of the office of crime victims advocacy;

(b) A professor of law specializing in family law;

(c) A representative from a statewide domestic violence advocacy group;

(d) A representative from a community sexual assault program;

(e) Two noncustodial parents with at least one representing the interests of low-income noncustodial parents; and

(f) Two custodial parents with at least one representing the interests of low-income custodial parents.

(3) The chief justice of the supreme court is requested to appoint the following members of the task force:

(a) Two representatives from the superior court judges association, including a superior court judge and a court commissioner who is familiar with dissolution issues;

(b) A representative from the administrative office of the courts;

(c) A representative from the Washington state bar association's family law executive committee;

(d) A representative from a qualified legal aid provider that receives funding from the office of civil legal aid;

(e) A representative of the Washington state association of county clerks; and

(f) A guardian ad litem.

(4) The president of the senate shall appoint one member from each of the two largest caucuses of the senate.

(5) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives, with at least one member.

(6) Membership of the task force may also include members of the civil legal aid oversight committee, including but not limited to the legislative members of the committee.

(7) The task force shall carefully consider all input received from interested organizations and individuals during the task force process.

(8) The task force may form an executive committee, create subcommittees, designate alternative representatives, and define other procedures, as needed, for operation of the task force.

(9) Legislative members of the task force shall be reimbursed for travel expenses under RCW 44.04.120. Nonlegislative members, except those representing an employee or organization, are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(10) The task force shall present preliminary findings and conclusions to the governor's office, the supreme court, and the appropriate committees of the legislature by September 1, 2008. A final report and recommendations, including recommendations for legislative action, if necessary, and recommendations regarding the program under section 201 of this act, shall be completed by December 1, 2008.

(11) This section expires June 30, 2009.

#### **PART IV - Additional Services**

NEW SECTION. **Sec. 401.** A new section is added to chapter 26.09 RCW to read as follows:

In order to provide judicial officers with better information and to facilitate decision making which allows for the protection of children from physical, mental, or emotional harm and in order to facilitate consistent healthy contact between both parents and their children:

(1) Parties and witnesses who require the assistance of interpreters shall be provided access to qualified interpreters pursuant to chapter 2.42 or 2.43 RCW. To the extent practicable and within available resources, interpreters shall also be made available at dissolution-related proceedings.

(2) Parties and witnesses who require literacy assistance shall be referred to the multipurpose service centers established in chapter 28B.04 RCW.

(3) In matters involving guardian ad litem, the court shall specify the hourly rate the guardian ad litem may charge for his or her services, and shall specify the maximum amount the guardian ad litem may charge without additional review. Counties may, and to the extent state funding is provided

therefor counties shall, provide indigent parties with guardian ad litem services at a reduced or waived fee.

(4) Parties may request to participate by telephone or interactive videoconference. The court may allow telephonic or interactive videoconference participation of one or more parties at any proceeding in its discretion. The court may also allow telephonic or interactive videoconference participation of witnesses.

(5) In cases involving domestic violence or child abuse, if residential time is ordered, the court may:

(a) Order exchange of a child to occur in a protected setting;

(b) Order residential time supervised by a neutral and independent adult and pursuant to an adequate plan for supervision of such residential time. The court shall not approve of a supervisor for contact between the child and the parent unless the supervisor is willing to and capable of protecting the child from harm. The court shall revoke court approval of the supervisor if the court determines, after a hearing, that the supervisor has failed to protect the child or is no longer willing or capable of protecting the child. If the court allows a family or household member to supervise residential time, the court shall establish conditions to be followed during residential time.

(6) In cases in which the court finds that the parties do not have a satisfactory history of cooperation or there is a high level of parental conflict, the court may order the parties to use supervised visitation and safe exchange centers or alternative safe locations to facilitate the exercise of residential time.

#### PART V - Mediation

**Sec. 501.** RCW 26.09.015 and 2005 c 172 s 17 are each amended to read as follows:

(1) In any proceeding under this chapter, the matter may be set for mediation of the contested issues before or concurrent with the setting of the matter for hearing. The purpose of the mediation proceeding shall be to reduce acrimony which may exist between the parties and to develop an agreement assuring the child's close and continuing contact with both parents after the marriage is dissolved. The mediator shall use his or her best efforts to effect a settlement of the dispute.

(2)(a) Each superior court may make available a mediator. The court shall use the most cost-effective mediation services that are readily available unless there is good cause to access alternative providers. The mediator may be a member of the professional staff of a family court or mental health services agency, or may be any other person or agency designated by the court. In order to provide mediation services, the court is not required to institute a family court.

(b) In any proceeding involving issues relating to residential time or other matters governed by a parenting plan, the matter may be set for mediation of the contested issues before or concurrent with the setting of the matter for hearing. Counties may, and to the extent state funding is provided therefor counties shall, provide both predecree and postdecree mediation at reduced or waived fee to the parties within one year of the filing of the dissolution petition.

(3)(a) Mediation proceedings under this chapter shall be governed in all respects by chapter 7.07 RCW, except as follows:

(i) Mediation communications in postdecree mediations mandated by a parenting plan are admissible in subsequent proceedings for the limited purpose of proving:

(A) Abuse, neglect, abandonment, exploitation, or unlawful harassment as defined in RCW 9A.46.020(1), of a child;

(B) Abuse or unlawful harassment as defined in RCW 9A.46.020(1), of a family or household member as defined in RCW 26.50.010(2); or

(C) That a parent used or frustrated the dispute resolution process without good reason for purposes of RCW 26.09.184(3)(d).

(ii) If a postdecree mediation-arbitration proceeding is required pursuant to a parenting plan and the same person acts as both mediator and arbitrator, mediation communications in the mediation phase of such a proceeding may be admitted during the arbitration phase, and shall be admissible in the judicial review of such a proceeding under RCW 26.09.184(3)(e) to the extent necessary for such review to be effective.

(b) None of the exceptions under (a)(i) and (ii) of this subsection shall subject a mediator to compulsory process to testify except by court order for good cause shown, taking into consideration the need for the mediator's testimony and the interest in the mediator maintaining an appearance of impartiality. If a mediation communication is not privileged under (a)(i) of this subsection or that portion of (a)(ii) of this subsection pertaining to judicial review, only the portion of the communication necessary for the application of the exception may be admitted, and such admission of evidence shall not render any other mediation communication discoverable or admissible except as may be provided in chapter 7.07 RCW.

(4) The mediator shall assess the needs and interests of the child or children involved in the controversy and may interview the child or children if the mediator deems such interview appropriate or necessary.

(5) Any agreement reached by the parties as a result of mediation shall be reported to the court and to counsel for the parties by the mediator on the day set for mediation or any time thereafter designated by the court.

#### **PART VI - Residential Time**

**Sec. 601.** RCW 26.09.184 and 1991 c 367 s 7 are each amended to read as follows:

(1) OBJECTIVES. The objectives of the permanent parenting plan are to:

(a) Provide for the child's physical care;

(b) Maintain the child's emotional stability;

(c) Provide for the child's changing needs as the child grows and matures, in a way that minimizes the need for future modifications to the permanent parenting plan;

(d) Set forth the authority and responsibilities of each parent with respect to the child, consistent with the criteria in RCW 26.09.187 and 26.09.191;

(e) Minimize the child's exposure to harmful parental conflict;

(f) Encourage the parents, where appropriate under RCW 26.09.187 and 26.09.191, to meet their responsibilities to their minor children through agreements in the permanent parenting plan, rather than by relying on judicial intervention; and

(g) To otherwise protect the best interests of the child consistent with RCW 26.09.002.

(2) CONTENTS OF THE PERMANENT PARENTING PLAN. The permanent parenting plan shall contain provisions for resolution of future disputes between the parents, allocation of decision-making authority, and residential provisions for the child.

(3) CONSIDERATION IN ESTABLISHING THE PERMANENT PARENTING PLAN. In establishing a permanent parenting plan, the court may consider the cultural heritage and religious beliefs of a child.

(4) DISPUTE RESOLUTION. A process for resolving disputes, other than court action, shall be provided unless precluded or limited by RCW 26.09.187 or 26.09.191. A dispute resolution process may include counseling, mediation, or arbitration by a specified individual or agency, or court action. In the dispute resolution process:

(a) Preference shall be given to carrying out the parenting plan;

(b) The parents shall use the designated process to resolve disputes relating to implementation of the plan, except those related to financial support, unless an emergency exists;

(c) A written record shall be prepared of any agreement reached in counseling or mediation and of each arbitration award and shall be provided to each party;

(d) If the court finds that a parent has used or frustrated the dispute resolution process without good reason, the court shall award attorneys' fees and financial sanctions to the prevailing parent;

(e) The parties have the right of review from the dispute resolution process to the superior court; and

(f) The provisions of (a) through (e) of this subsection shall be set forth in the decree.

~~((4))~~ (5) ALLOCATION OF DECISION-MAKING AUTHORITY.

(a) The plan shall allocate decision-making authority to one or both parties regarding the children's education, health care, and religious upbringing. The parties may incorporate an agreement related to the care and growth of the child in these specified areas, or in other areas, into their plan, consistent with the criteria in RCW 26.09.187 and 26.09.191. Regardless of the allocation of decision-making in the parenting plan, either parent may make emergency decisions affecting the health or safety of the child.

(b) Each parent may make decisions regarding the day-to-day care and control of the child while the child is residing with that parent.

(c) When mutual decision making is designated but cannot be achieved, the parties shall make a good-faith effort to resolve the issue through the dispute resolution process.

~~((5))~~ (6) RESIDENTIAL PROVISIONS FOR THE CHILD. The plan shall include a residential schedule which designates in which parent's home each minor child shall reside on given days of the year, including provision for holidays, birthdays of family members, vacations, and other special occasions, consistent with the criteria in RCW 26.09.187 and 26.09.191.

~~((6))~~ (7) PARENTS' OBLIGATION UNAFFECTED. If a parent fails to comply with a provision of a parenting plan or a child support order, the other parent's obligations under the parenting plan or the child support order are not

affected. Failure to comply with a provision in a parenting plan or a child support order may result in a finding of contempt of court, under RCW 26.09.160.

~~((7))~~ (8) PROVISIONS TO BE SET FORTH IN PERMANENT PARENTING PLAN. The permanent parenting plan shall set forth the provisions of subsections ~~((3))~~ (4)(a) through (c), ~~((4))~~ (5)(b) and (c), and ~~((6))~~ (7) of this section.

**Sec. 602.** RCW 26.09.015 and 2005 c 172 s 17 are each amended to read as follows:

(1) In any proceeding under this chapter, the matter may be set for mediation of the contested issues before or concurrent with the setting of the matter for hearing. The purpose of the mediation proceeding shall be to reduce acrimony which may exist between the parties and to develop an agreement assuring the child's close and continuing contact with both parents after the marriage is dissolved. The mediator shall use his or her best efforts to effect a settlement of the dispute.

(2) Each superior court may make available a mediator. The mediator may be a member of the professional staff of a family court or mental health services agency, or may be any other person or agency designated by the court. In order to provide mediation services, the court is not required to institute a family court.

(3)(a) Mediation proceedings under this chapter shall be governed in all respects by chapter 7.07 RCW, except as follows:

(i) Mediation communications in postdecree mediations mandated by a parenting plan are admissible in subsequent proceedings for the limited purpose of proving:

(A) Abuse, neglect, abandonment, exploitation, or unlawful harassment as defined in RCW 9A.46.020(1), of a child;

(B) Abuse or unlawful harassment as defined in RCW 9A.46.020(1), of a family or household member as defined in RCW 26.50.010(2); or

(C) That a parent used or frustrated the dispute resolution process without good reason for purposes of RCW 26.09.184~~((3))~~ (4)(d).

(ii) If a postdecree mediation-arbitration proceeding is required pursuant to a parenting plan and the same person acts as both mediator and arbitrator, mediation communications in the mediation phase of such a proceeding may be admitted during the arbitration phase, and shall be admissible in the judicial review of such a proceeding under RCW 26.09.184~~((3))~~ (4)(e) to the extent necessary for such review to be effective.

(b) None of the exceptions under (a)(i) and (ii) of this subsection shall subject a mediator to compulsory process to testify except by court order for good cause shown, taking into consideration the need for the mediator's testimony and the interest in the mediator maintaining an appearance of impartiality. If a mediation communication is not privileged under (a)(i) of this subsection or that portion of (a)(ii) of this subsection pertaining to judicial review, only the portion of the communication necessary for the application of the exception may be admitted, and such admission of evidence shall not render any other mediation communication discoverable or admissible except as may be provided in chapter 7.07 RCW.



(4) The mediator shall assess the needs and interests of the child or children involved in the controversy and may interview the child or children if the mediator deems such interview appropriate or necessary.

(5) Any agreement reached by the parties as a result of mediation shall be reported to the court and to counsel for the parties by the mediator on the day set for mediation or any time thereafter designated by the court.

**Sec. 603.** RCW 26.09.187 and 1989 c 375 s 10 are each amended to read as follows:

(1) DISPUTE RESOLUTION PROCESS. The court shall not order a dispute resolution process, except court action, when it finds that any limiting factor under RCW 26.09.191 applies, or when it finds that either parent is unable to afford the cost of the proposed dispute resolution process. If a dispute resolution process is not precluded or limited, then in designating such a process the court shall consider all relevant factors, including:

(a) Differences between the parents that would substantially inhibit their effective participation in any designated process;

(b) The parents' wishes or agreements and, if the parents have entered into agreements, whether the agreements were made knowingly and voluntarily; and

(c) Differences in the parents' financial circumstances that may affect their ability to participate fully in a given dispute resolution process.

(2) ALLOCATION OF DECISION-MAKING AUTHORITY.

(a) AGREEMENTS BETWEEN THE PARTIES. The court shall approve agreements of the parties allocating decision-making authority, or specifying rules in the areas listed in RCW 26.09.184(~~(4)~~) (5)(a), when it finds that:

(i) The agreement is consistent with any limitations on a parent's decision-making authority mandated by RCW 26.09.191; and

(ii) The agreement is knowing and voluntary.

(b) SOLE DECISION-MAKING AUTHORITY. The court shall order sole decision-making to one parent when it finds that:

(i) A limitation on the other parent's decision-making authority is mandated by RCW 26.09.191;

(ii) Both parents are opposed to mutual decision making;

(iii) One parent is opposed to mutual decision making, and such opposition is reasonable based on the criteria in (c) of this subsection;

(c) MUTUAL DECISION-MAKING AUTHORITY. Except as provided in (a) and (b) of this subsection, the court shall consider the following criteria in allocating decision-making authority:

(i) The existence of a limitation under RCW 26.09.191;

(ii) The history of participation of each parent in decision making in each of the areas in RCW 26.09.184(~~(4)~~) (5)(a);

(iii) Whether the parents have a demonstrated ability and desire to cooperate with one another in decision making in each of the areas in RCW 26.09.184(~~(4)~~) (5)(a); and

(iv) The parents' geographic proximity to one another, to the extent that it affects their ability to make timely mutual decisions.

(3) RESIDENTIAL PROVISIONS.

(a) The court shall make residential provisions for each child which encourage each parent to maintain a loving, stable, and nurturing relationship with the child, consistent with the child's developmental level and the family's

social and economic circumstances. The child's residential schedule shall be consistent with RCW 26.09.191. Where the limitations of RCW 26.09.191 are not dispositive of the child's residential schedule, the court shall consider the following factors:

(i) The relative strength, nature, and stability of the child's relationship with each parent (~~(including whether a parent has taken greater responsibility for performing parenting functions relating to the daily needs of the child)~~);

(ii) The agreements of the parties, provided they were entered into knowingly and voluntarily;

(iii) Each parent's past and potential for future performance of parenting functions as defined in RCW 26.09.004(3), including whether a parent has taken greater responsibility for performing parenting functions relating to the daily needs of the child;

(iv) The emotional needs and developmental level of the child;

(v) The child's relationship with siblings and with other significant adults, as well as the child's involvement with his or her physical surroundings, school, or other significant activities;

(vi) The wishes of the parents and the wishes of a child who is sufficiently mature to express reasoned and independent preferences as to his or her residential schedule; and

(vii) Each parent's employment schedule, and shall make accommodations consistent with those schedules.

Factor (i) shall be given the greatest weight.

~~(b) Where the limitations of RCW 26.09.191 are not dispositive, the court may order that a child frequently alternate his or her residence between the households of the parents for brief and substantially equal intervals of time (only if the court finds the following:~~

~~(i) No limitation exists under RCW 26.09.191;~~

~~(ii)(A) The parties have agreed to such provisions and the agreement was knowingly and voluntarily entered into; or~~

~~(B) The parties have a satisfactory history of cooperation and shared performance of parenting functions; the parties are available to each other, especially in geographic proximity, to the extent necessary to ensure their ability to share performance of the parenting functions; and~~

~~(iii) The provisions are in the best interests of the child)) if such provision is in the best interests of the child. In determining whether such an arrangement is in the best interests of the child, the court may consider the parties geographic proximity to the extent necessary to ensure the ability to share performance of the parenting functions.~~

(c) For any child, residential provisions may contain any reasonable terms or conditions that facilitate the orderly and meaningful exercise of residential time by a parent, including but not limited to requirements of reasonable notice when residential time will not occur.

**Sec. 604.** RCW 26.09.197 and 1987 c 460 s 14 are each amended to read as follows:

After considering the affidavit required by RCW 26.09.194(1) and other relevant evidence presented, the court shall make a temporary parenting plan that is in the best interest of the child. In making this determination, the court shall give particular consideration to:

(1) ~~((Which parent has taken greater responsibility during the last twelve months for performing parenting functions relating to the daily needs of the child))~~ The relative strength, nature, and stability of the child's relationship with each parent; and

(2) Which parenting arrangements will cause the least disruption to the child's emotional stability while the action is pending.

The court shall also consider the factors used to determine residential provisions in the permanent parenting plan.

#### **PART VII - Data Tracking**

NEW SECTION. Sec. 701. A new section is added to chapter 26.09 RCW to read as follows:

The parties to dissolution matters shall file with the clerk of the court the residential time summary report. The summary report shall be on the form developed by the administrative office of the courts in consultation with the department of social and health services division of child support. The parties must complete the form and file the form with the court order. The clerk of the court must forward the form to the division of child support on at least a monthly basis.

NEW SECTION. Sec. 702. A new section is added to chapter 26.18 RCW to read as follows:

(1) The administrative office of the courts in consultation with the department of social and health services, division of child support, shall develop a residential time summary report form to provide for the reporting of summary information in every case in which residential time with children is to be established or modified.

(2) The residential time summary report must include at a minimum: A breakdown of residential schedules with a reasonable degree of specificity regarding actual time with each parent, including enforcement practices, representation status of the parties, whether domestic violence, child abuse, chemical dependency, or mental health issues exist, and whether the matter was agreed or contested.

(3) The division of child support shall compile and electronically transmit the information in the residential time summary reports to the administrative office of the courts for purposes of tracking residential time awards by parent, enforcement practices, representation status of the parties, the existence of domestic violence, child abuse, chemical dependency, or mental health issues and whether the matter was agreed or contested.

(4) The administrative office of the courts shall report the compiled information, organized by each county, on at least an annual basis. The information shall be itemized by quarter. These reports shall be made publicly available through the judicial information public access services and shall not contain any personal identifying information of parties in the proceedings.

#### **PART VIII - Miscellaneous**

NEW SECTION. Sec. 801. Part headings used in this act are not any part of the law.

NEW SECTION. Sec. 802. If specific funding for the purposes of section 306 of this act, referencing section 306 of this act by bill or chapter number and section number, is not provided by June 30, 2007, in the omnibus appropriations act, section 306 of this act is null and void.

NEW SECTION. Sec. 803. If specific funding for the purposes of section 701 of this act, referencing section 701 of this act by bill or chapter number and section number, is not provided by June 30, 2007, in the omnibus appropriations act, section 701 of this act is null and void.

NEW SECTION. Sec. 804. If specific funding for the purposes of section 702 of this act, referencing section 702 of this act by bill or chapter number and section number, is not provided by June 30, 2007, in the omnibus appropriations act, section 702 of this act is null and void.

NEW SECTION. Sec. 805. (1) Sections 201 and 204 of this act take effect July 1, 2009.

(2) Section 202 of this act takes effect January 1, 2008.

(3) Section 501 of this act takes effect January 1, 2009.

Passed by the Senate April 19, 2007.

Passed by the House April 18, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 497

[Substitute Senate Bill 5647]

### LODGING TAX—TOURISM PROMOTION

AN ACT Relating to clarifying the use of existing lodging tax revenues for tourism promotion; amending RCW 67.28.080; adding a new section to chapter 67.28 RCW; and providing expiration dates.

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

**Sec. 1.** RCW 67.28.080 and 1997 c 452 s 2 are each amended to read as follows:

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

(1) "Acquisition" includes, but is not limited to, siting, acquisition, design, construction, refurbishing, expansion, repair, and improvement, including paying or securing the payment of all or any portion of general obligation bonds, leases, revenue bonds, or other obligations issued or incurred for such purpose or purposes under this chapter.

(2) "Municipality" means any county, city or town of the state of Washington.

(3) "Operation" includes, but is not limited to, operation, management, and marketing.

(4) "Person" means the federal government or any agency thereof, the state or any agency, subdivision, taxing district or municipal corporation thereof other than county, city or town, any private corporation, partnership, association, or individual.

(5) "Tourism" means economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.

(6) "Tourism promotion" means activities, operations, and expenditures designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding the marketing of or the operation of special events and festivals designed to attract tourists.

(7) "Tourism-related facility" means real or tangible personal property with a usable life of three or more years, or constructed with volunteer labor(;) that is: (a)(i) Owned by a public entity; (ii) owned by a nonprofit organization described under section 501(c)(3) of the federal internal revenue code of 1986, as amended; or (iii) owned by a nonprofit organization described under section 501(c)(6) of the federal internal revenue code of 1986, as amended, a business organization, destination marketing organization, main street organization, lodging association, or chamber of commerce and (b) used to support tourism, performing arts, or to accommodate tourist activities.

(8) "Tourist" means a person who travels from a place of residence to a different town, city, county, state, or country, for purposes of business, pleasure, recreation, education, arts, heritage, or culture.

(9) Amendments made in section 1 of this act (chapter . . . , Laws of 2007) expire June 30, 2013.

NEW SECTION. Sec. 2. A new section is added to chapter 67.28 RCW to read as follows:

(1) Lodging tax revenues under this chapter may be used, directly by local jurisdictions or indirectly through a convention and visitors bureau or destination marketing organization, for the marketing and operations of special events and festivals and to support the operations and capital expenditures of tourism-related facilities owned by nonprofit organizations described under 501(c)(3) and 501(c)(6) of the internal revenue code of 1986, as amended.

(2) Local jurisdictions that use the lodging tax revenues under this section must submit an annual economic impact report for these expenditures to the department of community, trade, and economic development beginning January 1, 2008. This economic impact report, at a minimum, must include: (a) The total revenue received under this chapter for each year; (b) the list of festivals, special events, or nonprofit 501(c)(3) or 501(c)(6) organizations that received funds under this chapter; (c) the amount of revenue expended on each festival, special event, or tourism-related facility owned by a nonprofit 501(c)(3) or 501(c)(6) organization; (d) the estimated number of tourists, persons traveling over fifty miles to the destination, persons remaining at the destination overnight, and lodging stays generated per festival, special event, or tourism-related facility owned by a nonprofit 501(c)(3) or 501(c)(6) organization; (e) an estimated increase in sales and use tax revenues attributable to the special event, festival, or tourism-related facility owned by a nonprofit 501(c)(3) or 501(c)(6) organization; and (f) any other measurements the local government finds that demonstrate the impact of the increased tourism attributable to the festival, special event, or tourism-related facility owned by a nonprofit 501(c)(3) or 501(c)(6) organization.

(3) The joint legislative audit and review committee must report to the legislature and the governor on the use and economic impact of lodging tax revenues by local jurisdictions since the effective date of this act to support

festivals, special events, and tourism-related facilities owned by a nonprofit organization under section 501(c)(3) or 501(c)(6) of the internal revenue code of 1986, as amended, and the economic impact generated by these festivals, events, and facilities. This report shall be due September 1, 2012.

(4) This section expires June 30, 2013.

Passed by the Senate April 17, 2007.

Passed by the House April 12, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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**CHAPTER 498**

[Engrossed Substitute Senate Bill 5726]

INSURANCE FAIR CONDUCT ACT

AN ACT Relating to creating the insurance fair conduct act; amending RCW 48.30.010; adding a new section to chapter 48.30 RCW; creating a new section; and prescribing penalties.

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

NEW SECTION. **Sec. 1.** This act may be known and cited as the insurance fair conduct act.

**Sec. 2.** RCW 48.30.010 and 1997 c 409 s 107 are each amended to read as follows:

(1) No person engaged in the business of insurance shall engage in unfair methods of competition or in unfair or deceptive acts or practices in the conduct of such business as such methods, acts, or practices are defined pursuant to subsection (2) of this section.

(2) In addition to such unfair methods and unfair or deceptive acts or practices as are expressly defined and prohibited by this code, the commissioner may from time to time by regulation promulgated pursuant to chapter 34.05 RCW, define other methods of competition and other acts and practices in the conduct of such business reasonably found by the commissioner to be unfair or deceptive after a review of all comments received during the notice and comment rule-making period.

(3)(a) In defining other methods of competition and other acts and practices in the conduct of such business to be unfair or deceptive, and after reviewing all comments and documents received during the notice and comment rule-making period, the commissioner shall identify his or her reasons for defining the method of competition or other act or practice in the conduct of insurance to be unfair or deceptive and shall include a statement outlining these reasons as part of the adopted rule.

(b) The commissioner shall include a detailed description of facts upon which he or she relied and of facts upon which he or she failed to rely, in defining the method of competition or other act or practice in the conduct of insurance to be unfair or deceptive, in the concise explanatory statement prepared under RCW 34.05.325(6).

(c) Upon appeal the superior court shall review the findings of fact upon which the regulation is based de novo on the record.

(4) No such regulation shall be made effective prior to the expiration of thirty days after the date of the order by which it is promulgated.

(5) If the commissioner has cause to believe that any person is violating any such regulation, the commissioner may order such person to cease and desist therefrom. The commissioner shall deliver such order to such person direct or mail it to the person by registered mail with return receipt requested. If the person violates the order after expiration of ten days after the cease and desist order has been received by him or her, he or she may be fined by the commissioner a sum not to exceed two hundred and fifty dollars for each violation committed thereafter.

(6) If any such regulation is violated, the commissioner may take such other or additional action as is permitted under the insurance code for violation of a regulation.

(7) An insurer engaged in the business of insurance may not unreasonably deny a claim for coverage or payment of benefits to any first party claimant. "First party claimant" has the same meaning as in section 3 of this act.

NEW SECTION. Sec. 3. A new section is added to chapter 48.30 RCW to read as follows:

(1) Any first party claimant to a policy of insurance who is unreasonably denied a claim for coverage or payment of benefits by an insurer may bring an action in the superior court of this state to recover the actual damages sustained, together with the costs of the action, including reasonable attorneys' fees and litigation costs, as set forth in subsection (3) of this section.

(2) The superior court may, after finding that an insurer has acted unreasonably in denying a claim for coverage or payment of benefits or has violated a rule in subsection (5) of this section, increase the total award of damages to an amount not to exceed three times the actual damages.

(3) The superior court shall, after a finding of unreasonable denial of a claim for coverage or payment of benefits, or after a finding of a violation of a rule in subsection (5) of this section, award reasonable attorneys' fees and actual and statutory litigation costs, including expert witness fees, to the first party claimant of an insurance contract who is the prevailing party in such an action.

(4) "First party claimant" means an individual, corporation, association, partnership, or other legal entity asserting a right to payment as a covered person under an insurance policy or insurance contract arising out of the occurrence of the contingency or loss covered by such a policy or contract.

(5) A violation of any of the following is a violation for the purposes of subsections (2) and (3) of this section:

(a) WAC 284-30-330, captioned "specific unfair claims settlement practices defined";

(b) WAC 284-30-350, captioned "misrepresentation of policy provisions";

(c) WAC 284-30-360, captioned "failure to acknowledge pertinent communications";

(d) WAC 284-30-370, captioned "standards for prompt investigation of claims";

(e) WAC 284-30-380, captioned "standards for prompt, fair and equitable settlements applicable to all insurers"; or

(f) An unfair claims settlement practice rule adopted under RCW 48.30.010 by the insurance commissioner intending to implement this section. The rule must be codified in chapter 284-30 of the Washington Administrative Code.

(6) This section does not limit a court's existing ability to make any other determination regarding an action for an unfair or deceptive practice of an insurer or provide for any other remedy that is available at law.

(7) This section does not apply to a health plan offered by a health carrier. "Health plan" has the same meaning as in RCW 48.43.005. "Health carrier" has the same meaning as in RCW 48.43.005.

(8)(a) Twenty days prior to filing an action based on this section, a first party claimant must provide written notice of the basis for the cause of action to the insurer and office of the insurance commissioner. Notice may be provided by regular mail, registered mail, or certified mail with return receipt requested. Proof of notice by mail may be made in the same manner as prescribed by court rule or statute for proof of service by mail. The insurer and insurance commissioner are deemed to have received notice three business days after the notice is mailed.

(b) If the insurer fails to resolve the basis for the action within the twenty-day period after the written notice by the first party claimant, the first party claimant may bring the action without any further notice.

(c) The first party claimant may bring an action after the required period of time in (a) of this subsection has elapsed.

(d) If a written notice of claim is served under (a) of this subsection within the time prescribed for the filing of an action under this section, the statute of limitations for the action is tolled during the twenty-day period of time in (a) of this subsection.

Passed by the Senate April 14, 2007.

Passed by the House April 5, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 499

[Substitute Senate Bill 5826]

### CONSUMER CREDIT REPORTS

AN ACT Relating to consumer credit reports; amending RCW 19.182.170; and providing an effective date.

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

**Sec. 1.** RCW 19.182.170 and 2005 c 342 s 1 are each amended to read as follows:

(1) A ~~((victim of identity theft who has submitted a valid police report to a consumer reporting agency))~~ consumer, who is a resident of this state, may elect to place a security freeze on his or her credit report by making a request in writing by certified mail to a consumer reporting agency. "Security freeze" means a ~~((notice placed in a consumer's credit report, at the request of the consumer and subject to certain exceptions, that prohibits the consumer reporting agency from releasing the consumer's credit report or any information from it without the express authorization of the consumer))~~ prohibition, consistent with this section, on a consumer reporting agency's furnishing of a consumer's credit report to a third party intending to use the credit report to determine the consumer's eligibility for credit. If a security freeze is in place,



information from a consumer's credit report may not be released to a third party without prior express authorization from the consumer. This subsection does not prevent a consumer reporting agency from advising a third party that a security freeze is in effect with respect to the consumer's credit report.

(2) For purposes of this section and RCW 19.182.180 through 19.182.210(~~(-~~ a)):

(a) "Victim of identity theft" means(~~(-~~

~~(a) A victim of identity theft as defined in RCW 9.35.020; or~~

~~(b) A person who has been notified by an agency, person, or business that owns or licenses computerized data of a breach in a computerized data system which has resulted in the acquisition of that person's unencrypted personal information by an unauthorized person or entity)) a person who has a police report evidencing their claim to be a victim of a violation of RCW 9.35.020 and which report will be produced to a consumer reporting agency, upon such consumer reporting agency's request.~~

(b) "Credit report" means a consumer report, as defined in 15 U.S.C. Sec. 1681a, that is used or collected to serve as a factor in establishing a consumer's eligibility for credit for personal, family, or household purposes.

(c) "Normal business hours" means Sunday through Saturday, between the hours of 6:00 a.m. and 9:30 p.m. Pacific Time.

(3) A consumer reporting agency shall place a security freeze on a consumer's credit report no later than five business days after receiving a written request from the consumer and payment of the fee required by the consumer reporting agency under subsection (13) of this section.

(4) The consumer reporting agency shall send a written confirmation of the security freeze to the consumer within ten business days and shall provide the consumer with a unique personal identification number or password to be used by the consumer when providing authorization for the release of his or her credit report for a specific party or period of time.

(5) If the consumer wishes to allow his or her credit report to be accessed for a specific (~~party or~~) period of time while a freeze is in place, he or she shall contact the consumer reporting agency, request that the freeze be temporarily lifted, and provide the following:

(a) Proper identification, which means that information generally deemed sufficient to identify a person. Only if the consumer is unable to sufficiently identify himself or herself, may a consumer reporting agency require additional information concerning the consumer's employment and personal or family history in order to verify his or her identity;

~~(b) The unique personal identification number or password provided by the ((credit)) consumer reporting agency under subsection (4) of this section; ((and))~~

~~(c) The proper information regarding ((the third party who is to receive the credit report or)) the time period for which the report is available to users of the credit report; and~~

(d) Payment of the fee required by the consumer reporting agency under subsection (13) of this section.

(6) A consumer reporting agency that receives a request from a consumer to temporarily lift a freeze on a credit report under subsection (5) of this section(~~(-~~) shall comply with the request (~~no later than~~) within:

(a) Three business days ((after)) of receiving the request by mail; or

(b) Fifteen minutes of receiving the request from the consumer through the electronic contact method chosen by the consumer reporting agency in accordance with subsection (8) of this section, if the request:

- (i) Is received during normal business hours; and
- (ii) Includes the consumer's proper identification and correct personal identification number or password.

(7) A consumer reporting agency is not required to remove a security freeze within the time provided in subsection (6)(b) of this section if:

(a) The consumer fails to meet the requirements of subsection (5) of this section; or

(b) The consumer reporting agency's ability to remove the security freeze within fifteen minutes is prevented by:

(i) An act of God, including fire, earthquakes, hurricanes, storms, or similar natural disasters or phenomena;

(ii) Unauthorized or illegal acts by a third party, including terrorism, sabotage, riot, vandalism, labor strikes, or disputes disrupting operations, or similar occurrences;

(iii) An interruption in operations, including electrical failure, unanticipated delay in equipment or replacement part delivery, computer hardware or software failures inhibiting response time, or similar disruptions;

(iv) Governmental action, including emergency orders or regulations, judicial or law enforcement action, or similar directives;

(v) Regularly scheduled maintenance of, or updates to, the consumer reporting agency's systems outside of normal business hours;

(vi) Commercially reasonable maintenance of, or repair to, the consumer reporting agency's systems that is unexpected or unscheduled; or

(vii) Receipt of a removal request outside of normal business hours.

(8) A consumer reporting agency may develop procedures involving the use of telephone, fax, the internet, or other electronic media to receive and process a request from a consumer to temporarily lift a freeze on a credit report under subsection (5) of this section in an expedited manner.

~~((8))~~ (9) A consumer reporting agency shall remove or temporarily lift a freeze placed on a consumer's credit report only in the following cases:

(a) Upon consumer request, under subsection (5) or ~~((11))~~ (12) of this section; or

(b) When the consumer's credit report was frozen due to a material misrepresentation of fact by the consumer. When a consumer reporting agency intends to remove a freeze upon a consumer's credit report under this subsection, the consumer reporting agency shall notify the consumer in writing prior to removing the freeze on the consumer's credit report.

~~((9))~~ (10) When a third party requests access to a consumer credit report on which a security freeze is in effect, and this request is in connection with an application for credit or any other use, and the consumer does not allow his or her credit report to be accessed for that ~~((specific party or))~~ period of time, the third party may treat the application as incomplete.

~~((10))~~ (11) When a consumer requests a security freeze, the consumer reporting agency shall disclose the process of placing and temporarily lifting a freeze, and the process for allowing access to information from the consumer's credit report for a specific ~~((party or))~~ period of time while the freeze is in place.

~~((11))~~ (12) A security freeze remains in place until the consumer requests that the security freeze be removed. A consumer reporting agency shall remove a security freeze within three business days of receiving a request for removal from the consumer, who provides ~~((both))~~ all of the following:

(a) Proper identification, as defined in subsection (5)(a) of this section; ~~((and))~~

(b) The unique personal identification number or password provided by the consumer reporting agency under subsection (4) of this section; and

(c) Payment of the fee required by the consumer reporting agency under subsection (13) of this section.

~~((12))~~ (13)(a) Except as provided in (b) of this subsection, a consumer reporting agency may charge a fee of no more than ten dollars to a consumer for placement of each freeze, temporary lift of the freeze, or removal of the freeze.

(b) A consumer reporting agency may not charge a fee to place a security freeze for a victim of identity theft or for a consumer, who is sixty-five years old or older.

(14) This section does not apply to the use of a consumer credit report by any of the following:

(a) A person or entity, or a subsidiary, affiliate, or agent of that person or entity, or an assignee of a financial obligation owing by the consumer to that person or entity, or a prospective assignee of a financial obligation owing by the consumer to that person or entity in conjunction with the proposed purchase of the financial obligation, with which the consumer has or had prior to assignment an account or contract, including a demand deposit account, or to whom the consumer issued a negotiable instrument, for the purposes of reviewing the account or collecting the financial obligation owing for the account, contract, or negotiable instrument. For purposes of this subsection, "reviewing the account" includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements;

~~((b) ((A subsidiary, affiliate, agent, assignee, or prospective assignee of a person to whom access has been granted under subsection (5) of this section for purposes of facilitating the extension of credit or other permissible use;~~

~~((c))~~ (c) Any federal, state, or local entity, including a law enforcement agency, court, or their agents or assigns;

~~((d) A private collection agency))~~ (c) Any person acting under a court order, warrant, or subpoena;

~~((e))~~ (d) A child support agency acting under Title IV-D of the social security act (42 U.S.C. et seq.);

~~((f))~~ (e) The department of social and health services acting to fulfill any of its statutory responsibilities;

~~((g))~~ (f) The internal revenue service acting to investigate or collect delinquent taxes or unpaid court orders or to fulfill any of its other statutory responsibilities;

~~((h))~~ (g) The use of credit information for the purposes of prescreening as provided for by the federal fair credit reporting act;

~~((i))~~ (h) Any person or entity administering a credit file monitoring subscription service to which the consumer has subscribed; ~~((and~~

~~((j))~~ (i) Any person or entity for the purpose of providing a consumer with a copy of his or her credit report upon the consumer's request; and

(j) A mortgage broker or loan originator required to be licensed under chapter 19.146 RCW.

(15) Liability may not result to the consumer reporting agency if through inadvertence or mistake the consumer reporting agency releases credit report information to a person or entity purporting to be a mortgage broker or loan originator under subsection (14) of this section that is, in fact, not a mortgage broker or loan originator.

(16) The consumer's request for a security freeze does not prohibit the consumer reporting agency from disclosing the consumer's credit report for other than credit-related purposes.

(17) A violation of subsection (6) of this section does not provide a private cause of action under RCW 19.86.090. A violation of subsection (6) of this section shall be enforced exclusively by the attorney general. A violation of subsection (6) of this section is subject to all other remedies and penalties available under this chapter.

NEW SECTION. Sec. 2. This act takes effect September 1, 2008.

Passed by the Senate April 14, 2007.

Passed by the House April 4, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 500

[Engrossed Substitute House Bill 1512]

### LINKED DEPOSIT PROGRAM

AN ACT Relating to the linked deposit program; amending RCW 43.86A.030 and 43.86A.060; and creating a new section.

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

**Sec. 1.** RCW 43.86A.030 and 2005 c 302 s 2 are each amended to read as follows:

(1) Funds held in public depositories not as demand deposits as provided in RCW 43.86A.020 and 43.86A.030, shall be available for a time certificate of deposit investment program according to the following formula: The state treasurer shall apportion to all participating depositories an amount equal to five percent of the three year average mean of general state revenues as certified in accordance with Article VIII, section 1(b) of the state Constitution, or fifty percent of the total surplus treasury investment availability, whichever is less. Within thirty days after certification, those funds determined to be available according to this formula for the time certificate of deposit investment program shall be deposited in qualified public depositories. These deposits shall be allocated among the participating depositories on a basis to be determined by the state treasurer.

(2) The state treasurer may use up to one hundred fifty million dollars per year of all funds available under this section for the purposes of RCW 43.86A.060. The amounts made available to these public depositories shall be equal to the amounts of outstanding loans made under RCW 43.86A.060.

(3) The formula so devised shall be a matter of public record giving consideration to, but not limited to deposits, assets, loans, capital structure,

investments or some combination of these factors. However, if in the judgment of the state treasurer the amount of allocation for certificates of deposit as determined by this section will impair the cash flow needs of the state treasury, the state treasurer may adjust the amount of the allocation accordingly.

**Sec. 2.** RCW 43.86A.060 and 2005 c 302 s 3 are each amended to read as follows:

(1) The state treasurer shall establish a linked deposit program for investment of deposits in qualified public depositories. As a condition of participating in the program, qualified public depositories must make qualifying loans as provided in this section. The state treasurer may purchase a certificate of deposit that is equal to the amount of the qualifying loan made by the qualified public depository or may purchase a certificate of deposit that is equal to the aggregate amount of two or more qualifying loans made by one or more qualified public depositories.

(2) Qualifying loans made under this section are those:

(a) Having terms that do not exceed ten years;

(b) Where an individual loan does not exceed one million dollars;

(c) That are made to a minority or women's business enterprise that has received state certification under chapter 39.19 RCW;

(d) Where the interest rate on the loan to the minority or women's business enterprise does not exceed an interest rate that is two hundred basis points below the interest rate the qualified public depository would charge for a loan for a similar purpose and a similar term, except that, if the preference given by the state treasurer to the qualified public depository under subsection (3) of this section is less than two hundred basis points, the qualified public depository may reduce the preference given on the loan by an amount that corresponds to the reduction in preference below two hundred basis points given to the qualified public depository; and

(e) Where the points or fees charged at loan closing do not exceed one percent of the loan amount.

(3) In setting interest rates of time certificate of deposits, the state treasurer shall offer rates so that a two hundred basis point preference will be given to the qualified public depository, except that the treasurer shall lower the amount of the preference to ensure that the effective interest rate on the time certificate of deposit is not less than two percent.

(4) Upon notification by the state treasurer that a minority or women's business enterprise is no longer certified under chapter 39.19 RCW, the qualified public depository shall reduce the amount of qualifying loans by the outstanding balance of the loan made under this section to the minority or women's business enterprise.

(5) The office of minority and women's business enterprises has the authority to adopt rules to:

(a) Ensure that when making a qualified loan under the linked deposit program, businesses that have never received a loan under the linked deposit program are given first priority;

(b) Limit the total principal loan amount that any one business receives in qualified loans under the linked deposit program over the lifetime of the businesses;

(c) Limit the total principal loan amount that an owner of one or more businesses receives in qualified loans under the linked deposit program during the owner's lifetime; and

(d) Limit the total amount of any one qualified loan made under the linked deposit program.

**NEW SECTION. Sec. 3.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2007, in the omnibus appropriations act, this act is null and void.

Passed by the House April 18, 2007.

Passed by the Senate April 10, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 501

[Substitute Senate Bill 6156]

### COMMUNITY PRESERVATION AND DEVELOPMENT AUTHORITIES

AN ACT Relating to state government; authorizing community preservation and development authorities; and adding a new chapter to Title 43 RCW.

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

**\*NEW SECTION. Sec. 1. (1)** *Major public facilities, public works, and capital projects with significant public funding generally aim to accrue broad benefits to the people of Washington. However, sometimes the interest of the stakeholder community that bears the disproportionate cost of the broad public benefit by absorbing a deleterious impact upon itself is overlooked or inadequately addressed. These impacts may include dislocation, displacement, and the overall disintegration of an identifiable existing community and its historical and cultural character. The legislature finds that the preservation and restoration of the character of such a community, and the community's historical and cultural character, are important public policy goals that can be achieved through the creation of community preservation and development authorities.*

*(2) Community preservation and development authorities are hereby created to restore or enhance the health, safety, and economic well-being of communities adversely impacted by the construction of, or ongoing operation of, multiple major public facilities, public works, and capital projects with significant public funding.*

*(3) Community preservation and development authorities have the following purposes:*

*(a) To revitalize, enhance, and preserve the unique character of impacted communities;*

*(b) To mitigate the adverse effects of multiple major public facilities projects, public works projects, or capital projects with significant public funding, or a secure community transition facility as defined in RCW 71.09.020(14);*

*(c) To restore a local area's sense of community;*

*(d) To reduce the displacement of community members and businesses;*

*(e) To stimulate the community's economic vitality;*

- (f) To enhance public service provisions;*
- (g) To improve the standard of living of community members; and*
- (h) To preserve historic buildings or areas by returning them to economically productive uses that are compatible with or enhance their historic character.*

\*Sec. 1 was vetoed. See message at end of chapter.

**\*NEW SECTION. Sec. 2.** *The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.*

*(1) "Community" means a group of people who reside or work in the geographic area established by the community preservation and development authority board or the proposal to create the authority and who currently or historically share a distinct cultural identity or local history.*

*(2) "Community preservation and development authority" or "authority" means an authority created by members of an impacted community.*

*(3) "Constituency" means the general membership of the community preservation and development authority, which membership shall be open to all persons eighteen years of age and over who are residents, property owners, employees, or business persons within the geographic boundaries established by the authority or the proposal to create the authority.*

*(4) "Impacted community" means a community that has been adversely impacted by the construction of, or ongoing operation of, multiple major public facilities, public works, and capital projects with significant public funding.*

*(5) "Major public facilities project, public works project, or capital project with significant public funding" means any capital project whose total cost exceeds ten million dollars. On July 1, 2009, and on July 1st of each odd-numbered year thereafter, the capital project cost threshold shall be adjusted by the capital project cost adjustment factor for inflation established by the office of financial management.*

\*Sec. 2 was vetoed. See message at end of chapter.

**NEW SECTION. Sec. 3.** (1) The residents, property owners, employees, or business owners of an impacted community may propose formation of a community preservation and development authority. The proposal to form a community preservation and development authority must be presented in writing to the appropriate legislative committee in both the house of representatives and the senate. The proposal must contain proposed general geographic boundaries that will be used to define the community for the purposes of the authority. Proposals presented after January 1, 2008, must identify in its proposal one or more stable revenue sources that (a) have a nexus with the multiple publicly funded facilities that have adversely impacted the community, and (b) can be used to support future operating or capital projects that will be identified in the strategic plan required under section 5 of this act.

(2) Formation of the community preservation and development authority is subject to legislative authorization by statute. The legislature must find that (a) the area within the proposal's geographic boundaries meets the definition of "impacted community" contained in section 2(4) of this act and (b) those persons that have brought forth the proposal are members of the community as defined in section 2(1) of this act and, if the authority were approved, would meet the definition of constituency contained in section 2(3) of this act. For proposals

brought after January 1, 2008, the legislature must also find that the community has identified one or more stable revenue sources as required in subsection (1) of this section. The legislature may then act to authorize the establishment of the community preservation and development authority in law.

(3) The affairs of a community preservation and development authority shall be managed by a board of directors, consisting of the following members:

(a) Two members who own, operate, or represent businesses within the community;

(b) Two members who are involved in providing nonprofit community or social services within the community;

(c) Two members who are involved in the arts and entertainment within the community;

(d) Two members with knowledge of the community's culture and history; and

(e) One member who is involved in a nonprofit or public planning organization that directly serves the impacted community.

(4) No member of the board shall hold office for more than four years. Board positions shall be numbered one through nine, and the terms staggered as follows:

(a) Board members elected to positions one through five shall serve two-year terms, and if reelected, may serve no more than one additional two-year term.

(b) Board members initially elected to positions six through nine shall serve a three-year term only.

(c) Board members elected to positions six through nine after the initial three-year term shall serve two-year terms, and if reelected, may serve no more than one additional two-year term.

(5) With respect to an authority's initial board of directors: The state legislative delegation and those proposing formation of the authority shall jointly establish a committee to develop a list of candidates to stand for election once the authority has received legislative approval as established in subsection (2) of this section. For the purpose of developing the list and identifying those persons who meet the criteria in subsection (3)(a) through (e) of this section, community shall mean the proposed geographic boundaries as set out in the proposal. The board of directors shall be elected by the constituency during a meeting convened for that purpose by the state legislative delegation.

(6) With respect to subsequent elections of an authority's board of directors: A list of candidates shall be developed by the authority's existing board of directors and the election shall be held during the annual local town hall meeting as required in section 5 of this act.

**NEW SECTION. Sec. 4.** (1) A community preservation and development authority shall have the power to:

(a) Accept gifts, grants, loans, or other aid from public or private entities; and

(b) Exercise such additional powers as may be authorized by law.

(2) A community preservation and development authority shall have no power of eminent domain nor any power to levy taxes or special assessments.



NEW SECTION. Sec. 5. A community preservation and development authority shall have the duty to:

(1) Establish specific geographic boundaries for the authority within its bylaws based on the general geographic boundaries established in the proposal submitted and approved by the legislature;

(2) Solicit input from members of its community and develop a strategic preservation and development plan to promote the health, safety, and economic well-being of the impacted community and to preserve its cultural and historical identity;

(3) Include within the strategic plan a prioritized list of projects identified and supported by the community, including capital or operating components that address one or more of the purposes under section 1(3) of this act;

(4) Establish funding mechanisms to support projects and programs identified in the strategic plan including but not limited to grants and loans;

(5) Use gifts, grants, loans, and other aid from public or private entities to carry out projects identified in the strategic plan; and

(6) Demonstrate ongoing accountability for its actions by:

(a) Reporting to the appropriate committees of the legislature, one year after formation and every biennium thereafter, on the authority's strategic plan, activities, accomplishments, and any recommendations for statutory changes;

(b) Reporting any changes in the authority's geographic boundaries to the appropriate committees of the legislature when the legislature next convenes in regular session;

(c) Convening a local town hall meeting with its constituency on an annual basis to: (i) Report its activities and accomplishments from the previous year; (ii) present and receive input from members of the impacted community regarding its proposed strategic plan and activities for the upcoming year; and (iii) hold board member elections as necessary; and

(d) Maintaining books and records as appropriate for the conduct of its affairs.

NEW SECTION. Sec. 6. The legislature authorizes the establishment of the Pioneer Square-International District community preservation and development authority, which boundaries are those contained in the Pioneer Square-International District within the city of Seattle.

NEW SECTION. Sec. 7. The community preservation and development authority account is created in the state treasury. The account is composed of two subaccounts, one for moneys to be appropriated for operating purposes, and the other for moneys to be appropriated for capital purposes. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for projects under this chapter.

NEW SECTION. Sec. 8. Prior to making siting, design, and construction decisions for future major public facilities, public works projects, or capital projects with significant public funding, state and local government agencies may:

(1) Communicate and consult with the community preservation and development authority and impacted community, including assessing the compatibility of the proposed project with the strategic plan adopted by the authority; and

(2) Make reasonable efforts to ensure that negative, cumulative effects of multiple projects upon the impacted community are minimized.

NEW SECTION. Sec. 9. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 10. Sections 1 through 8 of this act constitute a new chapter in Title 43 RCW.

Passed by the Senate April 21, 2007.

Passed by the House April 21, 2007.

Approved by the Governor May 15, 2007, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 16, 2007.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Sections 1 and 2, Substitute Senate Bill 6156 entitled:

"AN ACT relating to State Government."

This bill allows for the creation of Community Preservation and Development Authorities, specifically creates a Pioneer Square-International District Community Preservation and Development Authority within the city of Seattle, and establishes a method for creating additional such authorities. I strongly support the efforts of local communities to influence development of their own areas and believe this is one good way to accomplish that.

Sections 1 and 2 provide the legislative intent and findings in addition to the definitions for this act. I am concerned that these sections of the bill are overly broad and may lead to unintended consequences regarding public projects across our state. I do not believe that vetoing these sections will in any way hinder the creation of the Pioneer Square-International District Community Preservation and Development Authority provided for in Section 8. If the Legislature chooses to revisit this legislation with an eye toward expanding it beyond the Pioneer Square-International District Community Preservation and Development Authority, then I will work with interested members of the Legislature to improve this act.

For these reasons, I have vetoed Sections 1 and 2 of Substitute Senate Bill 6156.

With the exception of Sections 1 and 2, Substitute Senate Bill 6156 is approved."

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**CHAPTER 502**

[Second Substitute Senate Bill 5597]

CHIROPRACTORS—INSURANCE

AN ACT Relating to contracts with chiropractors; amending RCW 41.05.017; adding a new section to chapter 48.43 RCW; creating a new section; and providing an effective date.

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

NEW SECTION. Sec. 1. A new section is added to chapter 48.43 RCW to read as follows:

(1) A health carrier must reimburse a chiropractor who has signed a participating provider agreement for services determined by the carrier to be medically necessary if:

(a) The service is:

(i) Covered chiropractic health care, as defined in RCW 48.43.515, by the health plan under which the enrollee received the services; and

(ii) Provided by the chiropractor, or the chiropractor's employee specified in RCW 18.25.190 (2) or (3) who works in the same location as the chiropractor and to whom the chiropractor, pursuant to rules adopted by the Washington state chiropractic quality assurance commission, has delegated the service. The employee must meet the health carrier's reasonable qualifications for all such providers in the relevant class, including but not limited to standards for education and background checks, as applicable; and

(b) The chiropractor complies with the terms and conditions of the participating provider agreement. Violations of the participating provider agreement by an employee of the chiropractor to whom he or she has delegated a service may be deemed by the carrier to have been committed by the chiropractor.

(2) If a health carrier offers a participating provider agreement to a chiropractor within a single practice organized as a sole proprietorship, partnership, or corporation, the carrier must offer the same participating provider agreement to any other chiropractor within that practice providing services at the same location. The agreement may allow either party to terminate it without cause.

**Sec. 2.** RCW 41.05.017 and 2000 c 5 s 20 are each amended to read as follows:

Each health plan that provides medical insurance offered under this chapter, including plans created by insuring entities, plans not subject to the provisions of Title 48 RCW, and plans created under RCW 41.05.140, are subject to the provisions of RCW 48.43.500, 70.02.045, 48.43.505 through 48.43.535, 43.70.235, 48.43.545, 48.43.550, 70.02.110, ~~((and))~~ 70.02.900, and section 1 of this act.

NEW SECTION. **Sec. 3.** This act does not affect any existing right acquired or liability or obligation incurred prior to the effective date of this act.

NEW SECTION. **Sec. 4.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 5.** This act takes effect January 1, 2008.

Passed by the Senate April 14, 2007.

Passed by the House April 6, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 503

[House Bill 2357]

### SCHOOL DISTRICTS—STATE FOREST REVENUES

AN ACT Relating to school districts' use of state forest revenues; and amending RCW 79.64.110 and 28A.320.330.

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

**Sec. 1.** RCW 79.64.110 and 2003 c 334 s 207 are each amended to read as follows:

Any moneys derived from the lease of state forest lands or from the sale of valuable materials, oils, gases, coal, minerals, or fossils from those lands, must be distributed as follows:

(1) State forest lands acquired through RCW 79.22.040 or by exchange for lands acquired through RCW 79.22.040:

(a) The expense incurred by the state for administration, reforestation, and protection, not to exceed twenty-five percent, which rate of percentage shall be determined by the board, must be returned to the forest development account in the state general fund.

(b) Any balance remaining must be paid to the county in which the land is located to be paid, distributed, and prorated, except as otherwise provided in this section, to the various funds in the same manner as general taxes are paid and distributed during the year of payment.

(c) Any balance remaining, paid to a county with a population of less than sixteen thousand, must first be applied to the reduction of any indebtedness existing in the current expense fund of the county during the year of payment.

(d) With regard to moneys remaining under this subsection (1), within seven working days of receipt of these moneys, the department shall certify to the state treasurer the amounts to be distributed to the counties. The state treasurer shall distribute funds to the counties four times per month, with no more than ten days between each payment date.

(2) State forest lands acquired through RCW 79.22.010 or by exchange for lands acquired through RCW 79.22.010, except as provided in RCW 79.64.120:

(a) Fifty percent shall be placed in the forest development account.

(b) Fifty percent shall be prorated and distributed to the state general fund, to be dedicated for the benefit of the public schools, and the county in which the land is located according to the relative proportions of tax levies of all taxing districts in the county. The portion to be distributed to the state general fund shall be based on the regular school levy rate under RCW 84.52.065 and the levy rate for any maintenance and operation special school levies. With regard to the portion to be distributed to the counties, the department shall certify to the state treasurer the amounts to be distributed within seven working days of receipt of the money. The state treasurer shall distribute funds to the counties four times per month, with no more than ten days between each payment date. The money distributed to the county must be paid, distributed, and prorated to the various other funds in the same manner as general taxes are paid and distributed during the year of payment.

(3) A school district may transfer amounts deposited in its debt service fund pursuant to this section into its capital projects fund as authorized in RCW 28A.320.330.

**Sec. 2.** RCW 28A.320.330 and 2002 c 275 s 2 are each amended to read as follows:

School districts shall establish the following funds in addition to those provided elsewhere by law:

(1) A general fund for maintenance and operation of the school district to account for all financial operations of the school district except those required to be accounted for in another fund.

(2) A capital projects fund shall be established for major capital purposes. All statutory references to a "building fund" shall mean the capital projects fund

so established. Money to be deposited into the capital projects fund shall include, but not be limited to, bond proceeds, proceeds from excess levies authorized by RCW 84.52.053, state apportionment proceeds as authorized by RCW 28A.150.270, ~~((and))~~ earnings from capital projects fund investments as authorized by RCW 28A.320.310 and 28A.320.320, and state forest revenues transferred pursuant to subsection (3) of this section.

Money derived from the sale of bonds, including interest earnings thereof, may only be used for those purposes described in RCW 28A.530.010, except that accrued interest paid for bonds shall be deposited in the debt service fund.

Money to be deposited into the capital projects fund shall include but not be limited to rental and lease proceeds as authorized by RCW 28A.335.060, and proceeds from the sale of real property as authorized by RCW 28A.335.130.

Money legally deposited into the capital projects fund from other sources may be used for the purposes described in RCW 28A.530.010, and for the purposes of:

(a) Major renovation, including the replacement of facilities and systems where periodical repairs are no longer economical. Major renovation and replacement shall include, but shall not be limited to, roofing, heating and ventilating systems, floor covering, and electrical systems.

(b) Renovation and rehabilitation of playfields, athletic fields, and other district real property.

(c) The conduct of preliminary energy audits and energy audits of school district buildings. For the purpose of this section:

(i) "Preliminary energy audits" means a determination of the energy consumption characteristics of a building, including the size, type, rate of energy consumption, and major energy using systems of the building.

(ii) "Energy audit" means a survey of a building or complex which identifies the type, size, energy use level, and major energy using systems; which determines appropriate energy conservation maintenance or operating procedures and assesses any need for the acquisition and installation of energy conservation measures, including solar energy and renewable resource measures.

(iii) "Energy capital improvement" means the installation, or modification of the installation, of energy conservation measures in a building which measures are primarily intended to reduce energy consumption or allow the use of an alternative energy source.

(d) Those energy capital improvements which are identified as being cost-effective in the audits authorized by this section.

(e) Purchase or installation of additional major items of equipment and furniture: PROVIDED, That vehicles shall not be purchased with capital projects fund money.

(f) Costs associated with implementing technology systems, facilities, and projects, including acquiring hardware, licensing software, and on-line applications and training related to the installation of the foregoing. However, the software or applications must be an integral part of the district's technology systems, facilities, or projects.

(3) A debt service fund to provide for tax proceeds, other revenues, and disbursements as authorized in chapter 39.44 RCW. State forest land revenues that are deposited in a school district's debt service fund pursuant to RCW

79.64.110 and to the extent not necessary for payment of debt service on school district bonds may be transferred by the school district into the district's capital projects fund.

(4) An associated student body fund as authorized by RCW 28A.325.030.

(5) Advance refunding bond funds and refunded bond funds to provide for the proceeds and disbursements as authorized in chapter 39.53 RCW.

Passed by the House April 17, 2007.

Passed by the Senate April 13, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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**CHAPTER 504**

[House Bill 2395]

STATE LANDS—LEASING AND DEVELOPMENT RIGHTS

AN ACT Relating to leasing state lands and development rights on state lands to public agencies; amending RCW 79.13.010, 79.13.060, and 79.13.110; creating a new section; and declaring an emergency.

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

**Sec. 1.** RCW 79.13.010 and 2003 c 334 s 366 are each amended to read as follows:

(1) Subject to other provisions of this chapter and subject to rules adopted by the board, the department may lease state lands for purposes it deems advisable, including, but not limited to, commercial, industrial, residential, agricultural, and recreational purposes in order to obtain a fair market rental return to the state or the appropriate constitutional or statutory trust, and if the lease is in the best interest of the state or affected trust.

(2) Notwithstanding any provision in this chapter to the contrary, in leases for residential purposes, the board may waive or modify any conditions of the lease if the waiver or modification is necessary to enable any federal agency or lending institution authorized to do business in this state or elsewhere in the United States to participate in any loan secured by a security interest in a leasehold interest.

(3) Any land granted to the state by the United States may be leased for any lawful purpose in such minimum acreage as may be fixed by the department.

(4) The department shall exercise general supervision and control over the lease of state lands for any lawful purpose.

(5) State lands leased or for which permits are issued or contracts are entered into for the prospecting and extraction of valuable materials, coal, oil, gas, or other hydrocarbons are subject to the provisions of chapter 79.14 RCW.

(6) The department may also lease or lease development rights on state lands held for the benefit of the common schools to public agencies, as defined in RCW 79.17.200.

**Sec. 2.** RCW 79.13.060 and 2003 c 334 s 323 are each amended to read as follows:

(1) State lands may be leased not to exceed ten years with the following exceptions:

(a) The lands may be leased for agricultural purposes not to exceed twenty-five years, except:

(i) Leases that authorize tree fruit or grape production may be for up to fifty-five years;

(ii) Share crop leases may not exceed ten years;

(b) The lands may be leased for commercial, industrial, business, or recreational purposes not to exceed fifty-five years;

(c) The lands may be leased for public school, college, or university purposes not to exceed seventy-five years; ~~((and))~~

(d) The lands may be leased for residential purposes not to exceed ninety-nine years; and

(e) The lands and development rights on state lands held for the benefit of the common schools may be leased to public agencies, as defined in RCW 79.17.200, not to exceed ninety-nine years. The leases may include provisions for renewal of lease terms.

(2) No lessee of state lands may remain in possession of the land after the termination or expiration of the lease without the written consent of the department.

(a) The department may authorize a lease extension for a specific period beyond the term of the lease for cropping improvements for the purpose of crop rotation. These improvements shall be deemed authorized improvements under RCW 79.13.030.

(b) Upon expiration of the lease term, the department may allow the lessee to continue to hold the land for a period not exceeding one year upon such rent, terms, and conditions as the department may prescribe, if the leased land is not otherwise utilized.

(c) Upon expiration of the one-year lease extension, the department may issue a temporary permit to the lessee upon terms and conditions it prescribes if the department has not yet determined the disposition of the land for other purposes.

(d) The temporary permit shall not extend beyond a five-year period.

(3) If during the term of the lease of any state lands for agricultural, grazing, commercial, residential, business, or recreational purposes, in the opinion of the department it is in the best interest of the state so to do, the department may, on the application of the lessee and in agreement with the lessee, alter and amend the terms and conditions of the lease. The sum total of the original lease term and any extension thereof shall not exceed the limits provided in this section.

**Sec. 3.** RCW 79.13.110 and 2003 c 334 s 368 are each amended to read as follows:

(1) The department may authorize the use of state land by lease at state auction for initial leases or by negotiation for existing leases.

(2) Leases that authorize commercial, industrial, or residential uses may be entered into by public auction or negotiations at the option of the department. Negotiations are subject to rules approved by the board.

(3) Leases to public agencies, as defined in RCW 79.17.200, may be entered into by negotiations. Property subject to lease agreements under this section must be appraised at fair market value. The leases may allow for a lump sum payment for the entire term of the lease at the beginning of the lease. The department shall calculate lump sum payments using professional appraisal

standards. Renewal terms for the leases must include provisions for calculating appropriate payments upon renewal.

NEW SECTION. Sec. 4. This act does not affect any existing right acquired or liability or obligation incurred under the sections amended or under any rule or order adopted under those sections, nor does it affect any proceeding instituted under those sections.

NEW SECTION. Sec. 5. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

*\*NEW SECTION. Sec. 6. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.*

\*Sec. 6 was vetoed. See message at end of chapter.

Passed by the House April 16, 2007.

Passed by the Senate April 19, 2007.

Approved by the Governor May 15, 2007, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 16, 2007.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Section 6, House Bill 2395 entitled:

"AN ACT Relating to leasing state lands and development rights on state lands to public agencies."

Section 6 of this bill is an emergency clause. The Department of Natural Resources does not expect any lease transactions to occur under the new lease provisions of this bill until later in the biennium, which makes the emergency clause unnecessary.

For this reason, I have vetoed Section 6 of House Bill 2395.

With the exception of Section 6, House Bill 2395 is approved."

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## CHAPTER 505

[House Bill 2396]

### PERMANENT COMMON SCHOOL FUND

AN ACT Relating to investment of moneys in the permanent common school fund; amending RCW 28A.515.300 and 43.84.170; adding a new section to chapter 43.84 RCW; and adding a new section to chapter 28A.515 RCW.

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

NEW SECTION. Sec. 1. A new section is added to chapter 43.84 RCW to read as follows:

Consistent with Article XVI, section 5 and Article IX, sections 3 and 5 of the state Constitution, it is the intent of the legislature to clarify state law to permit the permanent common school fund to be invested in equities when such investment is in the best interest of the state and the permanent common school fund.

A 1999 opinion of the attorney general concluded that the constitutional language does not prohibit investment of the permanent common school fund, as long as the investment is authorized by law and is consistent with applicable



trust principles. This opinion further reasoned that the constitutional phrase "permanent and irreducible" bars the legislature from abolishing the fund or expending its principal for purposes other than those for which the fund was established, but does not prohibit the legislature from specifying permissible investments, particularly in light of Article IX, section 5 of the state Constitution, which specifies that only losses resulting from "defalcation, mismanagement or fraud" constitute state debts to the permanent common school fund.

The legislature finds that permanent fund common school fund income as a percentage of total school construction budgets has declined while school construction budgets have grown, and that other state revenues have filled the gap between income from state lands and the total school construction budget. For this reason, the fund may tolerate higher risk and volatility in favor of growth, and therefore a balance of long-term growth and current income is in the best interest of the state and the fund's beneficiaries. The legislature recognizes that by investing in equities, the value of the permanent fund may fluctuate over time due to market changes even if no disposition of the fund principal is made.

It is the intent of the legislature to clarify state law to permit equity investment of the permanent common school fund even if there is a decline in the value of the permanent fund due to market changes. The legislature recognizes that the irreducible portion of the principal amount in the permanent fund must be held in perpetuity for the benefit of the fund and future generations, and that only the earnings from the permanent fund may be appropriated to the common school construction fund.

**Sec. 2.** RCW 28A.515.300 and 1969 ex.s. c 223 s 28A.40.010 are each amended to read as follows:

(1) The principal of the common school fund as the same existed on June 30, 1965, shall remain permanent and irreducible. The said fund shall consist of the principal amount thereof existing on June 30, 1965, and such additions thereto as may be derived after June 30, 1965, from the following named sources, to wit: Appropriations and donations by the state to this fund; donations and bequests by individuals to the state or public for common schools; the proceeds of lands and other property which revert to the state by escheat and forfeiture; the proceeds of all property granted to the state, when the purpose of the grant is not specified, or is uncertain; funds accumulated in the treasury of the state for the disbursement of which provision has not been made by law; the proceeds of the sale of stone, minerals or property other than timber and other crops from school and state lands, other than those granted for specific purposes; all moneys received from persons appropriating stone, minerals or property other than timber and other crops from school and state lands other than those granted for specific purposes, and all moneys other than rental, recovered from persons trespassing on said lands; five percent of the proceeds of the sale of public lands lying within the state, which shall be sold by the United States subsequent to the admission of the state into the Union as approved by section 13 of the act of congress enabling the admission of the state into the Union; the principal of all funds arising from the sale of lands and other property which have been, and hereafter may be, granted to the state for the support of common schools and such other funds as may be provided by legislative enactment.

(2) Consistent with Article XVI, section 5 and Article IX, sections 3 and 5 of the state Constitution, the state investment board may invest the fund as authorized in section 3 of this act.

NEW SECTION. Sec. 3. A new section is added to chapter 28A.515 RCW to read as follows:

The state investment board may invest the permanent common school fund in various types of allowable investments in order to achieve a balance of long-term growth and current income, when consistent with the best interest of the state and the permanent common school fund, and in conformance with RCW 43.84.150. The state treasurer shall calculate the irreducible principal amount of the fund in accordance with the state Constitution and state law. The irreducible principal shall not include investment gains on the principal, and the fund may retain or distribute income and investment earnings in order to achieve the appropriate balance between growth and income.

Sec. 4. RCW 43.84.170 and 1981 c 3 s 21 are each amended to read as follows:

Whenever there are surplus moneys available for investment in the permanent common school fund, the agricultural college permanent fund, the normal school permanent fund, the scientific school permanent fund, or the university permanent fund, the state investment board has full power to invest or reinvest such funds in the manner prescribed by RCW 43.84.150 and section 3 of this act, and not otherwise.

Passed by the House April 16, 2007.

Passed by the Senate April 19, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 506

[Substitute House Bill 2366]

### STATE FACILITY PLANNING AND MANAGEMENT

AN ACT Relating to accountability, efficiency, and oversight of state facility planning and management; amending RCW 43.82.150 and 43.82.010; adding new sections to chapter 43.82 RCW; adding a new section to chapter 39.35B RCW; and creating a new section.

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

NEW SECTION. Sec. 1. The legislature finds that the capital stock of facilities owned and leased by state agencies represents a significant financial investment by the citizens of the state of Washington. Capital construction projects funded in the state's capital budget require diligent analysis and approval by the governor and the legislature. In some cases, long-term leases obligate state agencies to a larger financial commitment than some capital construction projects without a comparable level of diligence. State facility analysis and portfolio management can be strengthened through greater oversight and support from the office of financial management and the legislature and with input from stakeholders.

The legislature finds that the state lacks specific policies and standards on conducting life-cycle cost analysis to determine the cost-effectiveness of owning or leasing state facilities and lacks clear guidance on when and how to use it.

Further, there is limited oversight and review of the results of life-cycle cost analyses in the capital project review process. Unless decision makers are provided a thorough economic analysis, they cannot identify the most cost-effective alternative or identify opportunities for improving the cost-effectiveness of state facility alternatives.

The legislature finds that the statewide accounting system limits the ability of the office of financial management and the legislature to analyze agency expenditures that include only leases for land, buildings, and structures. Additionally, other statewide data systems that track state-owned and leased facility information are limited, onerous, and inflexible.

Therefore, it is the intent of the legislature to strengthen the office of financial management's oversight role in state facility analysis and decision making. Further, it is the intent of the legislature to support the office of financial management's and the department of general administration's need for technical expertise and data systems to conduct thorough analysis, long-term planning, and state facility portfolio management by providing adequate resources in the capital and operating budgets.

NEW SECTION. Sec. 2. A new section is added to chapter 43.82 RCW to read as follows:

The office of financial management, in consultation with the appropriate committees of the legislature, shall prepare an implementation plan to improve the oversight of real estate procurement and management practices. The plan must identify specific steps that state government can take to better manage the acquisition, ownership, lease, and disposition of office and warehouse space so that state services are delivered in an effective manner. The plan shall be submitted to the governor and the appropriate committees of the legislature by October 1, 2007.

NEW SECTION. Sec. 3. A new section is added to chapter 39.35B RCW to read as follows:

The office of financial management shall:

(1) Design and implement a cost-effective life-cycle cost model by October 1, 2008, based on the work completed by the joint legislative audit and review committee in January 2007 and in consultation with legislative fiscal committees;

(2) Deploy the life-cycle cost model for use by state agencies once completed and tested;

(3) Update the life-cycle cost model periodically in consultation with legislative fiscal committees;

(4) Establish clear policies, standards, and procedures regarding the use of life-cycle cost analysis by state agencies including:

(a) When state agencies must use the life-cycle cost analysis, including the types of proposed capital projects and leased facilities to which it must be applied;

(b) Procedures state agencies must use to document the results of required life-cycle cost analyses;

(c) Standards regarding the discount rate and other key model assumptions;  
and

(d) A process to document and justify any deviation from the standard assumptions.

NEW SECTION. Sec. 4. A new section is added to chapter 43.82 RCW to read as follows:

(1) The office of financial management shall design and implement a modified predesign process for any space request to lease, purchase, or build facilities that involve (a) the housing of new state programs, (b) a major expansion of existing state programs, or (c) the relocation of state agency programs. This includes the consolidation of multiple state agency tenants into one facility. The office of financial management shall define facilities that meet the criteria described in (a) and (b) of this subsection.

(2) State agencies shall submit modified predesigns to the office of financial management and the legislature. Modified predesigns must include a problem statement, an analysis of alternatives to address programmatic and space requirements, proposed locations, and a financial assessment. For proposed projects of twenty thousand gross square feet or less, the agency may provide a cost-benefit analysis, rather than a life-cycle cost analysis, as determined by the office of financial management.

(3) Projects that meet the capital requirements for predesign on major facility projects with an estimated project cost of five million dollars or more pursuant to chapter 43.88 RCW shall not be required to prepare a modified predesign.

(4) The office of financial management shall require state agencies to identify plans for major leased facilities as part of the ten-year capital budget plan. State agencies shall not enter into new or renewed leases of more than one million dollars per year unless such leases have been approved by the office of financial management except when the need for the lease is due to an unanticipated emergency. The regular termination date on an existing lease does not constitute an emergency. The department of general administration shall notify the office of financial management and the appropriate legislative fiscal committees if an emergency situation arises.

(5) For project proposals in which there are estimates of operational savings, the office of financial management shall require the agency or agencies involved to provide details including but not limited to fund sources and timelines.

NEW SECTION. Sec. 5. A new section is added to chapter 43.82 RCW to read as follows:

State agencies are prohibited from entering into lease agreements for privately owned buildings that are in the planning stage of development or under construction unless there is prior written approval by the director of the office of financial management. Approval of such leases shall not be delegated. Lease agreements described in this section must comply with section 4 of this act.

NEW SECTION. Sec. 6. A new section is added to chapter 43.82 RCW to read as follows:

The office of financial management shall:

(1) Work with the department of general administration and all other state agencies to determine the long-term facility needs of state government; and

(2) Develop and submit a six-year facility plan to the legislature by January 1st of every odd-numbered year, beginning January 1, 2009, that includes state

agency space requirements and other pertinent data necessary for cost-effective facility planning. The department of general administration shall assist with this effort as required by the office of financial management.

**Sec. 7.** RCW 43.82.150 and 1997 c 96 s 2 are each amended to read as follows:

(1) The office of financial management shall develop and maintain an inventory system to account for all owned or leased facilities utilized by state government. At a minimum, the inventory system must include the facility owner, location, type, condition, and size of each facility. In addition, for owned facilities, the inventory system must include the date and cost of original construction and the cost of any major remodeling or renovation. The inventory must be updated by June 30<sup>th</sup> of each year. The office of financial management shall publish a report summarizing information contained in the inventory system for each agency by October 1<sup>st</sup> of each year, beginning in ~~((1997))~~ 2010 and shall submit this report to the appropriate fiscal committees of the legislature.

(2) All agencies, departments, boards, commissions, and institutions of the state of Washington shall provide to the office of financial management a complete inventory of owned and leased facilities by ~~((May 30, 1994))~~ September 1, 2010. The inventory must be updated and submitted to the office of financial management by ~~((May 30))~~ September 1<sup>st</sup> of each subsequent year. The inventories required under this subsection must be submitted in a standard format prescribed by the office of financial management.

(3) The office of financial management shall report to the legislature by September 1, 2008, on recommended improvements to the inventory system, redevelopment costs, and an implementation schedule for the redevelopment of the inventory system. The report shall also make recommendations on other improvements that will improve accountability and assist in the evaluation of budget requests and facility management by the governor and the legislature.

(4) For the purposes of this section, "facilities" means buildings and other structures with walls and a roof. "Facilities" does not mean roads, bridges, parking areas, utility systems, and other similar improvements to real property.

**Sec. 8.** RCW 43.82.010 and 2004 c 277 s 906 are each amended to read as follows:

(1) The director of general administration, on behalf of the agency involved and after consultation with the office of financial management, shall purchase, lease, lease purchase, rent, or otherwise acquire all real estate, improved or unimproved, as may be required by elected state officials, institutions, departments, commissions, boards, and other state agencies, or federal agencies where joint state and federal activities are undertaken and may grant easements and transfer, exchange, sell, lease, or sublease all or part of any surplus real estate for those state agencies which do not otherwise have the specific authority to dispose of real estate. This section does not transfer financial liability for the acquired property to the department of general administration.

(2) Except for real estate occupied by federal agencies, the director shall determine the location, size, and design of any real estate or improvements thereon acquired or held pursuant to subsection (1) of this section. Facilities acquired or held pursuant to this chapter, and any improvements thereon, shall

conform to standards adopted by the director and approved by the office of financial management governing facility efficiency unless a specific exemption from such standards is provided by the director of general administration. The director of general administration shall report to the office of financial management and the appropriate committees of the legislature annually on any exemptions granted pursuant to this subsection.

(3) The director of general administration may fix the terms and conditions of each lease entered into under this chapter, except that no lease shall extend greater than twenty years in duration. The director of general administration may enter into a long-term lease greater than ten years in duration upon a determination by the director of the office of financial management that the long-term lease provides a more favorable rate than would otherwise be available, it appears to a substantial certainty that the facility is necessary for use by the state for the full length of the lease term, and the facility meets the standards adopted pursuant to subsection (2) of this section. The director of general administration may enter into a long-term lease greater than ten years in duration if an analysis shows that the life-cycle cost of leasing the facility is less than the life-cycle cost of purchasing or constructing a facility in lieu of leasing the facility. ~~((For the 2003-05 biennium, any lease entered into after April 1, 2004, with a term of ten years or less shall not contain a nonappropriation clause.))~~

(4) Except as permitted under chapter 39.94 RCW, no lease for or on behalf of any state agency may be used or referred to as collateral or security for the payment of securities offered for sale through a public offering. Except as permitted under chapter 39.94 RCW, no lease for or on behalf of any state agency may be used or referred to as collateral or security for the payment of securities offered for sale through a private placement without the prior written approval of the state treasurer. However, this limitation shall not prevent a lessor from assigning or encumbering its interest in a lease as security for the repayment of a promissory note provided that the transaction would otherwise be an exempt transaction under RCW 21.20.320. The state treasurer shall adopt rules that establish the criteria under which any such approval may be granted. In establishing such criteria the state treasurer shall give primary consideration to the protection of the state's credit rating and the integrity of the state's debt management program. If it appears to the state treasurer that any lease has been used or referred to in violation of this subsection or rules adopted under this subsection, then he or she may recommend that the governor cause such lease to be terminated. The department of general administration shall promptly notify the state treasurer whenever it may appear to the department that any lease has been used or referred to in violation of this subsection or rules adopted under this subsection.

(5) It is the policy of the state to encourage the colocation and consolidation of state services into single or adjacent facilities, whenever appropriate, to improve public service delivery, minimize duplication of facilities, increase efficiency of operations, and promote sound growth management planning.

(6) The director of general administration shall provide coordinated long-range planning services to identify and evaluate opportunities for colocating and consolidating state facilities. Upon the renewal of any lease, the inception of a new lease, or the purchase of a facility, the director of general administration

shall determine whether an opportunity exists for collocating the agency or agencies in a single facility with other agencies located in the same geographic area. If a collocation opportunity exists, the director of general administration shall consult with the affected state agencies and the office of financial management to evaluate the impact collocation would have on the cost and delivery of agency programs, including whether program delivery would be enhanced due to the centralization of services. The director of general administration, in consultation with the office of financial management, shall develop procedures for implementing collocation and consolidation of state facilities.

(7) The director of general administration is authorized to purchase, lease, rent, or otherwise acquire improved or unimproved real estate as owner or lessee and to lease or sublet all or a part of such real estate to state or federal agencies. The director of general administration shall charge each using agency its proportionate rental which shall include an amount sufficient to pay all costs, including, but not limited to, those for utilities, janitorial and accounting services, and sufficient to provide for contingencies; which shall not exceed five percent of the average annual rental, to meet unforeseen expenses incident to management of the real estate.

(8) If the director of general administration determines that it is necessary or advisable to undertake any work, construction, alteration, repair, or improvement on any real estate acquired pursuant to subsection (1) or (7) of this section, the director shall cause plans and specifications thereof and an estimate of the cost of such work to be made and filed in his or her office and the state agency benefiting thereby is hereby authorized to pay for such work out of any available funds: PROVIDED, That the cost of executing such work shall not exceed the sum of twenty-five thousand dollars. Work, construction, alteration, repair, or improvement in excess of twenty-five thousand dollars, other than that done by the owner of the property if other than the state, shall be performed in accordance with the public works law of this state.

(9) In order to obtain maximum utilization of space, the director of general administration shall make space utilization studies, and shall establish standards for use of space by state agencies. Such studies shall include the identification of opportunities for collocation and consolidation of state agency office and support facilities.

(10) The director of general administration may construct new buildings on, or improve existing facilities, and furnish and equip, all real estate under his or her management. Prior to the construction of new buildings or major improvements to existing facilities or acquisition of facilities using a lease purchase contract, the director of general administration shall conduct an evaluation of the facility design and budget using life-cycle cost analysis, value-engineering, and other techniques to maximize the long-term effectiveness and efficiency of the facility or improvement.

(11) All conveyances and contracts to purchase, lease, rent, transfer, exchange, or sell real estate and to grant and accept easements shall be approved as to form by the attorney general, signed by the director of general administration or the director's designee, and recorded with the county auditor of the county in which the property is located.

(12) The director of general administration may delegate any or all of the functions specified in this section to any agency upon such terms and conditions as the director deems advisable. By January 1st of each year, beginning January 1, 2008, the department shall submit an annual report to the office of financial management and the appropriate committees of the legislature on all delegated leases.

(13) This section does not apply to the acquisition of real estate by:

- (a) The state college and universities for research or experimental purposes;
- (b) The state liquor control board for liquor stores and warehouses; and
- (c) The department of natural resources, the department of fish and wildlife, the department of transportation, and the state parks and recreation commission for purposes other than the leasing of offices, warehouses, and real estate for similar purposes.

(14) Notwithstanding any provision in this chapter to the contrary, the department of general administration may negotiate ground leases for public lands on which property is to be acquired under a financing contract pursuant to chapter 39.94 RCW under terms approved by the state finance committee.

(15) The department of general administration shall report annually to the office of financial management and the appropriate fiscal committees of the legislature on facility leases executed for all state agencies for the preceding year, lease terms, and annual lease costs. The report must include leases executed under section 5 of this act and subsection (12) of this section.

Passed by the House March 14, 2007.

Passed by the Senate April 13, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 507

[House Bill 2163]

### PUBLIC EMPLOYEES' BENEFITS BOARD MEDICAL BENEFITS ADMINISTRATION ACCOUNT

AN ACT Relating to the public employees' benefits board medical benefits administration account; and amending RCW 41.05.143.

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

**Sec. 1.** RCW 41.05.143 and 2000 2nd sp.s. c 1 s 901 are each amended to read as follows:

(1) The uniform medical plan benefits administration account is created in the custody of the state treasurer. Only the administrator or the administrator's designee may authorize expenditures from the account. Moneys in the account shall be used exclusively for contracted expenditures for uniform medical plan claims administration, data analysis, utilization management, preferred provider administration, and activities related to benefits administration where the level of services provided pursuant to a contract fluctuate as a direct result of changes in uniform medical plan enrollment. Moneys in the account may also be used for administrative activities required to respond to new and unforeseen conditions that impact the uniform medical plan, but only when the authority and



the office of financial management jointly agree that such activities must be initiated prior to the next legislative session.

(2) Receipts from amounts due from or on behalf of uniform medical plan enrollees for expenditures related to benefits administration, including moneys disbursed from the public employees' and retirees' insurance account, shall be deposited into the account. The account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures. All proposals for allotment increases shall be provided to the house of representatives appropriations committee and to the senate ways and means committee at the same time as they are provided to the office of financial management.

(3) The uniform dental plan benefits administration account is created in the custody of the state treasurer. Only the administrator or the administrator's designee may authorize expenditures from the account. Moneys in the account shall be used exclusively for contracted expenditures related to benefits administration for the uniform dental plan as established under RCW 41.05.140. Receipts from amounts due from or on behalf of uniform dental plan enrollees for expenditures related to benefits administration, including moneys disbursed from the public employees' and retirees' insurance account, shall be deposited into the account. The account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

(4) The public employees' benefits board medical benefits administration account is created in the custody of the state treasurer. Only the administrator or the administrator's designee may authorize expenditures from the account. Moneys in the account shall be used exclusively for contracted expenditures related to claims administration, data analysis, utilization management, preferred provider administration, and other activities related to benefits administration for self-insured medical plans other than the uniform medical plan. Receipts from amounts due from or on behalf of enrollees for expenditures related to benefits administration, including moneys disbursed from the public employees' and retirees' insurance account, shall be deposited into the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

Passed by the House March 8, 2007.

Passed by the Senate April 20, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 508

[Engrossed Substitute Senate Bill 6158]

### NURSING FACILITY MEDICAID PAYMENT RATES

AN ACT Relating to biennial rebasing of nursing facility medicaid payment rates; amending RCW 74.46.410, 74.46.431, 74.46.506, 74.46.511, 74.46.521, and 74.46.020; adding a new section to chapter 74.46 RCW; providing an effective date; and declaring an emergency.

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

**Sec. 1.** RCW 74.46.410 and 2001 1st sp.s. c 8 s 3 are each amended to read as follows:

(1) Costs will be unallowable if they are not documented, necessary, ordinary, and related to the provision of care services to authorized patients.

(2) Unallowable costs include, but are not limited to, the following:

(a) Costs of items or services not covered by the medical care program. Costs of such items or services will be unallowable even if they are indirectly reimbursed by the department as the result of an authorized reduction in patient contribution;

(b) Costs of services and items provided to recipients which are covered by the department's medical care program but not included in the medicaid per-resident day payment rate established by the department under this chapter;

(c) Costs associated with a capital expenditure subject to section 1122 approval (part 100, Title 42 C.F.R.) if the department found it was not consistent with applicable standards, criteria, or plans. If the department was not given timely notice of a proposed capital expenditure, all associated costs will be unallowable up to the date they are determined to be reimbursable under applicable federal regulations;

(d) Costs associated with a construction or acquisition project requiring certificate of need approval, or exemption from the requirements for certificate of need for the replacement of existing nursing home beds, pursuant to chapter 70.38 RCW if such approval or exemption was not obtained;

(e) Interest costs other than those provided by RCW 74.46.290 on and after January 1, 1985;

(f) Salaries or other compensation of owners, officers, directors, stockholders, partners, principals, participants, and others associated with the contractor or its home office, including all board of directors' fees for any purpose, except reasonable compensation paid for service related to patient care;

(g) Costs in excess of limits or in violation of principles set forth in this chapter;

(h) Costs resulting from transactions or the application of accounting methods which circumvent the principles of the payment system set forth in this chapter;

(i) Costs applicable to services, facilities, and supplies furnished by a related organization in excess of the lower of the cost to the related organization or the price of comparable services, facilities, or supplies purchased elsewhere;

(j) Bad debts of non-Title XIX recipients. Bad debts of Title XIX recipients are allowable if the debt is related to covered services, it arises from the recipient's required contribution toward the cost of care, the provider can establish that reasonable collection efforts were made, the debt was actually uncollectible when claimed as worthless, and sound business judgment established that there was no likelihood of recovery at any time in the future;

(k) Charity and courtesy allowances;

(l) Cash, assessments, or other contributions, excluding dues, to charitable organizations, professional organizations, trade associations, or political parties, and costs incurred to improve community or public relations;

(m) Vending machine expenses;

(n) Expenses for barber or beautician services not included in routine care;

(o) Funeral and burial expenses;

(p) Costs of gift shop operations and inventory;

- (q) Personal items such as cosmetics, smoking materials, newspapers and magazines, and clothing, except those used in patient activity programs;
- (r) Fund-raising expenses, except those directly related to the patient activity program;
- (s) Penalties and fines;
- (t) Expenses related to telephones, radios, and similar appliances in patients' private accommodations;
- (u) Televisions acquired prior to July 1, 2001;
- (v) Federal, state, and other income taxes;
- (w) Costs of special care services except where authorized by the department;
- (x) Expenses of an employee benefit not in fact made available to all employees on an equal or fair basis, for example, key-man insurance and other insurance or retirement plans;
- (y) Expenses of profit-sharing plans;
- (z) Expenses related to the purchase and/or use of private or commercial airplanes which are in excess of what a prudent contractor would expend for the ordinary and economic provision of such a transportation need related to patient care;
- (aa) Personal expenses and allowances of owners or relatives;
- (bb) All expenses of maintaining professional licenses or membership in professional organizations;
- (cc) Costs related to agreements not to compete;
- (dd) Amortization of goodwill, lease acquisition, or any other intangible asset, whether related to resident care or not, and whether recognized under generally accepted accounting principles or not;
- (ee) Expenses related to vehicles which are in excess of what a prudent contractor would expend for the ordinary and economic provision of transportation needs related to patient care;
- (ff) Legal and consultant fees in connection with a fair hearing against the department where a decision is rendered in favor of the department or where otherwise the determination of the department stands;
- (gg) Legal and consultant fees of a contractor or contractors in connection with a lawsuit against the department;
- (hh) Lease acquisition costs, goodwill, the cost of bed rights, or any other intangible assets;
- (ii) All rental or lease costs other than those provided in RCW 74.46.300 on and after January 1, 1985;
- (jj) Postsurvey charges incurred by the facility as a result of subsequent inspections under RCW 18.51.050 which occur beyond the first postsurvey visit during the certification survey calendar year;
- (kk) Compensation paid for any purchased nursing care services, including registered nurse, licensed practical nurse, and nurse assistant services, obtained through service contract arrangement in excess of the amount of compensation paid for such hours of nursing care service had they been paid at the average hourly wage, including related taxes and benefits, for in-house nursing care staff of like classification at the same nursing facility, as reported in the most recent cost report period;

(ll) For all partial or whole rate periods after July 17, 1984, costs of land and depreciable assets that cannot be reimbursed under the Deficit Reduction Act of 1984 and implementing state statutory and regulatory provisions;

(mm) Costs reported by the contractor for a prior period to the extent such costs, due to statutory exemption, will not be incurred by the contractor in the period to be covered by the rate;

(nn) Costs of outside activities, for example, costs allocated to the use of a vehicle for personal purposes or related to the part of a facility leased out for office space;

(oo) Travel expenses outside the states of Idaho, Oregon, and Washington and the province of British Columbia. However, travel to or from the home or central office of a chain organization operating a nursing facility is allowed whether inside or outside these areas if the travel is necessary, ordinary, and related to resident care;

(pp) Moving expenses of employees in the absence of demonstrated, good-faith effort to recruit within the states of Idaho, Oregon, and Washington, and the province of British Columbia;

(qq) Depreciation in excess of four thousand dollars per year for each passenger car or other vehicle primarily used by the administrator, facility staff, or central office staff;

(rr) Costs for temporary health care personnel from a nursing pool not registered with the secretary of the department of health;

(ss) Payroll taxes associated with compensation in excess of allowable compensation of owners, relatives, and administrative personnel;

(tt) Costs and fees associated with filing a petition for bankruptcy;

(uu) All advertising or promotional costs, except reasonable costs of help wanted advertising;

(vv) Outside consultation expenses required to meet department-required minimum data set completion proficiency;

(ww) Interest charges assessed by any department or agency of this state for failure to make a timely refund of overpayments and interest expenses incurred for loans obtained to make the refunds;

(xx) All home office or central office costs, whether on or off the nursing facility premises, and whether allocated or not to specific services, in excess of the median of those adjusted costs for all facilities reporting such costs for the most recent report period; ~~((and))~~

(yy) Tax expenses that a nursing facility has never incurred; and

(zz) Effective July 1, 2007, and for all future rate settings, any costs associated with the quality maintenance fee repealed by chapter 241, Laws of 2006.

**Sec. 2.** RCW 74.46.431 and 2006 c 258 s 2 are each amended to read as follows:

(1) Effective July 1, 1999, nursing facility medicaid payment rate allocations shall be facility-specific and shall have seven components: Direct care, therapy care, support services, operations, property, financing allowance, and variable return. The department shall establish and adjust each of these components, as provided in this section and elsewhere in this chapter, for each medicaid nursing facility in this state.

(2) Component rate allocations in therapy care, support services, variable return, operations, property, and financing allowance for essential community providers as defined in this chapter shall be based upon a minimum facility occupancy of eighty-five percent of licensed beds, regardless of how many beds are set up or in use. For all facilities other than essential community providers, effective July 1, 2001, component rate allocations in direct care, therapy care, support services, variable return, operations, property, and financing allowance shall continue to be based upon a minimum facility occupancy of eighty-five percent of licensed beds. For all facilities other than essential community providers, effective July 1, 2002, the component rate allocations in operations, property, and financing allowance shall be based upon a minimum facility occupancy of ninety percent of licensed beds, regardless of how many beds are set up or in use. For all facilities, effective July 1, 2006, the component rate allocation in direct care shall be based upon actual facility occupancy.

(3) Information and data sources used in determining medicaid payment rate allocations, including formulas, procedures, cost report periods, resident assessment instrument formats, resident assessment methodologies, and resident classification and case mix weighting methodologies, may be substituted or altered from time to time as determined by the department.

(4)(a) Direct care component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 will be used for October 1, 1998, through June 30, 2001, direct care component rate allocations; adjusted cost report data from 1999 will be used for July 1, 2001, through June 30, 2006, direct care component rate allocations. Adjusted cost report data from 2003 will be used for July 1, 2006, ~~((and later))~~ through June 30, 2007, direct care component rate allocations. Adjusted cost report data from 2005 will be used for July 1, 2007, through June 30, 2009, direct care component rate allocations. Effective July 1, 2009, the direct care component rate allocation shall be rebased biennially, and thereafter for each odd-numbered year beginning July 1st, using the adjusted cost report data for the calendar year two years immediately preceding the rate rebase period, so that adjusted cost report data for calendar year 2007 is used for July 1, 2009, through June 30, 2011, and so forth.

(b) Direct care component rate allocations based on 1996 cost report data shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act. A different economic trends and conditions adjustment factor or factors may be defined in the biennial appropriations act for facilities whose direct care component rate is set equal to their adjusted June 30, 1998, rate, as provided in RCW 74.46.506(5)(i).

(c) Direct care component rate allocations based on 1999 cost report data shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act. A different economic trends and conditions adjustment factor or factors may be defined in the biennial appropriations act for facilities whose direct care component rate is set equal to their adjusted June 30, 1998, rate, as provided in RCW 74.46.506(5)(i).

(d) Direct care component rate allocations based on 2003 cost report data shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act. A different economic trends and conditions adjustment factor or factors may be defined in the biennial

appropriations act for facilities whose direct care component rate is set equal to their adjusted June 30, 2006, rate, as provided in RCW 74.46.506(5)(i).

(e) Direct care component rate allocations shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act.

(5)(a) Therapy care component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 will be used for October 1, 1998, through June 30, 2001, therapy care component rate allocations; adjusted cost report data from 1999 will be used for July 1, 2001, through June 30, 2005, therapy care component rate allocations. Adjusted cost report data from 1999 will continue to be used for July 1, 2005, ~~((and later))~~ through June 30, 2007, therapy care component rate allocations. Adjusted cost report data from 2005 will be used for July 1, 2007, through June 30, 2009, therapy care component rate allocations. Effective July 1, 2009, and thereafter for each odd-numbered year beginning July 1st, the therapy care component rate allocation shall be cost rebased biennially, using the adjusted cost report data for the calendar year two years immediately preceding the rate rebase period, so that adjusted cost report data for calendar year 2007 is used for July 1, 2009, through June 30, 2011, and so forth.

(b) Therapy care component rate allocations shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act.

(6)(a) Support services component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 shall be used for October 1, 1998, through June 30, 2001, support services component rate allocations; adjusted cost report data from 1999 shall be used for July 1, 2001, through June 30, 2005, support services component rate allocations. Adjusted cost report data from 1999 will continue to be used for July 1, 2005, ~~((and later))~~ through June 30, 2007, support services component rate allocations. Adjusted cost report data from 2005 will be used for July 1, 2007, through June 30, 2009, support services component rate allocations. Effective July 1, 2009, and thereafter for each odd-numbered year beginning July 1st, the support services component rate allocation shall be cost rebased biennially, using the adjusted cost report data for the calendar year two years immediately preceding the rate rebase period, so that adjusted cost report data for calendar year 2007 is used for July 1, 2009, through June 30, 2011, and so forth.

(b) Support services component rate allocations shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act.

(7)(a) Operations component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 shall be used for October 1, 1998, through June 30, 2001, operations component rate allocations; adjusted cost report data from 1999 shall be used for July 1, 2001, through June 30, 2006, operations component rate allocations. Adjusted cost report data from 2003 will be used for July 1, 2006, ~~((and later))~~ through June 30, 2007, operations component rate allocations. Adjusted cost report data from 2005 will be used for July 1, 2007, through June 30, 2009, operations component rate allocations. Effective July 1, 2009, and thereafter for

each odd-numbered year beginning July 1st, the operations component rate allocation shall be cost rebased biennially, using the adjusted cost report data for the calendar year two years immediately preceding the rate rebase period, so that adjusted cost report data for calendar year 2007 is used for July 1, 2009, through June 30, 2011, and so forth.

(b) Operations component rate allocations shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act. A different economic trends and conditions adjustment factor or factors may be defined in the biennial appropriations act for facilities whose operations component rate is set equal to their adjusted June 30, 2006, rate, as provided in RCW 74.46.521(4).

(8) For July 1, 1998, through September 30, 1998, a facility's property and return on investment component rates shall be the facility's June 30, 1998, property and return on investment component rates, without increase. For October 1, 1998, through June 30, 1999, a facility's property and return on investment component rates shall be rebased utilizing 1997 adjusted cost report data covering at least six months of data.

(9) Total payment rates under the nursing facility medicaid payment system shall not exceed facility rates charged to the general public for comparable services.

(10) Medicaid contractors shall pay to all facility staff a minimum wage of the greater of the state minimum wage or the federal minimum wage.

(11) The department shall establish in rule procedures, principles, and conditions for determining component rate allocations for facilities in circumstances not directly addressed by this chapter, including but not limited to: The need to prorate inflation for partial-period cost report data, newly constructed facilities, existing facilities entering the medicaid program for the first time or after a period of absence from the program, existing facilities with expanded new bed capacity, existing medicaid facilities following a change of ownership of the nursing facility business, facilities banking beds or converting beds back into service, facilities temporarily reducing the number of set-up beds during a remodel, facilities having less than six months of either resident assessment, cost report data, or both, under the current contractor prior to rate setting, and other circumstances.

(12) The department shall establish in rule procedures, principles, and conditions, including necessary threshold costs, for adjusting rates to reflect capital improvements or new requirements imposed by the department or the federal government. Any such rate adjustments are subject to the provisions of RCW 74.46.421.

(13) Effective July 1, 2001, medicaid rates shall continue to be revised downward in all components, in accordance with department rules, for facilities converting banked beds to active service under chapter 70.38 RCW, by using the facility's increased licensed bed capacity to recalculate minimum occupancy for rate setting. However, for facilities other than essential community providers which bank beds under chapter 70.38 RCW, after May 25, 2001, medicaid rates shall be revised upward, in accordance with department rules, in direct care, therapy care, support services, and variable return components only, by using the facility's decreased licensed bed capacity to recalculate minimum occupancy for rate setting, but no upward revision shall be made to operations, property, or

financing allowance component rates. The direct care component rate allocation shall be adjusted, without using the minimum occupancy assumption, for facilities that convert banked beds to active service, under chapter 70.38 RCW, beginning on July 1, 2006.

(14) Facilities obtaining a certificate of need or a certificate of need exemption under chapter 70.38 RCW after June 30, 2001, must have a certificate of capital authorization in order for (a) the depreciation resulting from the capitalized addition to be included in calculation of the facility's property component rate allocation; and (b) the net invested funds associated with the capitalized addition to be included in calculation of the facility's financing allowance rate allocation.

**Sec. 3.** RCW 74.46.506 and 2006 c 258 s 6 are each amended to read as follows:

(1) The direct care component rate allocation corresponds to the provision of nursing care for one resident of a nursing facility for one day, including direct care supplies. Therapy services and supplies, which correspond to the therapy care component rate, shall be excluded. The direct care component rate includes elements of case mix determined consistent with the principles of this section and other applicable provisions of this chapter.

(2) Beginning October 1, 1998, the department shall determine and update quarterly for each nursing facility serving medicaid residents a facility-specific per-resident day direct care component rate allocation, to be effective on the first day of each calendar quarter. In determining direct care component rates the department shall utilize, as specified in this section, minimum data set resident assessment data for each resident of the facility, as transmitted to, and if necessary corrected by, the department in the resident assessment instrument format approved by federal authorities for use in this state.

(3) The department may question the accuracy of assessment data for any resident and utilize corrected or substitute information, however derived, in determining direct care component rates. The department is authorized to impose civil fines and to take adverse rate actions against a contractor, as specified by the department in rule, in order to obtain compliance with resident assessment and data transmission requirements and to ensure accuracy.

(4) Cost report data used in setting direct care component rate allocations shall be ~~((1996, 1999, and 2003))~~ for rate periods as specified in RCW 74.46.431(4)(a).

(5) Beginning October 1, 1998, the department shall rebase each nursing facility's direct care component rate allocation as described in RCW 74.46.431, adjust its direct care component rate allocation for economic trends and conditions as described in RCW 74.46.431, and update its medicaid average case mix index, consistent with the following:

(a) Reduce total direct care costs reported by each nursing facility for the applicable cost report period specified in RCW 74.46.431(4)(a) to reflect any department adjustments, and to eliminate reported resident therapy costs and adjustments, in order to derive the facility's total allowable direct care cost;

(b) Divide each facility's total allowable direct care cost by its adjusted resident days for the same report period, increased if necessary to a minimum occupancy of eighty-five percent; that is, the greater of actual or imputed occupancy at eighty-five percent of licensed beds, to derive the facility's



allowable direct care cost per resident day. However, effective July 1, 2006, each facility's allowable direct care costs shall be divided by its adjusted resident days without application of a minimum occupancy assumption;

(c) Adjust the facility's per resident day direct care cost by the applicable factor specified in RCW 74.46.431(4) (~~((b), (c), and (d))~~) to derive its adjusted allowable direct care cost per resident day;

(d) Divide each facility's adjusted allowable direct care cost per resident day by the facility average case mix index for the applicable quarters specified by RCW 74.46.501(7)(b) to derive the facility's allowable direct care cost per case mix unit;

(e) Effective for July 1, 2001, rate setting, divide nursing facilities into at least two and, if applicable, three peer groups: Those located in nonurban counties; those located in high labor-cost counties, if any; and those located in other urban counties;

(f) Array separately the allowable direct care cost per case mix unit for all facilities in nonurban counties; for all facilities in high labor-cost counties, if applicable; and for all facilities in other urban counties, and determine the median allowable direct care cost per case mix unit for each peer group;

(g) Except as provided in (i) of this subsection, from October 1, 1998, through June 30, 2000, determine each facility's quarterly direct care component rate as follows:

(i) Any facility whose allowable cost per case mix unit is less than eighty-five percent of the facility's peer group median established under (f) of this subsection shall be assigned a cost per case mix unit equal to eighty-five percent of the facility's peer group median, and shall have a direct care component rate allocation equal to the facility's assigned cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

(ii) Any facility whose allowable cost per case mix unit is greater than one hundred fifteen percent of the peer group median established under (f) of this subsection shall be assigned a cost per case mix unit equal to one hundred fifteen percent of the peer group median, and shall have a direct care component rate allocation equal to the facility's assigned cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

(iii) Any facility whose allowable cost per case mix unit is between eighty-five and one hundred fifteen percent of the peer group median established under (f) of this subsection shall have a direct care component rate allocation equal to the facility's allowable cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

(h) Except as provided in (i) of this subsection, from July 1, 2000, through June 30, 2006, determine each facility's quarterly direct care component rate as follows:

(i) Any facility whose allowable cost per case mix unit is less than ninety percent of the facility's peer group median established under (f) of this subsection shall be assigned a cost per case mix unit equal to ninety percent of the facility's peer group median, and shall have a direct care component rate allocation equal to the facility's assigned cost per case mix unit multiplied by

that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

(ii) Any facility whose allowable cost per case mix unit is greater than one hundred ten percent of the peer group median established under (f) of this subsection shall be assigned a cost per case mix unit equal to one hundred ten percent of the peer group median, and shall have a direct care component rate allocation equal to the facility's assigned cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

(iii) Any facility whose allowable cost per case mix unit is between ninety and one hundred ten percent of the peer group median established under (f) of this subsection shall have a direct care component rate allocation equal to the facility's allowable cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

(i)(i) Between October 1, 1998, and June 30, 2000, the department shall compare each facility's direct care component rate allocation calculated under (g) of this subsection with the facility's nursing services component rate in effect on September 30, 1998, less therapy costs, plus any exceptional care offsets as reported on the cost report, adjusted for economic trends and conditions as provided in RCW 74.46.431. A facility shall receive the higher of the two rates.

(ii) Between July 1, 2000, and June 30, 2002, the department shall compare each facility's direct care component rate allocation calculated under (h) of this subsection with the facility's direct care component rate in effect on June 30, 2000. A facility shall receive the higher of the two rates. Between July 1, 2001, and June 30, 2002, if during any quarter a facility whose rate paid under (h) of this subsection is greater than either the direct care rate in effect on June 30, 2000, or than that facility's allowable direct care cost per case mix unit calculated in (d) of this subsection multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c), the facility shall be paid in that and each subsequent quarter pursuant to (h) of this subsection and shall not be entitled to the greater of the two rates.

(iii) Between July 1, 2002, and June 30, 2006, all direct care component rate allocations shall be as determined under (h) of this subsection.

(iv) Effective July 1, 2006, for all providers, except vital local providers as defined in this chapter, all direct care component rate allocations shall be as determined under (j) of this subsection.

(v) Effective July 1, 2006, through June 30, 2007, for vital local providers, as defined in this chapter, direct care component rate allocations shall be determined as follows:

(A) The department shall calculate:

(I) The sum of each facility's July 1, 2006, direct care component rate allocation calculated under (j) of this subsection and July 1, 2006, operations component rate calculated under RCW 74.46.521; and

(II) The sum of each facility's June 30, 2006, direct care and operations component rates.

(B) If the sum calculated under (i)(v)(A)(I) of this subsection is less than the sum calculated under (i)(v)(A)(II) of this subsection, the facility shall have a

direct care component rate allocation equal to the facility's June 30, 2006, direct care component rate allocation.

(C) If the sum calculated under (i)(v)(A)(I) of this subsection is greater than or equal to the sum calculated under (i)(v)(A)(II) of this subsection, the facility's direct care component rate shall be calculated under (j) of this subsection;

(j) Except as provided in (i) of this subsection, from July 1, 2006, forward, and for all future rate setting, determine each facility's quarterly direct care component rate as follows:

(i) Any facility whose allowable cost per case mix unit is greater than one hundred twelve percent of the peer group median established under (f) of this subsection shall be assigned a cost per case mix unit equal to one hundred twelve percent of the peer group median, and shall have a direct care component rate allocation equal to the facility's assigned cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c);

(ii) Any facility whose allowable cost per case mix unit is less than or equal to one hundred twelve percent of the peer group median established under (f) of this subsection shall have a direct care component rate allocation equal to the facility's allowable cost per case mix unit multiplied by that facility's medicaid average case mix index from the applicable quarter specified in RCW 74.46.501(7)(c).

(6) The direct care component rate allocations calculated in accordance with this section shall be adjusted to the extent necessary to comply with RCW 74.46.421.

(7) Costs related to payments resulting from increases in direct care component rates, granted under authority of RCW 74.46.508(1) for a facility's exceptional care residents, shall be offset against the facility's examined, allowable direct care costs, for each report year or partial period such increases are paid. Such reductions in allowable direct care costs shall be for rate setting, settlement, and other purposes deemed appropriate by the department.

**Sec. 4.** RCW 74.46.511 and 2001 1st sp.s. c 8 s 11 are each amended to read as follows:

(1) The therapy care component rate allocation corresponds to the provision of medicaid one-on-one therapy provided by a qualified therapist as defined in this chapter, including therapy supplies and therapy consultation, for one day for one medicaid resident of a nursing facility. The therapy care component rate allocation for October 1, 1998, through June 30, 2001, shall be based on adjusted therapy costs and days from calendar year 1996. The therapy component rate allocation for July 1, 2001, through June 30, ~~((2004))~~ 2007, shall be based on adjusted therapy costs and days from calendar year 1999. Effective July 1, 2007, the therapy care component rate allocation shall be based on adjusted therapy costs and days as described in RCW 74.46.431(5). The therapy care component rate shall be adjusted for economic trends and conditions as specified in RCW 74.46.431(5)~~((b))~~, and shall be determined in accordance with this section.

(2) In rebasing, as provided in RCW 74.46.431(5)(a), the department shall take from the cost reports of facilities the following reported information:

(a) Direct one-on-one therapy charges for all residents by payer including charges for supplies;

(b) The total units or modules of therapy care for all residents by type of therapy provided, for example, speech or physical. A unit or module of therapy care is considered to be fifteen minutes of one-on-one therapy provided by a qualified therapist or support personnel; and

(c) Therapy consulting expenses for all residents.

(3) The department shall determine for all residents the total cost per unit of therapy for each type of therapy by dividing the total adjusted one-on-one therapy expense for each type by the total units provided for that therapy type.

(4) The department shall divide medicaid nursing facilities in this state into two peer groups:

(a) Those facilities located within urban counties; and

(b) Those located within nonurban counties.

The department shall array the facilities in each peer group from highest to lowest based on their total cost per unit of therapy for each therapy type. The department shall determine the median total cost per unit of therapy for each therapy type and add ten percent of median total cost per unit of therapy. The cost per unit of therapy for each therapy type at a nursing facility shall be the lesser of its cost per unit of therapy for each therapy type or the median total cost per unit plus ten percent for each therapy type for its peer group.

(5) The department shall calculate each nursing facility's therapy care component rate allocation as follows:

(a) To determine the allowable total therapy cost for each therapy type, the allowable cost per unit of therapy for each type of therapy shall be multiplied by the total therapy units for each type of therapy;

(b) The medicaid allowable one-on-one therapy expense shall be calculated taking the allowable total therapy cost for each therapy type times the medicaid percent of total therapy charges for each therapy type;

(c) The medicaid allowable one-on-one therapy expense for each therapy type shall be divided by total adjusted medicaid days to arrive at the medicaid one-on-one therapy cost per patient day for each therapy type;

(d) The medicaid one-on-one therapy cost per patient day for each therapy type shall be multiplied by total adjusted patient days for all residents to calculate the total allowable one-on-one therapy expense. The lesser of the total allowable therapy consultant expense for the therapy type or a reasonable percentage of allowable therapy consultant expense for each therapy type, as established in rule by the department, shall be added to the total allowable one-on-one therapy expense to determine the allowable therapy cost for each therapy type;

(e) The allowable therapy cost for each therapy type shall be added together, the sum of which shall be the total allowable therapy expense for the nursing facility;

(f) The total allowable therapy expense will be divided by the greater of adjusted total patient days from the cost report on which the therapy expenses were reported, or patient days at eighty-five percent occupancy of licensed beds. The outcome shall be the nursing facility's therapy care component rate allocation.

(6) The therapy care component rate allocations calculated in accordance with this section shall be adjusted to the extent necessary to comply with RCW 74.46.421.

(7) The therapy care component rate shall be suspended for medicaid residents in qualified nursing facilities designated by the department who are receiving therapy paid by the department outside the facility daily rate under RCW 74.46.508(2).

**Sec. 5.** RCW 74.46.521 and 2006 c 258 s 7 are each amended to read as follows:

(1) The operations component rate allocation corresponds to the general operation of a nursing facility for one resident for one day, including but not limited to management, administration, utilities, office supplies, accounting and bookkeeping, minor building maintenance, minor equipment repairs and replacements, and other supplies and services, exclusive of direct care, therapy care, support services, property, financing allowance, and variable return.

(2) Except as provided in subsection (4) of this section, beginning October 1, 1998, the department shall determine each medicaid nursing facility's operations component rate allocation using cost report data specified by RCW 74.46.431(7)(a). Effective July 1, 2002, operations component rates for all facilities except essential community providers shall be based upon a minimum occupancy of ninety percent of licensed beds, and no operations component rate shall be revised in response to beds banked on or after May 25, 2001, under chapter 70.38 RCW.

(3) Except as provided in subsection (4) of this section, to determine each facility's operations component rate the department shall:

(a) Array facilities' adjusted general operations costs per adjusted resident day, as determined by dividing each facility's total allowable operations cost by its adjusted resident days for the same report period, increased if necessary to a minimum occupancy of ninety percent; that is, the greater of actual or imputed occupancy at ninety percent of licensed beds, for each facility from facilities' cost reports from the applicable report year, for facilities located within urban counties and for those located within nonurban counties and determine the median adjusted cost for each peer group;

(b) Set each facility's operations component rate at the lower of:

(i) The facility's per resident day adjusted operations costs from the applicable cost report period adjusted if necessary to a minimum occupancy of eighty-five percent of licensed beds before July 1, 2002, and ninety percent effective July 1, 2002; or

(ii) The adjusted median per resident day general operations cost for that facility's peer group, urban counties or nonurban counties; and

(c) Adjust each facility's operations component rate for economic trends and conditions as provided in RCW 74.46.431(7)(b).

(4)(a) Effective July 1, 2006, through June 30, 2007, for any facility whose direct care component rate allocation is set equal to its June 30, 2006, direct care component rate allocation, as provided in RCW 74.46.506(5)((~~+~~)), the facility's operations component rate allocation shall also be set equal to the facility's June 30, 2006, operations component rate allocation.

(b) The operations component rate allocation for facilities whose operations component rate is set equal to their June 30, 2006, operations component rate, shall be adjusted for economic trends and conditions as provided in RCW 74.46.431(7)(b).

(5) The operations component rate allocations calculated in accordance with this section shall be adjusted to the extent necessary to comply with RCW 74.46.421.

**NEW SECTION. Sec. 6.** A new section is added to chapter 74.46 RCW to read as follows:

(1) For the purposes of comparison, the department shall determine the following during the rate-setting periods for fiscal years 2008 and 2009:

(a) Each facility's June 30, 2007, combined rate for the direct care, support services, therapy, and operations components, less the quality maintenance fee; and

(b) Each facility's estimated rebased rates for the July 1, 2007, and July 1, 2008, rate-setting periods, for the direct care, support services, therapy, and operations rate components, less the quality maintenance fee, adjusted for economic trends and conditions under the 2007-2009 biennial appropriations act.

(2) For the 2007-2009 fiscal biennium, the department shall include a "hold harmless" provision after rebasing to 2005 costs for the July 1, 2007, through June 30, 2008, rate-setting period and the July 1, 2008, through June 30, 2009, rate-setting period. This "hold harmless" provision shall apply to facilities that meet both of the following conditions:

(a) Facilities whose estimated rebased rates calculated under subsection (1)(b) of this section are less than their June 30, 2007, rates calculated under subsection (1)(a) of this section; and

(b) Facilities whose combined adjusted costs per adjusted resident day in the direct care, support services, therapy, and operations cost centers were greater than the combined per resident day reimbursement rates for these cost centers in either calendar years 2004 or 2005.

For those facilities that meet the conditions in this subsection, the "hold harmless" provision shall ensure that for the July 1, 2007, through June 30, 2008, rate-setting period and for the July 1, 2008, through June 30, 2009, rate-setting period, the department shall set each facility's component rates in direct care, support services, therapy, and operations to the facility's June 30, 2007, rate, less the quality maintenance fee, adjusted for economic trends and conditions specified in the 2007-2009 biennial appropriations act.

**Sec. 7.** RCW 74.46.020 and 2006 c 258 s 1 are each amended to read as follows:

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

(1) "Accrual method of accounting" means a method of accounting in which revenues are reported in the period when they are earned, regardless of when they are collected, and expenses are reported in the period in which they are incurred, regardless of when they are paid.

(2) "Appraisal" means the process of estimating the fair market value or reconstructing the historical cost of an asset acquired in a past period as performed by a professionally designated real estate appraiser with no pecuniary interest in the property to be appraised. It includes a systematic, analytic determination and the recording and analyzing of property facts, rights,

investments, and values based on a personal inspection and inventory of the property.

(3) "Arm's-length transaction" means a transaction resulting from good-faith bargaining between a buyer and seller who are not related organizations and have adverse positions in the market place. Sales or exchanges of nursing home facilities among two or more parties in which all parties subsequently continue to own one or more of the facilities involved in the transactions shall not be considered as arm's-length transactions for purposes of this chapter. Sale of a nursing home facility which is subsequently leased back to the seller within five years of the date of sale shall not be considered as an arm's-length transaction for purposes of this chapter.

(4) "Assets" means economic resources of the contractor, recognized and measured in conformity with generally accepted accounting principles.

(5) "Audit" or "department audit" means an examination of the records of a nursing facility participating in the medicaid payment system, including but not limited to: The contractor's financial and statistical records, cost reports and all supporting documentation and schedules, receivables, and resident trust funds, to be performed as deemed necessary by the department and according to department rule.

(6) "Bad debts" means amounts considered to be uncollectible from accounts and notes receivable.

(7) "Beneficial owner" means:

(a) Any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares:

(i) Voting power which includes the power to vote, or to direct the voting of such ownership interest; and/or

(ii) Investment power which includes the power to dispose, or to direct the disposition of such ownership interest;

(b) Any person who, directly or indirectly, creates or uses a trust, proxy, power of attorney, pooling arrangement, or any other contract, arrangement, or device with the purpose or effect of divesting himself or herself of beneficial ownership of an ownership interest or preventing the vesting of such beneficial ownership as part of a plan or scheme to evade the reporting requirements of this chapter;

(c) Any person who, subject to (b) of this subsection, has the right to acquire beneficial ownership of such ownership interest within sixty days, including but not limited to any right to acquire:

(i) Through the exercise of any option, warrant, or right;

(ii) Through the conversion of an ownership interest;

(iii) Pursuant to the power to revoke a trust, discretionary account, or similar arrangement; or

(iv) Pursuant to the automatic termination of a trust, discretionary account, or similar arrangement;

except that, any person who acquires an ownership interest or power specified in (c)(i), (ii), or (iii) of this subsection with the purpose or effect of changing or influencing the control of the contractor, or in connection with or as a participant in any transaction having such purpose or effect, immediately upon such acquisition shall be deemed to be the beneficial owner of the ownership interest

which may be acquired through the exercise or conversion of such ownership interest or power;

(d) Any person who in the ordinary course of business is a pledgee of ownership interest under a written pledge agreement shall not be deemed to be the beneficial owner of such pledged ownership interest until the pledgee has taken all formal steps necessary which are required to declare a default and determines that the power to vote or to direct the vote or to dispose or to direct the disposition of such pledged ownership interest will be exercised; except that:

(i) The pledgee agreement is bona fide and was not entered into with the purpose nor with the effect of changing or influencing the control of the contractor, nor in connection with any transaction having such purpose or effect, including persons meeting the conditions set forth in (b) of this subsection; and

(ii) The pledgee agreement, prior to default, does not grant to the pledgee:

(A) The power to vote or to direct the vote of the pledged ownership interest; or

(B) The power to dispose or direct the disposition of the pledged ownership interest, other than the grant of such power(s) pursuant to a pledge agreement under which credit is extended and in which the pledgee is a broker or dealer.

(8) "Capitalization" means the recording of an expenditure as an asset.

(9) "Case mix" means a measure of the intensity of care and services needed by the residents of a nursing facility or a group of residents in the facility.

(10) "Case mix index" means a number representing the average case mix of a nursing facility.

(11) "Case mix weight" means a numeric score that identifies the relative resources used by a particular group of a nursing facility's residents.

(12) "Certificate of capital authorization" means a certification from the department for an allocation from the biennial capital financing authorization for all new or replacement building construction, or for major renovation projects, receiving a certificate of need or a certificate of need exemption under chapter 70.38 RCW after July 1, 2001.

(13) "Contractor" means a person or entity licensed under chapter 18.51 RCW to operate a medicare and medicaid certified nursing facility, responsible for operational decisions, and contracting with the department to provide services to medicaid recipients residing in the facility.

(14) "Default case" means no initial assessment has been completed for a resident and transmitted to the department by the cut-off date, or an assessment is otherwise past due for the resident, under state and federal requirements.

(15) "Department" means the department of social and health services (DSHS) and its employees.

(16) "Depreciation" means the systematic distribution of the cost or other basis of tangible assets, less salvage, over the estimated useful life of the assets.

(17) "Direct care" means nursing care and related care provided to nursing facility residents. Therapy care shall not be considered part of direct care.

(18) "Direct care supplies" means medical, pharmaceutical, and other supplies required for the direct care of a nursing facility's residents.

(19) "Entity" means an individual, partnership, corporation, limited liability company, or any other association of individuals capable of entering enforceable contracts.



(20) "Equity" means the net book value of all tangible and intangible assets less the recorded value of all liabilities, as recognized and measured in conformity with generally accepted accounting principles.

(21) "Essential community provider" means a facility which is the only nursing facility within a commuting distance radius of at least forty minutes duration, traveling by automobile.

(22) "Facility" or "nursing facility" means a nursing home licensed in accordance with chapter 18.51 RCW, excepting nursing homes certified as institutions for mental diseases, or that portion of a multiservice facility licensed as a nursing home, or that portion of a hospital licensed in accordance with chapter 70.41 RCW which operates as a nursing home.

(23) "Fair market value" means the replacement cost of an asset less observed physical depreciation on the date for which the market value is being determined.

(24) "Financial statements" means statements prepared and presented in conformity with generally accepted accounting principles including, but not limited to, balance sheet, statement of operations, statement of changes in financial position, and related notes.

(25) "Generally accepted accounting principles" means accounting principles approved by the financial accounting standards board (FASB).

(26) "Goodwill" means the excess of the price paid for a nursing facility business over the fair market value of all net identifiable tangible and intangible assets acquired, as measured in accordance with generally accepted accounting principles.

(27) "Grouper" means a computer software product that groups individual nursing facility residents into case mix classification groups based on specific resident assessment data and computer logic.

(28) "High labor-cost county" means an urban county in which the median allowable facility cost per case mix unit is more than ten percent higher than the median allowable facility cost per case mix unit among all other urban counties, excluding that county.

(29) "Historical cost" means the actual cost incurred in acquiring and preparing an asset for use, including feasibility studies, architect's fees, and engineering studies.

(30) "Home and central office costs" means costs that are incurred in the support and operation of a home and central office. Home and central office costs include centralized services that are performed in support of a nursing facility. The department may exclude from this definition costs that are nonduplicative, documented, ordinary, necessary, and related to the provision of care services to authorized patients.

(31) "Imprest fund" means a fund which is regularly replenished in exactly the amount expended from it.

(32) "Joint facility costs" means any costs which represent resources which benefit more than one facility, or one facility and any other entity.

(33) "Lease agreement" means a contract between two parties for the possession and use of real or personal property or assets for a specified period of time in exchange for specified periodic payments. Elimination (due to any cause other than death or divorce) or addition of any party to the contract, expiration, or modification of any lease term in effect on January 1, 1980, or termination of

the lease by either party by any means shall constitute a termination of the lease agreement. An extension or renewal of a lease agreement, whether or not pursuant to a renewal provision in the lease agreement, shall be considered a new lease agreement. A strictly formal change in the lease agreement which modifies the method, frequency, or manner in which the lease payments are made, but does not increase the total lease payment obligation of the lessee, shall not be considered modification of a lease term.

(34) "Medical care program" or "medicaid program" means medical assistance, including nursing care, provided under RCW 74.09.500 or authorized state medical care services.

(35) "Medical care recipient," "medicaid recipient," or "recipient" means an individual determined eligible by the department for the services provided under chapter 74.09 RCW.

(36) "Minimum data set" means the overall data component of the resident assessment instrument, indicating the strengths, needs, and preferences of an individual nursing facility resident.

(37) "Net book value" means the historical cost of an asset less accumulated depreciation.

(38) "Net invested funds" means the net book value of tangible fixed assets employed by a contractor to provide services under the medical care program, including land, buildings, and equipment as recognized and measured in conformity with generally accepted accounting principles.

(39) "Nonurban county" means a county which is not located in a metropolitan statistical area as determined and defined by the United States office of management and budget or other appropriate agency or office of the federal government.

(40) "Operating lease" means a lease under which rental or lease expenses are included in current expenses in accordance with generally accepted accounting principles.

(41) "Owner" means a sole proprietor, general or limited partners, members of a limited liability company, and beneficial interest holders of five percent or more of a corporation's outstanding stock.

(42) "Ownership interest" means all interests beneficially owned by a person, calculated in the aggregate, regardless of the form which such beneficial ownership takes.

(43) "Patient day" or "resident day" means a calendar day of care provided to a nursing facility resident, regardless of payment source, which will include the day of admission and exclude the day of discharge; except that, when admission and discharge occur on the same day, one day of care shall be deemed to exist. A "medicaid day" or "recipient day" means a calendar day of care provided to a medicaid recipient determined eligible by the department for services provided under chapter 74.09 RCW, subject to the same conditions regarding admission and discharge applicable to a patient day or resident day of care.

(44) "Professionally designated real estate appraiser" means an individual who is regularly engaged in the business of providing real estate valuation services for a fee, and who is deemed qualified by a nationally recognized real estate appraisal educational organization on the basis of extensive practical appraisal experience, including the writing of real estate valuation reports as

well as the passing of written examinations on valuation practice and theory, and who by virtue of membership in such organization is required to subscribe and adhere to certain standards of professional practice as such organization prescribes.

(45) "Qualified therapist" means:

(a) A mental health professional as defined by chapter 71.05 RCW;

(b) A mental retardation professional who is a therapist approved by the department who has had specialized training or one year's experience in treating or working with the mentally retarded or developmentally disabled;

(c) A speech pathologist who is eligible for a certificate of clinical competence in speech pathology or who has the equivalent education and clinical experience;

(d) A physical therapist as defined by chapter 18.74 RCW;

(e) An occupational therapist who is a graduate of a program in occupational therapy, or who has the equivalent of such education or training; and

(f) A respiratory care practitioner certified under chapter 18.89 RCW.

(46) "Rate" or "rate allocation" means the medicaid per-patient-day payment amount for medicaid patients calculated in accordance with the allocation methodology set forth in part E of this chapter.

(47) "Real property," whether leased or owned by the contractor, means the building, allowable land, land improvements, and building improvements associated with a nursing facility.

(48) "Rebased rate" or "cost-rebased rate" means a facility-specific component rate assigned to a nursing facility for a particular rate period established on desk-reviewed, adjusted costs reported for that facility covering at least six months of a prior calendar year designated as a year to be used for cost-rebasing payment rate allocations under the provisions of this chapter.

(49) "Records" means those data supporting all financial statements and cost reports including, but not limited to, all general and subsidiary ledgers, books of original entry, and transaction documentation, however such data are maintained.

(50) "Related organization" means an entity which is under common ownership and/or control with, or has control of, or is controlled by, the contractor.

(a) "Common ownership" exists when an entity is the beneficial owner of five percent or more ownership interest in the contractor and any other entity.

(b) "Control" exists where an entity has the power, directly or indirectly, significantly to influence or direct the actions or policies of an organization or institution, whether or not it is legally enforceable and however it is exercisable or exercised.

(51) "Related care" means only those services that are directly related to providing direct care to nursing facility residents. These services include, but are not limited to, nursing direction and supervision, medical direction, medical records, pharmacy services, activities, and social services.

(52) "Resident assessment instrument," including federally approved modifications for use in this state, means a federally mandated, comprehensive nursing facility resident care planning and assessment tool, consisting of the minimum data set and resident assessment protocols.

(53) "Resident assessment protocols" means those components of the resident assessment instrument that use the minimum data set to trigger or flag a resident's potential problems and risk areas.

(54) "Resource utilization groups" means a case mix classification system that identifies relative resources needed to care for an individual nursing facility resident.

(55) "Restricted fund" means those funds the principal and/or income of which is limited by agreement with or direction of the donor to a specific purpose.

(56) "Secretary" means the secretary of the department of social and health services.

(57) "Support services" means food, food preparation, dietary, housekeeping, and laundry services provided to nursing facility residents.

(58) "Therapy care" means those services required by a nursing facility resident's comprehensive assessment and plan of care, that are provided by qualified therapists, or support personnel under their supervision, including related costs as designated by the department.

(59) "Title XIX" or "medicaid" means the 1965 amendments to the social security act, P.L. 89-07, as amended and the medicaid program administered by the department.

(60) "Urban county" means a county which is located in a metropolitan statistical area as determined and defined by the United States office of management and budget or other appropriate agency or office of the federal government.

(61) "Vital local provider" means a facility (~~reporting a home office~~) that meets the following qualifications:

(a) (~~The~~) It reports a home office with an address (~~is~~) located in Washington state; and

(b) The sum of medicaid days for all Washington facilities reporting (~~the~~) that home office as their home office was greater than two hundred fifteen thousand in 2003; and

(c) The facility was recognized as a "vital local provider" by the department as of April 1, 2007.

The definition of "vital local provider" shall expire, and have no force or effect, after June 30, 2007. After that date, no facility's payments under this chapter shall in any way be affected by its prior determination or recognition as a vital local provider.

**NEW SECTION. Sec. 8.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2007.

Passed by the Senate April 20, 2007.

Passed by the House April 21, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

## CHAPTER 509

[Substitute House Bill 1396]

## TRANSPORTATION PLANS—SINGLE BALLOT

AN ACT Relating to a single ballot proposition for regional transportation investment districts and regional transit authorities at the 2007 general election; amending RCW 36.120.070 and 81.112.030; adding a new section to chapter 29A.36 RCW; creating new sections; and declaring an emergency.

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

**NEW SECTION. Sec. 1.** The legislature finds that traffic congestion reduces personal and freight mobility and is detrimental to the economy, air quality, and the quality of life throughout the central Puget Sound area. Effective transportation solutions are essential for the future growth and development of the central Puget Sound area and the welfare of its citizens.

The legislature further finds that investments in both transit and road improvements are necessary to relieve traffic congestion and to improve mobility. The transportation improvements proposed by regional transportation investment districts and regional transit authorities within the central Puget Sound region form integral parts of, and are naturally and necessarily related to, a single regional transportation system. The construction of road and transit projects in a comprehensive and interrelated manner will help reduce transportation congestion, increase road capacity, promote safety, facilitate mobility, and improve the health, welfare, and safety of the citizens of Washington.

The legislature further finds that under RCW 81.112.030 and 36.120.170 regional transportation investment districts and regional transit authorities are required to submit to the voters propositions for their respective transportation plans on the same ballot at the 2007 general election and that the opportunity to propose a single ballot reflecting a comprehensive, systemic, and interrelated approach to regional transportation would further the legislative intent and provide voters with an easier and more efficient method of expressing their will.

It is therefore the policy and intent of the state of Washington that transportation plans required to be submitted for voter approval at the 2007 general election by a regional transportation investment district and a regional transit authority must be submitted to voters in single ballot question seeking approval of both plans.

**Sec. 2.** RCW 36.120.070 and 2006 c 311 s 8 are each amended to read as follows:

(1) Beginning no sooner than the 2007 general election, two or more contiguous county legislative authorities, or a single county legislative authority as provided under RCW 36.120.030(8), upon receipt of the regional transportation investment plan under RCW 36.120.040, may submit to the voters of the proposed district a single ballot (~~(measure)~~) proposition that approves formation of the district, approves the regional transportation investment plan, and approves the revenue sources necessary to finance the plan. For a county to participate in the plan, the county legislative authority shall, within ninety days after receiving the plan, adopt an ordinance indicating the county's participation. The planning committee may draft the ballot (~~(measure)~~) proposition on behalf of the county legislative authorities, and the county legislative authorities may

give notice as required by law for ballot ~~((measures))~~ propositions, and perform other duties as required to submit the ~~((measure))~~ proposition to the voters of the proposed district for their approval or rejection. Counties may negotiate interlocal agreements necessary to implement the plan. The electorate will be the voters voting within the boundaries of the proposed district. A simple majority of the total persons voting on the single ballot ~~((measure))~~ proposition is required for approval.

(2) ~~((In conjunction with RCW 81.112.030(10), at the 2007 general election))~~ The participating counties shall submit a regional transportation investment plan ~~((on the same ballot along with a proposition to support additional implementation phases of the authority's system and financing plan developed under chapter 81.112 RCW. The plan shall not be considered approved unless voters also approve the proposition to support additional implementation phases of the authority's system and financing plan))~~ at the 2007 general election as part of a single ballot proposition that includes, in conjunction with RCW 81.112.030(10), a plan to support an authority's system and financing plan, or additional implementation phases of the system and financing plan, developed under chapter 81.112 RCW. The regional transportation investment plan shall not be considered approved unless both a majority of the persons voting on the proposition residing in the proposed district vote in favor of the proposition and a majority of the persons voting on the proposition residing within the regional transit authority vote in favor of the proposition.

**Sec. 3.** RCW 81.112.030 and 2006 c 311 s 12 are each amended to read as follows:

Two or more contiguous counties each having a population of four hundred thousand persons or more may establish a regional transit authority to develop and operate a high capacity transportation system as defined in chapter 81.104 RCW.

The authority shall be formed in the following manner:

(1) The joint regional policy committee created pursuant to RCW 81.104.040 shall adopt a system and financing plan, including the definition of the service area. This action shall be completed by September 1, 1992, contingent upon satisfactory completion of the planning process defined in RCW 81.104.100. The final system plan shall be adopted no later than June 30, 1993. In addition to the requirements of RCW 81.104.100, the plan for the proposed system shall provide explicitly for a minimum portion of new tax revenues to be allocated to local transit agencies for interim express services. Upon adoption the joint regional policy committee shall immediately transmit the plan to the county legislative authorities within the adopted service area.

(2) The legislative authorities of the counties within the service area shall decide by resolution whether to participate in the authority. This action shall be completed within forty-five days following receipt of the adopted plan or by August 13, 1993, whichever comes first.

(3) Each county that chooses to participate in the authority shall appoint its board members as set forth in RCW 81.112.040 and shall submit its list of members to the secretary of the Washington state department of transportation. These actions must be completed within thirty days following each county's decision to participate in the authority.

(4) The secretary shall call the first meeting of the authority, to be held within thirty days following receipt of the appointments. At its first meeting, the authority shall elect officers and provide for the adoption of rules and other operating procedures.

(5) The authority is formally constituted at its first meeting and the board shall begin taking steps toward implementation of the system and financing plan adopted by the joint regional policy committee. If the joint regional policy committee fails to adopt a plan by June 30, 1993, the authority shall proceed to do so based on the work completed by that date by the joint regional policy committee. Upon formation of the authority, the joint regional policy committee shall cease to exist. The authority may make minor modifications to the plan as deemed necessary and shall at a minimum review local transit agencies' plans to ensure feeder service/high capacity transit service integration, ensure fare integration, and ensure avoidance of parallel competitive services. The authority shall also conduct a minimum thirty-day public comment period.

(6) If the authority determines that major modifications to the plan are necessary before the initial ballot proposition is submitted to the voters, the authority may make those modifications with a favorable vote of two-thirds of the entire membership. Any such modification shall be subject to the review process set forth in RCW 81.104.110. The modified plan shall be transmitted to the legislative authorities of the participating counties. The legislative authorities shall have forty-five days following receipt to act by motion or ordinance to confirm or rescind their continued participation in the authority.

(7) If any county opts to not participate in the authority, but two or more contiguous counties do choose to continue to participate, the authority's board shall be revised accordingly. The authority shall, within forty-five days, redefine the system and financing plan to reflect elimination of one or more counties, and submit the redefined plan to the legislative authorities of the remaining counties for their decision as to whether to continue to participate. This action shall be completed within forty-five days following receipt of the redefined plan.

(8) The authority shall place on the ballot within two years of the authority's formation, a single ballot proposition to authorize the imposition of taxes to support the implementation of an appropriate phase of the plan within its service area. In addition to the system plan requirements contained in RCW 81.104.100(2)(d), the system plan approved by the authority's board before the submittal of a proposition to the voters shall contain an equity element which:

(a) Identifies revenues anticipated to be generated by corridor and by county within the authority's boundaries;

(b) Identifies the phasing of construction and operation of high capacity system facilities, services, and benefits in each corridor. Phasing decisions should give priority to jurisdictions which have adopted transit-supportive land use plans; and

(c) Identifies the degree to which revenues generated within each county will benefit the residents of that county, and identifies when such benefits will accrue.

A simple majority of those voting within the boundaries of the authority is required for approval. If the vote is affirmative, the authority shall begin implementation of the projects identified in the proposition. However, the authority may not submit any authorizing proposition for voter-approved taxes

prior to July 1, 1993; nor may the authority issue bonds or form any local improvement district prior to July 1, 1993.

(9) If the vote on a proposition fails, the board may redefine the proposition, make changes to the authority boundaries, and make corresponding changes to the composition of the board. If the composition of the board is changed, the participating counties shall revise the membership of the board accordingly. The board may then submit the revised proposition or a different proposition to the voters. No single proposition may be submitted to the voters more than twice. Beginning no sooner than the 2007 general election, the authority may place additional propositions on the ballot to impose taxes to support additional phases of plan implementation.

(10) ~~(In conjunction with RCW 36.120.070.)~~ At the 2007 general election, the authority shall submit a proposition to support a system and financing plan or additional implementation phases of the authority's system and financing plan ((on the same ballot along with a regional transportation investment plan developed under chapter 36.120 RCW. The proposition shall not be considered approved unless voters also approve the regional transportation investment plan)) as part of a single ballot proposition that includes a plan to support a regional transportation investment plan developed under chapter 36.120 RCW. The authority's plan shall not be considered approved unless both a majority of the persons voting on the proposition residing within the authority vote in favor of the proposition and a majority of the persons voting on the proposition residing within the proposed regional transportation investment district vote in favor of the proposition.

(11) Additional phases of plan implementation may include a transportation subarea equity element which (a) identifies the combined authority and regional transportation investment district revenues anticipated to be generated by corridor and by county within the authority's boundaries, and (b) identifies the degree to which the combined authority and regional transportation investment district revenues generated within each county will benefit the residents of that county, and identifies when such benefits will accrue. For purposes of the transportation subarea equity principle established under this subsection, the authority may use the five subareas within the authority's boundaries as identified in the authority's system plan adopted in May 1996.

(12) If the authority is unable to achieve a positive vote on a proposition within two years from the date of the first election on a proposition, the board may, by resolution, reconstitute the authority as a single-county body. With a two-thirds vote of the entire membership of the voting members, the board may also dissolve the authority.

NEW SECTION. Sec. 4. A new section is added to chapter 29A.36 RCW to read as follows:

The election on the single ballot proposition described in RCW 36.120.070 and 81.112.030(10) must be conducted by the auditor of each component county in accordance with the general election laws of the state, except as provided in this section. Notice of the election must be published in one or more newspapers of general circulation in each component county in the manner provided in the general election laws. The single joint ballot proposition required under RCW 36.120.070 and 81.112.030(10) must be in substantially the following form:



**"REGIONAL TRANSPORTATION INVESTMENT DISTRICT (RTID)  
AND  
REGIONAL TRANSIT AUTHORITY (RTA)  
PROPOSITION #1  
REGIONAL ROADS AND TRANSIT SYSTEM**

To reduce transportation congestion, increase road capacity, promote safety, facilitate mobility, provide for an integrated regional transportation system, and improve the health, welfare, and safety of the citizens of Washington, shall a regional transit authority (RTA) implement a regional rail and transit system to link [insert geographic references] as described in [insert plan name], financed by [insert taxes] imposed by RTA, all as provided in Resolution No. [insert number]; and shall a regional transportation investment district (RTID) be formed and authorized to implement and invest in improving the regional transportation system by replacing vulnerable bridges, improving safety, and increasing capacity on state and local roads to further link major education, employment, and retail centers described in [insert plan name] financed by [insert taxes] imposed by RTID, all as provided in Resolution No. [insert number]; further provided that the RTA taxes shall be imposed only within the boundaries of the RTA, and the RTID taxes shall be imposed only within the boundaries of the RTID?

Yes .....   
No .....

NEW SECTION. Sec. 5. Any legal challenges as to the constitutionality of this act must be filed in superior court along with any supporting legal and factual authority within twenty calendar days of the effective date of this act. Notice of a challenge along with any supporting legal and factual authority must be served upon the secretary of state, the attorney general, the district, and the authority. Upon the filing of a challenge, the state, district, and authority have ten calendar days to file any response to the challenge along with any supporting legal and factual authority. The court shall accord priority to hearing the matter and shall, within five calendar days of the filing of the response to the challenge, render its decision and file with the secretary of state a copy of its decision. The decision of the superior court constitutes a final judgment. Any appeal must be filed in the supreme court within ten calendar days after the date of the superior court decision. The supreme court shall issue its ruling on the appeal within thirty days of receipt by the court.

NEW SECTION. Sec. 6. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 7. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House February 28, 2007.  
Passed by the Senate April 17, 2007.  
Approved by the Governor May 15, 2007.  
Filed in Office of Secretary of State May 16, 2007.

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**CHAPTER 510**

[House Bill 1820]

**MEDIUM-SPEED ELECTRIC VEHICLES**

AN ACT Relating to reducing air pollution through the licensing and use of medium-speed electric vehicles; amending RCW 46.61.688; reenacting and amending RCW 46.04.320 and 46.61.687; adding a new section to chapter 46.04 RCW; adding a new section to chapter 46.61 RCW; prescribing penalties; and providing an effective date.

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

**Sec. 1.** RCW 46.04.320 and 2003 c 353 s 1 and 2003 c 141 s 2 are each reenacted and amended to read as follows:

"Motor vehicle" means every vehicle that is self-propelled and every vehicle that is propelled by electric power obtained from overhead trolley wires, but not operated upon rails. "Motor vehicle" includes a neighborhood electric vehicle as defined in RCW 46.04.357. "Motor vehicle" includes a medium-speed electric vehicle as defined in section 2 of this act. An electric personal assistive mobility device is not considered a motor vehicle. A power wheelchair is not considered a motor vehicle.

NEW SECTION. **Sec. 2.** A new section is added to chapter 46.04 RCW to read as follows:

"Medium-speed electric vehicle" means a self-propelled, electrically powered four-wheeled motor vehicle, equipped with a roll cage or crush-proof body design, whose speed attainable in one mile is more than thirty miles per hour but not more than thirty-five miles per hour and otherwise meets or exceeds the federal regulations set forth in 49 C.F.R. Sec. 571.500.

NEW SECTION. **Sec. 3.** A new section is added to chapter 46.61 RCW to read as follows:

(1) Except as provided in subsection (3) of this section, a person may operate a medium-speed electric vehicle upon a highway of this state having a speed limit of thirty-five miles per hour or less if:

(a) The person does not operate a medium-speed electric vehicle upon state highways that are listed in chapter 47.17 RCW;

(b) The person does not operate a medium-speed electric vehicle upon a highway of this state without first having obtained and having in full force and effect a current and proper vehicle license and display vehicle license number plates in compliance with chapter 46.16 RCW;

(c) The person does not operate a medium-speed electric vehicle upon a highway of this state without first obtaining a valid driver's license issued to Washington residents in compliance with chapter 46.20 RCW;

(d) The person does not operate a medium-speed electric vehicle subject to registration under chapter 46.16 RCW on a highway of this state unless the person is insured under a motor vehicle liability policy in compliance with chapter 46.30 RCW; and

(e) The person operating a medium-speed electric vehicle does not cross a roadway with a speed limit in excess of thirty-five miles per hour, unless the crossing begins and ends on a roadway with a speed limit of thirty-five miles per hour or less and occurs at an intersection of approximately ninety degrees, except that the operator of a medium-speed electric vehicle must not cross an uncontrolled intersection of streets and highways that are part of the state highway system subject to Title 47 RCW unless that intersection has been authorized by local authorities under subsection (3) of this section.

(2) Any person who violates this section commits a traffic infraction.

(3) This section does not prevent local authorities, with respect to streets and highways under their jurisdiction and within the reasonable exercise of their police power, from regulating the operation of medium-speed electric vehicles on streets and highways under their jurisdiction by resolution or ordinance of the governing body, if the regulation is consistent with this title, except that:

(a) Local authorities may not authorize the operation of medium-speed electric vehicles on streets and highways that are part of the state highway system subject to Title 47 RCW;

(b) Local authorities may not prohibit the operation of medium-speed electric vehicles upon highways of this state having a speed limit of thirty-five miles per hour or less; and

(c) Local authorities may not establish requirements for the registration and licensing of medium-speed electric vehicles.

**Sec. 4.** RCW 46.61.687 and 2005 c 415 s 1 and 2005 c 132 s 1 are each reenacted and amended to read as follows:

(1) Whenever a child who is less than sixteen years of age is being transported in a motor vehicle that is in operation and that is required by RCW 46.37.510 to be equipped with a safety belt system in a passenger seating position, or is being transported in a neighborhood electric vehicle or medium-speed electric vehicle that is in operation, the driver of the vehicle shall keep the child properly restrained as follows:

(a) A child must be restrained in a child restraint system, if the passenger seating position equipped with a safety belt system allows sufficient space for installation, until the child is eight years old, unless the child is four feet nine inches or taller. The child restraint system must comply with standards of the United States department of transportation and must be secured in the vehicle in accordance with instructions of the vehicle manufacturer and the child restraint system manufacturer.

(b) A child who is eight years of age or older or four feet nine inches or taller shall be properly restrained with the motor vehicle's safety belt properly adjusted and fastened around the child's body or an appropriately fitting child restraint system.

(c) The driver of a vehicle transporting a child who is under thirteen years old shall transport the child in the back seat positions in the vehicle where it is practical to do so.

(2) Enforcement of subsection (1) of this section is subject to a visual inspection by law enforcement to determine if the child restraint system in use is appropriate for the child's individual height, weight, and age. The visual inspection for usage of a child restraint system must ensure that the child restraint system is being used in accordance with the instruction of the vehicle

and the child restraint system manufacturers. The driver of a vehicle transporting a child who is under thirteen years old shall transport the child in the back seat positions in the vehicle where it is practical to do so.

(3) A person violating subsection (1) of this section may be issued a notice of traffic infraction under chapter 46.63 RCW. If the person to whom the notice was issued presents proof of acquisition of an approved child passenger restraint system or a child booster seat, as appropriate, within seven days to the jurisdiction issuing the notice and the person has not previously had a violation of this section dismissed, the jurisdiction shall dismiss the notice of traffic infraction.

(4) Failure to comply with the requirements of this section shall not constitute negligence by a parent or legal guardian. Failure to use a child restraint system shall not be admissible as evidence of negligence in any civil action.

(5) This section does not apply to: (a) For hire vehicles, (b) vehicles designed to transport sixteen or less passengers, including the driver, operated by auto transportation companies, as defined in RCW 81.68.010, (c) vehicles providing customer shuttle service between parking, convention, and hotel facilities, and airport terminals, and (d) school buses.

(6) As used in this section, "child restraint system" means a child passenger restraint system that meets the Federal Motor Vehicle Safety Standards set forth in 49 C.F.R. 571.213.

(7) The requirements of subsection (1) of this section do not apply in any seating position where there is only a lap belt available and the child weighs more than forty pounds.

(8)(a) Except as provided in (b) of this subsection, a person who has a current national certification as a child passenger safety technician and who in good faith provides inspection, adjustment, or educational services regarding child passenger restraint systems is not liable for civil damages resulting from any act or omission in providing the services, other than acts or omissions constituting gross negligence or willful or wanton misconduct.

(b) The immunity provided in this subsection does not apply to a certified child passenger safety technician who is employed by a retailer of child passenger restraint systems and who, during his or her hours of employment and while being compensated, provides inspection, adjustment, or educational services regarding child passenger restraint systems.

**Sec. 5.** RCW 46.61.688 and 2003 c 353 s 4 are each amended to read as follows:

(1) For the purposes of this section, the term "motor vehicle" includes:

(a) "Buses," meaning motor vehicles with motive power, except trailers, designed to carry more than ten passengers;

(b) "Multipurpose passenger vehicles," meaning motor vehicles with motive power, except trailers, designed to carry ten persons or less that are constructed either on a truck chassis or with special features for occasional off-road operation;

(c) "Neighborhood electric vehicle," meaning a self-propelled, electrically powered four-wheeled motor vehicle whose speed attainable in one mile is more than twenty miles per hour and not more than twenty-five miles per hour and conforms to federal regulations under ~~((Title))~~ 49 C.F.R. ~~((Part))~~ Sec. 571.500;

(d) "Medium-speed electric vehicle" meaning a self-propelled, electrically powered four-wheeled motor vehicle, equipped with a roll cage or crush-proof body design, whose speed attainable in one mile is more than thirty miles per hour but not more than thirty-five miles per hour and otherwise meets or exceeds the federal regulations set forth in 49 C.F.R. Sec. 571.500:

(e) "Passenger cars," meaning motor vehicles with motive power, except multipurpose passenger vehicles, motorcycles, or trailers, designed for carrying ten passengers or less; and

~~((e))~~ (f) "Trucks," meaning motor vehicles with motive power, except trailers, designed primarily for the transportation of property.

(2) This section only applies to motor vehicles that meet the manual seat belt safety standards as set forth in federal motor vehicle safety standard 208 and to neighborhood electric vehicles and medium-speed electric vehicles. This section does not apply to a vehicle occupant for whom no safety belt is available when all designated seating positions as required by federal motor vehicle safety standard 208 are occupied.

(3) Every person sixteen years of age or older operating or riding in a motor vehicle shall wear the safety belt assembly in a properly adjusted and securely fastened manner.

(4) No person may operate a motor vehicle unless all child passengers under the age of sixteen years are either: (a) Wearing a safety belt assembly or (b) are securely fastened into an approved child restraint device.

(5) A person violating this section shall be issued a notice of traffic infraction under chapter 46.63 RCW. A finding that a person has committed a traffic infraction under this section shall be contained in the driver's abstract but shall not be available to insurance companies or employers.

(6) Failure to comply with the requirements of this section does not constitute negligence, nor may failure to wear a safety belt assembly be admissible as evidence of negligence in any civil action.

(7) This section does not apply to an operator or passenger who possesses written verification from a licensed physician that the operator or passenger is unable to wear a safety belt for physical or medical reasons.

(8) The state patrol may adopt rules exempting operators or occupants of farm vehicles, construction equipment, and vehicles that are required to make frequent stops from the requirement of wearing safety belts.

NEW SECTION. Sec. 6. This act takes effect August 1, 2007.

Passed by the House March 7, 2007.

Passed by the Senate April 13, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 511

[House Bill 2004]

### REGIONAL TRANSPORTATION PLANNING ORGANIZATIONS

AN ACT Relating to providing comprehensive membership of significant jurisdictions on the executive board of regional transportation planning organizations; and amending RCW 47.80.060.

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

**Sec. 1.** RCW 47.80.060 and 2005 c 334 s 1 are each amended to read as follows:

In order to qualify for state planning funds available to regional transportation planning organizations, the regional transportation planning organizations containing any county with a population in excess of one million shall provide voting membership on its executive board to the state transportation commission, the state department of transportation, ~~((and))~~ the four largest public port districts within the region as determined by gross operating revenues, any incorporated principal city of a metropolitan statistical area within the region, as designated by the United States census bureau, and any incorporated city within the region with a population in excess of eighty thousand. It shall further assure that at least fifty percent of the county and city local elected officials who serve on the executive board also serve on transit agency boards or on a regional transit authority.

Passed by the House April 17, 2007.

Passed by the Senate April 11, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 512

[Engrossed Substitute House Bill 2358]

### STATE FERRIES

AN ACT Relating to state ferries; amending RCW 47.06.140, 47.60.290, and 47.60.330; adding new sections to chapter 47.60 RCW; creating a new section; repealing RCW 47.60.150 and 47.60.326; and providing an expiration date.

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

**NEW SECTION. Sec. 1.** The legislature finds from the 2006 Washington state ferries financing study that the state has limited information on state ferry users and markets. Accurate user and market information is vital in order to find ways to maximize the ferry systems' current capacity and to make the most efficient use of citizens' tax dollars. Therefore, it is the intent of the legislature that Washington state ferries be given the tools necessary to maximize the utilization of existing capacity and to make the most efficient use of existing assets and tax dollars. Furthermore, it is the intent of the legislature that the department of transportation adopt adaptive management practices in its operating and capital programs so as to keep the costs of the Washington state ferries system as low as possible while continuously improving the quality and timeliness of service.

**Sec. 2.** RCW 47.06.140 and 1998 c 171 s 7 are each amended to read as follows:

(1) The legislature declares the following transportation facilities and services to be of statewide significance: The interstate highway system, interregional state principal arterials including ferry connections that serve statewide travel, intercity passenger rail services, intercity high-speed ground transportation, major passenger intermodal terminals excluding all airport facilities and services, the freight railroad system, the Columbia/Snake navigable river system, marine port facilities and services that are related solely to marine

activities affecting international and interstate trade, and high-capacity transportation systems serving regions as defined in RCW 81.104.015. The department, in cooperation with regional transportation planning organizations, counties, cities, transit agencies, public ports, private railroad operators, and private transportation providers, as appropriate, shall plan for improvements to transportation facilities and services of statewide significance in the statewide multimodal plan. Improvements to facilities and services of statewide significance identified in the statewide multimodal plan are essential state public facilities under RCW 36.70A.200.

(2) The department of transportation, in consultation with local governments, shall set level of service standards for state highways and state ferry routes of statewide significance. Although the department shall consult with local governments when setting level of service standards, the department retains authority to make final decisions regarding level of service standards for state highways and state ferry routes of statewide significance. In establishing level of service standards for state highways and state ferry routes of statewide significance, the department shall consider the necessary balance between providing for the free interjurisdictional movement of people and goods and the needs of local communities using these facilities. When setting the level of service standards under this section for state ferry routes, the department may allow for a standard that is adjustable for seasonality.

NEW SECTION. Sec. 3. A new section is added to chapter 47.60 RCW to read as follows:

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

(1) "Adaptive management" means a systematic process for continually improving management policies and practices by learning from the outcomes of operational programs.

(2) "Capital plan" means the state ferry system plan developed by the department as described in RCW 47.06.050(2) and adopted by the commission.

(3) "Capital project" has the same meaning as used in budget instructions developed by the office of financial management.

(4) "Commission" means the transportation commission created in RCW 47.01.051.

(5) "Improvement project" has the same meaning as in the budget instructions developed by the office of financial management. If the budget instructions do not define improvement project, then it has the same meaning as "program project" in the budget instructions. If a project meets both the improvement project and preservation project definitions in this section it must be defined as an improvement project. New vessel acquisitions must be defined as improvement projects.

(6) "Life-cycle cost model" means that portion of a capital asset inventory system which, among other things, is used to estimate future preservation needs.

(7) "Maintenance cost" has the same meaning as used in budget instructions developed by the office of financial management.

(8) "Preservation project" has the same meaning as used in budget instructions developed by the office of financial management.

(9) "Route" means all ferry sailings from one location to another, such as the Seattle to Bainbridge route or the Port Townsend to Keystone route.

(10) "Sailing" means an individual ferry sailing for a specific route, such as the 5:00 p.m. sailing from Seattle to Bremerton.

(11) "Travel shed" means one or more ferry routes with distinct characteristics as determined by the department.

NEW SECTION. Sec. 4. A new section is added to chapter 47.60 RCW to read as follows:

(1) The commission shall, with the involvement of the department, conduct a survey to gather data on ferry users to help inform level of service, operational, pricing, planning, and investment decisions. The survey must include, but is not limited to:

- (a) Recreational use;
- (b) Walk-on customer use;
- (c) Vehicle customer use;
- (d) Freight and goods movement demand; and

(e) Reactions to potential operational strategies and pricing policies described under section 7 of this act and RCW 47.60.290.

(2) The commission shall develop the survey after providing an opportunity for ferry advisory committees to offer input.

(3) The survey must be updated at least every two years and maintained to support the development and implementation of adaptive management of ferry services.

Sec. 5. RCW 47.60.290 and 1983 c 3 s 136 are each amended to read as follows:

~~((Subject to the provisions of RCW 47.60.326,)) (1) The department ((is hereby authorized and directed to)) shall annually review ((tariffs and charges as)) fares and pricing policies applicable to the operation of the Washington state ferries ((for the purpose of establishing a more fair and equitable tariff to be charged passengers, vehicles, and commodities on the routes of the Washington state ferries)).~~

(2) Beginning in 2008, the department shall develop fare and pricing policy proposals that must:

(a) Recognize that each travel shed is unique, and might not have the same farebox recovery rate and the same pricing policies;

(b) Use data from the current survey conducted under section 4 of this act;

(c) Be developed with input from affected ferry users by public hearing and by review with the affected ferry advisory committees, in addition to the data gathered from the survey conducted in section 4 of this act;

(d) Generate the amount of revenue required by the biennial transportation budget;

(e) Consider the impacts on users, capacity, and local communities; and

(f) Keep fare schedules as simple as possible.

(3) While developing fare and pricing policy proposals, the department must consider the following:

(a) Options for using pricing to level vehicle peak demand; and

(b) Options for using pricing to increase off-peak ridership.



NEW SECTION. Sec. 6. A new section is added to chapter 47.60 RCW to read as follows:

(1) The commission shall adopt fares and pricing policies by rule, under chapter 34.05 RCW, according to the following schedule:

(a) Each year the department shall provide the commission a report of its review of fares and pricing policies, with recommendations for the revision of fares and pricing policies for the ensuing year;

(b) By September 1st of each year, beginning in 2008, the commission shall adopt by rule fares and pricing policies for the ensuing year.

(2) The commission may adopt by rule fares that are effective for more or less than one year for the purposes of transitioning to the fare schedule in subsection (1) of this section.

(3) The commission may increase ferry fares included in the schedule of charges adopted under this section by a percentage that exceeds the fiscal growth factor.

(4) The chief executive officer of the ferry system may authorize the use of promotional, discounted, and special event fares to the general public and commercial enterprises for the purpose of maximizing capacity use and the revenues collected by the ferry system. The department shall report to the commission a summary of the promotional, discounted, and special event fares offered during each fiscal year and the financial results from these activities.

(5) Fare revenues and other revenues deposited in the Puget Sound ferry operations account created in RCW 47.60.530 may not be used to support the Puget Sound capital construction account created in RCW 47.60.505, unless the support for capital is separately identified in the fare.

(6) The commission may not raise fares until the fare rules contain pricing policies developed under section 5 of this act, or September 1, 2009, whichever is later.

NEW SECTION. Sec. 7. A new section is added to chapter 47.60 RCW to read as follows:

(1) The department shall develop, and the commission shall review, operational strategies to ensure that existing assets are fully utilized and to guide future investment decisions. These operational strategies must, at a minimum:

(a) Recognize that each travel shed is unique and might not have the same operational strategies;

(b) Use data from the current survey conducted under section 4 of this act;

(c) Be consistent with vehicle level of service standards;

(d) Choose the most efficient balance of capital and operating investments by using a life-cycle cost analysis; and

(e) Use methods of collecting fares that maximize efficiency and achieve revenue management control.

(2) After the commission reviews recommendations by the department, the commission and department shall make joint recommendations to the legislature for the improvement of operational strategies.

(3) In developing operational strategies, the following, at a minimum, must be considered:

(a) The feasibility of using reservation systems;

(b) Methods of shifting vehicular traffic to other modes of transportation;

- (c) Methods of improving on-dock operations to maximize efficiency and minimize operating and capital costs;
  - (d) A cost-benefit analysis of remote holding versus over-water holding;
  - (e) Methods of reorganizing holding areas and minimizing on-dock employee parking to maximize the dock size available for customer vehicles;
  - (f) Schedule modifications;
  - (g) Efficiencies in exit queuing and metering;
  - (h) Interoperability with other transportation services;
  - (i) Options for leveling vehicle peak demand; and
  - (j) Options for increasing off-peak ridership.
- (4) Operational strategies must be reevaluated periodically and, at a minimum, before developing a new capital plan.

**Sec. 8.** RCW 47.60.330 and 2003 c 374 s 5 are each amended to read as follows:

(1) Before a substantial change to the service levels provided to ferry users, the department shall consult with affected ferry users by public hearing and by review with the affected ferry advisory committees.

(2) Before ((a substantial expansion or curtailment in the level of service provided to ferry users, or a revision in the schedule of ferry tolls or charges)) adding or eliminating a ferry route, the department ((of transportation)) shall consult with affected ferry users and receive legislative approval. ((The consultation shall be: (a) By public hearing in affected local communities; (b) by review with the affected ferry advisory committees pursuant to RCW 47.60.310; (c) by conducting a survey of affected ferry users; or (d) by any combination of (a) through (c).))

~~Promotional, discount, and special event fares that are not part of the published schedule of ferry charges or tolls are exempt. The department shall report an accounting of all exempt revenues to the transportation commission each fiscal year.~~

~~(2) There is created a ferry system productivity council consisting of a representative of each ferry advisory committee empanelled under RCW 47.60.310, elected by the members thereof, and two representatives of employees of the ferry system appointed by mutual agreement of all of the unions representing ferry employees, which shall meet from time to time with ferry system management to discuss means of improving ferry system productivity.~~

~~(3) Before increasing ferry tolls the department of transportation shall consider all possible cost reductions with full public participation as provided in subsection (1) of this section and, consistent with public policy, shall consider adapting service levels equitably on a route-by-route basis to reflect trends in and forecasts of traffic usage. Forecasts of traffic levels shall be developed by the bond covenant traffic engineering firm appointed under the provisions of RCW 47.60.450. Provisions of this section shall not alter obligations under RCW 47.60.450. Before including any toll increase in a budget proposal by the commission, the department of transportation shall consult with affected ferry users in the manner prescribed in (1)(b) of this section plus the procedure of either (1)(a) or (c) of this section.)~~

**NEW SECTION. Sec. 9.** A new section is added to chapter 47.60 RCW to read as follows:

(1) Appropriations made for the Washington state ferries capital program may not be used for maintenance costs.

(2) Appropriations made for preservation projects shall be spent only on preservation and only when warranted by asset condition, and shall not be spent on master plans, right-of-way acquisition, or other nonpreservation items.

(3) Systemwide and administrative capital program costs shall be allocated to specific capital projects using a cost allocation plan developed by the department. Systemwide and administrative capital program costs shall be identifiable.

**NEW SECTION. Sec. 10.** A new section is added to chapter 47.60 RCW to read as follows:

(1) The department shall maintain a life-cycle cost model on capital assets such that:

(a) Available industry standards are used for estimating the life of an asset, and department-adopted standard life cycles derived from the experience of similar public and private entities are used when industry standards are not available;

(b) Standard estimated life is adjusted for asset condition when inspections are made;

(c) It does not include utilities or other systems that are not replaced on a standard life cycle; and

(d) It does not include assets not yet built.

(2) All assets in the life-cycle cost model must be inspected and updated in the life-cycle cost model for asset condition at least every three years.

(3) The life-cycle cost model shall be used when estimating future system preservation needs.

**NEW SECTION. Sec. 11.** A new section is added to chapter 47.60 RCW to read as follows:

(1) Preservation funding requests shall only be for assets in the life-cycle cost model.

(2) Preservation funding requests that exceed five million dollars per project must be accompanied by a predesign study. The predesign study must include all elements required by the office of financial management.

**NEW SECTION. Sec. 12.** A new section is added to chapter 47.60 RCW to read as follows:

The department shall develop terminal design standards that:

(1) Adhere to vehicle level of service standards as described in RCW 47.06.140;

(2) Adhere to operational strategies as described in section 7 of this act; and

(3) Choose the most efficient balance between capital and operating investments by using a life-cycle cost analysis.

**NEW SECTION. Sec. 13.** A new section is added to chapter 47.60 RCW to read as follows:

The capital plan must adhere to the following:

(1) A current ridership demand forecast;

(2) Vehicle level of service standards as described in RCW 47.06.140;

- (3) Operational strategies as described in section 7 of this act; and
- (4) Terminal design standards as described in section 12 of this act.

NEW SECTION. Sec. 14. A new section is added to chapter 47.60 RCW to read as follows:

- (1) Terminal improvement project funding requests must adhere to the capital plan.
- (2) Requests for terminal improvement design and construction funding must be submitted with a predesign study that:
  - (a) Includes all elements required by the office of financial management;
  - (b) Separately identifies basic terminal elements essential for operation and their costs;
  - (c) Separately identifies additional elements to provide ancillary revenue and customer comfort and their costs;
  - (d) Includes construction phasing options that are consistent with forecasted ridership increases;
  - (e) Separately identifies additional elements requested by local governments and the cost and proposed funding source of those elements;
  - (f) Separately identifies multimodal elements and the cost and proposed funding source of those elements; and
  - (g) Identifies all contingency amounts.

NEW SECTION. Sec. 15. A new section is added to chapter 47.60 RCW to read as follows:

- (1) The joint legislative audit and review committee shall assess and report as follows:
  - (a) Audit the implementation of the cost allocation methodology evaluated under chapter . . . (Engrossed Substitute House Bill No. 1094), Laws of 2007, as it exists on the effective date of this section, assessing whether actual costs are allocated consistently with the methodology, whether there are sufficient internal controls to ensure proper allocation, and the adequacy of staff training; and
  - (b) Review the assignment of preservation costs and improvement costs for fiscal year 2009 to determine whether:
    - (i) The costs are capital costs;
    - (ii) The costs meet the statutory requirements for preservation activities and for improvement activities; and
    - (iii) Improvement costs are within the scope of legislative appropriations.
- (2) The report on the evaluations in this section is due by January 31, 2010.
- (3) This section expires December 31, 2010.

NEW SECTION. Sec. 16. The following acts or parts of acts are each repealed:

- (1) RCW 47.60.150 (Fixing of charges—Deposit of revenues) and 2003 c 374 s 3, 1999 c 94 s 26, & 1990 c 42 s 405; and
- (2) RCW 47.60.326 (Schedule of charges for state ferries—Review by department, factors considered—Rule making by commission) and 2005 c 270 s 1, 2003 c 374 s 4, 2001 1st sp.s. c 1 s 1, 1999 c 94 s 27, 1990 c 42 s 406, 1983 c 15 s 25, & 1981 c 344 s 5.

Passed by the House April 20, 2007.

Passed by the Senate April 20, 2007.

Approved by the Governor May 15, 2007.  
Filed in Office of Secretary of State May 16, 2007.

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**CHAPTER 513**

[Substitute Senate Bill 5085]

## TRANSPORTATION ACCOUNTS—EARNINGS

AN ACT Relating to increasing the proportionate share of earnings from surplus balance investments that are deposited in transportation-related accounts; reenacting and amending RCW 43.84.092; and providing an effective date.

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

**Sec. 1.** RCW 43.84.092 and 2006 c 337 s 11, 2006 c 311 s 23, 2006 c 171 s 10, 2006 c 56 s 10, and 2006 c 6 s 8 are each reenacted and amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

((+)) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Columbia river basin water supply development account, the common school construction fund, the county arterial preservation account, the county criminal justice assistance account, the county sales and use tax equalization account, the

data processing building construction account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the emergency reserve fund, the energy freedom account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the health services account, the public health services account, the health system capacity account, the personal health services account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety account, the high-occupancy toll lanes operations account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the motor vehicle fund, the motorcycle safety education account, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public transportation systems account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puyallup tribal settlement account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural Washington loan fund, the safety and education account, the site closure account, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the tuition recovery trust fund, the University of Washington bond

retirement fund, the University of Washington building account, the urban arterial trust account the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, the Washington fruit express account, the Washington judicial retirement system account, the Washington law enforcement officers' and fire fighters' system plan 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts. All earnings to be distributed under this subsection (4)(a) shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

~~((b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the county arterial preservation account, the department of licensing services account, the essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high capacity transportation account, the highway bond retirement fund, the highway safety account, the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C account, the state patrol highway account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, and the urban arterial trust account.))~~

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

NEW SECTION. Sec. 2. This act takes effect July 1, 2009.

Passed by the Senate April 20, 2007.

Passed by the House April 19, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

## CHAPTER 514

[Substitute Senate Bill 5207]

## FREIGHT CORRIDORS—FREIGHT CONGESTION RELIEF ACCOUNT

AN ACT Relating to a study to evaluate the imposition of a fee on the processing of shipping containers, port-related user fees, and other funding mechanisms to improve freight corridors; creating the freight congestion relief account; reenacting and amending RCW 43.84.092; adding a new section to chapter 46.68 RCW; creating a new section; and providing an expiration date.

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

NEW SECTION. **Sec. 1.** (1) Subject to availability of amounts appropriated for this specific purpose, the joint transportation committee shall:

(a) Administer a consultant study of funding mechanisms for deposit in the freight congestion relief account created in section 2 of this act to fund freight congestion relief investments. At a minimum, the study must: (i) Evaluate federal, state, incentive, and other project specific fees; (ii) analyze current taxes and fees paid by the freight industry and the projects the taxes and fees fund; (iii) assess other nonfreight-related fees and taxes that could be used to pay for freight congestion relief investments; (iv) assess how other states and countries pay for freight congestion relief investments; (v) discuss the various approaches and their impacts on Washington competitiveness in freight movement; (vi) assess the imposition of a shipping container-based fee, port-related user fees, or other funding mechanisms on the demand elasticity of the movement of freight goods through Washington's container ports at various rates as well as forecast diversion of marine cargo at various price points; (vii) measure the return on investment in freight rail and highway-based infrastructure supported by the user fee and its impact on forecast growth in shipping container traffic and the movement of freight goods; and (viii) recommend the structure of a future project recommendation body including its membership, process, and selection criteria. The scope of the work for the study may be expanded to include analysis of other issues relevant to freight congestion relief funding; and

(b) Convene a stakeholder group composed of representatives to work on the consultant study that includes: Two representatives of container ports, one representative of trucking, one representative from railroads, one representative from international shipping, one representative from national shipping, two representatives of organized labor, two representatives of the import/export community, one representative from the department of transportation, one representative from the freight mobility strategic investment board, and other representatives as deemed necessary by the joint transportation committee. The stakeholder group shall work with the selected consultant in: (i) Identifying critical freight congestion relief investments; (ii) identifying alternatives for a dedicated funding source for freight congestion relief investments or user fees to fund specific freight congestion relief investments; and (iii) developing and reviewing a final consultant study.

(2) The consultant's draft report must be submitted to the transportation committees of the legislature by December 15, 2007, with the final findings and recommendations of the report being due prior to the beginning of the 2008 legislative session.

(3) This section expires January 14, 2008.



NEW SECTION. **Sec. 2.** A new section is added to chapter 46.68 RCW to read as follows:

The freight congestion relief account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may only be used to provide congestion relief through the improvement of freight rail systems and state highways that function as freight corridors.

**Sec. 3.** RCW 43.84.092 and 2006 c 337 s 11, 2006 c 311 s 23, 2006 c 171 s 10, 2006 c 56 s 10, and 2006 c 6 s 8 are each reenacted and amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Columbia river basin water supply development account, the common school construction fund, the county criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction account, the deferred compensation administrative account, the deferred compensation principal account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment

account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the emergency reserve fund, the energy freedom account, The Evergreen State College capital projects account, the federal forest revolving account, the freight congestion relief account, the freight mobility investment account, the freight mobility multimodal account, the health services account, the public health services account, the health system capacity account, the personal health services account, the state higher education construction account, the higher education construction account, the highway infrastructure account, the high-occupancy toll lanes operations account, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the medical aid account, the mobile home park relocation fund, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public works assistance account, the Puyallup tribal settlement account, the real estate appraiser commission account, the regional mobility grant program account, the resource management cost account, the rural Washington loan fund, the site closure account, the small city pavement and sidewalk account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation infrastructure account, the transportation partnership account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer fire fighters' and reserve officers' relief and pension principal fund, the volunteer fire fighters' and reserve officers' administrative fund, the Washington fruit express account, the Washington judicial retirement system account, the Washington law enforcement officers' and fire fighters' system plan 1 retirement account, the Washington law enforcement officers' and fire fighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent

fund shall be allocated to their respective beneficiary accounts. All earnings to be distributed under this subsection (4)(a) shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

(b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the county arterial preservation account, the department of licensing services account, the essential rail assistance account, the ferry bond retirement fund, the grade crossing protective fund, the high capacity transportation account, the highway bond retirement fund, the highway safety account, the motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the special category C account, the state patrol highway account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, and the urban arterial trust account.

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

Passed by the Senate April 19, 2007.

Passed by the House April 18, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 515

[Senate Bill 5272]

### FUEL TAXES—ADMINISTRATION

AN ACT Relating to the administration of fuel taxes; amending RCW 82.36.010, 82.36.020, 82.36.025, 82.36.026, 82.36.027, 82.36.029, 82.36.031, 82.36.045, 82.36.060, 82.36.080, 82.36.160, 82.36.180, 82.36.320, 82.36.340, 82.36.370, 82.36.380, 82.36.450, 82.38.030, 82.38.032, 82.38.035, 82.38.050, 82.38.100, 82.38.130, 82.38.140, 82.38.150, 82.38.180, 82.38.270, 82.38.310, and 82.38.320; adding new sections to chapter 82.36 RCW; adding a new section to chapter 82.38 RCW; repealing RCW 82.36.042, 82.36.273, 82.36.305, 82.36.360, 82.36.373, 82.36.407, 82.38.070, 82.38.071, 82.38.081, 82.38.185, 82.38.285, and 82.38.165; prescribing penalties; and declaring an emergency.

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

**Sec. 1.** RCW 82.36.010 and 2001 c 270 s 1 are each amended to read as follows:

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

(1) "Blended fuel" means a mixture of motor vehicle fuel and another liquid, other than a de minimis amount of the liquid, that can be used as a fuel to propel a motor vehicle.

(2) "Bond" means a bond duly executed with a corporate surety qualified under chapter 48.28 RCW, which bond is payable to the state of Washington

conditioned upon faithful performance of all requirements of this chapter, including the payment of all taxes, penalties, and other obligations arising out of this chapter.

(3) "Bulk transfer" means a transfer of motor vehicle fuel by pipeline or vessel.

(4) "Bulk transfer-terminal system" means the motor vehicle fuel distribution system consisting of refineries, pipelines, vessels, and terminals. Motor vehicle fuel in a refinery, pipeline, vessel, or terminal is in the bulk transfer-terminal system. Motor vehicle fuel in the fuel tank of an engine, motor vehicle, or in a railcar, trailer, truck, or other equipment suitable for ground transportation is not in the bulk transfer-terminal system.

(5) ~~("Dealer" means a person engaged in the retail sale of motor vehicle fuel.~~

~~((6))~~ (6) "Department" means the department of licensing.

~~((7))~~ (7) "Director" means the director of licensing.

~~((8))~~ (8) "Evasion" or "evade" means to diminish or avoid the computation, assessment, or payment of authorized taxes or fees through:

(a) A knowing: False statement; misrepresentation of fact; or other act of deception; or

(b) An intentional: Omission; failure to file a return or report; or other act of deception.

~~((9))~~ (9) "Export" means to obtain motor vehicle fuel in this state for sales or distribution outside the state.

~~((10))~~ (10) "Highway" means every way or place open to the use of the public, as a matter of right, for the purpose of vehicular travel.

~~((11))~~ (11) "Import" means to bring motor vehicle fuel into this state by a means of conveyance other than the fuel supply tank of a motor vehicle.

(12) "International fuel tax agreement licensee" means a motor vehicle fuel user operating qualified motor vehicles in interstate commerce and licensed by the department under the international fuel tax agreement.

(13) "Licensee" means a person holding a motor vehicle fuel supplier, motor vehicle fuel importer, motor vehicle fuel exporter, motor vehicle fuel blender, motor vehicle distributor, or international fuel tax agreement license issued under this chapter.

~~(14) ("Marine fuel dealer" means a person engaged in the retail sale of motor vehicle fuel whose place of business and/or sale outlet is located upon a navigable waterway.~~

~~((15))~~ (15) "Motor vehicle fuel blender" means a person who produces blended motor fuel outside the bulk transfer-terminal system.

~~((16))~~ (16) "Motor vehicle fuel distributor" means a person who acquires motor vehicle fuel from a supplier, distributor, or licensee for subsequent sale and distribution.

~~((17))~~ (17) "Motor vehicle fuel exporter" means a person who purchases motor vehicle fuel in this state and directly exports the fuel by a means other than the bulk transfer-terminal system to a destination outside of the state. If the exporter of record is acting as an agent, the person for whom the agent is acting is the exporter. If there is no exporter of record, the owner of the motor fuel at the time of exportation is the exporter.

~~((17))~~ (16) "Motor vehicle fuel importer" means a person who imports motor vehicle fuel into the state by a means other than the bulk transfer-terminal system. If the importer of record is acting as an agent, the person for whom the agent is acting is the importer. If there is no importer of record, the owner of the motor vehicle fuel at the time of importation is the importer.

~~((18))~~ (17) "Motor vehicle fuel supplier" means a person who holds a federal certificate of registry that is issued under the internal revenue code and authorizes the person to enter into federal tax-free transactions on motor vehicle fuel in the bulk transfer-terminal system.

~~((19))~~ (18) "Motor vehicle" means a self-propelled vehicle designed for operation upon land utilizing motor vehicle fuel as the means of propulsion.

~~((20))~~ (19) "Motor vehicle fuel" means gasoline and any other inflammable gas or liquid, by whatsoever name the gasoline, gas, or liquid may be known or sold, the chief use of which is as fuel for the propulsion of motor vehicles or motorboats.

~~((21))~~ (20) "Person" means a natural person, fiduciary, association, or corporation. The term "person" as applied to an association means and includes the partners or members thereof, and as applied to corporations, the officers thereof.

~~((22))~~ (21) "Position holder" means a person who holds the inventory position in motor vehicle fuel, as reflected by the records of the terminal operator. A person holds the inventory position in motor vehicle fuel if the person has a contractual agreement with the terminal for the use of storage facilities and terminating services at a terminal with respect to motor vehicle fuel. "Position holder" includes a terminal operator that owns motor vehicle fuel in their terminal.

~~((23))~~ (22) "Rack" means a mechanism for delivering motor vehicle fuel from a refinery or terminal into a truck, trailer, railcar, or other means of nonbulk transfer.

~~((24))~~ (23) "Refiner" means a person who owns, operates, or otherwise controls a refinery.

~~((25))~~ (24) "Removal" means a physical transfer of motor vehicle fuel other than by evaporation, loss, or destruction.

~~((26))~~ (25) "Terminal" means a motor vehicle fuel storage and distribution facility that has been assigned a terminal control number by the internal revenue service, is supplied by pipeline or vessel, and from which reportable motor vehicle fuel is removed at a rack.

~~((27))~~ (26) "Terminal operator" means a person who owns, operates, or otherwise controls a terminal.

~~((28))~~ (27) "Two-party exchange" or "buy-sell agreement" means a transaction in which taxable motor vehicle fuel is transferred from one licensed supplier to another licensed supplier under an exchange or buy-sell agreement whereby the supplier that is the position holder agrees to deliver taxable motor vehicle fuel to the other supplier or the other supplier's customer at the rack of the terminal at which the delivering supplier is the position holder.

**Sec. 2.** RCW 82.36.020 and 2001 c 270 s 2 are each amended to read as follows:

(1) There is hereby levied and imposed upon motor vehicle fuel ~~((users)) licensees, other than motor vehicle fuel distributors,~~ a tax at the rate computed in the manner provided in RCW 82.36.025 on each gallon of motor vehicle fuel.

(2) The tax imposed by subsection (1) of this section is imposed when any of the following occurs:

(a) Motor vehicle fuel is removed in this state from a terminal if the motor vehicle fuel is removed at the rack unless the removal is to a licensed exporter for direct delivery to a destination outside of the state;

(b) Motor vehicle fuel is removed in this state from a refinery if either of the following applies:

(i) The removal is by bulk transfer and the refiner or the owner of the motor vehicle fuel immediately before the removal is not a licensee; or

(ii) The removal is at the refinery rack unless the removal is to a licensed exporter for direct delivery to a destination outside of the state;

(c) Motor vehicle fuel enters into this state ~~((for sale, consumption, use, or storage))~~ if either of the following applies:

(i) The entry is by bulk transfer and the importer is not a licensee; or

(ii) The entry is not by bulk transfer;

(d) Motor vehicle fuel is sold or removed in this state to an unlicensed entity unless there was a prior taxable removal, entry, or sale of the motor vehicle fuel;

(e) Blended motor vehicle fuel is removed or sold in this state by the blender of the fuel. The number of gallons of blended motor vehicle fuel subject to the tax is the difference between the total number of gallons of blended motor vehicle fuel removed or sold and the number of gallons of previously taxed motor vehicle fuel used to produce the blended motor vehicle fuel;

(f) Motor vehicle fuel is sold by a licensed motor vehicle fuel supplier to a motor vehicle fuel distributor, motor vehicle fuel importer, ~~((or))~~ motor vehicle fuel blender, or international fuel tax agreement licensee and the motor vehicle fuel is not removed from the bulk transfer-terminal system.

(3) The proceeds of the motor vehicle fuel excise tax shall be distributed as provided in RCW 46.68.090.

**Sec. 3.** RCW 82.36.025 and 2005 c 314 s 101 are each amended to read as follows:

(1) A motor vehicle fuel tax rate of twenty-three cents per gallon ~~((applies to the sale, distribution, or use of))~~ on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors.

(2) Beginning July 1, 2003, an additional and cumulative motor vehicle fuel tax rate of five cents per gallon ~~((applies to the sale, distribution, or use of))~~ on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors. This subsection (2) expires when the bonds issued for transportation 2003 projects are retired.

(3) Beginning July 1, 2005, an additional and cumulative motor vehicle fuel tax rate of three cents per gallon ~~((applies to the sale, distribution, or use of))~~ on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors.

(4) Beginning July 1, 2006, an additional and cumulative motor vehicle fuel tax rate of three cents per gallon ~~((applies to the sale, distribution, or use of))~~ on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors.

(5) Beginning July 1, 2007, an additional and cumulative motor vehicle fuel tax rate of two cents per gallon (~~(applies to the sale, distribution, or use of)~~) on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors.

(6) Beginning July 1, 2008, an additional and cumulative motor vehicle fuel tax rate of one and one-half cents per gallon (~~(applies to the sale, distribution, or use of)~~) on motor vehicle fuel shall be imposed on motor vehicle fuel licensees, other than motor vehicle fuel distributors.

**Sec. 4.** RCW 82.36.026 and 2001 c 270 s 3 are each amended to read as follows:

(1) A licensed supplier shall (~~(remit)~~) be liable for and pay tax to the department as provided in RCW 82.36.020. On a two-party exchange, or buy-sell agreement between two licensed suppliers, the receiving exchange partner or buyer (~~(who)~~) shall (~~(buyer shall remit)~~) be liable for and pay the tax.

(2) A refiner shall (~~(remit)~~) be liable for and pay tax to the department on motor vehicle fuel removed from a refinery as provided in RCW 82.36.020(2)(b).

(3) (~~(A)~~) A licensed importer shall (~~(remit)~~) be liable for and pay tax to the department on motor vehicle fuel imported into this state as provided in RCW 82.36.020(2)(c).

(4) A licensed blender shall (~~(remit)~~) be liable for and pay tax to the department on the removal or sale of blended motor vehicle fuel as provided in RCW 82.36.020(2)(e).

(5) Nothing in this chapter shall prohibit the licensee liable for payment of the tax under this chapter from including as a part of the selling price an amount equal to the tax.

**NEW SECTION. Sec. 5.** A new section is added to chapter 82.36 RCW to read as follows:

International fuel tax agreement licensees, or persons operating motor vehicles under other reciprocity agreements entered into with the state of Washington, are liable for and must pay the tax under RCW 82.36.020 to the department on motor vehicle fuel used to operate motor vehicles on the highways of this state. This provision does not apply if the tax under RCW 82.36.020 has previously been imposed and paid by the international fuel tax agreement licensee or if the use of such fuel is exempt from the tax under this chapter.

**Sec. 6.** RCW 82.36.027 and 1998 c 176 s 9 are each amended to read as follows:

A terminal operator is jointly and severally liable for (~~(remitting)~~) payment of the tax imposed under RCW 82.36.020(1) if, at the time of removal:

(1) The position holder with respect to the motor vehicle fuel is a person other than the terminal operator and is not a licensee;

(2) The terminal operator is not a licensee;

(3) The position holder has an expired internal revenue service notification certificate issued under 26 C.F.R. Part 48; or

(4) The terminal operator had reason to believe that information on the notification certificate was false.

*\*Sec. 7. RCW 82.36.029 and 1998 c 176 s 10 are each amended to read as follows:*

*Upon the taxable removal of motor vehicle fuel by a licensed supplier and upon importation by a licensed importer, the licensee who acquired or removed the motor vehicle fuel, other than a motor vehicle fuel exporter, shall be entitled to a deduction from the tax liability on the gallonage of taxable motor vehicle fuel removed or imported in order to account for handling losses, as follows: For a motor vehicle fuel supplier (~~(acting as a distributor)~~), one-quarter of one percent; and for (~~(all other licensees)~~) a licensed importer, thirty one-hundredths of one percent. For those licensees required to file tax reports, the handling loss deduction shall be reported on tax reports filed with the department. (~~(For motor vehicle fuel distributors, the handling loss deduction shall be shown on the invoice provided to the motor vehicle fuel distributor by the seller.)~~)*

*\*Sec. 7 was vetoed. See message at end of chapter.*

**Sec. 8.** RCW 82.36.031 and 1998 c 176 s 11 are each amended to read as follows:

For the purpose of determining the amount of liability for the tax imposed under this chapter, and to periodically update license information, each licensee, other than a motor vehicle fuel distributor or an international fuel tax agreement licensee, shall file monthly tax reports with the department, on a form prescribed by the department. An international fuel tax licensee shall file quarterly tax reports with the department, on a form prescribed by the department.

A report shall be filed with the department even though no motor vehicle fuel tax is due for the reporting period. Each tax report shall contain a declaration by the person making the same, to the effect that the statements contained therein are true and made under penalties of perjury, which declaration has the same force and effect as a verification of the report and is in lieu of the verification. The report shall show information as the department may require for the proper administration and enforcement of this chapter. Tax reports shall be filed on or before the twenty-fifth day of the next succeeding calendar month following the period to which the reports relate. If the final filing date falls on a Saturday, Sunday, or legal holiday the next secular or business day shall be the final filing date.

The department, if it deems it necessary in order to ensure payment of the tax imposed under this chapter, or to facilitate the administration of this chapter, may require the filing of reports and tax remittances at shorter intervals than one month.

**Sec. 9.** RCW 82.36.045 and 1998 c 176 s 16 are each amended to read as follows:

(1) If the department determines that the tax reported by a licensee is deficient, the department shall assess the deficiency on the basis of information available to it, and shall add a penalty of two percent of the amount of the deficiency.

(2) If a licensee, or person acting as such, fails, neglects, or refuses to file a motor vehicle fuel tax report the department shall, on the basis of information available to it, determine the tax liability of the licensee or person for the period during which no report was filed. The department shall add the penalty provided in subsection (1) of this section to the tax. An assessment made by the



department under this subsection or subsection (1) of this section is presumed to be correct. In any case, where the validity of the assessment is questioned, the burden is on the person who challenges the assessment to establish by a fair preponderance of evidence that it is erroneous or excessive, as the case may be.

(3) If a licensee or person acting as such files a false or fraudulent report with intent to evade the tax imposed by this chapter, the department shall add to the amount of deficiency a penalty equal to twenty-five percent of the deficiency, in addition to the penalty provided in subsections (1) and (2) of this section and all other penalties prescribed by law.

(4) Motor vehicle fuel tax, penalties, and interest payable under this chapter bears interest at the rate of one percent per month, or fraction thereof, from the first day of the calendar month after the amount or any portion of it should have been paid until the date of payment. If a licensee or person acting as such establishes by a fair preponderance of evidence that the failure to pay the amount of tax due was attributable to reasonable cause and was not intentional or willful, the department may waive the penalty. The department may waive the interest when it determines the cost of processing or collection of the interest exceeds the amount of interest due.

(5) Except in the case of a fraudulent report, neglect or refusal to make a report, or failure to pay or to pay the proper amount, the department shall assess the deficiency under subsection (1) or (2) of this section within five years from the last day of the succeeding calendar month after the reporting period for which the amount is proposed to be determined or within five years after the return is filed, whichever period expires later.

(6) Except in the case of violations of filing a false or fraudulent report, if the department deems mitigation of penalties and interest to be reasonable and in the best interest of carrying out the purpose of this chapter, it may mitigate such assessments upon whatever terms the department deems proper, giving consideration to the degree and extent of the lack of records and reporting errors. The department may ascertain the facts regarding recordkeeping and payment penalties in lieu of more elaborate proceedings under this chapter.

(7) A licensee or person acting as such against whom an assessment is made under subsection (1) or (2) of this section may petition for a reassessment within thirty days after service upon the licensee of notice of the assessment. If the petition is not filed within the thirty-day period, the amount of the assessment becomes final at the expiration of that period.

If a petition for reassessment is filed within the thirty-day period, the department shall reconsider the assessment and, if the petitioner has so requested in its petition, shall grant the petitioner an oral hearing and give the petitioner twenty days' notice of the time and place of the hearing. The department may continue the hearing from time to time. The decision of the department upon a petition for reassessment becomes final thirty days after service of notice upon the petitioner.

An assessment made by the department becomes due and payable when it becomes final. If it is not paid to the department when due and payable, the department shall add a penalty of ten percent of the amount of the tax.

(8) In a suit brought to enforce the rights of the state under this chapter, the assessment showing the amount of taxes, penalties, interest, and cost unpaid to the state is prima facie evidence of the facts as shown.

(9) A notice of assessment required by this section must be served personally or by certified or registered mail. If it is served by mail, service shall be made by deposit of the notice in the United States mail, postage prepaid, addressed to the respondent at the most current address furnished to the department.

~~((10) The tax imposed by this chapter, if required to be collected by the seller, is held in trust by the licensee until paid to the department, and a licensee who appropriates or converts the tax collected to his or her own use or to any use other than the payment of the tax to the extent that the money required to be collected is not available for payment on the due date as prescribed in this chapter is guilty of a felony, or gross misdemeanor in accordance with the theft and anticipatory provisions of Title 9A RCW. A person, partnership, corporation, or corporate officer who fails to collect the tax imposed by this section, or who has collected the tax and fails to pay it to the department in the manner prescribed by this chapter, is personally liable to the state for the amount of the tax.)~~

**Sec. 10.** RCW 82.36.060 and 2001 c 270 s 5 are each amended to read as follows:

(1) An application for a license issued under this chapter shall be made to the department on forms to be furnished by the department and shall contain such information as the department deems necessary.

(2) Every application for a license must contain the following information to the extent it applies to the applicant:

(a) Proof as the department may require concerning the applicant's identity, including but not limited to his or her fingerprints or those of the officers of a corporation making the application;

(b) The applicant's form and place of organization including proof that the individual, partnership, or corporation is licensed to do business in this state;

(c) The qualification and business history of the applicant and any partner, officer, or director;

(d) The applicant's financial condition or history including a bank reference and whether the applicant or any partner, officer, or director has ever been adjudged bankrupt or has an unsatisfied judgment in a federal or state court;

(e) Whether the applicant has been adjudged guilty of a crime that directly relates to the business for which the license is sought and the time elapsed since the conviction is less than ten years, or has suffered a judgment within the preceding five years in a civil action involving fraud, misrepresentation, or conversion and in the case of a corporation or partnership, all directors, officers, or partners.

(3) An applicant for a license as a motor vehicle fuel importer must list on the application each state, province, or country from which the applicant intends to import motor vehicle fuel and, if required by the state, province, or country listed, must be licensed or registered for motor vehicle fuel tax purposes in that state, province, or country.

(4) An applicant for a license as a motor vehicle fuel exporter must list on the application each state, province, or country to which the exporter intends to export motor vehicle fuel received in this state by means of a transfer outside of the bulk transfer-terminal system and, if required by the state, province, or

country listed, must be licensed or registered for motor vehicle fuel tax purposes in that state, province, or country.

(5) An applicant for a license as a motor vehicle fuel supplier must have a federal certificate of registry that is issued under the internal revenue code and authorizes the applicant to enter into federal tax-free transactions on motor vehicle fuel in the terminal transfer system.

(6) After receipt of an application for a license, the director may conduct an investigation to determine whether the facts set forth are true. The director shall require a fingerprint record check of the applicant through the Washington state patrol criminal identification system and the federal bureau of investigation before issuance of a license. The results of the background investigation including criminal history information may be released to authorized department personnel as the director deems necessary. The department shall charge a license holder or license applicant a fee of fifty dollars for each background investigation conducted.

An applicant who makes a false statement of a material fact on the application may be prosecuted for false swearing as defined by RCW 9A.72.040.

(7) Except as provided by subsection (8) of this section, before granting any license issued under this chapter, the department shall require applicant to file with the department, in such form as shall be prescribed by the department, a corporate surety bond duly executed by the applicant as principal, payable to the state and conditioned for faithful performance of all the requirements of this chapter, including the payment of all taxes, penalties, and other obligations arising out of this chapter. The total amount of the bond or bonds shall be fixed by the department and may be increased or reduced by the department at any time subject to the limitations herein provided. In fixing the total amount of the bond or bonds, the department shall require a bond or bonds equivalent in total amount to twice the estimated monthly excise tax determined in such manner as the department may deem proper. If at any time the estimated excise tax to become due during the succeeding month amounts to more than fifty percent of the established bond, the department shall require additional bonds or securities to maintain the marginal ratio herein specified or shall demand excise tax payments to be made weekly or semimonthly to meet the requirements hereof.

The total amount of the bond or bonds required of any licensee shall never be less than five thousand dollars nor more than one hundred thousand dollars.

No recoveries on any bond or the execution of any new bond shall invalidate any bond and no revocation of any license shall effect the validity of any bond but the total recoveries under any one bond shall not exceed the amount of the bond.

In lieu of any such bond or bonds in total amount as herein fixed, a licensee may deposit with the state treasurer, under such terms and conditions as the department may prescribe, a like amount of lawful money of the United States or bonds or other obligations of the United States, the state, or any county of the state, of an actual market value not less than the amount so fixed by the department.

Any surety on a bond furnished by a licensee as provided herein shall be released and discharged from any and all liability to the state accruing on such bond after the expiration of thirty days from the date upon which such surety has lodged with the department a written request to be released and discharged, but

this provision shall not operate to relieve, release, or discharge the surety from any liability already accrued or which shall accrue before the expiration of the thirty day period. The department shall promptly, upon receiving any such request, notify the licensee who furnished the bond; and unless the licensee, on or before the expiration of the thirty day period, files a new bond, or makes a deposit in accordance with the requirements of this section, the department shall forthwith cancel the license. Whenever a new bond is furnished by a licensee, the department shall cancel the old bond as soon as the department and the attorney general are satisfied that all liability under the old bond has been fully discharged.

The department may require a licensee to give a new or additional surety bond or to deposit additional securities of the character specified in this section if, in its opinion, the security of the surety bond theretofore filed by such licensee, or the market value of the properties deposited as security by the licensee, shall become impaired or inadequate; and upon the failure of the licensee to give such new or additional surety bond or to deposit additional securities within thirty days after being requested so to do by the department, the department shall forthwith cancel his or her license.

(8) The department may waive the requirements of subsection (7) of this section for licensed distributors if, upon determination by the department, the licensed distributor has sufficient resources, assets, other financial instruments, or other means, to adequately make payments on the estimated monthly motor vehicle fuel tax payments, penalties, and interest arising out of this chapter. The department shall adopt rules to administer this subsection. An application for an international fuel tax agreement license must be made to the department. The application must be filed upon a form prescribed by the department and contain such information as the department may require. The department shall charge a fee of ten dollars per set of international fuel tax agreement decals issued to each applicant or licensee. The department shall transmit the fee to the state treasurer for deposit in the motor vehicle fund.

**Sec. 11.** RCW 82.36.080 and 1998 c 176 s 20 are each amended to read as follows:

(1) It shall be unlawful for any person to engage in business in this state as any of the following unless the person is the holder of an uncanceled license issued by the department authorizing the person to engage in that business:

- (a) Motor vehicle fuel supplier;
- (b) Motor vehicle fuel distributor;
- (c) Motor vehicle fuel exporter;
- (d) Motor vehicle fuel importer; ~~((or))~~
- (e) Motor vehicle fuel blender; or
- (f) International fuel tax agreement licensee.

(2) A person engaged in more than one activity for which a license is required must have a separate license classification for each activity, but a motor vehicle fuel supplier is not required to obtain a separate license classification for any other activity for which a license is required.

(3) If any person acts as a licensee without first securing the license required herein the excise tax shall be immediately due and payable on account of all motor vehicle fuel distributed or used by the person. The director shall proceed forthwith to determine from the best available sources, the amount of the tax,

and the director shall immediately assess the tax in the amount found due, together with a penalty of one hundred percent of the tax, and shall make a certificate of such assessment and penalty. In any suit or proceeding to collect the tax or penalty, or both, such certificate shall be prima facie evidence that the person therein named is indebted to the state in the amount of the tax and penalty therein stated. Any tax or penalty so assessed may be collected in the manner prescribed in this chapter with reference to delinquency in payment of the tax or by an action at law, which the attorney general shall commence and prosecute to final determination at the request of the director. The foregoing remedies of the state shall be cumulative and no action taken pursuant to this section shall relieve any person from the penal provisions of this chapter.

**Sec. 12.** RCW 82.36.160 and 1998 c 176 s 27 are each amended to read as follows:

Every licensee shall maintain in the office of his or her principal place of business in this state, for a period of five years, records of motor vehicle fuel received, sold, distributed, or used by the licensee, in such form as the director may prescribe, together with invoices, bills of lading, and other pertinent papers as may be required under the provisions of this chapter.

~~((Every dealer purchasing motor vehicle fuel taxable under this chapter for the purpose of resale, shall maintain within this state, for a period of two years a record of motor vehicle fuels received, the amount of tax paid to the licensee as part of the purchase price, together with delivery tickets, invoices, and bills of lading, and such other records as the director shall require.))~~

**Sec. 13.** RCW 82.36.180 and 1998 c 176 s 30 are each amended to read as follows:

The director, or duly authorized agents, may make such examinations of the records, stocks, facilities, and equipment of any licensee, ~~((and service stations.))~~ and make such other investigations as deemed necessary in carrying out the provisions of this chapter. If such examinations or investigations disclose that any reports of licensees theretofore filed with the director pursuant to the requirements of this chapter have shown incorrectly the gallonage of motor vehicle fuel distributed or the tax ~~((accruing))~~ liability thereon, the director may make such changes in subsequent reports and payments of such licensees as deemed necessary to correct the errors disclosed.

Every such licensee or such other person not maintaining records in this state so that an audit of such records may be made by the director or a duly authorized representative shall be required to make the necessary records available to the director upon request and at a designated office within this state; or, in lieu thereof, the director or a duly authorized representative shall proceed to any out-of-state office at which the records are prepared and maintained to make such examination.

NEW SECTION. **Sec. 14.** A new section is added to chapter 82.36 RCW to read as follows:

Motor vehicle fuel that is used exclusively for racing and is illegal for use on the public highways of this state under state or federal law is exempt from the tax imposed under this chapter.

**Sec. 15.** RCW 82.36.320 and 1961 c 15 s 82.36.320 are each amended to read as follows:

Any person claiming refund on motor vehicle fuel used other than in motor vehicles as herein provided (~~(, and any person purchasing motor vehicle fuel from a dealer who is claiming refund on account of the sale of such fuel under RCW 82.36.305))~~) may be required by the director to also furnish information regarding the amount of motor vehicle fuel purchased from other sources or for other purposes during the period reported for which no refund is claimed.

**Sec. 16.** RCW 82.36.340 and 1961 c 15 s 82.36.340 are each amended to read as follows:

The director may in order to establish the validity of any claim for refund require the claimant (~~(, or, in the case of a dealer filing a claim for refund as provided by RCW 82.36.305, the person to whom such fuel was sold,))~~) to furnish such additional proof of the validity of the claim as the director may determine, and may examine the books and records of the claimant or said person to whom the fuel was sold for such purpose. The records shall be sufficient to substantiate the accuracy of the claim and shall be in such form and contain such information as the director may require. The failure to maintain such records or to accede to a demand for an examination of such records may be deemed by the director as sufficient cause for denial of all right to the refund claimed on account of the transaction in question.

**Sec. 17.** RCW 82.36.370 and 1998 c 176 s 42 are each amended to read as follows:

(1) A refund shall be made in the manner provided in this chapter or a credit given to a licensee allowing for the excise tax paid or accrued on all motor vehicle fuel which is lost or destroyed, while (~~(applicant shall be the owner thereof)~~) the licensee was the owner, through fire, lightning, flood, wind storm, or explosion.

(2) A refund shall be made in the manner provided in this chapter or a credit given allowing for the excise tax paid or accrued on all motor vehicle fuel of five hundred gallons or more which is lost or destroyed, while (~~(applicant shall be)~~) the licensee was the owner thereof, through leakage or other casualty except evaporation, shrinkage or unknown causes: PROVIDED, That the director shall be notified in writing as to the full circumstances surrounding such loss or destruction and the amount of the loss or destruction within thirty days from the day of discovery of such loss or destruction.

(3) Recovery for such loss or destruction under either subsection (1) or (2) must be susceptible to positive proof thereby enabling the director to conduct such investigation and require such information as the director may deem necessary.

In the event that the director is not satisfied that the fuel was lost or destroyed as claimed, wherefore required information or proof as required hereunder is not sufficient to substantiate the accuracy of the claim, the director may deem as sufficient cause the denial of all right relating to the refund or credit for the excise tax on motor vehicle fuel alleged to be lost or destroyed.

**Sec. 18.** RCW 82.36.380 and 2003 c 358 s 13 are each amended to read as follows:

(1) It is unlawful for a person or corporation to:

- (a) Evade a tax or fee imposed under this chapter;
- (b) File a false statement of a material fact on a motor fuel license application or motor fuel refund application;
- (c) Act as a motor fuel importer, motor fuel blender, or motor fuel supplier unless the person holds an uncanceled motor fuel license issued by the department authorizing the person to engage in that business;
- (d) Knowingly assist another person to evade a tax or fee imposed by this chapter;
- (e) Knowingly operate a conveyance for the purpose of hauling, transporting, or delivering motor vehicle fuel in bulk and not possess an invoice, bill of sale, or other statement showing the name, address, and tax license number of the seller or consignor, the destination, the name, address, and tax license number of the purchaser or consignee, and the number of gallons.

(2) A violation of subsection (1) of this section is a class C felony under chapter 9A.20 RCW. In addition to other penalties and remedies provided by law, the court shall order a person or corporation found guilty of violating subsection (1) of this section to:

- (a) Pay the tax or fee evaded plus interest, commencing at the date the tax or fee was first due, at the rate of twelve percent per year, compounded monthly; and
- (b) Pay a penalty of one hundred percent of the tax evaded, to the multimodal transportation account of the state.

(3) The tax imposed by this chapter is held in trust by the licensee until paid to the department, and a licensee who appropriates the tax to his or her own use or to any use other than the payment of the tax on the due date as prescribed in this chapter is guilty of a felony or gross misdemeanor in accordance with the theft and anticipatory provisions of Title 9A RCW. A person, partnership, corporation, or corporate officer who fails to pay to the department the tax imposed by this chapter is personally liable to the state for the amount of the tax.

**Sec. 19.** RCW 82.36.450 and 1995 c 320 s 2 are each amended to read as follows:

~~((The department of licensing may enter into an agreement with any federally recognized Indian tribe located on a reservation within this state regarding the imposition, collection, and use of this state's motor vehicle fuel tax, or the budgeting or use of moneys in lieu thereof, upon terms substantially the same as those in the consent decree entered by the federal district court (Eastern District of Washington) in *Confederated Tribes of the Colville Reservation v. DOL, et al.*, District Court No. CY-92-248-JLO.)) (1) The governor may enter into an agreement with any federally recognized Indian tribe located on a reservation within this state regarding motor vehicle fuel taxes included in the price of fuel delivered to a retail station wholly owned and operated by a tribe, tribal enterprise, or tribal member licensed by the tribe to operate a retail station located on reservation or trust property. The agreement may provide mutually agreeable means to address any tribal immunities or any preemption of the state motor vehicle fuel tax.~~

(2) The provisions of this section do not repeal existing state/tribal fuel tax agreements or consent decrees in existence on the effective date of this act. The state and the tribe may agree to substitute an agreement negotiated under this section for an existing agreement or consent decree, or to enter into an

agreement using a methodology similar to the state/tribal fuel tax agreements in effect on the effective date of this act.

(3) If a new agreement is negotiated, the agreement must:

(a) Require that the tribe or the tribal retailer acquire all motor vehicle fuel only from persons or companies operating lawfully in accordance with this chapter as a motor vehicle fuel distributor, supplier, importer, or blender, or from a tribal distributor, supplier, importer, or blender lawfully doing business according to all applicable laws;

(b) Provide that the tribe will expend fuel tax proceeds or equivalent amounts on: Planning, construction, and maintenance of roads, bridges, and boat ramps; transit services and facilities; transportation planning; police services; and other highway-related purposes;

(c) Include provisions for audits or other means of ensuring compliance to certify the number of gallons of motor vehicle fuel purchased by the tribe for resale at tribal retail stations, and the use of fuel tax proceeds or their equivalent for the purposes identified in (b) of this subsection. Compliance reports must be delivered to the director of the department of licensing.

(4) Information from the tribe or tribal retailers received by the state or open to state review under the terms of an agreement shall be deemed to be personal information under RCW 42.56.230(3)(b) and exempt from public inspection and copying.

(5) The governor may delegate the power to negotiate fuel tax agreements to the department of licensing.

(6) The department of licensing shall prepare and submit an annual report to the legislature on the status of existing agreements and any ongoing negotiations with tribes.

NEW SECTION. Sec. 20. A new section is added to chapter 82.36 RCW to read as follows:

It is the intent and purpose of this chapter that the tax shall be imposed at the time and place of the first taxable event and upon the first taxable person within this state. Any person whose activities would otherwise require payment of the tax imposed by RCW 82.36.020 but who is exempt from the tax nevertheless has a precollection obligation for the tax that must be imposed on the first taxable event within this state. Failure to pay the tax with respect to a taxable event shall not prevent tax liability from arising by reason of a subsequent taxable event.

Sec. 21. RCW 82.38.030 and 2005 c 314 s 102 are each amended to read as follows:

(1) There is hereby levied and imposed upon special fuel (~~users~~) licensees, other than special fuel distributors, a tax at the rate of twenty-three cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature.

(2) Beginning July 1, 2003, an additional and cumulative tax rate of five cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature shall be imposed on special fuel (~~users~~) licensees, other than special fuel distributors. This subsection (2) expires when the bonds issued for transportation 2003 projects are retired.



(3) Beginning July 1, 2005, an additional and cumulative tax rate of three cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature shall be imposed on special fuel ~~((users)) licensees, other than special fuel distributors.~~

(4) Beginning July 1, 2006, an additional and cumulative tax rate of three cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature shall be imposed on special fuel ~~((users)) licensees, other than special fuel distributors.~~

(5) Beginning July 1, 2007, an additional and cumulative tax rate of two cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature shall be imposed on special fuel ~~((users)) licensees, other than special fuel distributors.~~

(6) Beginning July 1, 2008, an additional and cumulative tax rate of one and one-half cents per gallon of special fuel, or each one hundred cubic feet of compressed natural gas, measured at standard pressure and temperature shall be imposed on special fuel ~~((users)) licensees, other than special fuel distributors.~~

(7) Taxes are imposed when:

(a) Special fuel is removed in this state from a terminal if the special fuel is removed at the rack unless the removal is to a licensed exporter for direct delivery to a destination outside of the state, or the removal is ~~((to))~~ by a special fuel ~~((distributor))~~ supplier for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320;

(b) Special fuel is removed in this state from a refinery if either of the following applies:

(i) The removal is by bulk transfer and the refiner or the owner of the special fuel immediately before the removal is not a licensee; or

(ii) The removal is at the refinery rack unless the removal is to a licensed exporter for direct delivery to a destination outside of the state, or the removal is to a special fuel ~~((distributor))~~ supplier for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320;

(c) Special fuel enters into this state for sale, consumption, use, or storage, unless the fuel enters this state for direct delivery to an international fuel tax agreement licensee under RCW 82.38.320, if either of the following applies:

(i) The entry is by bulk transfer and the importer is not a licensee; or

(ii) The entry is not by bulk transfer;

(d) Special fuel is sold or removed in this state to an unlicensed entity unless there was a prior taxable removal, entry, or sale of the special fuel;

(e) Blended special fuel is removed or sold in this state by the blender of the fuel. The number of gallons of blended special fuel subject to tax is the difference between the total number of gallons of blended special fuel removed or sold and the number of gallons of previously taxed special fuel used to produce the blended special fuel;

(f) Dyed special fuel is used on a highway, as authorized by the internal revenue code, unless the use is exempt from the special fuel tax;

(g) Dyed special fuel is held for sale, sold, used, or is intended to be used in violation of this chapter;

(h) Special fuel purchased by an international fuel tax agreement licensee under RCW 82.38.320 is used on a highway; and

(i) Special fuel is sold by a licensed special fuel supplier to a special fuel distributor, special fuel importer, or special fuel blender and the special fuel is not removed from the bulk transfer-terminal system.

~~((8) The tax imposed by this chapter, if required to be collected by the licensee, is held in trust by the licensee until paid to the department, and a licensee who appropriates or converts the tax collected to his or her own use or to any use other than the payment of the tax to the extent that the money required to be collected is not available for payment on the due date as prescribed in this chapter is guilty of a felony, or gross misdemeanor in accordance with the theft and anticipatory provisions of Title 9A RCW. A person, partnership, corporation, or corporate officer who fails to collect the tax imposed by this section, or who has collected the tax and fails to pay it to the department in the manner prescribed by this chapter, is personally liable to the state for the amount of the tax.))~~

**Sec. 22.** RCW 82.38.032 and 1998 c 176 s 52 are each amended to read as follows:

~~((The tax under RCW 82.38.030, if not previously imposed and paid, must be paid over to the department by special fuel users and persons licensed under the international fuel tax agreement or other fuel tax reciprocity agreements entered into with the state of Washington, on the use of special fuel to operate motor vehicles on the highways of this state, unless the use is exempt from the tax under this chapter.))~~ International fuel tax agreement licensees, or persons operating motor vehicles under other reciprocity agreements entered into with the state of Washington, are liable for and must pay the tax under RCW 82.38.030 to the department on special fuel used to operate motor vehicles on the highways of this state. This provision does not apply if the tax under RCW 82.38.030 has previously been imposed and paid by the international fuel tax agreement licensee or if the use of such fuel is exempt from the tax under this chapter.

**Sec. 23.** RCW 82.38.035 and 2005 c 314 s 107 are each amended to read as follows:

(1) A licensed supplier shall ~~((remit))~~ be liable for and pay tax on special fuel to the department as provided in RCW 82.38.030(7)(a). On a two-party exchange, or buy-sell agreement between two licensed suppliers, the receiving exchange partner or buyer shall ~~((remit))~~ be liable for and pay the tax.

(2) A refiner shall ~~((remit))~~ be liable for and pay tax to the department on special fuel removed from a refinery as provided in RCW 82.38.030(7)(b).

(3) ~~((An))~~ A licensed importer shall ~~((remit))~~ be liable for and pay tax to the department on special fuel imported into this state as provided in RCW 82.38.030(7)(c).

(4) A licensed blender shall ~~((remit))~~ be liable for and pay tax to the department on the removal or sale of blended special fuel as provided in RCW 82.38.030(7)(e).

(5) A licensed dyed special fuel user shall ~~((remit))~~ be liable for and pay tax to the department on the use of dyed special fuel as provided in RCW 82.38.030(7)(f).

(6) Nothing in this chapter prohibits the licensee liable for payment of the tax under this chapter from including as a part of the selling price an amount equal to such tax.

**Sec. 24.** RCW 82.38.050 and 1990 c 250 s 82 are each amended to read as follows:

~~((Except as otherwise provided in this chapter, every special fuel user shall be liable for the tax on special fuel used in motor vehicles leased to the user for thirty days or more and operated on the highways of this state to the same extent and in the same manner as special fuel used in his own motor vehicles and operated on the highways of this state: PROVIDED, That))~~ A lessor who is engaged regularly in the business of leasing or renting for compensation motor vehicles and equipment he owns without drivers to carriers or other lessees for interstate operation, may be deemed to be the special fuel user when he supplies or pays for the special fuel consumed in such vehicles, and such lessor may be issued ~~((a))~~ an international fuel tax agreement license ~~((as a special fuel user))~~ when application and bond have been properly filed with and approved by the department for such license. Any lessee may exclude motor vehicles of which he or she is the lessee from reports and liabilities pursuant to this chapter, but only if the motor vehicles in question have been leased from a lessor holding a valid ~~((special fuel user's))~~ international fuel tax agreement license.

~~((Every such lessor shall file with the application for a special fuel user's license one copy of the lease form or service contract the lessor enters into with the various lessees of the lessor's motor vehicles.))~~ When the ~~((special fuel user's))~~ license has been secured, such lessor shall make and assign to each motor vehicle leased for interstate operation a photocopy of such license to be carried in the cab compartment of the motor vehicle and on which shall be typed or printed on the back the unit or motor number of the motor vehicle to which it is assigned and the name of the lessee. Such lessor shall be responsible for the proper use of such photocopy of the license issued and its return to the lessor with the motor vehicle to which it is assigned.

The lessor shall be responsible for fuel tax licensing and reporting, as required by this chapter, on the operation of all motor vehicles leased to others for less than thirty days.

**Sec. 25.** RCW 82.38.100 and 1999 c 270 s 2 are each amended to read as follows:

(1) Any special fuel user operating a motor vehicle into this state for commercial purposes may make application for a trip permit that shall be good for a period of three consecutive days beginning and ending on the dates specified on the face of the permit issued, and only for the vehicle for which it is issued.

(2) Every permit shall identify, as the department may require, the vehicle for which it is issued and shall be completed in its entirety, signed, and dated by the operator before operation of the vehicle on the public highways of this state. Correction of data on the permit such as dates, vehicle license number, or vehicle identification number invalidates the permit. A violation of, or a failure to comply with, this subsection is a gross misdemeanor.

(3) For each permit issued, there shall be collected a filing fee of one dollar, an administrative fee of ten dollars, and an excise tax of nine dollars. Such fees

and tax shall be in lieu of the special fuel tax otherwise assessable against the permit holder for importing and using special fuel in a motor vehicle on the public highways of this state, and no report of mileage shall be required with respect to such vehicle. Trip permits will not be issued if the applicant has outstanding fuel taxes, penalties, or interest owing to the state or has had a special fuel license revoked for cause and the cause has not been removed.

(4) Blank permits may be obtained from field offices of the department of transportation, ~~((Washington state patrol,))~~ department of licensing, or other agents appointed by the department. The department may appoint county auditors or businesses as agents for the purpose of selling trip permits to the public. County auditors or businesses so appointed may retain the filing fee collected for each trip permit to defray expenses incurred in handling and selling the permits.

(5) A surcharge of five dollars is imposed on the issuance of trip permits. The portion of the surcharge paid by motor carriers must be deposited in the motor vehicle fund for the purpose of supporting vehicle weigh stations, weigh-in-motion programs, and the commercial vehicle information systems and networks program. The remaining portion of the surcharge must be deposited in the motor vehicle fund for the purpose of supporting congestion relief programs. All other fees and excise taxes collected by the department for trip permits shall be credited and deposited in the same manner as the special fuel tax collected under this chapter and shall not be subject to exchange, refund, or credit.

**Sec. 26.** RCW 82.38.130 and 1998 c 176 s 65 are each amended to read as follows:

The department may revoke the license of any licensee for any of the grounds constituting cause for denial of a license set forth in RCW 82.38.120 or for other reasonable cause. Before revoking such license the department shall notify the licensee to show cause within twenty days of the date of the notice why the license should not be revoked: PROVIDED, That at any time prior to and pending such hearing the department may, in the exercise of reasonable discretion, suspend such license.

The department shall cancel any special fuel license immediately upon surrender thereof by the holder.

Any surety on a bond furnished by a licensee as provided in this chapter shall be released and discharged from any and all liability to the state accruing on such bond after the expiration of forty-five days from the date which such surety shall have lodged with the department a written request to be released and discharged, but this provision shall not operate to relieve, release, or discharge the surety from any liability already accrued or which shall accrue before the expiration of the forty-five day period. The department shall promptly, upon receiving any such request, notify the licensee who furnished the bond, and unless the licensee, on or before the expiration of the forty-five day period, files a new bond, in accordance with this section, the department ~~((forthwith))~~ shall cancel the ~~((special fuel dealer's or special fuel user's))~~ license.

The department may require a new or additional surety bond of the character specified in RCW 82.38.020(3) if, in its opinion, the security of the surety bond therefor filed by such licensee, shall become impaired or inadequate. Upon failure of the licensee to give such new or additional surety bond within forty-five days after being requested to do so by the department, or after he or

she shall fail or refuse to file reports and remit or pay taxes at the intervals fixed by the department, the department forthwith shall cancel his or her license.

**Sec. 27.** RCW 82.38.140 and 1998 c 176 s 66 are each amended to read as follows:

(1) Every licensee and every person importing, manufacturing, refining, ~~((dealing in,))~~ transporting, blending, or storing special fuel in this state shall keep for a period of not less than five years open to inspection at all times during the business hours of the day to the department or its authorized representatives, a complete record of all special fuel purchased or received and all of such products sold, delivered, or used by them. Such records shall show:

- (a) The date of each receipt;
- (b) The name and address of the person from whom purchased or received;
- (c) The number of gallons received at each place of business or place of storage in the state of Washington;
- (d) The date of each sale or delivery;
- (e) The number of gallons sold, delivered, or used for taxable purposes;
- (f) The number of gallons sold, delivered, or used for any purpose not subject to the tax imposed in this chapter;
- (g) The name, address, and special fuel license number of the purchaser if the special fuel tax is not collected on the sale or delivery;
- (h) The inventories of special fuel on hand at each place of business at the end of each month.

(2)(a) All international fuel tax agreement licensees and dyed special fuel users authorized to use dyed special fuel on highway in vehicles licensed for highway operation shall maintain detailed mileage records on an individual vehicle basis.

(b) Such operating records shall show both on-highway and off-highway usage of special fuel on a daily basis for each vehicle.

(c) In the absence of operating records that show both on-highway and off-highway usage of special fuel on a daily basis for each vehicle, fuel consumption must be computed under RCW 82.38.060.

(3) The department may require a person other than a licensee engaged in the business of selling, purchasing, distributing, storing, transporting, or delivering special fuel to submit periodic reports to the department regarding the disposition of the fuel. The reports must be on forms prescribed by the department and must contain such information as the department may require.

(4) Every person operating any conveyance for the purpose of hauling, transporting, or delivering special fuel in bulk shall have and possess during the entire time the person is hauling special fuel, an invoice, bill of sale, or other statement showing the name, address, and license number of the seller or consigner, the destination, name, and address of the purchaser or consignee, license number, if applicable, and the number of gallons. The person hauling such special fuel shall at the request of any law enforcement officer or authorized representative of the department, or other person authorized by law to inquire into, or investigate those types of matters, produce for inspection such invoice, bill of sale, or other statement and shall permit such official to inspect and gauge the contents of the vehicle.

**Sec. 28.** RCW 82.38.150 and 1998 c 176 s 67 are each amended to read as follows:

For the purpose of determining the amount of liability for the tax herein imposed, and to periodically update license information, each licensee, other than a special fuel distributor, an international fuel tax agreement licensee, or a dyed special fuel user, shall file monthly tax reports with the department, on forms prescribed by the department.

Dyed special fuel users whose estimated yearly tax liability is two hundred fifty dollars or less, shall file a report yearly, and dyed special fuel users whose estimated yearly tax liability is more than two hundred fifty dollars, shall file reports quarterly. Special fuel users licensed under the international fuel tax agreement shall file reports quarterly. ~~((Special fuel distributors))~~ Heating oil dealers subject to the pollution liability insurance agency fee and reporting requirements shall remit pollution liability insurance agency returns and any associated payment due to the department annually.

The department shall establish the reporting frequency for each applicant at the time the special fuel license is issued. If it becomes apparent that any licensee is not reporting in accordance with the above schedule, the department shall change the licensee's reporting frequency by giving thirty days' notice to the licensee by mail to the licensee's address of record. A report shall be filed with the department even though no special fuel was used, or tax is due, for the reporting period. Each tax report shall contain a declaration by the person making the same, to the effect that the statements contained therein are true and are made under penalties of perjury, which declaration shall have the same force and effect as a verification of the report and is in lieu of such verification. The report shall show such information as the department may reasonably require for the proper administration and enforcement of this chapter. ~~((For counties within which an additional excise tax on special fuel has been levied by that jurisdiction under RCW 82.80.010, the report must show the quantities of special fuel sold, distributed, or withdrawn from bulk storage by the reporting dealer or user within the county's boundaries and the tax liability from its levy.))~~ A licensee shall file a tax report on or before the twenty-fifth day of the next succeeding calendar month following the period to which it relates.

Subject to the written approval of the department, tax reports may cover a period ending on a day other than the last day of the calendar month. Taxpayers granted approval to file reports in this manner will file such reports on or before the twenty-fifth day following the end of the reporting period. No change to this reporting period will be made without the written authorization of the department.

If the final filing date falls on a Saturday, Sunday, or legal holiday the next secular or business day shall be the final filing date. Such reports shall be considered filed or received on the date shown by the post office cancellation mark stamped upon an envelope containing such report properly addressed to the department, or on the date it was mailed if proof satisfactory to the department is available to establish the date it was mailed.

The department, if it deems it necessary in order to insure payment of the tax imposed by this chapter, or to facilitate the administration of this chapter, has the authority to require the filing of reports and tax remittances at shorter

intervals than one month if, in its opinion, an existing bond has become insufficient.

**Sec. 29.** RCW 82.38.180 and 1998 c 176 s 71 are each amended to read as follows:

Any person who has purchased special fuel on which tax has been paid (~~a special fuel tax either directly or to the vendor from whom it was purchased~~) may file a claim with the department for a refund of the tax (~~(so paid and shall be reimbursed and repaid the amount of)~~) for:

(1) ~~((Any))~~ Taxes previously paid on special fuel used for purposes other than for the propulsion of motor vehicles upon the public highways in this state.

(2) ~~((Any))~~ Taxes previously paid on special fuel exported for use outside of this state. Special fuel carried from this state in the fuel tank of a motor vehicle is deemed to be exported from this state. Special fuel distributed to a federally recognized Indian tribal reservation located within the state of Washington is not considered exported outside this state.

(3) ~~((Any))~~ Tax, penalty, or interest erroneously or illegally collected or paid.

(4) ~~((Any))~~ Taxes previously paid on all special fuel which is lost or destroyed, while ~~((applicant))~~ the licensee shall be the owner thereof, through fire, lightning, flood, wind storm, or explosion.

(5) ~~((Any))~~ Taxes previously paid on all special fuel of five hundred gallons or more which is lost or destroyed while ~~((applicant))~~ the licensee shall be the owner thereof, through leakage or other casualty except evaporation, shrinkage, or unknown causes.

(6) ~~((Any))~~ Taxes previously paid on special fuel that is inadvertently mixed with dyed special fuel.

Recovery for such loss or destruction under either subsection (4), (5), or (6) of this section must be susceptible to positive proof thereby enabling the department to conduct such investigation and require such information as ~~((they))~~ it may deem necessary. In the event that the department is not satisfied that the fuel was lost, destroyed, or contaminated as claimed because information or proof as required hereunder is not sufficient to substantiate the accuracy of the claim, ~~((they))~~ it may deem such as sufficient cause to deny all right relating to the refund or credit for the excise tax paid on special fuel alleged to be lost or destroyed.

No refund or claim for credit shall be approved by the department unless the gallons of special fuel claimed as nontaxable satisfy the conditions specifically set forth in this section and the nontaxable event or use occurred during the period covered by the refund claim. Refunds or claims for credit ~~((by sellers or users of special fuel))~~ shall not be allowed for anticipated nontaxable use or events.

**Sec. 30.** RCW 82.38.270 and 2003 c 358 s 14 are each amended to read as follows:

(1) It is unlawful for a person or corporation to:

(a) Have dyed diesel in the fuel supply tank of a vehicle that is licensed or required to be licensed for highway use or maintain dyed diesel in bulk storage for highway use, unless the person or corporation maintains an uncanceled dyed diesel user license or is otherwise exempted by this chapter;

(b) Evade a tax or fee imposed under this chapter;  
(c) File a false statement of a material fact on a special fuel license application or special fuel refund application;

(d) Act as a special fuel importer, special fuel blender, or special fuel supplier unless the person holds an uncanceled special fuel license issued by the department authorizing the person to engage in that business;

(e) Knowingly assist another person to evade a tax or fee imposed by this chapter;

(f) Knowingly operate a conveyance for the purpose of hauling, transporting, or delivering special fuel in bulk and not possess an invoice, bill of sale, or other statement showing the name, address, and tax license number of the seller or consignor, the destination, the name, address, and tax license number of the purchaser or consignee, and the number of gallons.

(2)(a) A single violation of subsection (1)(a) of this section is a gross misdemeanor under chapter 9A.20 RCW.

(b) Multiple violations of subsection (1)(a) of this section and violations of subsection (1)(b) through (f) of this section are a class C felony under chapter 9A.20 RCW.

(3) In addition to other penalties and remedies provided by law, the court shall order a person or corporation found guilty of violating subsection (1)(b) through (f) of this section to:

(a) Pay the tax or fee evaded plus interest, commencing at the date the tax or fee was first due, at the rate of twelve percent per year, compounded monthly; and

(b) Pay a penalty of one hundred percent of the tax evaded, to the multimodal transportation account of the state.

(4) The tax imposed by this chapter is held in trust by the licensee until paid to the department, and a licensee who appropriates the tax to his or her own use or to any use other than the payment of the tax on the due date as prescribed in this chapter is guilty of a felony or gross misdemeanor in accordance with the theft and anticipatory provisions of Title 9A RCW. A person, partnership, corporation, or corporate officer who fails to pay to the department the tax imposed by this chapter is personally liable to the state for the amount of the tax.

**Sec. 31.** RCW 82.38.310 and 1995 c 320 s 3 are each amended to read as follows:

~~((The department of licensing may enter into an agreement with any federally recognized Indian tribe located on a reservation within this state regarding the imposition, collection, and use of this state's special fuel tax, or the budgeting or use of moneys in lieu thereof, upon terms substantially the same as those in the consent decree entered by the federal district court (Eastern District of Washington) in *Confederated Tribes of the Colville Reservation v. DOL, et al.*, District Court No. *CY-92-248-JLO*.)~~ (1) The governor may enter into an agreement with any federally recognized Indian tribe located on a reservation within this state regarding special fuel taxes included in the price of fuel delivered to a retail station wholly owned and operated by a tribe, tribal enterprise, or tribal member licensed by the tribe to operate a retail station located on reservation or trust property. The agreement may provide mutually agreeable means to address any tribal immunities or any preemption of the state special fuel tax.



(2) The provisions of this section do not repeal existing state/tribal fuel tax agreements or consent decrees in existence on the effective date of this act. The state and the tribe may agree to substitute an agreement negotiated under this section for an existing agreement or consent decree, or to enter into an agreement using a methodology similar to the state/tribal fuel tax agreements in effect on the effective date of this act.

(3) If a new agreement is negotiated, the agreement must:

(a) Require that the tribe or the tribal retailer acquire all special fuel only from persons or companies operating lawfully in accordance with this chapter as a special fuel distributor, supplier, importer, or blender, or from a tribal distributor, supplier, importer, or blender lawfully doing business according to all applicable laws;

(b) Provide that the tribe will expend fuel tax proceeds or equivalent amounts on: Planning, construction, and maintenance of roads, bridges, and boat ramps; transit services and facilities; transportation planning; police services; and other highway-related purposes;

(c) Include provisions for audits or other means of ensuring compliance to certify the number of gallons of special fuel purchased by the tribe for resale at tribal retail stations, and the use of fuel tax proceeds or their equivalent for the purposes identified in (b) of this subsection. Compliance reports must be delivered to the director of the department of licensing.

(4) Information from the tribe or tribal retailers received by the state or open to state review under the terms of an agreement shall be deemed personal information under RCW 42.56.230(3)(b) and exempt from public inspection and copying.

(5) The governor may delegate the power to negotiate fuel tax agreements to the department of licensing.

(6) The department of licensing shall prepare and submit an annual report to the legislature on the status of existing agreements and any ongoing negotiations with tribes.

**Sec. 32.** RCW 82.38.320 and 1998 c 176 s 83 are each amended to read as follows:

(1) An international fuel tax agreement licensee who meets the qualifications in subsection (2) of this section may be given special authorization by the department to purchase special fuel delivered into bulk storage without payment of the special fuel tax at the time the fuel is purchased. The special authorization applies only to full truck-trailer loads filled at a terminal rack and delivered directly to the bulk storage facilities of the special authorization holder. The licensee shall pay special fuel tax on the fuel at the time the licensee files their international fuel tax agreement tax return and accompanying schedule with the department. The accompanying schedule shall be provided in a form and manner determined by the department and shall contain information on purchases and usage of all nondyed special fuel purchased during the reporting period. In addition, by the fifteenth day of the month following the month in which fuel under the special authorization was purchased, the licensee must report to the department, the name of the seller and the number of gallons purchased for each purchase of such fuel, and any other information as the department may require.

(2) To receive or maintain special authorization under subsection (1) of this section, the following conditions regarding the international fuel tax agreement licensee must apply:

(a) During the period encompassing the four consecutive calendar quarters immediately preceding the fourth calendar quarter of the previous year, the number of gallons consumed outside the state of Washington as reported on the licensee's international fuel tax agreement tax returns must have been equal to at least twenty percent of the nondyed special fuel gallons, including fuel used on-road and off-road, purchased by the licensee in the state of Washington, as reported on the accompanying schedules required under subsection (1) of this section;

(b) The licensee must have been licensed under the provisions of the international fuel tax agreement during each of the four consecutive calendar quarters immediately preceding the fourth calendar quarter of the previous year; and

(c) The licensee has not violated the reporting requirements of this section.

(3) Only a licensed special fuel supplier or special fuel importer may sell special fuel to a special authorization holder in the manner prescribed by this section.

(4) A special fuel ((distributor)) supplier or importer who sells special fuel under the special authorization provisions of this section is not liable for the special fuel tax on the fuel. ((By the fifteenth day of the month following the month in which the fuel was sold, the special fuel distributor shall report to the department, the name and special authorization number of the purchaser and the number of gallons sold for each purchase of such special fuel, and any other information as the department may require.)) The special fuel supplier or importer will report such sales, in a manner prescribed by the department, at the time the special fuel supplier or importer submits the monthly tax report.

~~((4) A supplier selling special fuel under the provisions of this section shall not be responsible for taxes due for special fuel purchased under the provisions of this section.~~

~~(5) An international fuel tax agreement licensee who qualifies for a special authorization under this section for calendar year 1999 is not subject to the special fuel user requirements of RCW 82.38.289.)~~

NEW SECTION. Sec. 33. A new section is added to chapter 82.38 RCW to read as follows:

It is the intent and purpose of this chapter that the tax shall be imposed at the time and place of the first taxable event and upon the first taxable person within this state. Any person whose activities would otherwise require payment of the tax imposed by RCW 82.38.030 but who is exempt from the tax nevertheless has a precollection obligation for the tax that must be imposed on the first taxable event within this state. Failure to pay the tax with respect to a taxable event shall not prevent tax liability from arising by reason of a subsequent taxable event.

NEW SECTION. Sec. 34. The following acts or parts of acts are each repealed:

(1) RCW 82.36.042 (Notice by supplier of distributor's failure to pay tax—License suspension—Notice to suppliers—Revocation or suspension upon continued noncompliance) and 1998 c 176 s 14;

(2) RCW 82.36.273 (Refunds to licensee for fuel purchased by exempt person—Exception—Invoice or proof) and 1998 c 176 s 35;

(3) RCW 82.36.305 (Refunds to dealer delivering fuel exclusively for marine use—Limitations—Supporting certificate) and 1965 ex.s. c 79 s 12 & 1961 c 15 s 82.36.305;

(4) RCW 82.36.360 (Separate invoices for nontaxed fuel) and 1961 c 15 s 82.36.360;

(5) RCW 82.36.373 (Refund for worthless accounts receivable—Rules—Apportionment after receipt) and 1998 c 176 s 43;

(6) RCW 82.36.407 (Tax liability of user—Payment—Exceptions) and 1998 c 176 s 48;

(7) RCW 82.38.070 (Credit for sales for which no consideration was received—Report—Adjustment) and 1998 c 176 s 58, 1990 c 250 s 83, & 1971 ex.s. c 175 s 8;

(8) RCW 82.38.071 (Refund for worthless accounts receivable—Rules—Apportionment after receipt) and 1998 c 176 s 59;

(9) RCW 82.38.081 (Exemptions—Motor vehicle fuel used for racing) and 1998 c 115 s 6;

(10) RCW 82.38.185 (Refunds—Tax paid purchased by exempt person—Application) and 1998 c 176 s 73;

(11) RCW 82.38.285 (Tax liability of user—Exceptions) and 1998 c 176 s 81; and

(12) RCW 82.38.165 (Notice by supplier of distributor's failure to pay tax—License suspension—Notice to suppliers—Revocation or suspension upon continued noncompliance) and 1998 c 176 s 69.

NEW SECTION. Sec. 35. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 36. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the Senate April 22, 2007.

Passed by the House April 21, 2007.

Approved by the Governor May 15, 2007, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 16, 2007.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Section 7, Senate Bill 5272 entitled:

"AN ACT Relating to the administration of fuel taxes."

This bill eliminates current statutory language from state motor vehicle and special fuel tax statutes declaring that motor vehicle and special fuel taxes are imposed on the end user. It also authorizes the Governor, or the gubernatorial designee, to enter into fuel tax compact agreements with federally recognized tribes operating or licensing retail stations on reservations or trust lands.

Section 7 of the bill limits the handling loss for fuel to licensed suppliers and licensed importers. Without Section 7, fuel distributors retain the handling loss that had been available to them prior to the passage of this legislation. The handling loss allowance is provided as an offset for evaporation and shrinkage that occurs in the transfer of fuel from the terminal racks to fuel tank trucks.

For these reasons, I have vetoed Section 7 of Senate Bill 5272.

With the exception of Section 7, Senate Bill 5272 is approved."

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**CHAPTER 516**

[Substitute Senate Bill 5412]

**TRANSPORTATION**

AN ACT Relating to clarifying goals, objectives, and responsibilities of certain transportation agencies; amending RCW 47.01.011, 47.01.012, 47.01.071, 47.01.075, 47.05.030, 47.05.035, 47.06.020, 47.06.050, 47.06.140, and 35.95A.120; adding a new section to chapter 47.04 RCW; adding a new section to chapter 47.01 RCW; creating a new section; recodifying RCW 47.01.012; and repealing RCW 47.01.370, 47.05.051, and 47.06.030.

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

**NEW SECTION. Sec. 1.** The legislature finds and declares that the citizens of the state expect clear and concise goals, objectives, and responsibilities regarding the operation of the statewide transportation system. Furthermore, the state's citizens expect that the state periodically receive clear and streamlined information that measures whether the goals and objectives are being satisfied. Therefore, it is the intent of the legislature that this act serve to clarify existing goals, objectives, and responsibilities related to the operation of an efficient statewide transportation system.

**Sec. 2.** RCW 47.01.011 and 1977 ex.s. c 151 s 1 are each amended to read as follows:

The legislature hereby recognizes the following imperative needs within the state: To create a statewide transportation development plan which identifies present status and sets goals for the future; to coordinate transportation modes; to promote and protect land use programs required in local, state, and federal law; to coordinate transportation with the economic development of the state; to supply a broad framework in which regional, metropolitan, and local transportation needs can be related; to facilitate the supply of federal and state aid to those areas which will most benefit the state as a whole; to provide for public involvement in the transportation planning and development process; to administer programs within the jurisdiction of this title relating to the safety of the state's transportation systems; and to coordinate and implement national transportation policy with the state transportation planning program.

The legislature finds and declares that placing all elements of transportation in a single department is fully consistent with and shall in no way impair the use of moneys in the motor vehicle fund exclusively for highway purposes.

Through this chapter, a unified department of transportation is created. To the jurisdiction of this department will be transferred the present powers, duties, and functions of the department of highways, the highway commission, the toll bridge authority, the aeronautics commission, and the canal commission, and the transportation related powers, duties, and functions of the planning and community affairs agency. The powers, duties, and functions of the department of transportation must be performed in a manner consistent with the policy goals set forth in RCW 47.01.012 (as recodified by this act).

**Sec. 3.** RCW 47.01.012 and 2002 c 5 s 101 are each amended to read as follows:

(1) It is the intent of the legislature to establish policy goals for the planning, operation, performance of, and investment in, the state's transportation system. The policy goals ~~((shall consist of, but not be limited to, the following))~~ established under this section are deemed consistent with the benchmark categories(;) adopted by the state's blue ribbon commission on transportation on November 30, 2000. ((In addition to improving safety;)) Public investments in transportation ~~((shall))~~ should support achievement of these ~~((and other priority))~~ policy goals:

~~((No interstate highways, state routes, and local arterials shall be in poor condition; no bridges shall be structurally deficient, and safety retrofits shall be performed on those state bridges at the highest seismic risk levels; traffic congestion on urban state highways shall be significantly reduced and be no worse than the national mean; delay per driver shall be significantly reduced and no worse than the national mean; per capita vehicle miles traveled shall be maintained at 2000 levels; the nonauto share of commuter trips shall be increased in urban areas; administrative costs as a percentage of transportation spending shall achieve the most efficient quartile nationally; and the state's public transit agencies shall achieve the median cost per vehicle revenue hour of peer transit agencies, adjusting for the regional cost of living.))~~

(a) Preservation: To maintain, preserve, and extend the life and utility of prior investments in transportation systems and services;

(b) Safety: To provide for and improve the safety and security of transportation customers and the transportation system;

(c) Mobility: To improve the predictable movement of goods and people throughout Washington state;

(d) Environment: To enhance Washington's quality of life through transportation investments that promote energy conservation, enhance healthy communities, and protect the environment; and

(e) Stewardship: To continuously improve the quality, effectiveness, and efficiency of the transportation system.

(2) The powers, duties, and functions of state transportation agencies must be performed in a manner consistent with the policy goals set forth in subsection (1) of this section.

(3) These policy goals ~~((shall))~~ are intended to be the basis for ~~((establishment of))~~ establishing detailed and measurable objectives and related performance ~~((benchmarks))~~ measures.

(4) It is the intent of the legislature that the ~~((transportation commission))~~ office of financial management establish objectives and performance measures for the department of transportation and other state agencies with transportation-related responsibilities to ensure transportation system performance at local, regional, and state government levels~~((; and the transportation commission should work with appropriate government entities to accomplish this))~~ progresses toward the attainment of the policy goals set forth in subsection (1) of this section. The office of financial management shall submit initial objectives and performance measures to the legislature for its review and shall provide copies of the same to the commission during the 2008 legislative session. The office of financial management shall submit objectives and performance measures to the legislature for its review and shall provide copies of the same to

the commission during each regular session of the legislature during an even-numbered year thereafter.

(5) This section does not create a private right of action.

**Sec. 4.** RCW 47.01.071 and 2006 c 334 s 3 are each amended to read as follows:

The transportation commission shall have the following functions, powers, and duties:

(1) To propose policies to be adopted by the governor and the legislature designed to assure the development and maintenance of a comprehensive and balanced statewide transportation system which will meet the needs of the people of this state for safe and efficient transportation services. Wherever appropriate, the policies shall provide for the use of integrated, intermodal transportation systems ~~((to implement the social, economic, and environmental policies, goals, and objectives of the people of the state, and especially to conserve nonrenewable natural resources including land and energy)).~~ The policies must be aligned with the goals established in RCW 47.01.012 (as recodified by this act). To this end the commission shall:

(a) Develop transportation policies which are based on the policies, goals, and objectives expressed and inherent in existing state laws;

(b) Inventory the adopted policies, goals, and objectives of the local and area-wide governmental bodies of the state and define the role of the state, regional, and local governments in determining transportation policies, in transportation planning, and in implementing the state transportation plan;

~~(c) ((Propose a transportation policy for the state;~~

~~(d))~~ Establish a procedure for review and revision of the state transportation policy and for submission of proposed changes to the governor and the legislature; and

~~((e) To))~~ (d) Integrate the statewide transportation plan with the needs of the elderly and ((handicapped)) persons with disabilities, and ((to)) coordinate federal and state programs directed at assisting local governments to answer such needs;

(2) To provide for the effective coordination of state transportation planning with national transportation policy, state and local land use policies, and local and regional transportation plans and programs;

(3) In conjunction with the provisions under RCW 47.01.075, to provide for public involvement in transportation designed to elicit the public's views both with respect to adequate transportation services and appropriate means of minimizing adverse social, economic, environmental, and energy impact of transportation programs;

(4) By December 2010, to prepare a comprehensive and balanced statewide transportation plan ((which shall be)) consistent with the state's growth management goals and based on the transportation policy ((adopted by the governor and the legislature;)) goals provided under RCW 47.01.012 (as recodified by this act) and applicable state and federal laws. The plan must reflect the priorities of government developed by the office of financial management and address regional needs, including multimodal transportation planning. The plan must, at a minimum: (a) Establish a vision for the development of the statewide transportation system; (b) identify significant statewide transportation policy issues; and (c) recommend statewide

transportation policies and strategies to the legislature to fulfill the requirements of subsection (1) of this section. The plan must be the product of an ongoing process that involves representatives of significant transportation interests and the general public from across the state. Every four years, the plan shall be reviewed and revised, and submitted to the governor and the house of representatives and senate standing committees on transportation~~((, prior to each regular session of the legislature during an even-numbered year thereafter. The plan shall be subject to the approval of the legislature in the biennial transportation budget act)).~~

The plan shall take into account federal law and regulations relating to the planning, construction, and operation of transportation facilities;

(5) By December 2007, the office of financial management shall submit a baseline report on the progress toward attaining the policy goals under RCW 47.01.012 (as recodified by this act) in the 2005-2007 fiscal biennium. By October 1, 2008, beginning with the development of the 2009-2011 biennial transportation budget, and by October 1st biennially thereafter, the office of financial management shall submit to the legislature and the governor a report on the progress toward the attainment by state transportation agencies of the state transportation policy goals and objectives prescribed by statute, appropriation, and governor directive. The report must, at a minimum, include the degree to which state transportation programs have progressed toward the attainment of the policy goals established under RCW 47.01.012 (as recodified by this act), as measured by the objectives and performance measures established by the office of financial management under RCW 47.01.012 (as recodified by this act);

(6) To propose to the governor and the legislature prior to the convening of each regular session held in an odd-numbered year a recommended budget for the operations of the commission as required by RCW 47.01.061;

~~((6))~~ (7) To adopt such rules as may be necessary to carry out reasonably and properly those functions expressly vested in the commission by statute;

~~((7))~~ (8) To contract with the office of financial management or other appropriate state agencies for administrative support, accounting services, computer services, and other support services necessary to carry out its other statutory duties;

~~((8))~~ (9) To conduct transportation-related studies and policy analysis to the extent directed by the legislature or governor in the biennial transportation budget act, or as otherwise provided in law, and subject to the availability of amounts appropriated for this specific purpose; and

~~((9))~~ (10) To exercise such other specific powers and duties as may be vested in the transportation commission by this or any other provision of law.

**Sec. 5.** RCW 47.01.075 and 2006 c 334 s 4 are each amended to read as follows:

(1) The transportation commission shall provide a public forum for the development of transportation policy in Washington state to include coordination with regional transportation planning organizations, transportation stakeholders, counties, cities, and citizens. ~~((It may recommend to the secretary of transportation, the governor, and the legislature means for obtaining appropriate citizen and professional involvement in all transportation policy formulation and other matters related to the powers and duties of the department.~~

~~It may further hold hearings and explore ways to improve the mobility of the citizenry.)~~ At least every five years, the commission shall convene regional forums to gather citizen input on transportation issues. The commission shall consider the input gathered at the forums as it establishes the statewide transportation plan under RCW 47.01.071(4).

~~(2) ((Every two years, in coordination with the development of the state biennial budget, the commission shall prepare the statewide multimodal transportation progress report and propose to the office of financial management transportation priorities for the ensuing biennium. The report must:~~

~~(a) Consider the citizen input gathered at the forums;~~

~~(b) Be developed with the assistance of state transportation related agencies and organizations;~~

~~(c) Be developed with the input from state, local, and regional jurisdictions, transportation service providers, key transportation stakeholders, and the office of financial management;~~

~~(d) Be considered by the secretary of transportation and other state transportation related agencies in preparing proposed agency budgets and executive request legislation;~~

~~(e) Be submitted by the commission to the governor and the legislature by October 1st of each even-numbered year for consideration by the governor.~~

~~(3))~~ In fulfilling its responsibilities under this section, the commission may create ad hoc committees or other such committees of limited duration as necessary.

~~((4))~~ (3) In order to promote a better transportation system, the commission ~~((shall))~~ may offer policy guidance and make recommendations to the governor and the legislature in key issue areas, including but not limited to:

(a) Transportation finance;

(b) Preserving, maintaining, and operating the statewide transportation system;

(c) Transportation infrastructure needs;

(d) Promoting best practices for adoption and use by transportation-related agencies and programs;

(e) Transportation efficiencies that will improve service delivery and/or coordination;

(f) Improved planning and coordination among transportation agencies and providers; and

(g) Use of intelligent transportation systems and other technology-based solutions(~~and~~

~~(h) Reporting of performance against goals, targets, and benchmarks)).~~

NEW SECTION. Sec. 6. A new section is added to chapter 47.01 RCW to read as follows:

To support achievement of the policy goals described in RCW 47.01.012, the department shall:

(1) Maintain an inventory of the condition of structures and corridors in most urgent need of retrofit or rehabilitation;

(2) Develop long-term financing tools that reliably provide ongoing maintenance and preservation of the transportation infrastructure;



(3) Balance system safety and convenience through all phases of a project to accommodate all users of the transportation system to safely, reliably, and efficiently provide mobility to people and goods;

(4) Develop strategies to gradually reduce the per capita vehicle miles traveled based on consideration of a range of reduction methods;

(5) Consider efficiency tools, including high-occupancy vehicle and high-occupancy toll lanes, corridor-specific and systemwide pricing strategies, active traffic management, commute trip reduction, and other demand management tools;

(6) Promote integrated multimodal planning; and

(7) Consider engineers and architects to design environmentally sustainable, context-sensitive transportation systems.

**Sec. 7.** RCW 47.05.030 and 2006 c 334 s 45 are each amended to read as follows:

~~(1)~~ (1) The ~~((transportation commission))~~ office of financial management shall ~~((develop))~~ propose a comprehensive ten-year investment program ~~((specifying program objectives and performance measures))~~ for the preservation and improvement programs defined in this section, consistent with the policy goals described under RCW 47.01.012 (as recodified by this act). The ~~((adopted))~~ proposed ten-year investment program must be forwarded as a recommendation ~~((to))~~ by the ((governor and)) office of financial management to the legislature, and ~~((is subject to the approval of the legislature in the biennial transportation budget act. In the specification of investment program objectives and performance measures, the transportation commission, in consultation with the Washington state department of transportation, shall define and adopt standards for effective programming and prioritization practices including a needs analysis process. The analysis process must ensure the identification of problems and deficiencies, the evaluation of alternative solutions and trade-offs, and estimations of the costs and benefits of prospective projects. The investment program))~~ must be based upon the needs identified in the ~~((state-owned highway component of the))~~ statewide ~~((comprehensive))~~ transportation plan established under RCW 47.01.071(4).

~~((+))~~ (2) The preservation program consists of those investments necessary to preserve the existing state highway system and to restore existing safety features, giving consideration to lowest life cycle costing. ~~((The preservation program must require use of the most cost effective pavement surfaces, considering:~~

~~(a) Life cycle cost analysis;~~

~~(b) Traffic volume;~~

~~(c) Subgrade soil conditions;~~

~~(d) Environmental and weather conditions;~~

~~(e) Materials available; and~~

~~(f) Construction factors.~~

~~The comprehensive ten-year investment program for preservation must identify projects for two years and an investment plan for the remaining eight years.~~

~~(2))~~ (3) The improvement program consists of investments needed to address identified deficiencies on the state highway system to ~~((increase mobility, address congestion, and improve safety, support for the economy, and~~

~~protection of the environment. The ten-year investment program for improvements must identify projects for two years and major deficiencies proposed to be addressed in the ten-year period giving consideration to relative benefits and life cycle costing. The transportation commission shall give higher priority for correcting identified deficiencies on those facilities classified as facilities of statewide significance as defined in RCW 47.06.140. Project prioritization must be based primarily upon cost-benefit analysis, where appropriate)) meet the goals established in RCW 47.01.012 (as recodified by this act).~~

**Sec. 8.** RCW 47.05.035 and 2006 c 334 s 46 are each amended to read as follows:

(1) The department shall use the transportation demand modeling tools developed under subsection (2) of this section to evaluate investments based on the best mode or improvement, or mix of modes and improvements, to meet current and future long-term demand within a corridor or system for the lowest cost. The end result of these demand modeling tools is to provide a cost-benefit analysis by which the department can determine the relative mobility improvement and congestion relief each mode or improvement under consideration will provide and the relative investment each mode or improvement under consideration will need to achieve that relief.

(2) The department will participate in the refinement, enhancement, and application of existing transportation demand modeling tools to be used to evaluate investments. This participation and use of transportation demand modeling tools will be phased in.

~~((3) In developing program objectives and performance measures, the department shall evaluate investment trade-offs between the preservation and improvement programs. In making these investment trade-offs, the department shall evaluate, using cost-benefit techniques, roadway and bridge maintenance activities as compared to roadway and bridge preservation program activities and adjust those programs accordingly.~~

~~(4) The department shall allocate the estimated revenue between preservation and improvement programs giving primary consideration to the following factors:~~

~~(a) The relative needs in each of the programs and the system performance levels that can be achieved by meeting these needs;~~

~~(b) The need to provide adequate funding for preservation to protect the state's investment in its existing highway system;~~

~~(c) The continuity of future transportation development with those improvements previously programmed; and~~

~~(d) The availability of dedicated funds for a specific type of work.~~

~~(5) The department shall consider the findings in this section in the development of the ten-year investment program.)~~

**Sec. 9.** RCW 47.06.020 and 1993 c 446 s 2 are each amended to read as follows:

The specific role of the department in transportation planning ~~((shall))~~ must be, consistent with the policy goals described under RCW 47.01.012 (as recodified by this act): (1) Ongoing coordination and development of statewide transportation policies that guide all Washington transportation providers; (2)

ongoing development of a statewide multimodal transportation plan that includes both state-owned and state-interest facilities and services; (3) coordinating the state high-capacity transportation planning and regional transportation planning programs; ~~((and))~~ (4) conducting special transportation planning studies that impact state transportation facilities or relate to transportation facilities and services of statewide significance; and (5) assisting the transportation commission in the development of the statewide transportation plan required under RCW 47.01.071(4). Specific requirements for each of these state transportation planning components are described in this chapter.

**Sec. 10.** RCW 47.06.050 and 2002 c 5 s 413 are each amended to read as follows:

The state-owned facilities component of the statewide multimodal transportation plan shall consist of:

(1) The state highway system plan, which identifies program and financing needs and recommends specific and financially realistic improvements to preserve the structural integrity of the state highway system, ensure acceptable operating conditions, and provide for enhanced access to scenic, recreational, and cultural resources. The state highway system plan shall contain the following elements:

(a) A system preservation element, which shall establish structural preservation objectives for the state highway system including bridges, identify current and future structural deficiencies based upon analysis of current conditions and projected future deterioration, and recommend program funding levels and specific actions necessary to preserve the structural integrity of the state highway system consistent with adopted objectives. Lowest life cycle cost methodologies must be used in developing a pavement management system. This element shall serve as the basis for the preservation component of the six-year highway program and the two-year biennial budget request to the legislature;

(b) A highway maintenance element, establishing service levels for highway maintenance on state-owned highways ~~((that meet benchmarks established by the transportation commission))~~. The highway maintenance element must include an estimate of costs for achieving those service levels over twenty years. This element will serve as the basis for the maintenance component of the six-year highway program and the two-year biennial budget request to the legislature;

(c) A capacity and operational improvement element, which shall establish operational objectives, including safety considerations, for moving people and goods on the state highway system, identify current and future capacity, operational, and safety deficiencies, and recommend program funding levels and specific improvements and strategies necessary to achieve the operational objectives. In developing capacity and operational improvement plans the department shall first assess strategies to enhance the operational efficiency of the existing system before recommending system expansion. Strategies to enhance the operational efficiencies include but are not limited to access management, transportation system management, demand management, and high-occupancy vehicle facilities. The capacity and operational improvement element must conform to the state implementation plan for air quality and be consistent with regional transportation plans adopted under chapter 47.80 RCW,

and shall serve as the basis for the capacity and operational improvement portions of the six-year highway program and the two-year biennial budget request to the legislature;

(d) A scenic and recreational highways element, which shall identify and recommend designation of scenic and recreational highways, provide for enhanced access to scenic, recreational, and cultural resources associated with designated routes, and recommend a variety of management strategies to protect, preserve, and enhance these resources. The department, affected counties, cities, and towns, regional transportation planning organizations, and other state or federal agencies shall jointly develop this element;

(e) A paths and trails element, which shall identify the needs of nonmotorized transportation modes on the state transportation systems and provide the basis for the investment of state transportation funds in paths and trails, including funding provided under chapter 47.30 RCW.

(2) The state ferry system plan, which shall guide capital and operating investments in the state ferry system. The plan shall establish service objectives for state ferry routes, forecast travel demand for the various markets served in the system, develop strategies for ferry system investment that consider regional and statewide vehicle and passenger needs, support local land use plans, and assure that ferry services are fully integrated with other transportation services. The plan must provide for maintenance of capital assets. The plan must also provide for preservation of capital assets based on lowest life cycle cost methodologies. The plan shall assess the role of private ferries operating under the authority of the utilities and transportation commission and shall coordinate ferry system capital and operational plans with these private operations. The ferry system plan must be consistent with the regional transportation plans for areas served by the state ferry system, and shall be developed in conjunction with the ferry advisory committees.

**Sec. 11.** RCW 47.06.140 and 1998 c 171 s 7 are each amended to read as follows:

The legislature declares the following transportation facilities and services to be of statewide significance: Highways of statewide significance as designated by the legislature under chapter 47.05 RCW, the interstate highway system, interregional state principal arterials including ferry connections that serve statewide travel, intercity passenger rail services, intercity high-speed ground transportation, major passenger intermodal terminals excluding all airport facilities and services, the freight railroad system, the Columbia/Snake navigable river system, marine port facilities and services that are related solely to marine activities affecting international and interstate trade, and high-capacity transportation systems serving regions as defined in RCW 81.104.015. The department, in cooperation with regional transportation planning organizations, counties, cities, transit agencies, public ports, private railroad operators, and private transportation providers, as appropriate, shall plan for improvements to transportation facilities and services of statewide significance in the statewide multimodal transportation plan. Improvements to facilities and services of statewide significance identified in the statewide multimodal transportation plan, or to highways of statewide significance designated by the legislature under chapter 47.05 RCW, are essential state public facilities under RCW 36.70A.200.

The department of transportation, in consultation with local governments, shall set level of service standards for state highways and state ferry routes of statewide significance. Although the department shall consult with local governments when setting level of service standards, the department retains authority to make final decisions regarding level of service standards for state highways and state ferry routes of statewide significance. In establishing level of service standards for state highways and state ferry routes of statewide significance, the department shall consider the necessary balance between providing for the free interjurisdictional movement of people and goods and the needs of local communities using these facilities.

**Sec. 12.** RCW 35.95A.120 and 2003 c 147 s 14 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, the city transportation authority may be dissolved by a vote of the people residing within the boundaries of the authority if the authority is faced with significant financial problems. However, the authority may covenant with holders of its bonds that it may not be dissolved and shall continue to exist solely for the purpose of continuing to levy and collect any taxes or assessments levied by it and pledged to the repayment of debt and to take other actions, including the appointment of a trustee, as necessary to allow it to repay any remaining debt. No such debt may be incurred by the authority on a project until thirty days after a final environmental impact statement on that project has been issued as required by chapter 43.21C RCW. The amount of the authority's initial bond issue is limited to the amount of the project costs in the subsequent two years as documented by a certified engineer or by submitted bids, plus any reimbursable capital expenses already incurred at the time of the bond issue. The authority may size the first bond issue consistent with the internal revenue service five-year spend down schedule if an independent financial advisor recommends such an approach is financially advisable. Any referendum petition to dissolve the city transportation authority must be filed with the city council and contain provisions for dissolution of the authority. Within seven days, the city prosecutor must review the validity of the petition and submit its report to the petitioner and city council. If the petitioner's claims are deemed valid by the city prosecutor, within ten days of the petitioner's filing, the city council will confer with the petitioner concerning the form and style of the petition, issue an identification number for the petition, and write a ballot title for the measure. The ballot title must be posed as a question and an affirmative vote on the measure results in authority retention and a negative vote on the measure results in the authority's dissolution. The petitioner will be notified of the identification number and ballot title within this ten-day period.

After this notification, the petitioner has ninety days in which to secure on petition forms, the signatures of not less than fifteen percent of the registered voters in the authority area and to file the signed petitions with the filing officer. Each petition form must contain the ballot title and the full text of the measure to be referred. The filing officer will verify the sufficiency of the signatures on the petitions. If sufficient valid signatures are properly submitted, the filing officer shall submit the initiative to the authority area voters at a general or special election held on one of the dates provided in RCW (~~(29.13.010)~~) 29A.04.321 as determined by the city council, which election will not take place later than one

hundred twenty days after the signed petition has been filed with the filing officer.

(2) A city transportation authority is dissolved and terminated if all of the following events occur before or after the effective date of this section:

(a) A majority of the qualified electors voting at a regular or special election determine that new public monorail transportation facilities must not be built;

(b) The governing body of the authority adopts a resolution and publishes a notice of the proposed dissolution at least once every week for three consecutive weeks in a newspaper of general circulation published in the authority area. The resolution and notice must:

(i) Describe information that must be included in a notice of claim against the authority including, but not limited to, any claims for refunds of special motor vehicle excise tax levied under RCW 35.95A.080 and collected by or on behalf of the authority;

(ii) Provide a mailing address where a notice of claim may be sent;

(iii) State the deadline, which must be at least ninety days from the date of the third publication, by which the authority must receive a notice of claim; and

(iv) State that a claim will be barred if a notice of claim is not received by the deadline;

(c) The authority resolves all claims timely made under (b) of this subsection; and

(d) The governing body adopts a resolution (i) finding that the conditions of (a) through (c) of this subsection have been met and (ii) dissolving and terminating the authority.

(3) A claim against a city transportation authority is barred if (a) a claimant does not deliver a notice of claim to the authority by the deadline stated in subsection (2)(b)(iii) of this section or (b) a claimant whose claim was rejected by the authority does not commence a proceeding to enforce the claim within sixty days from receipt of the rejection notice. For purposes of this subsection, "claim" includes, but is not limited to, any right to payment, whether liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured, or the right to an equitable remedy for breach of performance if the breach gives rise to a right to payment, whether or not the right to an equitable remedy is fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, including, but not limited to, any claim for a refund of special motor vehicle excise tax levied under RCW 35.95A.080 and collected by or on behalf of the authority.

(4) The governing body of the authority may transfer any net assets to one or more other political subdivisions with instructions as to their use or disposition. The governing body shall authorize this transfer in the resolution that dissolves and terminates the authority under subsection (2)(d) of this section.

(5) Upon the dissolution and termination of the authority, the former officers, directors, employees, and agents of the authority shall be immune from personal liability in connection with any claims brought against them arising from or relating to their service to the authority, and any claim brought against any of them is barred.

(6) Upon satisfaction of the conditions set forth in subsection (2)(a) and (b) of this section, the terms of all members of the governing body of the city

transportation authority, whether elected or appointed, who are serving as of the date of the adoption of the resolution described in subsection (2)(b) of this section, shall be extended, and incumbent governing body members shall remain in office until dissolution of the authority, notwithstanding any provision of any law to the contrary.

NEW SECTION. Sec. 13. The following acts or parts of acts are each repealed:

(1) RCW 47.01.370 (Review of performance and outcome measures of transportation-related agencies—Definition) and 2006 c 334 s 44;

(2) RCW 47.05.051 (Ten-year comprehensive investment program—Priority selection criteria—Improvement program criteria) and 2006 c 334 s 47, 2005 c 319 s 11, 2002 c 189 s 3, 2002 c 5 s 406, 1998 c 175 s 12, 1993 c 490 s 5, 1987 c 179 s 5, 1979 ex.s. c 122 s 5, & 1975 1st ex.s. c 143 s 4; and

(3) RCW 47.06.030 (Transportation policy plan) and 1997 c 369 s 8 and 1993 c 446 s 3.

NEW SECTION. Sec. 14. RCW 47.01.012 is recodified as a section in chapter 47.04 RCW.

Passed by the Senate April 18, 2007.

Passed by the House April 17, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 517

[Engrossed Substitute Senate Bill 6099]

STATE ROUTE NUMBER 520

AN ACT Relating to the state route number 520 bridge replacement and HOV project; amending RCW 47.01.380; adding new sections to chapter 47.01 RCW; creating a new section; and declaring an emergency.

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

NEW SECTION. Sec. 1. The legislature finds that the replacement of the vulnerable state route number 520 corridor is a matter of urgency for the safety of Washington's traveling public and the needs of the transportation system in central Puget Sound. The state route number 520 floating bridge is susceptible to damage, closure, or even catastrophic failure from earthquakes, windstorms, and waves. Additionally, the bridge serves as a vital route for vehicles to cross Lake Washington, carrying over three times its design capacity in traffic, resulting in more than seven hours of congestion per day.

Therefore, it is the conclusion of the legislature that time is of the essence, and that Washington state cannot wait for a disaster to make it fully appreciate the urgency of the need to replace this vulnerable structure. The state must take the necessary steps to move forward with a state route number 520 bridge replacement project design that provides six total lanes, with four general purpose lanes and two lanes that are for high-occupancy vehicle travel that could also accommodate high capacity transportation, and the bridge shall also be designed to accommodate light rail in the future. High-occupancy vehicle lanes in the state route 520 corridor must also be able to support a bus rapid transit system.

NEW SECTION. **Sec. 2.** A new section is added to chapter 47.01 RCW to read as follows:

(1) As soon as practicable after the effective date of this act, and after consulting with the city of Seattle, the office of financial management shall hire a mediator, and appropriate planning staff, including urban, transportation, and neighborhood planners, to develop a state route number 520 project impact plan for addressing the impacts of the state route number 520 bridge replacement and HOV project design on Seattle city neighborhoods, parks, including the Washington park arboretum, and institutions of higher education. The mediator must have significant professional experience in working with communities that surround major transportation construction projects, and mitigating the impacts of those transportation projects on those communities. The office of financial management shall hire the mediator and the planning staff within existing appropriations allocated for the state route number 520 bridge replacement and HOV project. The position of mediator under this section is not considered a certified or legally binding position.

(2) The mediator's responsibility to develop a project impact plan is highly time sensitive. As a result, competitive bidding is not cost-effective or appropriate for personal service contracts to hire the mediator. The director of the office of financial management shall, by the director's authority under RCW 39.29.011(5), exempt any such personal service contract from the competitive bidding requirements of chapter 39.29 RCW.

(3) In evaluating the project impacts, the mediator must consider the concerns of neighborhoods and institutions of higher education directly impacted by the proposed design, establish a process that incorporates interest-based negotiation, and work with the appropriate planning staff to develop mitigation recommendations related to the project design. The mediator shall work to ensure that the project impact plan provides a comprehensive approach to mitigating the impacts of the project, including incorporating construction mitigation plans.

(4) The ultimate goal of the mediation and planning process established in subsection (1) of this section is to develop a project impact plan agreed to by all appropriate parties including, but not limited to, those parties listed in subsection (6) of this section. The project impact plan must be consistent with RCW 47.01.380, and must support and be consistent with the approved purpose and need statement for the project, which is: "The purpose of the project is to improve mobility for people and goods across Lake Washington within the SR 520 corridor from Seattle to Redmond in a manner that is safe, reliable, and cost-effective while avoiding, minimizing, and/or mitigating impacts on the affected neighborhoods and the environment." The mediator must strive to develop a consensus-based plan. In the event that the mediation process does not result in consensus, the mediator shall submit a project impact plan to the governor and the joint transportation committee that reflects the views of the majority of the mediation participants.

(5) The process established in subsection (1) of this section shall result in a project design that provides six total lanes, with four general purpose lanes and two lanes that are for high-occupancy vehicle travel that could also accommodate high capacity transportation. The bridge shall also be designed to accommodate light rail in the future and to support a bus rapid transit system.



Additionally, the mediator shall strive to develop a project impact plan within the constraints of the range of estimated project costs as of May 1, 2007.

(6)(a) In performing the duties of this section, and consistent with the governor's findings and conclusions, dated December 15, 2006, the mediator shall work with interested parties directly affected by the state route number 520 bridge replacement and HOV project including, but not limited to, at least the following:

- (i) Representation from each neighborhood directly impacted by the project;
- (ii) Representation from local governments on both ends of the bridge directly impacted by the project;
- (iii) Representation from King county;
- (iv) Representation from the Washington park arboretum;
- (v) Representation from the University of Washington; and
- (vi) Representation from sound transit.

(b) The mediator shall also work with the department and others as necessary.

(c) Before the mediator may submit the project impact plan, it must be reviewed by the mayor of Seattle and the Seattle city council. The project impact plan must reflect whether the mayor and council concur or do not concur with the plan and include an explanation regarding their positions.

(7) Until December 1, 2008, the mediator must provide periodic reports to the joint transportation committee and the governor regarding the status of the project impact plan development process. The mediator must submit a progress report to the joint transportation committee and the governor by August 1, 2007. The mediator must submit a final project impact plan to the governor and legislature by December 1, 2008.

NEW SECTION. Sec. 3. A new section is added to chapter 47.01 RCW to read as follows:

In developing the state route number 520 project impact plan provided in section 2 of this act, the mediator and associated planning staff shall review the department's project design plans in the draft environmental impact statement for conformance with the following legislative goals regarding the final design for the state route number 520 bridge replacement and HOV project:

(1) Minimize the total footprint and width of the bridge, and seek appropriate federal design variances to safety and mobility standards, while complying with other federal laws;

(2) Minimize the project impact on surrounding neighborhoods, including incorporation of green lids and connectors, and minimize any increases in additional traffic volumes through the Washington park arboretum and other adjacent neighborhoods;

(3) Incorporate the recommendations of a health impact assessment to calculate the project's impact on air quality, carbon emissions, and other public health issues, conducted by the Puget Sound clean air agency and King county public health;

(4) Ensure that the ultimate project configuration effectively prioritizes maintaining travel time, speed, and reliability on the two high-occupancy vehicle lanes; and

(5) Clearly articulate in required environmental documents the alignment of the selected preferred alternative for the state route number 520 bridge

replacement and HOV project and the footprint of the project and the affected areas.

**\*NEW SECTION. Sec. 4.** *A new section is added to chapter 47.01 RCW to read as follows:*

*In addition to the review required in section 3 of this act, the mediator may determine that additional alternative concept designs should be considered for the west end of the project to best meet the expressed legislative goals described in section 3 of this act. The mediator may contract with an engineering firm to conduct an independent feasibility analysis of the following proposals: A combination of tunnels and submerged tubes under Lake Washington; a partial tunnel from Interstate 5 to the west end of the state route number 520 bridge; and a proposal to move state route number 520 from its current alignment through the arboretum. The analyses for all alternative concept design plans must be submitted to the joint transportation committee and the governor by September 1, 2007. The mediator must hold a public hearing regarding the results of the independent review and reflect the independent review findings in the project impact plan. Up to two hundred fifty thousand dollars of the existing funding appropriation to the project shall be used for reviewing these alternative concept design plans.*

*\*Sec. 4 was vetoed. See message at end of chapter.*

**\*Sec. 5.** *RCW 47.01.380 and 2006 c 311 s 26 are each amended to read as follows:*

*(1) The department shall not commence construction on any part of the state route number 520 bridge replacement and HOV project until a record of decision has been reached providing reasonable assurance that project impacts will be avoided, minimized, or mitigated as much as practicable to protect against further adverse impacts on neighborhood environmental quality as a result of repairs and improvements made to the state route number 520 bridge and its connecting roadways, and that any such impacts will be addressed through engineering design choices, mitigation measures, or a combination of both.*

*(2) The department shall not commence on-site construction on any part of the state route number 520 bridge replacement and HOV project until the department submits the finance plan required in section 7 of this act to the legislature.*

*(3) The requirements of this section shall not apply to off-site pontoon construction supporting the state route number 520 bridge replacement and HOV project.*

*\*Sec. 5 was vetoed. See message at end of chapter.*

**NEW SECTION. Sec. 6.** *A new section is added to chapter 47.01 RCW to read as follows:*

*As part of the state route number 520 bridge replacement and HOV project, the governor's office shall work with the department, sound transit, King county metro, and the University of Washington, to plan for high capacity transportation in the state route number 520 corridor. The parties shall jointly develop a multimodal transportation plan that ensures the effective and efficient coordination of bus services and light rail services throughout the state route number 520 corridor. The plan shall include alternatives for a multimodal transit*

station that serves the state route number 520 - Montlake interchange vicinity, and mitigation of impacts on affected parties. The high capacity transportation planning work must be closely coordinated with the state route number 520 bridge replacement and HOV project's environmental planning process, and must be completed within the current funding for the project. A draft plan must be submitted to the governor and the joint transportation committee by October 1, 2007. A final plan must be submitted to the governor and the joint transportation committee by December 2008.

NEW SECTION. Sec. 7. A new section is added to chapter 47.01 RCW to read as follows:

The state route number 520 bridge replacement and HOV project finance plan must include state funding, federal funding, at least one billion dollars in regional contributions, and revenue from tolling. The department must provide a proposed finance plan to be tied to the estimated cost of the recommended project solutions, as provided under section 3 of this act, to the governor and the joint transportation committee by January 1, 2008.

NEW SECTION. Sec. 8. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 9. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the Senate April 17, 2007.

Passed by the House April 13, 2007.

Approved by the Governor May 15, 2007, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 16, 2007.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Sections 4 and 5, Engrossed Substitute Senate Bill 6099 entitled:

"AN ACT Relating to the state route number 520 bridge replacement and HOV project."

This bill is an important step in making progress on the replacement of the State Route 520 bridge. The bill declares that the bridge should be replaced with four general purpose lanes and two high occupancy vehicle lanes. It also creates a mediation process for resolving concerns regarding community impacts caused by the bridge replacement.

Section 4 of this bill permits the project's mediator to ask an engineering firm to conduct an independent review of tubes and tunnels under Lake Washington, a partial tunnel from Interstate 5 to the west end of the SR 520 bridge, and a proposal to move SR 520 from its current alignment through the Arboretum. The bill requires that the mediator submit a report to the Joint Transportation Committee and the Governor regarding the results of the independent review by September 1, 2007.

I have decided to veto Section 4 due to the permissive nature of the bill language and the insufficient amount of time available to conduct the independent design review. Instead, the contract for the mediator will require the mediator to ask an engineering firm to conduct an independent review of the three alternative designs for the project, rather than simply permitting the mediator to conduct the review. Additionally, the contract will require completion of the independent review by December 1, 2007. Mandating the review while providing additional time for the work will provide sufficient time for an engineering firm to perform a thorough review of the proposed alternative designs.

Section 5 of the legislation prohibits any on-site construction of the SR520 project. This section has good intentions, but could inadvertently prevent the Department of Transportation (Department) from moving forward on projects outside of the actual bridge replacement. While I have vetoed Section 5, I am directing the Department not to commence any bridge construction until the mitigation and finance plans are submitted to the Governor and Legislature by 2008.

For these reasons, I have vetoed Sections 4 and 5 of Engrossed Substitute Senate Bill 6099.

With the exception of Sections 4 and 5, Engrossed Substitute Senate Bill 6099 is approved."

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## CHAPTER 518

[Engrossed Substitute House Bill 1094]

### TRANSPORTATION BUDGET

AN ACT Relating to transportation funding and appropriations; amending RCW 46.68.170, 47.29.170, 46.16.685, 47.01.390, 88.16.090, 47.12.244, 70.95.521, 47.06A.030, and 46.68.060; reenacting and amending RCW 46.16.725; amending 2006 c 53 s 2 (uncodified); amending 2006 c 370 ss 205, 208, 209, 210, 215, 218, 221, 224, 225, 226, 227, 228, 229, 301, 302, 303, 306, 304, 305, 307, 308, 309, 401, 402, 404, 405, and 406 (uncodified); adding new sections to 2005 c 313 (uncodified); creating new sections; making appropriations and authorizing expenditures for capital improvements; and declaring an emergency.

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

### 2007-09 BIENNIUM

NEW SECTION. **Sec. 1.** (1) The transportation budget of the state is hereby adopted and, subject to the provisions set forth, the several amounts specified, or as much thereof as may be necessary to accomplish the purposes designated, are hereby appropriated from the several accounts and funds named to the designated state agencies and offices for employee compensation and other expenses, for capital projects, and for other specified purposes, including the payment of any final judgments arising out of such activities, for the period ending June 30, 2009.

(2) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this act.

(a) "Fiscal year 2008" or "FY 2008" means the fiscal year ending June 30, 2008.

(b) "Fiscal year 2009" or "FY 2009" means the fiscal year ending June 30, 2009.

(c) "FTE" means full-time equivalent.

(d) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(e) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose which is not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.

(f) "Reappropriation" means appropriation and, unless the context clearly provides otherwise, is subject to the relevant conditions and limitations applicable to appropriations.

(g) "LEAP" means the legislative evaluation and accountability program committee.

**GENERAL GOVERNMENT AGENCIES—OPERATING**

**NEW SECTION. Sec. 101. FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

Grade Crossing Protective Account—State Appropriation . . . . . \$505,000

**NEW SECTION. Sec. 102. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

Motor Vehicle Account—State Appropriation . . . . . \$3,054,000

Puget Sound Ferry Operations Account—State  
Appropriation. . . . . \$100,000

TOTAL APPROPRIATION . . . . . \$3,154,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,545,000 of the motor vehicle account—state appropriation is provided solely for the office of regulatory assistance integrated permitting project.

(2) \$75,000 of the motor vehicle account state appropriation is provided solely to address transportation budget and reporting requirements.

**NEW SECTION. Sec. 103. FOR THE MARINE EMPLOYEES COMMISSION**

Puget Sound Ferry Operations Account—State  
Appropriation. . . . . \$422,000

**NEW SECTION. Sec. 104. FOR THE STATE PARKS AND RECREATION COMMISSION**

Motor Vehicle Account—State Appropriation . . . . . \$985,000

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation in this section is provided solely for road maintenance purposes.

**NEW SECTION. Sec. 105. FOR THE DEPARTMENT OF AGRICULTURE**

Motor Vehicle Account—State Appropriation . . . . . \$1,358,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$351,000 of the motor vehicle account—state appropriation is provided solely for costs associated with the motor fuel quality program.

(2) \$1,007,000 of the motor vehicle account—state appropriation is provided solely to test the quality of biofuel. The department must test fuel quality at the biofuel manufacturer, distributor, and retailer.

**NEW SECTION. Sec. 106. FOR THE DEPARTMENT OF ARCHEOLOGY AND HISTORIC PRESERVATION**

Motor Vehicle Account—State Appropriation . . . . . \$223,000

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation is provided solely for staffing costs to be dedicated to state transportation activities. Staff hired to support transportation activities must have practical experience with complex construction projects.

**NEW SECTION. Sec. 107. FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**

Motor Vehicle Account—State Appropriation . . . . . \$1,595,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$800,000 of the motor vehicle account—state appropriation is provided solely for the continued maintenance and support of the transportation executive information system (TEIS).

(2) \$795,000 of the motor vehicle account—state appropriation is provided solely for development of a new transportation capital budgeting system and transition of a copy of the transportation executive information system (TEIS) to LEAP. At a minimum, the new budgeting system development effort must provide comprehensive schematic diagrams of the current and proposed transportation capital budget process, information flows, and data exchanges; common, agreed-upon data definitions and business rules; detailed transportation capital budget data and system requirements; and a strategy for implementation, including associated costs and a timeframe.

**NEW SECTION. Sec. 108. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE** As part of its 2007-09 biennium workplan, the committee shall:

(1) Review the Washington state ferries' assignment of preservation costs as required by Engrossed Substitute House Bill No. 2358, for fiscal year 2008, to determine whether costs are capital costs and whether they meet the statutory requirements for preservation activities, and report its findings to the legislature not later than January 2009.

(2) Review the Washington state ferries' implementation of the life cycle cost model, as required by Engrossed Substitute House Bill No. 2358, and report to the legislature not later than June 30, 2009, on whether the model:

(a) Complies with available industry standards or department-adopted standard life cycles derived from the experience of similar public and private entities when industry standards are not available;

(b) Is maintained and updated when asset inspections are made;

(c) Excludes utilities and other systems that are not replaced on a standard life cycle;

(d) Provides that all assets in the life-cycle cost model are inspected and updated for asset condition at least every three years; and

(e) Excludes assets not yet built.

(3) The committee shall solicit input regarding the study workplan from the joint transportation committee.

**TRANSPORTATION AGENCIES—OPERATING**

**NEW SECTION. Sec. 201. FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION**

Highway Safety Account—State Appropriation . . . . . \$2,609,000  
Highway Safety Account—Federal Appropriation . . . . . \$15,880,000  
School Zone Safety Account—State Appropriation . . . . . \$3,300,000  
TOTAL APPROPRIATION . . . . . \$21,789,000

**NEW SECTION. Sec. 202. FOR THE COUNTY ROAD ADMINISTRATION BOARD**

Rural Arterial Trust Account—State Appropriation . . . . .	\$907,000
Motor Vehicle Account—State Appropriation . . . . .	\$2,075,000
County Arterial Preservation Account—State Appropriation . . . . .	\$1,399,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$4,381,000</b>

The appropriations in this section are subject to the following conditions and limitations: \$481,000 of the county arterial preservation account—state appropriation is provided solely for continued development and implementation of a maintenance management system to manage county transportation assets.

**NEW SECTION. Sec. 203. FOR THE TRANSPORTATION IMPROVEMENT BOARD**

Urban Arterial Trust Account—State Appropriation . . . . .	\$1,793,000
Transportation Improvement Account—State Appropriation . . . . .	\$1,795,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$3,588,000</b>

**NEW SECTION. Sec. 204. FOR THE BOARD OF PILOTAGE COMMISSIONERS**

Pilotage Account—State Appropriation . . . . .	\$1,156,000
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**NEW SECTION. Sec. 205. FOR THE JOINT TRANSPORTATION COMMITTEE**

Motor Vehicle Account—State Appropriation . . . . .	\$2,103,000
Multimodal Transportation Account—State Appropriation . . . . .	\$550,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$2,653,000</b>

The appropriation in this section is subject to the following conditions and limitations:

(1) \$500,000 of the motor vehicle account—state appropriation is for establishing a workgroup to implement Engrossed Substitute House Bill No. 2358 (regarding state ferries) and review other matters relating to Washington state ferries. The cochairs of the committee shall establish the workgroup comprising committee members or their designees, an appointee by the governor, and other stakeholders as appointed by the cochairs, to assist in the committee's work. The workgroup shall report the progress of its tasks to the transportation committees of the legislature by December 15, 2007. The workgroup is tasked with the following:

(a) Implementing the recommendations of Engrossed Substitute House Bill No. 2358 (regarding state ferries). As directed by Engrossed Substitute House Bill No. 2358, the committee workgroup shall participate in and provide a review of the following:

(i) The Washington transportation commission's development and interpretation of a survey of ferry customers;

(ii) The department of transportation's analysis and reestablishment of vehicle level of service standards. In reestablishing the standards, consideration must be given to whether boat wait is the appropriate measure;

(iii) The department's development of pricing policy proposals. In developing these policies, the policy, in effect on some routes, of collecting fares

in only one direction must be evaluated to determine whether one-way fare pricing best serves the ferry system;

- (iv) The department's development of operational strategies;
- (v) The department's development of terminal design standards; and
- (vi) The department's development of a long-range capital plan;

(b) Reviewing the following Washington state ferry programs:

- (i) Ridership demand forecast;
- (ii) Updated life cycle cost model, as directed by Engrossed Substitute House Bill No. 2358;

(iii) Administrative operating costs, nonlabor and nonfuel operating costs, Eagle Harbor maintenance facility program and maintenance costs, administrative and systemwide capital costs, and vessel preservation costs; and

(iv) The Washington state ferries' proposed capital cost allocation plan methodology, as described in Engrossed Substitute House Bill No. 2358;

(c) Making recommendations regarding:

(i) The most efficient timing and sizing of future vessel acquisitions beyond those currently authorized by the legislature. Vessel acquisition recommendations must be based on the ridership projections, level of service standards, and operational and pricing strategies reviewed by the committee and must include the impact of those recommendations on the timing and size of terminal capital investments and the state ferries' long range operating and capital finance plans; and

(ii) Capital financing strategies for consideration in the 2009 legislative session. This work must include confirming the department's estimate of future capital requirements based on a long range capital plan and must include the department's development of a plan for codevelopment and public private partnership opportunities at public ferry terminals; and

(d) Evaluate the capital cost allocation plan methodology developed by the department to implement Engrossed Substitute House Bill No. 2358.

(2) \$250,000 of the motor vehicle account—state appropriation and \$250,000 of the multimodal transportation account—state appropriation are for the implementation of Substitute Senate Bill No. 5207.

(3) \$300,000 of the multimodal transportation account—state appropriation is for implementing Substitute House Bill No. 1694 (coordinated transportation). If Substitute House Bill No. 1694 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 206. FOR THE TRANSPORTATION COMMISSION**

Motor Vehicle Account—State Appropriation . . . . .	\$2,276,000
Multimodal Transportation Account—State Appropriation . . . . .	\$112,000
TOTAL APPROPRIATION . . . . .	\$2,388,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$350,000 of the motor vehicle account—state appropriation is provided solely for the commission to conduct a survey of ferry customers as described in Engrossed Substitute House Bill No. 2358. Development and interpretation of the survey must be done with participation of the joint transportation committee workgroup established in section 205(1) of this act.



(2) \$100,000 of the motor vehicle account—state appropriation is provided solely for a study to identify and evaluate long-term financing alternatives for the Washington state ferry system. The study shall incorporate the findings of the initial survey described in subsection (1) of this section, and shall consider the potential for state, regional, or local financing options. The commission shall submit a draft final report of its findings and recommendations to the transportation committees of the legislature no later than December 2008.

(3) The commission shall conduct a planning grade tolling study that is based on the recommended policies in the commission's comprehensive tolling study submitted September 20, 2006.

**NEW SECTION. Sec. 207. FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

Motor Vehicle Account—State Appropriation . . . . . \$695,000

The appropriation in this section is subject to the following conditions and limitations:

(1) The freight mobility strategic investment board shall, on a quarterly basis, provide status reports to the office of financial management and the transportation committees of the legislature on the delivery of projects funded by this act.

(2) The freight mobility strategic investment board and the department of transportation shall collaborate to submit a report to the office of financial management and the transportation committees of the legislature by September 1, 2008, listing proposed freight highway and rail projects. The report must describe the analysis used for selecting such projects, as required by chapter 47.06A RCW for the board and as required by this act for the department. When developing its list of proposed freight highway and rail projects, the freight mobility strategic investment board shall use the priorities identified in section 309(7)(a) of this act to the greatest extent possible.

**NEW SECTION. Sec. 208. FOR THE WASHINGTON STATE PATROL—FIELD OPERATIONS BUREAU**

State Patrol Highway Account—State  
Appropriation. . . . . \$225,445,000  
State Patrol Highway Account—Federal  
Appropriation. . . . . \$10,602,000  
State Patrol Highway Account—Private/Local  
Appropriation. . . . . \$410,000  
TOTAL APPROPRIATION . . . . . \$236,457,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Washington state patrol officers engaged in off-duty uniformed employment providing traffic control services to the department of transportation or other state agencies may use state patrol vehicles for the purpose of that employment, subject to guidelines adopted by the chief of the Washington state patrol. The Washington state patrol shall be reimbursed for the use of the vehicle at the prevailing state employee rate for mileage and hours of usage, subject to guidelines developed by the chief of the Washington state patrol.

(2) In addition to the user fees, the patrol shall transfer into the state patrol nonappropriated airplane revolving account under RCW 43.79.470 no more than the amount of appropriated state patrol highway account and general fund funding necessary to cover the costs for the patrol's use of the aircraft. The state patrol highway account and general fund—state funds shall be transferred proportionately in accordance with a cost allocation that differentiates between highway traffic enforcement services and general policing purposes.

(3) The patrol shall not account for or record locally provided DUI cost reimbursement payments as expenditure credits to the state patrol highway account. The patrol shall report the amount of expected locally provided DUI cost reimbursements to the governor and transportation committees of the senate and house of representatives by September 30th of each year.

(4) \$1,662,000 of the state patrol highway account—state appropriation is provided solely for the implementation of Substitute House Bill No. 1304 (commercial vehicle enforcement). If Substitute House Bill No. 1304 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) During the fiscal year 2008, the Washington state patrol shall continue to perform traffic accident investigations on Thurston, Mason, and Lewis county roads, and shall work with the counties to transition the traffic accident investigations on county roads to the counties by July 1, 2008.

(6) \$100,000 of the state patrol highway account—state appropriation is provided solely for the implementation of Substitute House Bill No. 1417 (health benefits for surviving dependents). If Substitute House Bill No. 1417 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(7) \$3,300,000 of the state patrol highway account—state appropriation is provided solely for the salaries and benefits associated with accretion in the number of troopers employed above 1,158 authorized commissioned troopers.

**NEW SECTION. Sec. 209. FOR THE WASHINGTON STATE PATROL—INVESTIGATIVE SERVICES BUREAU**

State Patrol Highway Account—State Appropriation . . . . . \$1,300,000

**NEW SECTION. Sec. 210. FOR THE WASHINGTON STATE PATROL—TECHNICAL SERVICES BUREAU**

State Patrol Highway Account—State Appropriation . . . . . \$103,157,000

State Patrol Highway Account—Private/Local

Appropriation. . . . . \$2,008,000

TOTAL APPROPRIATION . . . . . \$105,165,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The Washington state patrol shall work with the risk management division in the office of financial management in compiling the Washington state patrol's data for establishing the agency's risk management insurance premiums to the tort claims account. The office of financial management and the Washington state patrol shall submit a report to the legislative transportation committees by December 31st of each year on the number of claims, estimated claims to be paid, method of calculation, and the adjustment in the premium.

(2) \$12,641,000 of the total appropriation is provided solely for automobile fuel in the 2007-2009 biennium.

(3) \$8,678,000 of the total appropriation is provided solely for the purchase of pursuit vehicles.

(4) \$5,254,000 of the total appropriation is provided solely for vehicle repair and maintenance costs of vehicles used for highway purposes.

(5) \$384,000 of the total appropriation is provided solely for the purchase of mission vehicles used for highway purposes in the commercial vehicle and traffic investigation sections of the Washington state patrol.

(6) The Washington state patrol may submit information technology related requests for funding only if the patrol has coordinated with the department of information services as required by section 602 of this act.

**NEW SECTION. Sec. 211. FOR THE WASHINGTON STATE PATROL—CRIMINAL HISTORY AND BACKGROUND CHECKS.** In accordance with RCW 10.97.100 and chapter 43.43 RCW, the Washington state patrol is authorized to perform criminal history and background checks for state and local agencies and nonprofit and other private entities and disseminate the records resulting from these activities. The Washington state patrol is required to charge a fee for these activities, for which it is the policy of the state of Washington that the fees cover the direct and indirect costs of performing the criminal history and background checks and disseminating the information. For each type of criminal history and background check and dissemination of these records, the Washington state patrol shall, as nearly as practicable, set fees at levels sufficient to cover the direct and indirect costs. Pursuant to RCW 43.135.055, during the 2007-2009 fiscal biennium, the Washington state patrol may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the cost of supervision and regulation.

**NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF LICENSING**

Marine Fuel Tax Refund Account—State Appropriation . . . . .	\$32,000
Motorcycle Safety Education Account—State Appropriation . . . . .	\$3,905,000
Wildlife Account—State Appropriation . . . . .	\$843,000
Highway Safety Account—State Appropriation . . . . .	\$141,953,000
Highway Safety Account—Federal Appropriation . . . . .	\$233,000
Motor Vehicle Account—State Appropriation . . . . .	\$79,230,000
Motor Vehicle Account—Private/Local Appropriation . . . . .	\$1,372,000
Motor Vehicle Account—Federal Appropriation . . . . .	\$117,000
Department of Licensing Services Account—State Appropriation . . . . .	\$3,540,000
Washington State Patrol Highway Account—State Appropriation . . . . .	\$1,145,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$232,370,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,941,000 of the highway safety account—state appropriation is provided solely for the implementation of Substitute House Bill No. 1267 (modifying commercial driver's license requirements). If Substitute House Bill No. 1267 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse. The department shall informally report to the legislature by

December 1, 2008, with measurable data indicating the department's progress in meeting its goal of improving public safety by improving the quality of the commercial driver's license testing process.

(2) \$716,000 of the motorcycle safety education account—state appropriation is provided solely for the implementation of Senate Bill No. 5273 (modifying motorcycle driver's license endorsement and education provisions). If Senate Bill No. 5273 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(3) \$8,872,000 of the highway safety account—state appropriation is provided solely for costs associated with the systems development and issuance of enhanced drivers' licenses and identicards to facilitate crossing the Canadian border. If Engrossed Substitute House Bill No. 1289 (relating to the issuance of enhanced drivers' licenses and identicards) is not enacted by June 30, 2007, the amount provided in this subsection shall lapse. The department may expend funds only after acceptance of the enhanced Washington state driver's license for border crossing purposes by the Canadian and United States governments. The department may expend funds only after prior written approval of the director of financial management. Of the amount provided in this subsection, up to \$1,000,000 is for a statewide educational campaign, which must include coordination with existing public and private entities, to inform the Washington public of the benefits of the new enhanced drivers' licenses and identicards.

(4) \$91,000 of the motor vehicle account—state appropriation and \$152,000 of the highway safety account—state appropriation are provided solely for contracting with the office of the attorney general to investigate criminal activity uncovered in the course of the agency's licensing and regulatory activities. Funding is provided for the 2008 fiscal year. The department may request funding for the 2009 fiscal year if the request is submitted with measurable data indicating the department's progress in meeting its goal of increased prosecution of illegal activity.

(5) \$350,000 of the highway safety account—state appropriation is provided solely for the costs associated with the systems development of the interface that will allow insurance carriers and their agents real time, online access to drivers' records. If Substitute Senate Bill No. 5937 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(6) \$1,145,000 of the state patrol highway account—state appropriation is provided solely for the implementation of Substitute House Bill No. 1304 (modifying commercial motor vehicle carrier provisions). If Substitute House Bill No. 1304 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(7) The department may submit information technology related requests for funding only if the department has coordinated with the department of information services as required by section 602 of this act.

(8) Within the amounts appropriated in this section, the department shall, working with the legislature, develop a proposal to streamline title and registration statutes to specifically address apparent conflicts, fee distribution, and other recommendations by the department that are revenue neutral and which do not change legislative policy. The department shall report the results of this review to the transportation committees of the legislature by December 1, 2007.

**NEW SECTION. Sec. 213. FOR THE DEPARTMENT OF TRANSPORTATION—TOLL OPERATIONS AND MAINTENANCE—PROGRAM B**

High-Occupancy Toll Lanes Account—State	
Appropriation . . . . .	\$2,596,000
Motor Vehicle Account—State Appropriation . . . . .	\$5,600,000
Tacoma Narrows Toll Bridge Account—State	
Appropriation . . . . .	\$28,218,000
TOTAL APPROPRIATION . . . . .	\$36,414,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$5,000,000 of the motor vehicle account—state is provided solely to provide a reserve for the Tacoma Narrows Bridge project. This appropriation shall be held in unallotted status until the office of financial management deems that revenues applicable to the Tacoma Narrows Bridge project are not sufficient to cover the project's expenditures.
- (2) The department shall solicit private donations to fund activities related to the opening ceremonies of the Tacoma Narrows bridge project.

**NEW SECTION. Sec. 214. FOR THE DEPARTMENT OF TRANSPORTATION—INFORMATION TECHNOLOGY—PROGRAM C**

Transportation Partnership Account—State	
Appropriation . . . . .	\$4,556,000
Motor Vehicle Account—State Appropriation . . . . .	\$67,613,000
Motor Vehicle Account—Federal Appropriation . . . . .	\$1,096,000
Puget Sound Ferry Operations Account—State	
Appropriation . . . . .	\$9,192,000
Multimodal Transportation Account—State	
Appropriation . . . . .	\$363,000
Transportation 2003 Account (Nickel Account)—State	
Appropriation . . . . .	\$4,000,000
TOTAL APPROPRIATION . . . . .	\$86,820,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) The department shall consult with the office of financial management and the department of information services to ensure that (a) the department's current and future system development is consistent with the overall direction of other key state systems; and (b) when possible, use or develop common statewide information systems to encourage coordination and integration of information used by the department and other state agencies and to avoid duplication.
- (2) The department shall provide updated information on six project milestones for all active projects, funded in part or in whole with 2005 transportation partnership account funds or 2003 nickel account funds, on a quarterly basis in the transportation executive information system (TEIS). The department shall also provide updated information on six project milestones for projects, funded with preexisting funds and that are agreed to by the legislature,

office of financial management, and the department, on a quarterly basis in TEIS.

(3) \$2,300,000 of the motor vehicle account—state appropriation is provided solely for preliminary work needed to transition the department to the state government network. In collaboration with the department of information services the department shall complete an inventory of the current network infrastructure, and develop an implementation plan for transition to the state government network.

(4) \$1,000,000 of the motor vehicle account—state appropriation, \$4,556,000 of the transportation partnership account—state appropriation, and \$4,000,000 of the transportation 2003 account (nickel account)—state appropriation are provided solely for the department to develop a project management and reporting system which is a collection of integrated tools for capital construction project managers to use to perform all the necessary tasks associated with project management. The department shall integrate commercial off-the-shelf software with existing department systems and enhanced approaches to data management to provide web-based access for multi-level reporting and improved business workflows and reporting. Beginning September 1, 2007, and on a quarterly basis thereafter, the department shall report to the office of financial management and the transportation committees of the legislature on the status of the development and integration of the system. The first report shall include a detailed work plan for the development and integration of the system including timelines and budget milestones. At a minimum the ensuing reports shall indicate the status of the work as it compares to the work plan, any discrepancies, and proposed adjustments necessary to bring the project back on schedule or budget if necessary.

(5) The department may submit information technology related requests for funding only if the department has coordinated with the department of information services as required by section 602 of this act.

(6) \$1,600,000 of the motor vehicle account—state appropriation is provided solely for the critical application assessment implementation project. The department shall submit a progress report on the critical application assessment implementation project to the house of representatives and senate transportation committees on or before December 1, 2007, and December 1, 2008, with a final report on or before June 30, 2009.

**NEW SECTION. Sec. 215. FOR THE DEPARTMENT OF TRANSPORTATION—FACILITY MAINTENANCE, OPERATIONS AND CONSTRUCTION—PROGRAM D—OPERATING**

Motor Vehicle Account—State Appropriation . . . . . \$34,569,000

**NEW SECTION. Sec. 216. FOR THE DEPARTMENT OF TRANSPORTATION—AVIATION—PROGRAM F**

Aeronautics Account—State Appropriation . . . . . \$6,889,000

Aeronautics Account—Federal Appropriation . . . . . \$2,150,000

Multimodal Transportation Account—State Appropriation . . . . . \$631,000

TOTAL APPROPRIATION . . . . . \$9,670,000

The appropriations in this section are subject to the following conditions and limitations: The entire multimodal transportation account—state

appropriation is provided solely for the aviation planning council as provided for in RCW 47.68.410.

**NEW SECTION. Sec. 217. FOR THE DEPARTMENT OF TRANSPORTATION—PROGRAM DELIVERY MANAGEMENT AND SUPPORT—PROGRAM H**

Transportation Partnership Account—State	
Appropriation . . . . .	\$2,422,000
Motor Vehicle Account—State Appropriation . . . . .	\$50,446,000
Motor Vehicle Account—Federal Appropriation . . . . .	\$500,000
Multimodal Transportation Account—State	
Appropriation . . . . .	\$250,000
Transportation 2003 Account (Nickel Account)—State	
Appropriation . . . . .	\$2,422,000
TOTAL APPROPRIATION . . . . .	\$56,040,000

The appropriation in this section is subject to the following conditions and limitations: \$2,422,000 of the transportation partnership account appropriation and \$2,422,000 of the transportation 2003 account (nickel account)—state appropriation are provided solely for consultant contracts to assist the department in the delivery of the capital construction program by identifying improvements to program delivery, program management, project controls, program and project monitoring, forecasting, and reporting. The consultants shall work with the department of information services in the development of the project management and reporting system.

The consultants shall provide an updated copy of the capital construction strategic plan to the legislative transportation committees and to the office of financial management on June 30, 2008, and each year thereafter.

The department shall coordinate its work with other budget and performance efforts, including Roadmap, the findings of the critical applications modernization and integration strategies study, including proposed next steps, and the priorities of government process.

The department shall report to the transportation committees of the house of representatives and senate, and the office of financial management, by December 31, 2007, on the implementation status of recommended capital budgeting and reporting options. Options must include: Reporting against legislatively-established project identification numbers and may include recommendations for reporting against other appropriate project groupings; measures for reporting progress, timeliness, and cost which create an incentive for the department to manage effectively and report its progress in a transparent manner; and criteria and process for transfers of funds among projects.

**NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF TRANSPORTATION—ECONOMIC PARTNERSHIPS—PROGRAM K**

Motor Vehicle Account—State Appropriation . . . . .	\$1,151,000
Multimodal Transportation Account—State Appropriation . . . . .	\$300,000
TOTAL APPROPRIATION . . . . .	\$1,451,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$300,000 of the multimodal account—state appropriation is provided solely for the department to hire a consultant to develop a plan for codevelopment and public-private partnership opportunities at public ferry terminals.

(2) The department shall conduct an analysis and, if determined to be feasible, initiate requests for proposals involving the distribution of alternative fuels along state department of transportation rights-of-way.

**NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M**

Motor Vehicle Account—State Appropriation . . . . .	\$321,888,000
Motor Vehicle Account—Federal Appropriation . . . . .	\$2,000,000
Motor Vehicle Account—Private/Local Appropriation . . . . .	\$5,797,000
TOTAL APPROPRIATION . . . . .	\$329,685,000

The appropriations in this section are subject to the following conditions and limitations:

(1) If portions of the appropriations in this section are required to fund maintenance work resulting from major disasters not covered by federal emergency funds such as fire, flooding, and major slides, supplemental appropriations must be requested to restore state funding for ongoing maintenance activities.

(2) The department shall request an unanticipated receipt for any federal moneys received for emergency snow and ice removal and shall place an equal amount of the motor vehicle account—state into unallotted status. This exchange shall not affect the amount of funding available for snow and ice removal.

(3) The department shall request an unanticipated receipt for any private or local funds received for reimbursements of third party damages that are in excess of the motor vehicle account—private/local appropriation.

(4) \$1,500,000 of the motor vehicle account—federal appropriation is provided for unanticipated federal funds that may be received during the 2007-09 biennium. Upon receipt of the funds, the department shall provide a report on the use of the funds to the transportation committees of the legislature and the office of financial management.

(5) Funding is provided for maintenance on the state system to deliver service level targets as listed in LEAP Transportation Document 2007-C, as developed April 20, 2007. In delivering the program and aiming for these targets, the department should concentrate on the following areas:

(a) Eliminating the number of activities delivered in the "f" level of service at the region level; and

(b) Evaluating, analyzing, and potentially redistributing resources within and among regions to provide greater consistency in delivering the program statewide and in achieving overall level of service targets.

(6) The department may work with the department of corrections to utilize corrections crews for the purposes of litter pickup on state highways.

(7) \$650,000 of the motor vehicle account—state appropriation is provided solely for increased asphalt costs.



**NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—OPERATING**

Motor Vehicle Account—State Appropriation . . . . .	\$52,040,000
Motor Vehicle Account—Federal Appropriation . . . . .	\$2,050,000
Motor Vehicle Account—Private/Local Appropriation . . . . .	\$127,000
TOTAL APPROPRIATION . . . . .	\$54,217,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$654,000 of the motor vehicle account—state appropriation is provided solely for the department to time state-owned and operated traffic signals. This funding may also be used to program incident, emergency, or special event signal timing plans.

(2) \$346,000 of the motor vehicle account—state appropriation is provided solely for the department to implement a pilot tow truck incentive program. The department may provide incentive payments to towing companies that meet clearance goals on accidents that involve heavy trucks.

(3) \$6,800,000 of the motor vehicle account—state appropriation is provided solely for low-cost enhancements. The department shall give priority to low-cost enhancement projects that improve safety or provide congestion relief. The department shall prioritize low-cost enhancement projects on a statewide rather than regional basis. By January 1, 2008, and January 1, 2009, the department shall provide a report to the legislature listing all low-cost enhancement projects prioritized on a statewide rather than regional basis completed in the prior year.

(4) The department, in consultation with the Washington state patrol, may conduct a pilot program for the patrol to issue infractions based on information from automated traffic safety cameras in roadway construction zones on state highways when workers are present.

(a) In order to ensure adequate time in the 2007-09 biennium to evaluate the effectiveness of the pilot program, any projects authorized by the department must be authorized by December 31, 2007.

(b) The department shall use the following guidelines to administer the program:

(i) Automated traffic safety cameras may only take pictures of the vehicle and vehicle license plate and only while an infraction is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle;

(ii) The department shall plainly mark the locations where the automated traffic safety cameras are used by placing signs on locations that clearly indicate to a driver that he or she is entering a roadway construction zone where traffic laws are enforced by an automated traffic safety camera;

(iii) Notices of infractions must be mailed to the registered owner of a vehicle within fourteen days of the infraction occurring;

(iv) The owner of the vehicle is not responsible for the violation if the owner of the vehicle, within fourteen days of receiving notification of the violation, mails to the patrol, a declaration under penalty of perjury, stating that the vehicle involved was, at the time, stolen or in the care, custody, or control of some person other than the registered owner, or any other extenuating circumstances;

(v) For purposes of the 2007-09 biennium pilot project, infractions detected through the use of automated traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120. Additionally, infractions generated by the use of automated traffic safety cameras must be processed in the same manner as parking infractions for the purposes of RCW 3.46.120, 3.50.100, 35.20.220, 46.16.216, and 46.20.270(3). However, the amount of the fine issued for an infraction generated through the use of an automated traffic safety camera is one hundred thirty-seven dollars. The court shall remit thirty-two dollars of the fine to the state treasurer for deposit into the state patrol highway account;

(vi) If a notice of infraction is sent to the registered owner and the registered owner is a rental car business, the infraction will be dismissed against the business if it mails to the patrol, within fourteen days of receiving the notice, a declaration under penalty of perjury of the name and known mailing address of the individual driving or renting the vehicle when the infraction occurred. If the business is unable to determine who was driving or renting the vehicle at the time the infraction occurred, the business must sign a declaration under penalty of perjury to this effect. The declaration must be mailed to the patrol within fourteen days of receiving the notice of traffic infraction. Timely mailing of this declaration to the issuing agency relieves a rental car business of any liability under this section for the notice of infraction. A declaration form suitable for this purpose must be included with each automated traffic infraction notice issued, along with instructions for its completion and use; and

(vii) By June 30, 2009, the department shall provide a report to the legislature regarding the use, public acceptance, outcomes, and other relevant issues regarding the pilot project.

**NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S**

Motor Vehicle Account—State Appropriation . . . . .	\$28,215,000
Motor Vehicle Account—Federal Appropriation . . . . .	\$30,000
Puget Sound Ferry Operations Account—State Appropriation. . . . .	\$1,321,000
Multimodal Transportation Account—State Appropriation. . . . .	\$1,223,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$30,789,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall work with staffs from the legislative evaluation and accountability program committee, the transportation committees of the legislature, and the office of financial management on developing a new capital budgeting system to meet identified information needs.

(2) \$250,000 of the multimodal account—state appropriation is provided solely for implementing a wounded combat veteran's internship program, administered by the department. The department shall seek federal funding to support the continuation of this program.

**NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION PLANNING, DATA, AND RESEARCH—PROGRAM T**

Motor Vehicle Account—State Appropriation . . . . .	\$30,698,000
Motor Vehicle Account—Federal Appropriation . . . . .	\$19,163,000
Multimodal Transportation Account—State Appropriation . . . . .	\$1,029,000
Multimodal Transportation Account—Federal Appropriation . . . . .	\$2,809,000
Multimodal Transportation Account—Private/Local Appropriation . . . . .	\$100,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$53,799,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,900,000 of the motor vehicle account—state appropriation is provided solely for the costs of the regional transportation investment district (RTID) and department of transportation project oversight. The department shall provide support from its urban corridors region to assist in preparing project costs, expenditure plans, and modeling. The department shall not deduct a management reserve, nor charge management or overhead fees. These funds, including those expended since 2003, are provided as a loan to the RTID and shall be repaid to the state within one year following formation of the RTID. \$2,391,000 of the amount provided under this subsection shall lapse, effective January 1, 2008, if voters fail to approve formation of the RTID at the 2007 general election, as determined by the certification of the election results.

(2) \$300,000 of the multimodal transportation account—state appropriation is provided solely for a transportation demand management program, developed by the Whatcom council of governments, to further reduce drive-alone trips and maximize the use of sustainable transportation choices. The community-based program must focus on all trips, not only commute trips, by providing education, assistance, and incentives to four target audiences: (a) Large work sites; (b) employees of businesses in downtown areas; (c) school children; and (d) residents of Bellingham.

(3) \$320,000 of the motor vehicle account—state appropriation and \$128,000 of the motor vehicle account—federal appropriation are provided solely for development of a freight database to help guide freight investment decisions and track project effectiveness. The database will be based on truck movement tracked through geographic information system technology. TransNow will contribute an additional \$192,000 in federal funds which are not appropriated in the transportation budget. The department shall work with the freight mobility strategic investment board to implement this project.

(4) By December 1, 2008, the department shall require confirmation from jurisdictions that plan under the growth management act, chapter 36.70A RCW, and that receive state transportation funding under this act, that the jurisdictions have adopted standards for access permitting on state highways that meet or exceed department standards in accordance with RCW 47.50.030. The objective of this subsection is to encourage local governments, through the receipt of state transportation funding, to adhere to best practices in access control applicable to

development activity significantly impacting state transportation facilities. By January 1, 2009, the department shall submit a report to the appropriate committees of the legislature detailing the progress of the local jurisdictions in adopting the highway access permitting standards.

(5) \$150,000 of the motor vehicle account—federal appropriation is provided solely for the costs to develop an electronic map-based computer application that will enable law enforcement officers and others to more easily locate collisions and other incidents in the field.

(6) The department shall add a position within the freight systems division to provide expertise regarding the trucking aspects of the state's freight system.

(7) The department shall evaluate the feasibility of developing a freight corridor bypass from Everett to Gold Bar on US 2, including a connection to SR 522. US 2 is an important freight corridor, and is an alternative route for I-90. Congestion, safety issues, and flooding concerns have all contributed to the need for major improvements to the corridor. The evaluation shall consider the use of toll lanes for the project. The department must report to the transportation committees of the legislature by December 1, 2007, on its analysis and recommendations regarding the benefit of a freight corridor and the potential use of freight toll lanes to improve safety and congestion in the corridor.

**NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U**

Motor Vehicle Account—State Appropriation . . . . .	\$66,342,000
Motor Vehicle Account—Federal Appropriation . . . . .	\$400,000
Multimodal Transportation Account—State Appropriation. . . . .	\$259,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$67,001,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$36,665,000 of the motor vehicle fund—state appropriation is provided solely for the liabilities attributable to the department of transportation. The office of financial management must provide a detailed accounting of the revenues and expenditures of the self-insurance fund to the transportation committees of the legislature on December 31st and June 30th of each year.

(2) Payments in this section represent charges from other state agencies to the department of transportation.

(a) FOR PAYMENT OF OFFICE OF FINANCIAL MANAGEMENT DIVISION OF RISK MANAGEMENT FEES . . . . .	\$1,520,000
(b) FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE AUDITOR. . . . .	\$1,150,000
(c) FOR PAYMENT OF COSTS OF DEPARTMENT OF GENERAL ADMINISTRATION FACILITIES AND SERVICES AND CONSOLIDATED MAIL SERVICES. . . . .	\$4,157,000
(d) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF PERSONNEL . . . . .	\$4,033,000
(e) FOR PAYMENT OF SELF-INSURANCE LIABILITY PREMIUMS AND ADMINISTRATION. . . . .	\$36,665,000

(f) FOR PAYMENT OF THE DEPARTMENT OF GENERAL ADMINISTRATION CAPITAL PROJECTS SURCHARGE . . . . .	\$1,838,000
(g) FOR ARCHIVES AND RECORDS MANAGEMENT . . . . .	\$647,000
(h) FOR OFFICE OF MINORITIES AND WOMEN BUSINESS ENTERPRISES . . . . .	\$1,070,000
(i) FOR USE OF FINANCIAL SYSTEMS PROVIDED BY THE OFFICE OF FINANCIAL MANAGEMENT . . . . .	\$930,000
(j) FOR POLICY ASSISTANCE FROM THE DEPARTMENT OF INFORMATION SERVICES . . . . .	\$1,138,000
(k) FOR LEGAL SERVICE PROVIDED BY THE ATTORNEY GENERAL'S OFFICE . . . . .	\$8,859,000
(l) FOR LEGAL SERVICE PROVIDED BY THE ATTORNEY GENERAL'S OFFICE FOR THE SECOND PHASE OF THE BOLDT LITIGATION . . . . .	\$158,000

**NEW SECTION. Sec. 224. FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V**

Regional Mobility Grant Program Account—State	
Appropriation . . . . .	\$40,000,000
Multimodal Transportation Account—State	
Appropriation . . . . .	\$85,202,000
Multimodal Transportation Account—Federal	
Appropriation . . . . .	\$2,582,000
Multimodal Transportation Account—Private/Local	
Appropriation . . . . .	\$291,000
TOTAL APPROPRIATION . . . . .	\$128,075,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$25,000,000 of the multimodal transportation account—state appropriation is provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation.

(a) \$5,500,000 of the amount provided in this subsection is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers shall be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided.

(b) \$19,500,000 of the amount provided in this subsection is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies shall be prorated based on the amount expended for demand response service and route deviated service in calendar year 2005 as reported in the "Summary of Public Transportation - 2005" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions.

(2) Funds are provided for the rural mobility grant program as follows:

(a) \$8,500,000 of the multimodal transportation account—state appropriation is provided solely for grants for those transit systems serving small cities and rural areas as identified in the Summary of Public Transportation - 2005 published by the department of transportation. Noncompetitive grants must be distributed to the transit systems serving small cities and rural areas in a manner similar to past disparity equalization programs.

(b) \$8,500,000 of the multimodal transportation account—state appropriation is provided solely to providers of rural mobility service in areas not served or underserved by transit agencies through a competitive grant process.

(3) \$8,600,000 of the multimodal transportation account—state appropriation is provided solely for a vanpool grant program for: (a) Public transit agencies to add vanpools; and (b) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; no operating costs for public transit agencies are eligible for funding under this grant program. No additional employees may be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. Additional criteria for selecting grants must include leveraging funds other than state funds.

(4) \$40,000,000 of the regional mobility grant program account—state appropriation is provided solely for the regional mobility grant projects identified on the LEAP Transportation Document 2007-B as developed April 20, 2007. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, shall be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and any remaining funds available to the office of transit mobility shall be used only to fund projects on the LEAP Transportation Document 2007-B as developed April 20, 2007. The department shall provide annual status reports on December 15, 2007, and December 15, 2008, to the office of financial management and the transportation committees of the legislature regarding the projects receiving the grants.

(5) \$17,168,087 of the multimodal transportation account—state appropriation is reappropriated and provided solely for the regional mobility grant projects identified on the LEAP Transportation Document 2006-D, regional mobility grant program projects as developed March 8, 2006. The department shall continue to review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. The department shall promptly close out grants when projects have been completed, and any remaining funds available to the office of transit mobility shall be used only to fund projects on the LEAP Transportation Document 2007-B as developed April 20, 2007, or the LEAP Transportation Document 2006-D as developed March 8, 2006.

(6) \$200,000 of the multimodal transportation account—state appropriation is provided solely for the department to study and then develop pilot programs aimed at addressing commute trip reduction strategies for K-12 students and for college and university students. The department shall submit to the legislature

by January 1, 2009, a summary of the program results and recommendations for future student commute trip reduction strategies. The pilot programs are described as follows:

(a) The department shall consider approaches, including mobility education, to reducing and removing traffic congestion in front of schools by changing travel behavior for elementary, middle, and high school students and their parents; and

(b) The department shall design a program that includes student employment options as part of the pilot program applicable to college and university students.

(7) \$2,400,000 of the multimodal account—state appropriation is provided solely for establishing growth and transportation efficiency centers (GTEC). Funds are appropriated for one time only. The department shall provide in its annual report to the legislature an evaluation of the GTEC concept and recommendations on future funding levels.

(8) \$381,000 of the multimodal transportation account—state appropriation is provided solely for the implementation of Substitute House Bill No. 1694 (reauthorizing the agency council on coordinated transportation). If Substitute House Bill No. 1694 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(9) \$136,000 of the multimodal transportation account—private/local appropriation is provided solely for the implementation of Senate Bill No. 5084 (updating rail transit safety plans). If Senate Bill No. 5084 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(10) \$60,000 of the multimodal transportation account—state appropriation is provided solely for low-income car ownership programs. The department shall collaborate with interested regional transportation planning organizations and metropolitan planning organizations to determine the effectiveness of the programs at providing transportation solutions for low-income persons who depend upon cars to travel to their places of employment.

(11) \$1,000,000 of the multimodal transportation account—state appropriation is provided solely for additional funding for the trip reduction performance program, including telework enhancement projects. Funds are appropriated for one time only.

(12) \$2,000,000 of the multimodal transportation account—state appropriation is provided solely for the tri-county connection service for Island, Skagit, and Whatcom transit agencies.

**NEW SECTION. Sec. 225. FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X**

Puget Sound Ferry Operations Account—State	
Appropriation . . . . .	\$412,189,000
Multimodal Transportation Account—State	
Appropriation . . . . .	\$1,830,000
TOTAL APPROPRIATION . . . . .	\$414,019,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$79,191,000 of the Puget Sound ferry operations—state appropriation is provided solely for auto ferry vessel operating fuel in the 2007-2009 biennium.

(2) The Washington state ferries must work with the department's information technology division to implement an electronic fare system, including the integration of the regional fare coordination system (smart card). Each December and June, semiannual updates must be provided to the transportation committees of the legislature concerning the status of implementing and completing this project, with updates concluding the first December after full project implementation.

(3) The Washington state ferries shall continue to provide service to Sidney, British Columbia.

(4) \$1,830,000 of the multimodal transportation account—state appropriation is provided solely to provide passenger-only ferry service. The ferry system shall continue passenger-only ferry service from Vashon Island to Seattle through June 30, 2008. Ferry system management shall continue to implement its agreement with the inlandboatmen's union of the pacific and the international organization of masters, mates and pilots providing for part-time passenger-only work schedules.

(5) \$932,000 of the Puget Sound ferries operations account—state appropriation is provided solely for compliance with department of ecology rules regarding the transfer of oil on or near state waters. Funding for compliance with on-board fueling rules is provided for the 2008 fiscal year. The department may request funding for the 2009 fiscal year if the request is submitted with an alternative compliance plan filed with the department of ecology, as allowed by rule.

(6) \$1,116,000 of the Puget Sound ferry operations account—state appropriation is provided solely for ferry security operations necessary to comply with the ferry security plan submitted by the Washington state ferry system to the United States coast guard. The department shall track security costs and expenditures. Ferry security operations costs shall not be included as part of the operational costs that are used to calculate farebox recovery.

(7) \$378,000 of the Puget Sound ferry operations account—state appropriation is provided solely to meet the United States coast guard requirements for appropriate rest hours between shifts for vessel crews on the Bainbridge to Seattle and Edmonds to Kingston ferry routes.

(8) \$694,000 of the Puget Sound ferries operating account—state appropriation is provided solely for implementing Engrossed Substitute House Bill No. 2358 as follows:

(a) The department shall allow the joint transportation committee workgroup established in section 205(1) of this act to participate in the following elements as they are described in Engrossed Substitute House Bill No. 2358:

(i) Development and implementation of a survey of ferry customers;

(ii) Analysis and reestablishment of vehicle level of service standards. In reestablishing the standards, consideration shall be given to whether boat wait is the appropriate measure. The level of service standard shall be reestablished in conjunction with or after the survey has been implemented;

(iii) Development of pricing policy proposals. In developing these policies, the policies, in effect on some routes, of collecting fares in only one direction shall be evaluated to determine whether one-way fare pricing best serves the ferry system. The pricing policy proposals must be developed in conjunction with or after the survey has been implemented;



(iv) Development of operational strategies. The operational strategies shall be reestablished in conjunction with the survey or after the survey has been implemented;

(v) Development of terminal design standards. The terminal design standards shall be finalized after the provisions of subsections (a)(i) through (iv) and subsection (b) of this section have been developed and reviewed by the joint transportation committee; and

(vi) Development of a capital plan. The capital plan shall be finalized after terminal design standards have been developed by the department and reviewed by the joint transportation committee.

(b) The department shall develop a ridership demand forecast that shall be used in the development of a long-range capital plan. If more than one forecast is developed they must be reconciled.

(c) The department shall update the life cycle cost model to meet the requirements of Engrossed Substitute House Bill No. 2358 no later than August 1, 2007.

(d) The department shall develop a cost allocation methodology proposal to meet the requirements described in Engrossed Substitute House Bill No. 2358. The proposal shall be completed and presented to the joint transportation committee no later than August 1, 2007.

**NEW SECTION. Sec. 226. FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—OPERATING Multimodal Transportation Account—State Appropriation . . . . . \$37,034,000**

The appropriation in this section is subject to the following conditions and limitations:

(1) The department shall publish a final long-range plan for Amtrak Cascades by September 30, 2007. By December 31, 2008, the department shall submit to the office of financial management and the transportation committees of the legislature a midrange plan for Amtrak Cascades that identifies specific steps the department would propose to achieve additional service beyond current levels.

(2)(a) \$29,091,000 of the multimodal transportation account—state appropriation is provided solely for the Amtrak service contract and Talgo maintenance contract associated with providing and maintaining the state-supported passenger rail service. Upon completion of the rail platform project in the city of Stanwood, the department shall provide daily Amtrak Cascades service to the city.

(b) The department shall negotiate with Amtrak and Burlington Northern Santa Fe to adjust the Amtrak Cascades schedule to leave Bellingham at a significantly earlier hour.

(c) When Amtrak Cascades expands the second roundtrip between Vancouver, B.C. and Seattle, the department shall negotiate for the second roundtrip to leave Bellingham southbound no later than 8:30 a.m.

(3) No Amtrak Cascade runs may be eliminated.

(4) \$40,000 of the multimodal transportation account—state appropriation is provided solely for the produce railcar program. The department is encouraged to implement the produce railcar program by maximizing private investment.

(5) The department shall begin planning for a third roundtrip Cascades train between Seattle and Vancouver, B.C. by 2010.

**NEW SECTION. Sec. 227. FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING**

Motor Vehicle Account—State Appropriation . . . . .	\$8,630,000
Motor Vehicle Account—Federal Appropriation . . . . .	\$2,567,000
TOTAL APPROPRIATION . . . . .	\$11,197,000

**TRANSPORTATION AGENCIES—CAPITAL**

**NEW SECTION. Sec. 301. FOR THE WASHINGTON STATE PATROL**

State Patrol Highway Account—State Appropriation . . . . .	\$2,934,000
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The appropriation in this section is subject to the following conditions and limitations:

(1) \$2,200,000 is provided solely for the following minor works projects: \$195,000 for HVAC renovation at the Chehalis, Kelso, Okanogan, and Ellensburg detachments; \$50,000 for roof replacements at the Toppenish, SeaTac NB, SeaTac SB, and Plymouth weigh stations; \$35,000 for replacement of the Shelton academy roof drain and downspout; \$100,000 for parking lot repairs at Okanogan, Goldendale, Ritzville, and Moses Lake detachment offices and the Wenatchee 6 headquarters; \$290,000 for replacement of the weigh station scales at Brady and Artic; \$152,000 for carpet replacement at the Ritzville, Moses Lake, Morton, Kelso, Chehalis, Walla Walla, Kennewick, South King, and Hoquiam detachment offices; \$185,000 for HVAC replacement at Tacoma and Marysville detachment offices; \$330,000 for repair and upgrade of the Bellevue tower; \$473,000 for replacement of twenty-one communication site underground fuel tanks; \$240,000 for replacement of communication site buildings at Lind, Scoggans Mountain, and Lewiston Ridge; and \$150,000 for unforeseen emergency repairs.

(2) \$687,000 is provided solely for design and construction of regional waste water treatment systems for the Shelton academy of the Washington state patrol.

(3) \$47,000 is provided solely for predesign of a single, consolidated aviation facility at the Olympia airport to house the fixed wing operations of the Washington state patrol, the department of natural resources (DNR), and the department of fish and wildlife, and the rotary operations of the DNR.

**NEW SECTION. Sec. 302. FOR THE COUNTY ROAD ADMINISTRATION BOARD**

Rural Arterial Trust Account—State Appropriation . . . . .	\$64,000,000
Motor Vehicle Account—State Appropriation . . . . .	\$2,368,000
County Arterial Preservation Account—State Appropriation . . . . .	\$32,861,000
TOTAL APPROPRIATION . . . . .	\$99,229,000

The appropriations in this section are subject to the following conditions and limitations: \$2,069,000 of the motor vehicle account—state appropriation may be used for county ferries. The board shall review the requests for county

ferry funding in consideration with other projects funded from the board. If the board determines these projects are a priority over the projects in the rural arterial and county arterial preservation grant programs, then they may provide funding for these requests.

**NEW SECTION. Sec. 303. FOR THE TRANSPORTATION IMPROVEMENT BOARD**

Small City Pavement and Sidewalk Account—State	
Appropriation . . . . .	\$4,500,000
Urban Arterial Trust Account—State Appropriation . . . . .	\$129,600,000
Transportation Improvement Account—State	
Appropriation . . . . .	\$90,643,000
TOTAL APPROPRIATION . . . . .	\$224,743,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The transportation improvement account—state appropriation includes up to \$7,143,000 in proceeds from the sale of bonds authorized in RCW 47.26.500.

(2) The urban arterial trust account—state appropriation includes up to \$15,000,000 in proceeds from the sale of bonds authorized in Substitute House Bill No. 2394. If Substitute House Bill No. 2394 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 304. FOR THE DEPARTMENT OF TRANSPORTATION—PROGRAM D (DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)—CAPITAL**

Motor Vehicle Account—State Appropriation . . . . .	\$6,202,000
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The appropriation in this section is subject to the following conditions and limitations:

(1) \$584,000 of the motor vehicle account—state appropriation is for statewide administration.

(2) \$750,000 of the motor vehicle account—state appropriation is for regional minor projects.

(3) \$568,000 of the motor vehicle account—state appropriation is for the Olympic region headquarters property payments.

(4) By September 1, 2007, the department shall submit to the transportation committees of the legislature predesign plans, developed using the office of financial management's predesign process, for all facility replacement projects to be proposed in the facilities 2008 budget proposal.

(5) \$1,600,000 of the motor vehicle account—state appropriation is for site acquisition for the Tri-cities area maintenance facility.

(6) \$2,700,000 of the motor vehicle account—state appropriation is for site acquisition for the Vancouver light industrial facility.

(7) The department shall work with the office of financial management and staff of the transportation committees of the legislature to develop a statewide inventory of all department-owned surplus property that is suitable for development for department facilities or that should be sold. By December 1, 2008, the department shall report to the joint transportation committee on the findings of this study.

**\*NEW SECTION. Sec. 305. FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I**

Transportation Partnership Account—State	
Appropriation. . . . .	\$1,226,516,000
Motor Vehicle Account—State Appropriation . . . . .	\$82,045,000
Motor Vehicle Account—Federal Appropriation . . . . .	\$404,090,000
Motor Vehicle Account—Private/Local	
Appropriation. . . . .	\$49,157,000
Special Category C Account—State Appropriation . . . . .	\$29,968,000
Tacoma Narrows Toll Bridge Account—State	
Appropriation. . . . .	\$142,484,000
Transportation 2003 Account (Nickel Account)—State	
Appropriation. . . . .	\$1,100,746,000
Freight Congestion Relief Account—State	
Appropriation. . . . .	\$40,000,000
TOTAL APPROPRIATION . . . . .	\$3,075,006,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document 2007-1, Highway Improvement Program (I) as developed April 20, 2007. However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 603 of this act.

(2) The department shall not commence construction on any part of the state route number 520 bridge replacement and HOV project until a record of decision has been reached providing reasonable assurance that project impacts will be avoided, minimized, or mitigated as much as practicable to protect against further adverse impacts on neighborhood environmental quality as a result of repairs and improvements made to the state route 520 bridge and its connecting roadways, and that any such impacts will be addressed through engineering design choices, mitigation measures, or a combination of both. The requirements of this section shall not apply to off-site pontoon construction supporting the state route number 520 bridge replacement and HOV project.

(3) Within the amounts provided in this section, \$1,991,000 of the transportation partnership account—state appropriation, \$1,656,000 of the motor vehicle account—federal appropriation, and \$8,343,000 of the transportation 2003 account (nickel account)—state appropriation are for project 109040T as identified in the LEAP transportation document in subsection (1) of this section: I-90/Two Way Transit-Transit and HOV Improvements - Stage 1. Expenditure of the funds on construction is contingent upon revising the access plan for Mercer Island traffic such that Mercer Island traffic will have access to the outer roadway high occupancy vehicle (HOV) lanes during the period of operation of such lanes following the removal of Mercer Island traffic from the center roadway and prior to conversion of the outer roadway HOV lanes to high occupancy toll (HOT) lanes. Sound transit may only have access to the center lanes when alternative R8A is complete.

(4) The Tacoma Narrows toll bridge account—state appropriation includes up to \$131,016,000 in proceeds from the sale of bonds authorized by RCW 47.10.843.

(5) The funding described in this section includes \$8,095,541 of the transportation 2003 account (nickel account)—state appropriation and \$237,241 of the motor vehicle account—private/local appropriation, which are for the SR 519 project. The total project is expected to cost no more than \$74,400,000 including \$11,950,000 in contributions from project partners.

(6) To promote and support community-specific noise reduction solutions, the department shall:

(a) Prepare a draft directive that establishes how each community's priorities and concerns may be identified and addressed in order to allow consideration of a community's preferred methods of advanced visual shielding and aesthetic screening, for the purpose of improving the noise environment of major state roadway projects in locations that do not meet the criteria for standard noise barriers. The intent is for these provisions to be supportable by existing project budgets. The directive shall also include direction on the coordination and selection of visual and aesthetic options with local communities. The draft directive shall be provided to the standing transportation committees of the legislature by January 2008; and

(b) Pilot the draft directive established in (a) of this subsection in two locations along major state roadways. If practicable, the department should begin work on the pilot projects while the directive is being developed. One pilot project shall be located in Clark county on a significant capacity improvement project. The second pilot project shall be located in urban King county, which shall be on a corridor highway project through mixed land use areas that is nearing or under construction. The department shall provide a written report to the standing transportation committees of the legislature on the findings of the Clark county pilot project by January 2009, and the King county pilot project by January 2010. Based on results of the pilot projects, the department shall update its design manual, environmental procedures, or other appropriate documents to incorporate the directive.

***(7) Funding allocated for mitigation costs is provided solely for the purpose of project impact mitigation, and shall not be used to develop or otherwise participate in the environmental assessment process.***

(8) If the "Green Highway" provisions of Engrossed Second Substitute House Bill No. 1303 (cleaner energy) are enacted, the department shall erect signs on the interstate highways included in those provisions noting that these interstates have been designated "Washington Green Highways."

(9) If on the I-405/I-90 to SE 8th Street Widening project the department finds that there is an alternative investment to preserve reliable rail accessibility to major manufacturing sites within the I-405 corridor that are less expensive than replacing the Wilburton Tunnel, the department may enter into the necessary agreements to implement that alternative provided that costs remain within the approved project budget.

***(10) The department should consider using mitigation banking on appropriate projects whenever possible, without increasing the cost to projects. The department should consider using the advanced environmental mitigation revolving account (AEMRA) for corridor and watershed based mitigation***

*opportunities, in addition to project specific mitigation. However, the department shall not use agricultural lands of long-term commercial significance, as that term is used under chapter 36.70A RCW, for mitigation banking.*

(11) The department shall apply for surface transportation program (STP) enhancement funds to be expended in lieu of or in addition to state funds for eligible costs of projects in Programs I and P, including, but not limited to, the SR 518, SR 519, SR 520, and Alaskan Way Viaduct projects.

(12) \$250,000 of the motor vehicle account—state appropriation is provided solely for an inland pacific hub study to develop an inland corridor for the movement of freight and goods to and through eastern Washington; and \$500,000 of the motor vehicle account—state appropriation is provided solely for the SR3/SR16 corridor study to plan and prioritize state and local improvements needed over the next 10-20 years to support safety, capacity development, and economic development within the corridor.

(13) The department shall, on a quarterly basis beginning July 1, 2007, provide to the office of financial management and the legislature reports providing the status on each active project funded in part or whole by the transportation 2003 account (nickel account) or the transportation partnership account. Funding provided at a programmatic level for transportation partnership account and transportation 2003 account (nickel account) projects relating to bridge rail, guard rail, fish passage barrier removal, and roadside safety projects should be reported on a programmatic basis. Projects within this programmatic level funding should be completed on a priority basis and scoped to be completed within the current programmatic budget. Other projects may be reported on a programmatic basis. The department shall work with the office of financial management and the transportation committees of the legislature to agree on report formatting and elements. Elements shall include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information systems (TEIS).

(14) The department shall apply for the competitive portion of federal transit administration funds for eligible transit-related costs of the SR 520 bridge replacement and HOV project. The federal funds described in this subsection shall not include those federal transit administration funds distributed by formula.

(15) Funding provided by this act for the Alaskan Way Viaduct project shall not be spent for preliminary engineering, design, right-of-way acquisition, or construction on the project if completion of the project would more likely than not reduce the capacity of the facility. Capacity shall be measured by including the consideration of the efficient movement of people and goods on the facility.

(16) The governor shall convene a collaborative process involving key leaders to determine the final project design for the Alaskan Way Viaduct.

(a) The process shall be guided by the following common principles: Public safety must be maintained; the final project shall meet both capacity and mobility needs; and taxpayer dollars must be spent responsibly.

(b) The state's project expenditures shall not exceed \$2,800,000,000.

(c) A final design decision shall be made by December 31, 2008.

(17) During the 2007-09 biennium, the department shall proceed with a series of projects on the Alaskan Way Viaduct that are common to any design alternative. Those projects include relocation of two electrical transmission lines, Battery Street tunnel upgrades, seismic upgrades from Lenora to the Battery Street tunnel, viaduct removal from Holgate to King Street, and development of transit enhancements and other improvements to mitigate congestion during construction.

(18) The entire freight congestion relief account—state appropriation is contingent upon the enactment during the 2007-2009 fiscal biennium of a bill, resulting from the study established in Substitute Senate Bill No. 5207, that makes available funding to support project expenditures funded from the freight congestion relief account created in Substitute Senate Bill No. 5207. If such a funding bill is not enacted by June 30, 2009, the entire freight congestion relief account—state appropriation shall lapse.

(19) The transportation 2003 account (nickel account)—state appropriation includes up to \$874,610,000 in proceeds from the sale of bonds authorized by RCW 47.10.861.

(20) The transportation partnership account—state appropriation includes up to \$900,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(21) The special category C account—state appropriation includes up to \$22,080,000 in proceeds from the sale of bonds authorized in Substitute House Bill No. 2394. If Substitute House Bill No. 2394 is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(22) \$4,500,000 of the motor vehicle account—federal appropriation is provided solely for cost increases on the SR 304/Bremerton tunnel project.

(23) \$3,000,000 of the motor vehicle account—state appropriation is provided solely for initial design and right of way work on a new southbound SR 509 to eastbound SR 518 freeway-to-freeway elevated ramp.

(24) \$500,000 of the motor vehicle account—federal appropriation to the SR 543/I-5 to Canadian border project is provided solely for retaining wall facia improvements.

(25) \$1,400,000 of the motor vehicle account—federal appropriation is provided solely for the Westview school noise wall.

(26) \$1,600,000 of the motor vehicle account—federal appropriation is provided solely for two noise walls on SR 161 in King county.

(27) \$900,000 of the motor vehicle account—state appropriation and \$100,000 of the motor vehicle account—federal appropriation are provided solely for interchange design and planning work on US 12 at A street and tank farm road.

\*Sec. 305 was partially vetoed. See message at end of chapter.

**NEW SECTION. Sec. 306. FOR THE DEPARTMENT OF TRANSPORTATION—PRESERVATION—PROGRAM P**

Transportation Partnership Account—State

Appropriation . . . . .	\$220,164,000
Motor Vehicle Account—State Appropriation . . . . .	\$71,392,000
Motor Vehicle Account—Federal Appropriation . . . . .	\$425,161,000
Motor Vehicle Account—Private/Local Appropriation . . . . .	\$15,285,000

Transportation 2003 Account (Nickel Account)—State	
Appropriation . . . . .	\$5,122,000
Puyallup Tribal Settlement Account—State	
Appropriation . . . . .	\$11,000,000
TOTAL APPROPRIATION . . . . .	\$748,124,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document 2007-1, Highway Preservation Program (P) as developed April 20, 2007. However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 603 of this act.

(2) \$295,000 of the motor vehicle account—federal appropriation and \$5,000 of the motor vehicle account—state appropriation are provided solely for the department to determine the most cost efficient way to replace the current Keller ferry. Options reviewed shall not include an expansion of the current capacity of the Keller ferry.

(3) \$5,513,000 of the transportation partnership account—state appropriation is provided solely for the purposes of settling all identified and potential claims from the Lower Elwha Klallam Tribe related to the construction of a graving dock facility on the graving dock property. In the matter of *Lower Elwha Klallam Tribe et al v. State et al*, Thurston county superior court, cause no. 05-2-01595-8, the Lower Elwha Klallam Tribe and the state of Washington entered into a settlement agreement that settles all claims related to graving dock property and associated construction and releases the state from all claims related to the construction of the graving dock facilities. The expenditure of this appropriation is contingent on the conditions and limitations set forth in subsections (a) and (b) of this subsection.

(a) \$2,000,000 of the transportation partnership account—state appropriation is provided solely for the benefit of the Lower Elwha Klallam Tribe to be disbursed by the department in accordance with terms and conditions of the settlement agreement.

(b) \$3,513,000 of the transportation partnership account—state appropriation is provided solely for the department's remediation work on the graving dock property in accordance with the terms and conditions of the settlement agreement.

(4) The department shall apply for surface transportation program (STP) enhancement funds to be expended in lieu of or in addition to state funds for eligible costs of projects in Programs I and P, including, but not limited to, the SR 518, SR 519, SR 520, and Alaskan Way Viaduct projects.

(5) The department shall, on a quarterly basis beginning July 1, 2007, provide to the office of financial management and the legislature reports providing the status on each active project funded in part or whole by the transportation 2003 account (nickel account) or the transportation partnership account. Funding provided at a programmatic level for transportation partnership account projects relating to seismic bridges should be reported on a



programmatic basis. Projects within this programmatic level funding should be completed on a priority basis and scoped to be completed within the current programmatic budget. Other projects may be reported on a programmatic basis. The department shall work with the office of financial management and the transportation committees of the legislature to agree on report formatting and elements. Elements shall include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information systems (TEIS).

(6) The department of transportation shall continue to implement the lowest life cycle cost planning approach to pavement management throughout the state to encourage the most effective and efficient use of pavement preservation funds. Emphasis should be placed on increasing the number of roads addressed on time and reducing the number of roads past due.

(7) \$2,604,501 of the motor vehicle account—federal appropriation and \$3,000,000 of the motor vehicle account—state appropriation are for expenditures on damaged state roads due to flooding, mudslides, rock fall, or other unforeseen events.

(8) \$9,665 of the motor vehicle account—state appropriation, \$12,652,812 of the motor vehicle account—federal appropriation, and \$138,174,581 of the transportation partnership account—state appropriation are provided solely for the Hood Canal bridge project.

**NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—CAPITAL**

Motor Vehicle Account—State Appropriation . . . . .	\$9,212,000
Motor Vehicle Account—Federal Appropriation . . . . .	\$15,951,000
Motor Vehicle Account—Private/Local Appropriation . . . . .	\$74,000
TOTAL APPROPRIATION . . . . .	\$25,237,000

The appropriations in this section are subject to the following conditions and limitations: The motor vehicle account—state appropriation includes \$8,833,000 provided solely for state matching funds for federally selected competitive grant or congressional earmark projects. These moneys shall be placed into reserve status until such time as federal funds are secured that require a state match.

**\*NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W**

Puget Sound Capital Construction Account—State Appropriation. . . . .	\$139,139,000
Puget Sound Capital Construction Account—Federal Appropriation. . . . .	\$66,145,000
Multimodal Transportation Account—State Appropriation. . . . .	\$4,100,000
Transportation 2003 Account (Nickel Account)—State Appropriation. . . . .	\$76,525,000
TOTAL APPROPRIATION . . . . .	\$285,909,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$6,432,000 of the Puget Sound capital construction account—state appropriation is provided solely for emergency capital costs.

(2) \$16,567,000 of the Puget Sound capital construction account—state appropriation and \$4,100,000 of the multimodal transportation account—state appropriation are provided solely for the terminal projects listed:

(a) Anacortes ferry terminal - utilities work; right-of-way purchase for a holding area during construction; and completion of design and permitting on the terminal building, pick-up and drop-off sites, and pedestrian and bicycle facilities;

(b) Bainbridge Island ferry terminal - environmental planning;

(c) Bremerton ferry terminal - overhead loading control system and moving the terminal agent's office;

(d) Clinton ferry terminal - septic system replacement;

(e) Edmonds ferry terminal - right-of-way acquisition costs and federal match requirements;

(f) Friday Harbor ferry terminal - parking resurfacing;

(g) Keystone and Port Townsend ferry terminals - route environmental planning;

(h) Kingston ferry terminal - transfer span retrofit and overhead vehicle holding control system modifications;

(i) Mukilteo ferry terminal - right-of-way acquisition, archeological studies, and environmental planning;

(j) Port Townsend ferry terminal - wingwall replacement;

(k) Seattle ferry terminal - environmental planning, coordination with local jurisdictions, and coordination with highway projects; and

(l) Vashon Island and Seattle ferry terminals - modify the passenger-only facilities.

***(3) \$15,500,000 of the Puget Sound ferries operating account—state appropriation is provided solely for dolphin replacement projects at the Orcas Island and Vashon Island ferry terminals. The department shall submit a predesign study to the legislature and must receive legislative approval before beginning design or construction of these projects.***

(4) \$76,525,000 of the transportation 2003 account (nickel account)—state appropriation and \$50,985,000 of the Puget Sound capital construction account—state appropriation are provided solely for the procurement of four 144-vehicle auto-passenger ferry vessels.

(5) \$18,716,000 of the Puget Sound capital construction account—state appropriation is provided solely for the Eagle Harbor maintenance facility preservation project. These funds may not be used for relocating any warehouses not currently on the Eagle Harbor site.

(6) The department shall research an asset management system to improve Washington state ferries' management of capital assets and the department's ability to estimate future preservation needs. The department shall report its findings regarding a new asset management system to the governor and the transportation committees of the legislature no later than January 15, 2008.

(7) The department shall sell the M.V. Chinook and M.V. Snohomish passenger-only fast ferries as soon as practicable and deposit the proceeds of the

sales into the passenger ferry account created in RCW 47.60.645. Once the department ceases to provide passenger-only ferry service, the department shall sell the M.V. Kalama and M.V. Skagit passenger-only ferries and deposit the proceeds of the sales into the passenger ferry account created in RCW 47.60.645.

(8) The department shall, on a quarterly basis beginning July 1, 2007, provide to the office of financial management and the legislature reports providing the status on each project listed in this section and in the project lists submitted pursuant to this act and on any additional projects for which the department has expended funds during the 2007-09 fiscal biennium. Elements shall include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection via the transportation executive information systems (TEIS).

\*Sec. 308 was partially vetoed. See message at end of chapter.

**NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—CAPITAL**

Essential Rail Assistance Account—State Appropriation . . . . .	\$500,000
Freight Congestion Relief Account—State Appropriation. . . . .	\$25,000,000
Transportation Infrastructure Account—State Appropriation. . . . .	\$2,500,000
Multimodal Transportation Account—State Appropriation. . . . .	\$154,637,000
Multimodal Transportation Account—Federal Appropriation. . . . .	\$30,450,000
Multimodal Transportation Account—Private/Local Appropriation. . . . .	\$7,894,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$220,981,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) Except as provided in subsection (8) of this section, the entire appropriations in this section are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document 2007-1, Rail Capital Program (Y) as developed April 20, 2007. However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 603 of this act.

(b) Within the amounts provided in this section, \$2,500,000 of the transportation infrastructure account—state appropriation is for low-interest loans for rail capital projects through the freight rail investment bank program. The department shall issue a call for projects based upon the legislative priorities specified in subsection (7)(a) of this section. Application must be received by the department by November 1, 2007. By December 1, 2007, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

(c) Within the amounts provided in this section, \$3,335,000 of the multimodal transportation account—state appropriation is for statewide - emergent freight rail assistance projects. However, the department shall perform

a cost/benefit analysis of the projects according to the legislative priorities specified in subsection (7)(a) of this section, and shall give priority to the following projects: Rail - Tacoma rail yard switching upgrades (\$500,000); Rail - Port of Ephrata spur rehabilitation (\$127,000); Rail - Lewis and Clark rail improvements (\$1,100,000); Rail - Port of Grays Harbor rail access improvements (\$543,000); Rail - Port of Longview rail loop construction (\$291,000); and Rail - Port of Chehalis (\$774,000). If the relative cost of any of the six projects identified in this subsection (1)(c) is not substantially less than the public benefits to be derived from the project, then the department shall not assign the funds to the project, and instead shall use those funds toward those projects identified by the department in the attachments to the "Washington State Department of Transportation FREIGHT RAIL ASSISTANCE FUNDING PROGRAM: 2007-2009 Prioritized Project List and Program Update" dated December 2006 for which the proportion of public benefits to be gained compared to the cost of the project is greatest.

(d) Within the amounts provided in this section, \$25,000,000 of the freight congestion relief account—state appropriation is for modifications to the Stampede Pass rail tunnel to facilitate the movement of double stacked rail cars. The department shall quantify and report to the legislature by December 1, 2007, the volume of freight traffic that would likely be shipped by rail rather than trucks if the Stampede Pass rail tunnel were modified to accommodate double stacked rail cars.

(e) Within the amounts provided in this section, \$200,000 of the multimodal transportation account—state appropriation is for rescoping the Kelso to Martin's Bluff - 3rd Mainline and Storage Tracks project. The rescoped project may include funds that are committed to the project by local or private funding partners. However, the rescoped project must be capable of being completed with not more than \$49,470,000 in future state funding. Subject to this funding constraint, the rescoped project must maximize capacity improvements along the rail mainline.

(f) Within the amounts provided in this section, \$3,600,000 of the multimodal transportation account—state appropriation is for work items on the Palouse River and Coulee City Railroad lines.

(2) The multimodal transportation account—state appropriation includes up to \$137,620,000 in proceeds from the sale of bonds authorized by RCW 47.10.867.

(3) The department is directed to seek the use of unprogrammed federal rail crossing funds to be expended in lieu of or in addition to state funds for eligible costs of projects in Program Y, including, but not limited to the "Tacoma — bypass of Pt. Defiance" project.

(4) If new federal funding for freight or passenger rail is received, the department shall consult with the transportation committees of the legislature and the office of financial management prior to spending the funds on existing or additional projects.

(5) The department shall sell any ancillary property, acquired when the state purchased the right-of-ways to the PCC rail line system, to a lessee of the ancillary property who is willing to pay fair market value for the property. The department shall deposit the proceeds from the sale of ancillary property into the transportation infrastructure account.

(6) The entire freight congestion relief account—state appropriation is contingent upon the enactment during the 2007-2009 fiscal biennium of a bill, resulting from the study established in Substitute Senate Bill No. 5207, that makes available funding to support project expenditures funded from the freight congestion relief account created in Substitute Senate Bill No. 5207. If such a funding bill is not enacted by June 30, 2009, the entire freight congestion relief account—state appropriation shall lapse.

(7)(a) The department shall develop and implement the benefit/impact evaluation methodology recommended in the statewide rail capacity and needs study finalized in December 2006. The benefit/impact evaluation methodology shall be developed using the following priorities, in order of relative importance:

- (i) Economic, safety, or environmental advantages of freight movement by rail compared to alternative modes;
- (ii) Self-sustaining economic development that creates family-wage jobs;
- (iii) Preservation of transportation corridors that would otherwise be lost;
- (iv) Increased access to efficient and cost-effective transport to market for Washington's agricultural and industrial products;
- (v) Better integration and cooperation within the regional, national, and international systems of freight distribution; and
- (vi) Mitigation of impacts of increased rail traffic on communities.

(b) The department shall convene a work group to collaborate on the development of the benefit/impact analysis method to be used in the evaluation. The work group must include, at a minimum, the freight mobility strategic investment board, the department of agriculture, and representatives from the various users and modes of the state's rail system.

(c) The department shall use the benefit/impact analysis and priorities in (a) of this subsection when submitting requests for state funding for rail projects. The department shall develop a standardized format for submitting requests for state funding for rail projects that includes an explanation of the analysis undertaken, and the conclusions derived from the analysis.

(d) The department and the freight mobility strategic investment board shall collaborate to submit a report to the office of financial management and the transportation committees of the legislature by September 1, 2008, listing proposed freight highway and rail projects. The report must describe the analysis used for selecting such projects, as required by this act for the department and as required by chapter 47.06A RCW for the board. When developing its list of proposed freight highway and rail projects, the freight mobility strategic investment board shall use the priorities identified in (a) of this subsection to the greatest extent possible.

(8) \$5,000,000 of the multimodal transportation account—state appropriation is reappropriated and provided solely for the costs of acquisition of the PCC railroad associated with the memorandum of understanding (MOU), which was executed between Washington state and Watco. Total costs associated with the MOU shall not exceed \$10,937,000.

**NEW SECTION. Sec. 310. FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—CAPITAL**

Highway Infrastructure Account—State Appropriation . . . . . \$207,000

Highway Infrastructure Account—Federal	
Appropriation. . . . .	\$1,602,000
Freight Mobility Investment Account—State	
Appropriation. . . . .	\$12,500,000
Freight Congestion Relief Account—State	
Appropriation. . . . .	\$46,720,000
Transportation Partnership Account—State	
Appropriation. . . . .	\$2,906,000
Motor Vehicle Account—State Appropriation . . . . .	\$9,854,000
Motor Vehicle Account—Federal Appropriation . . . . .	\$60,150,000
Freight Mobility Multimodal Account—State	
Appropriation. . . . .	\$12,100,000
Multimodal Transportation Account—Federal	
Appropriation. . . . .	\$3,500,000
Multimodal Transportation Account—State	
Appropriation. . . . .	\$33,158,000
Transportation 2003 Account (Nickel Account)—State	
Appropriation. . . . .	\$2,706,000
Passenger Ferry Account—State Appropriation. . . . .	\$8,500,000
TOTAL APPROPRIATION . . . . .	\$193,903,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall, on a quarterly basis, provide status reports to the legislature on the delivery of projects as outlined in the project lists incorporated in this section. For projects funded by new revenue in the 2003 and 2005 transportation packages, reporting elements shall include, but not be limited to, project scope, schedule, and costs. Other projects may be reported on a programmatic basis. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information system (TEIS).

(2) \$8,500,000 of the passenger ferry account—state appropriation is provided solely for near and long-term costs of capital improvements in a business plan approved by the governor for passenger ferry service.

(3) The department shall seek the use of unprogrammed federal rail crossing funds to be expended in lieu of or in addition to state funds for eligible costs of projects in local programs, program Z capital.

(4) The department shall apply for surface transportation program (STP) enhancement funds to be expended in lieu of or in addition to state funds for eligible costs of projects in local programs, program Z capital.

(5) Federal funds may be transferred from program Z to programs I and P and state funds shall be transferred from programs I and P to program Z to replace those federal funds in a dollar-for-dollar match. Fund transfers authorized under this subsection shall not affect project prioritization status. Appropriations shall initially be allotted as appropriated in this act. The department may not transfer funds as authorized under this subsection without approval of the office of financial management. The department shall submit a report on those projects receiving fund transfers to the office of financial

management and the transportation committees of the legislature by December 1, 2007, and December 1, 2008.

(6) The city of Winthrop may utilize a design-build process for the Winthrop bike path project. Of the amount appropriated in this section for this project, \$500,000 of the multimodal transportation account—state appropriation is contingent upon the state receiving from the city of Winthrop \$500,000 in federal funds awarded to the city of Winthrop by its local planning organization.

(7) \$7,000,000 of the multimodal transportation account—state appropriation, \$7,000,000 of the motor vehicle account—federal appropriation, and \$4,000,000 of the motor vehicle account—federal appropriation are provided solely for the pedestrian and bicycle safety program projects and safe routes to schools program projects identified in the LEAP Transportation Document 2007-A, pedestrian and bicycle safety program projects and safe routes to schools program projects as developed April 20, 2007. Projects must be allocated funding based on order of priority. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, shall be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and identify where unused grant funds remain because actual project costs were lower than estimated in the grant award.

(8) Up to a maximum of \$5,000,000 of the multimodal transportation account—state appropriation and up to a maximum of \$2,000,000 of the motor vehicle account—federal appropriation are reappropriated for the pedestrian and bicycle safety program projects and safe routes to schools program projects identified in the LEAP transportation document 2006-B, pedestrian and bicycle safety program projects and safe routes to schools program projects as developed March 8, 2006. Projects must be allocated funding based on order of priority. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, shall be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and identify where unused grant funds remain because actual project costs were lower than estimated in the grant award.

(9) The entire freight congestion relief account—state appropriation is contingent upon the enactment during the 2007-2009 fiscal biennium of a bill, resulting from the study established in Substitute Senate Bill No. 5207, that makes available funding to support project expenditures funded from the freight congestion relief account created in Substitute Senate Bill No. 5207. If such a funding bill is not enacted by June 30, 2009, the entire freight congestion relief account—state appropriation shall lapse.

(10) \$3,500,000 of the multimodal transportation account—federal appropriation is provided solely for the Museum of Flight pedestrian bridge safety project.

(11) \$250,000 of the multimodal transportation account—state appropriation is provided solely for the icicle rail station in Leavenworth.

(12) \$1,500,000 of the motor vehicle account—state appropriation is provided solely for the Union Gap city road project.

(13) \$350,000 of the motor vehicle account—state appropriation is provided solely for the Saltwater state park bridge project.

(14) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for the coal creek parkway project.

(15) \$250,000 of the multimodal transportation account—state appropriation is provided solely for a streetcar feasibility study in downtown Spokane.

(16) \$500,000 of the motor vehicle account—state appropriation is provided solely for the marine view drive bridge project in Des Moines.

**TRANSFERS AND DISTRIBUTIONS**

**NEW SECTION. Sec. 401. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND TRANSPORTATION FUND REVENUE**

Highway Bond Retirement Account Appropriation . . . . .	\$570,030,000
Ferry Bond Retirement Account Appropriation . . . . .	\$38,059,000
Transportation Improvement Board Bond Retirement Account—State Appropriation . . . . .	\$27,749,000
Nondebt-Limit Reimbursable Account Appropriation . . . . .	\$19,359,000
Transportation Partnership Account—State Appropriation . . . . .	\$6,694,000
Motor Vehicle Account—State Appropriation . . . . .	\$986,000
Transportation Improvement Account—State Appropriation . . . . .	\$68,000
Multimodal Transportation Account—State Appropriation . . . . .	\$1,032,000
Transportation 2003 Account (Nickel Account)—State Appropriation . . . . .	\$6,560,000
Urban Arterial Trust Account—State Appropriation . . . . .	\$473,000
Special Category C Account Appropriation . . . . .	\$160,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$671,170,000</b>

**NEW SECTION. Sec. 402. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES**

Transportation Partnership Account—State Appropriation . . . . .	\$2,254,000
Motor Vehicle Account—State Appropriation . . . . .	\$329,000
Transportation Improvement Account—State Appropriation . . . . .	\$5,000
Multimodal Transportation Account—State Appropriation . . . . .	\$130,000
Transportation 2003 Account (Nickel Account)—State Appropriation . . . . .	\$2,187,000



Urban Arterial Trust Account—State Appropriation . . . . .	\$38,000
Special Category C Account—State Appropriation . . . . .	\$53,000
TOTAL APPROPRIATION . . . . .	\$4,996,000

**NEW SECTION. Sec. 403. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR MVFT BONDS AND TRANSFERS**

(1) Motor Vehicle Account—State Reappropriation:  
For transfer to the Tacoma Narrows Toll Bridge Account . . . . . \$131,016,000

The department of transportation is authorized to sell up to \$131,016,000 in bonds authorized by RCW 47.10.843 for the Tacoma Narrows bridge project. Proceeds from the sale of the bonds shall be deposited into the motor vehicle account. The department of transportation shall inform the treasurer of the amount to be deposited.

(2) Motor Vehicle Account—State Appropriation:  
For transfer to the Puget Sound Capital Construction Account . . . . . \$131,500,000

The department of transportation is authorized to sell up to \$131,500,000 in bonds authorized by RCW 47.10.843 for vessel and terminal acquisition, major and minor improvements, and long lead-time materials acquisition for the Washington state ferries.

**NEW SECTION. Sec. 404. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION**

Motor Vehicle Account Appropriation for motor vehicle fuel tax distributions to cities and counties . . . . . \$526,320,000

**NEW SECTION. Sec. 405. FOR THE STATE TREASURER—TRANSFERS**

Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax refunds and statutory transfers . . . . . \$937,181,000

**NEW SECTION. Sec. 406. FOR THE DEPARTMENT OF LICENSING—TRANSFERS**

Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax refunds and transfers . . . . . \$346,657,000

**\*NEW SECTION. Sec. 407. FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS**

(1) Recreational Vehicle Account—State Appropriation: For transfer to the Motor Vehicle Account—State . . . . . \$3,005,000

(2) License Plate Technology Account—State Appropriation: For the Multimodal Transportation Account—State . . . . . \$4,500,000

(3) Motor Vehicle Account—State Appropriation: For transfer to the High-Occupancy Toll Lanes Operations— State Account . . . . .	\$3,000,000
(4) Motor Vehicle Account—State Appropriation: For transfer to the Puget Sound Capital Construction Account—State . . . . .	\$20,000,000
(5) Multimodal Transportation Account—State Appropriation: For transfer to the Puget Sound Ferry Operations Account—State . . . . .	\$39,000,000
(6) Advanced Right-of-Way Revolving Account—State Appropriation: For transfer to the Motor Vehicle Account—State . . . . .	\$30,000,000
(7) Waste Tire Removal Account—State Appropriation: For transfer to the Motor Vehicle Account—State . . . . .	\$5,600,000
(8) Motor Vehicle Account—State Appropriation: For transfer to the Transportation Partnership Account—State . . . . .	\$25,000,000
<b>(9) Multimodal Transportation Account—State Appropriation: For transfer to the General Fund—State . . . . .</b>	<b>\$3,500,000</b>
(10) Multimodal Transportation Account—State Appropriation: For transfer to the Transportation Infrastructure Account—State . . . . .	\$7,000,000
(11) Highway Safety Account—State Appropriation: For transfer to the Multimodal Transportation Account—State . . . . .	\$9,500,000

The transfers identified in this section are subject to the following conditions and limitations:

(a) The amount transferred in subsection (3) of this section may be spent only on "highway purposes" as that term is construed in Article II, section 40 of the Washington state Constitution.

**(b) The amount transferred in subsection (9) of this section is contingent on the enactment of Engrossed Substitute Senate Bill No. 5799. If Engrossed Substitute Senate Bill No. 5799 is not enacted by June 30, 2007, the amount transferred shall lapse.**

\*Sec. 407 was partially vetoed. See message at end of chapter.

**NEW SECTION. Sec. 408. STATUTORY APPROPRIATIONS.** In addition to the amounts appropriated in this act for revenue for distribution, state contributions to the law enforcement officers' and firefighters' retirement system, and bond retirement and interest including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under any proper bond covenant made under law.

**NEW SECTION. Sec. 409.** The department of transportation is authorized to undertake federal advance construction projects under the provisions of 23 U.S.C. Sec. 115 in order to maintain progress in meeting approved highway construction and preservation objectives. The legislature recognizes that the use

of state funds may be required to temporarily fund expenditures of the federal appropriations for the highway construction and preservation programs for federal advance construction projects prior to conversion to federal funding.

### COMPENSATION

**NEW SECTION. Sec. 501. COMPENSATION—NONREPRESENTED EMPLOYEES—INSURANCE BENEFITS.** The appropriations for state agencies, are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$707 per eligible employee for fiscal year 2008. For fiscal year 2009 the monthly employer funding rate shall not exceed \$732 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. From January 1, 2008, through December 31, 2008, the subsidy shall be \$165.31. Starting January 1, 2009, the subsidy shall be \$184.26 per month.

**NEW SECTION. Sec. 502. COMPENSATION—REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION—INSURANCE BENEFITS.** The appropriations for state agencies, are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, for represented employees outside the super coalition under chapter 41.80 RCW, shall not exceed \$707 per eligible employee for fiscal year 2008. For fiscal year 2009 the monthly employer funding rate shall not exceed \$732 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of

prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. From January 1, 2008, through December 31, 2008, the subsidy shall be \$165.31. Starting January 1, 2009, the subsidy shall be \$184.26 per month.

**NEW SECTION. Sec. 503. COMPENSATION—REPRESENTED EMPLOYEES—SUPER COALITION.** Collective bargaining agreements negotiated as part of the super coalition under chapter 41.80 RCW include employer contributions to health insurance premiums at 88% of the cost. Funding rates at this level are currently \$707 per month for fiscal year 2008 and \$732 per month for fiscal year 2009. The agreements also include a one-time payment of \$756 for each employee who is eligible for insurance for the month of June, 2007, and is covered by a 2007-2009 collective bargaining agreement pursuant to chapter 41.80 RCW, as well as continuation of the salary increases that were negotiated for the twelve-month period beginning July 1, 2006, and scheduled to terminate June 30, 2007.

**\*NEW SECTION. Sec. 504. COMPENSATION—PENSION CONTRIBUTIONS.** *The appropriations for state agencies, including institutions of higher education are subject to the following conditions and limitations: Appropriations are provided to fund employer contributions to state pension funds at the rates adopted by the pension funding council.*

\*Sec. 504 was vetoed. See message at end of chapter.

**NEW SECTION. Sec. 505. COMPENSATION—REVISE PENSION GAIN SHARING.** The appropriations for (schools) state agencies, including institutions of higher education are subject to the following conditions and limitations: Appropriations are adjusted to reflect changes to pension gain sharing as provided in House Bill No. 2391.

**NEW SECTION. Sec. 506. NONREPRESENTED EMPLOYEE COMPENSATION.** The appropriations for nonrepresented employee compensation adjustments are provided solely for:

(1) Across the Board Adjustments.

(a) Appropriations are provided for a 3.2% salary increase effective September 1, 2007, for all classified employees, except those represented by a collective bargaining unit under chapter 41.80 RCW, and except the certificated employees of the state schools for the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

The appropriations are also sufficient to fund a 3.2% salary increase effective September 1, 2007, and for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(b) Appropriations are provided for a 2.0% salary increase effective September 1, 2008, for all classified employees, except those represented by a collective bargaining unit under chapter 41.80 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel. The appropriations are also sufficient to fund a 2.0% salary increase effective September 1, 2008, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(2) Salary Survey.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's 2006 salary survey, for job classes more than 25% below market rates and affected classes.

(3) Classification Consolidation.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's phase 4 job class consolidation and revisions under the personnel system reform act of 2002.

(4) Agency Request Consolidation.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's agency request job class consolidation and reclassification plan.

(5) Additional Pay Step.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for a new pay step L for those who have been in step K for at least one year.

(6) Retain Fiscal Year 2007 Pay Increase.

For all classified state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732, funding is provided for continuation of the 1.6% salary increase that was provided during fiscal year 2007. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel. The appropriations are also sufficient to continue a 1.6% salary increase for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

**NEW SECTION. Sec. 507. COLLECTIVE BARGAINING AGREEMENTS.** Provisions of the collective bargaining agreements contained in sections 508 through 519 of this act are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreements. The collective bargaining agreements contained in sections 508 through 519 may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded

grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided.

**NEW SECTION. Sec. 508. COLLECTIVE BARGAINING AGREEMENT—IBU.** Appropriations in this act contain funding for the collective bargaining agreement reached between the governor and the inlandboatmen's union of the pacific under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and increases ranging from 1.5% to 4% to address specific classifications which are below market rates as established by the marine employees commission 2006 salary survey.

**NEW SECTION. Sec. 509. COLLECTIVE BARGAINING AGREEMENT—MEBA-LICENSED.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the marine engineers' beneficial association under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and increases ranging from 1% to 6% to address specific classifications which are below market rates as established by the marine employees commission 2006 salary survey.

**NEW SECTION. Sec. 510. COLLECTIVE BARGAINING AGREEMENT—MEBA-UNLICENSED.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the marine engineers' beneficial association under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, and a 2% salary increase effective July 1, 2008.

**NEW SECTION. Sec. 511. COLLECTIVE BARGAINING AGREEMENT—MM&P.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the international organization of master, mates & pilots, local 6, under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and increases ranging from 2.5% to 7.5% to address specific classifications which are below market rates as established by the marine employees commission 2006 salary survey.

**NEW SECTION. Sec. 512. COLLECTIVE BARGAINING AGREEMENT—MM&P-WATCH SUPERVISORS.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the international organization of master, mates & pilots, watch supervisors,

local 6, under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and a 3% increase to address this specific classification which is below market rates as established by the marine employees commission 2006 salary survey.

**NEW SECTION. Sec. 513. COLLECTIVE BARGAINING AGREEMENT—METAL TRADES COUNCIL.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the Puget Sound metal trades council under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and a \$0.95/hour salary adjustment to all classifications which are below market rates as established by the marine employees commission 2006 salary survey.

**NEW SECTION. Sec. 514. COLLECTIVE BARGAINING AGREEMENT—FASPAA.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the ferry agents, supervisors, & project administrators association under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and a 10% increase to address specific classifications which are below market rates as established by the marine employees commission 2006 salary survey.

**NEW SECTION. Sec. 515. COLLECTIVE BARGAINING AGREEMENT—OPEIU.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the office & professional employees international union, local 8, under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and a one salary range (5%) increase to address specific classifications which are below market rates as established by the marine employees commission 2006 salary survey.

**NEW SECTION. Sec. 516. COLLECTIVE BARGAINING AGREEMENT—SEIU.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the service employees international union, local 6, under chapter 47.64 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, a 2% salary increase effective July 1, 2008, and a 5% increase to

address specific classifications which are below market rates as established by the marine employees commission 2006 salary survey.

**NEW SECTION. Sec. 517. COLLECTIVE BARGAINING AGREEMENT—WSP TROOPERS ASSOCIATION.** Appropriations in this act reflect funding for the collective bargaining agreement reached between the governor and the Washington state patrol trooper's association under the provisions of chapter 41.56 RCW. For employees covered under this agreement, provisions include a 4.0% salary increase effective July 1, 2007, and a 4.0% salary increase effective July 1, 2008. Also effective July 1, 2007, positions located in King (10%), Snohomish (5%), or Pierce (3%) counties will receive geographic pay.

**NEW SECTION. Sec. 518. COLLECTIVE BARGAINING AGREEMENT—WSP LIEUTENANTS ASSOCIATION.** Appropriations in this act reflect funding for the collective bargaining agreement reached between the governor and the Washington state patrol lieutenant's association under the provisions of chapter 41.56 RCW. For employees covered under this agreement, provisions include a 4.0% salary increase effective July 1, 2007, and a 4.0% salary increase effective July 1, 2008. Also effective July 1, 2007, positions located in King (10%), Snohomish (5%), or Pierce (3%) counties will receive geographic pay.

**NEW SECTION. Sec. 519. COLLECTIVE BARGAINING AGREEMENT—IFPTE.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the international federation of professional and technical engineers under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6% salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2% salary increase effective July 1, 2007, and a 2% salary increase effective July 1, 2008. Select classifications will receive wage increases due to the implementation of the department of personnel's 2006 salary survey for classes more than 25% below market rates. These increases will be effective July 1, 2007. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007.

#### IMPLEMENTING PROVISIONS

**NEW SECTION. Sec. 601.** Executive Order number 05-05, archaeological and cultural resources, was issued effective November 10, 2005. Agencies and higher education institutions that issue grants or loans for capital projects shall comply with the requirements set forth in this executive order.

**NEW SECTION. Sec. 602. INFORMATION SYSTEMS PROJECTS.** Agencies shall comply with the following requirements regarding information systems projects when specifically directed to do so by this act.

(1) Agency planning and decisions concerning information technology shall be made in the context of its information technology portfolio. "Information technology portfolio" means a strategic management approach in which the relationships between agency missions and information technology investments



can be seen and understood, such that: Technology efforts are linked to agency objectives and business plans; the impact of new investments on existing infrastructure and business functions are assessed and understood before implementation; and agency activities are consistent with the development of an integrated, nonduplicative statewide infrastructure.

(2) Agencies shall use their information technology portfolios in making decisions on matters related to the following:

- (a) System refurbishment, acquisitions, and development efforts;
- (b) Setting goals and objectives for using information technology in meeting legislatively-mandated missions and business needs;
- (c) Assessment of overall information processing performance, resources, and capabilities;
- (d) Ensuring appropriate transfer of technological expertise for the operation of any new systems developed using external resources; and
- (e) Progress toward enabling electronic access to public information.

(3) Each project will be planned and designed to take optimal advantage of Internet technologies and protocols. Agencies shall ensure that the project is in compliance with the architecture, infrastructure, principles, policies, and standards of digital government as maintained by the information services board.

(4) The agency shall produce a feasibility study for information technology projects at the direction of the information services board and in accordance with published department of information services policies and guidelines. At a minimum, such studies shall include a statement of: (a) The purpose or impetus for change; (b) the business value to the agency, including an examination and evaluation of benefits, advantages, and cost; (c) a comprehensive risk assessment based on the proposed project's impact on both citizens and state operations, its visibility, and the consequences of doing nothing; (d) the impact on agency and statewide information infrastructure; and (e) the impact of the proposed enhancements to an agency's information technology capabilities on meeting service delivery demands.

(5) The agency shall produce a comprehensive management plan for each project. The plan or plans shall address all factors critical to successful completion of each project. The plan(s) shall include, but is not limited to, the following elements: A description of the problem or opportunity that the information technology project is intended to address; a statement of project objectives and assumptions; a definition and schedule of phases, tasks, and activities to be accomplished; and the estimated cost of each phase. The planning for the phased approach shall be such that the business case justification for a project needs to demonstrate how the project recovers cost or adds measurable value or positive cost benefit to the agency's business functions within each development cycle.

(6) The agency shall produce quality assurance plans for information technology projects. Consistent with the direction of the information services board and the published policies and guidelines of the department of information services, the quality assurance plan shall address all factors critical to successful completion of the project and successful integration with the agency and state information technology infrastructure. At a minimum, quality assurance plans shall provide time and budget benchmarks against which project progress can be measured, a specification of quality assurance responsibilities, and a statement

of reporting requirements. The quality assurance plans shall set out the functionality requirements for each phase of a project.

(7) A copy of each feasibility study, project management plan, and quality assurance plan shall be provided to the department of information services, the office of financial management, and legislative fiscal committees. The plans and studies shall demonstrate a sound business case that justifies the investment of taxpayer funds on any new project, an assessment of the impact of the proposed system on the existing information technology infrastructure, the disciplined use of preventative measures to mitigate risk, and the leveraging of private-sector expertise as needed. Authority to expend any funds for individual information systems projects is conditioned on the approval of the relevant feasibility study, project management plan, and quality assurance plan by the department of information services and the office of financial management.

(8) Quality assurance status reports shall be submitted to the department of information services, the office of financial management, and legislative fiscal committees at intervals specified in the project's quality assurance plan.

**NEW SECTION. Sec. 603. FUND TRANSFERS.** (1) The transportation 2003 projects or improvements and the 2005 transportation partnership projects or improvements are listed in LEAP Transportation Document 2007-1, which consists of a list of specific projects by fund source and amount over a sixteen year period. Current biennium funding for each project is a line item appropriation, while the outer year funding allocations represent a sixteen year balanced plan. The department is expected to use the flexibility provided in this section to assist in the delivery and completion of all transportation partnership account and transportation 2003 (nickel) account projects on the LEAP lists referenced in this act. For the 2007-09 project appropriations, unless otherwise provided in this act, the director of financial management may authorize a transfer of appropriation authority between projects funded with transportation 2003 account (nickel account) appropriations, transportation partnership account appropriations, or multimodal transportation account appropriations, in order to manage project spending and efficiently deliver all projects in the respective program under the following conditions and limitations:

(a) Transfers may only be made within each specific fund source referenced on the respective project list;

(b) Transfers from a project may not be made as a result of the reduction of the scope of a project, nor shall a transfer be made to support increases in the scope of a project;

(c) Each transfer between projects may only occur if the director of financial management finds that any resulting change will not hinder the completion of the projects as approved by the legislature;

(d) Transfers from a project may be made if the funds appropriated to the project are in excess of the amount needed to complete the project;

(e) Transfers may not occur to projects not identified on the applicable project list; and

(f) Transfers may not be made while the legislature is in session.

(2) At the time the department submits a request to transfer funds under this section a copy of the request shall be submitted to the transportation committees of the legislature.

(3) The office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested transfers.

(4) The office of financial management shall document approved transfers and/or schedule changes in the transportation executive information system (TEIS), compare changes to the legislative baseline funding and schedules identified by project identification number identified in the LEAP lists adopted in this act, and transmit revised project lists to chairs of the transportation committees of the legislature on a quarterly basis.

**NEW SECTION. Sec. 604. MEGA-PROJECT REPORTING.** Mega-projects are defined as individual or groups of related projects that cost \$1,000,000,000 or more. These projects include, but are not limited to: Alaskan Way Viaduct, SR 520, SR 167, I-405, North Spokane corridor, I-5 Tacoma HOV, and the Columbia River Crossing. The office of financial management shall track mega-projects and report the financial status and schedule of these projects at least once a year to the transportation committees of the legislature. The design of mega-projects must be evaluated considering cost, capacity, safety, mobility needs, and how well the design of the facility fits within its urban environment.

**NEW SECTION. Sec. 605.** Based on the anticipated outcomes of the tolling study, to be conducted under section 206 of this act, the legislature intends that tolls be charged to offset or partially offset the costs for the following projects, and that a managed lane concept be applied in their design and implementation: State Route 520 Bridge replacement and HOV project, and widening of Interstate 405.

#### MISCELLANEOUS 2007-09 BIENNIUM

**Sec. 701.** RCW 46.68.170 and 1996 c 237 s 2 are each amended to read as follows:

There is hereby created in the motor vehicle fund the RV account. All moneys hereafter deposited in said account shall be used by the department of transportation for the construction, maintenance, and operation of recreational vehicle sanitary disposal systems at safety rest areas in accordance with the department's highway system plan as prescribed in chapter 47.06 RCW. During the 2005-2007 and 2007-2009 fiscal biennia, the legislature may transfer from the RV account to the motor vehicle fund such amounts as reflect the excess fund balance of the RV account.

**Sec. 702.** RCW 47.29.170 and 2006 c 370 s 604 are each amended to read as follows:

Before accepting any unsolicited project proposals, the commission must adopt rules to facilitate the acceptance, review, evaluation, and selection of unsolicited project proposals. These rules must include the following:

- (1) Provisions that specify unsolicited proposals must meet predetermined criteria;
- (2) Provisions governing procedures for the cessation of negotiations and consideration;

(3) Provisions outlining that unsolicited proposals are subject to a two-step process that begins with concept proposals and would only advance to the second step, which are fully detailed proposals, if the commission so directed;

(4) Provisions that require concept proposals to include at least the following information: Proposers' qualifications and experience; description of the proposed project and impact; proposed project financing; and known public benefits and opposition; and

(5) Provisions that specify the process to be followed if the commission is interested in the concept proposal, which must include provisions:

(a) Requiring that information regarding the potential project would be published for a period of not less than thirty days, during which time entities could express interest in submitting a proposal;

(b) Specifying that if letters of interest were received during the thirty days, then an additional sixty days for submission of the fully detailed proposal would be allowed; and

(c) Procedures for what will happen if there are insufficient proposals submitted or if there are no letters of interest submitted in the appropriate time frame.

The commission may adopt other rules as necessary to avoid conflicts with existing laws, statutes, or contractual obligations of the state.

The commission may not accept or consider any unsolicited proposals before (~~June 30, 2007~~) July 1, 2009.

**NEW SECTION. Sec. 703.** To the extent that any appropriation authorizes expenditures of state funds from the motor vehicle account, special category C account, Tacoma Narrows toll bridge account, transportation 2003 account (nickel account), transportation partnership account, transportation improvement account, Puget Sound capital construction account, multimodal transportation account, or other transportation capital project account in the state treasury for a state transportation program that is specified to be funded with proceeds from the sale of bonds authorized in chapter 47.10 RCW, the legislature declares that any such expenditures made prior to the issue date of the applicable transportation bonds for that state transportation program are intended to be reimbursed from proceeds of those transportation bonds in a maximum amount equal to the amount of such appropriation.

**Sec. 704.** RCW 46.16.685 and 2003 c 370 s 4 are each amended to read as follows:

The license plate technology account is created in the state treasury. All receipts collected under RCW 46.01.140(4)(e)(ii) must be deposited into this account. Expenditures from this account must support current and future license plate technology and systems integration upgrades for both the department and correctional industries. Moneys in the account may be spent only after appropriation. Additionally, the moneys in this account may be used to reimburse the motor vehicle account for any appropriation made to implement the digital license plate system. During the 2007-2009 fiscal biennium, the legislature may transfer from the license plate technology account to the multimodal transportation account such amounts as reflect the excess fund balance of the license plate technology account.

**Sec. 705.** RCW 47.01.390 and 2006 c 311 s 27 are each amended to read as follows:

(1) Prior to commencing construction on either project, the department of transportation must complete all of the following requirements for both the Alaskan Way viaduct and Seattle Seawall replacement project, and the state route number 520 bridge replacement and HOV project: (a) In accordance with the national environmental policy act, the department must designate the preferred alternative, prepare a substantial project mitigation plan, and complete a comprehensive cost estimate review using the department's cost estimate validation process, for each project; (b) in accordance with all applicable federal highway administration planning and project management requirements, the department must prepare a project finance plan for each project that clearly identifies secured and anticipated fund sources, cash flow timing requirements, and project staging and phasing plans if applicable; and (c) the department must report these results for each project to the joint transportation committee.

(2) The requirements of this section shall not apply to (a) utility relocation work, and related activities, on the Alaskan Way viaduct and Seattle Seawall replacement project and (b) off-site pontoon construction supporting the state route number 520 bridge replacement and HOV project.

(3) The requirements of subsection (1) of this section shall not apply during the 2007-2009 fiscal biennium.

**Sec. 706.** RCW 88.16.090 and 2005 c 26 s 2 are each amended to read as follows:

(1) A person may pilot any vessel subject to this chapter on waters covered by this chapter only if licensed to pilot such vessels on such waters under this chapter.

(2)(a) A person is eligible to be licensed as a pilot if the person:

(i) Is a citizen of the United States;

(ii) Is over the age of twenty-five years and under the age of seventy years;

(iii) Is a resident of the state of Washington at the time of licensure as a pilot;

(iv)(A) Holds at the time of application, as a minimum, a United States government license as master of steam or motor vessels of not more than one thousand six hundred gross register tons (three thousand international tonnage convention tons) upon oceans, near coastal waters, or inland waters; or the then most equivalent federal license as determined by the board; any such license to have been held by the applicant for a period of at least two years before application;

(B) Holds at the time of licensure as a pilot, after successful completion of the board-required training program, a first class United States endorsement without restrictions on the United States government license for the pilotage district in which the pilot applicant desires to be licensed; however, all applicants for a pilot examination scheduled to be given before July 1, 2008, must have the United States pilotage endorsement at the time of application; and

(C) The board may establish such other federal license requirements for applicants and pilots as it deems appropriate; and

(v) Successfully completes a board-specified training program.

(b) In addition to the requirements of (a) of this subsection, a pilot applicant must meet such other qualifications as may be required by the board.

(c) A person applying for a license under this section shall not have been convicted of an offense involving drugs or the personal consumption of alcohol in the twelve months prior to the date of application. This restriction does not apply to license renewals under this section.

(3) The board may establish such other training license and pilot license requirements as it deems appropriate.

(4) Pilot applicants shall be evaluated and ranked in a manner specified by the board based on their experience, other qualifications as may be set by the board, performance on a written examination or examinations established by the board, and performance in such other evaluation exercises as may be required by the board, for entry into a board-specified training program.

When the board determines that the demand for pilots requires entry of an applicant into the training program it shall issue a training license to that applicant, but under no circumstances may an applicant be issued a training license more than four years after taking the written entry examination. The training license authorizes the trainee to do such actions as are specified in the training program.

After the completion of the training program the board shall evaluate the trainee's performance and knowledge. The board, as it deems appropriate, may then issue a pilot license, delay the issuance of the pilot license, deny the issuance of the pilot license, or require further training and evaluation.

(5) The board may appoint a special independent committee or may contract with a firm knowledgeable and experienced in the development of professional tests and evaluations for development and grading of the examinations and other evaluation methods. Active licensed state pilots may be consulted for the general development of any examinations and evaluation exercises but shall have no knowledge of the specific questions. The pilot members of the board may participate in the grading of examinations. If the board does appoint a special examination or evaluation development committee it is authorized to pay the members of the committee the same compensation and travel expenses as received by members of the board. Any person who willfully gives advance knowledge of information contained on a pilot examination or other evaluation exercise is guilty of a gross misdemeanor.

(6) Pilots are licensed under this section for a term of five years from and after the date of the issuance of their respective state licenses. Licenses must thereafter be renewed as a matter of course, unless the board withholds the license for good cause. Each pilot shall pay to the state treasurer an annual license fee ~~((of three thousand dollars))~~ in an amount set by the board by rule. The fees established under this subsection may be increased in excess of the fiscal growth factor as provided in RCW 43.135.055 through the fiscal year ending June 30, 2009. The fees must be deposited in the state treasury to the credit of the pilotage account. The board may assess partially active or inactive pilots a reduced fee.

(7) All pilots and applicants are subject to an annual physical examination by a physician chosen by the board. The physician shall examine the applicant's heart, blood pressure, circulatory system, lungs and respiratory system, eyesight, hearing, and such other items as may be prescribed by the board. After consultation with a physician and the United States coast guard, the board shall establish minimum health standards to ensure that pilots licensed by the state are

able to perform their duties. Within ninety days of the date of each annual physical examination, and after review of the physician's report, the board shall make a determination of whether the pilot or applicant is fully able to carry out the duties of a pilot under this chapter. The board may in its discretion check with the appropriate authority for any convictions of offenses involving drugs or the personal consumption of alcohol in the prior twelve months.

(8) The board may require vessel simulator training for a pilot applicant and shall require vessel simulator training for a licensed pilot subject to RCW 88.16.105. The board shall also require vessel simulator training in the first year of active duty for a new pilot and at least once every five years for all active pilots.

(9) The board shall prescribe, pursuant to chapter 34.05 RCW, such reporting requirements and review procedures as may be necessary to assure the accuracy and validity of license and service claims. Willful misrepresentation of such required information by a pilot applicant shall result in disqualification of the pilot applicant.

**Sec. 707.** RCW 47.12.244 and 1991 c 291 s 2 are each amended to read as follows:

There is created the "advance right of way revolving fund" in the custody of the treasurer, into which the department is authorized to deposit directly and expend without appropriation:

(1) An initial deposit of ten million dollars from the motor vehicle fund included in the department of transportation's 1991-93 budget;

(2) All moneys received by the department as rental income from real properties that are not subject to federal aid reimbursement, except moneys received from rental of capital facilities properties as defined in chapter 47.13 RCW; and

(3) Any federal moneys available for acquisition of right of way for future construction under the provisions of section 108 of Title 23, United States Code.

(4) During the 2007-09 fiscal biennium, the legislature may transfer from the advance right of way revolving fund to the motor vehicle account amounts as reflect the excess fund balance of the advance right of way revolving fund.

**Sec. 708.** RCW 70.95.521 and 2005 c 354 s 3 are each amended to read as follows:

The waste tire removal account is created in the state treasury. All receipts from tire fees imposed under RCW 70.95.510 must be deposited in the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used for the cleanup of unauthorized waste tire piles and measures that prevent future accumulation of unauthorized waste tire piles. During the 2007-2009 fiscal biennium, the legislature may transfer from the waste tire removal account to the motor vehicle fund such amounts as reflect the excess fund balance of the waste tire removal account.

***\*NEW SECTION. Sec. 709. The department of transportation, in conjunction with the office of financial management, must implement the governmental accounting standards board's (GASB) statement number 34 including a complete inventory and valuation of the state's highway system. The financial reporting value of the state's highway system must be adjusted for any new additions to the system. The biennial reporting of the condition of***

*the system must be related to the funding levels of maintaining the system. The department must maintain a current inventory of the state's highway system and estimate the actual cost to maintain and preserve the assets. In addition to the GASB statement 34, the department of transportation with the office of financial management's assistance must establish an asset replacement value for the entire state's highway system. During 2007, the cochairs of the joint transportation committee shall select legislators to work with the office of financial management and the department of transportation. The purpose of this effort is to enhance decision making that will result in strategic long-term investment decisions in transportation capital project management and asset preservation. The office of financial management will coordinate and manage the inventory and the valuation. The office of financial management must submit a final report to the legislative transportation committees on or before December 1, 2008.*

*\*Sec. 709 was vetoed. See message at end of chapter.*

*\*Sec. 710. RCW 47.06A.030 and 1999 c 216 s 2 are each amended to read as follows:*

*(1) The freight mobility strategic investment board is created. The board shall convene by July 1, 1998.*

*(2) The board is composed of twelve members. The following members are appointed by the governor for terms of four years, except that five members initially are appointed for terms of two years: (a) Two members, one of whom is from a city located within or along a strategic freight corridor, appointed from a list of at least four persons nominated by the association of Washington cities or its successor; (b) two members, one of whom is from a county having a strategic freight corridor within its boundaries, appointed from a list of at least four persons nominated by the Washington state association of counties or its successor; (c) two members, one of whom is from a port district located within or along a strategic freight corridor, appointed from a list of at least four persons nominated by the Washington public ports association or its successor; (d) one member representing the office of financial management; (e) one member appointed as a representative of the trucking industry; (f) one member appointed as a representative of the railroads; (g) the secretary of the department of transportation; (h) one member representing the steamship industry; and (i) one member of the general public. For the 2007-09 biennium, the board shall also include a representative of organized labor. In appointing the general public member, the governor shall endeavor to appoint a member with special expertise in relevant fields such as public finance, freight transportation, or public works construction. The governor shall appoint the general public member as chair of the board. In making appointments to the board, the governor shall ensure that each geographic region of the state is represented.*

*(3) Members of the board shall be reimbursed for reasonable and customary travel expenses as provided in RCW 43.03.050 and 43.03.060.*

*(4) If a vacancy on the board occurs by death, resignation, or otherwise, the governor shall fill the vacant position for the unexpired term. Each vacancy in a position appointed from lists provided by the associations and departments under subsection (2) of this section must be filled from a list of at least four persons nominated by the relevant association or associations.*



***(5) The appointments made in subsection (2) of this section are not subject to confirmation.***

\*Sec. 710 was vetoed. See message at end of chapter.

**Sec. 711.** RCW 46.16.725 and 2005 c 319 s 119 and 2005 c 210 s 7 are each reenacted and amended to read as follows:

(1) The creation of the board does not in any way preclude the authority of the legislature to independently propose and enact special license plate legislation.

(2) The board must review and either approve or reject special license plate applications submitted by sponsoring organizations.

(3) Duties of the board include but are not limited to the following:

(a) Review and approve the annual financial reports submitted by sponsoring organizations with active special license plate series and present those annual financial reports to the senate and house transportation committees;

(b) Report annually to the senate and house transportation committees on the special license plate applications that were considered by the board;

(c) Issue approval and rejection notification letters to sponsoring organizations, the department, the chairs of the senate and house of representatives transportation committees, and the legislative sponsors identified in each application. The letters must be issued within seven days of making a determination on the status of an application;

(d) Review annually the number of plates sold for each special license plate series created after January 1, 2003. The board may submit a recommendation to discontinue a special plate series to the chairs of the senate and house of representatives transportation committees;

(e) Provide policy guidance and directions to the department concerning the adoption of rules necessary to limit the number of special license plates that an organization or a governmental entity may apply for.

(4) In order to assess the effects and impact of the proliferation of special license plates, the legislature declares a temporary moratorium on the issuance of any additional plates until ~~((June 1, 2007))~~ July 1, 2009. During this period of time, the special license plate review board created in RCW 46.16.705 and the department of licensing are prohibited from accepting, reviewing, processing, or approving any applications. Additionally, no special license plate may be enacted by the legislature during the moratorium, unless the proposed license plate has been approved by the board before February 15, 2005.

***\*NEW SECTION. Sec. 712. It is the intent of the legislature to establish policy goals for the planning, operation, performance of, and investment in, the state's transportation system. The policy goals established under this section are deemed consistent with the benchmark categories adopted by the state's blue ribbon commission on transportation on November 30, 2000. Public investments in transportation should support achievement of these policy goals:***

***(a) Preservation: To maintain, preserve, and extend the life and utility of prior investments in transportation systems and services;***

***(b) Safety: To provide for and improve the safety and security of transportation customers and the transportation system;***

***(c) Mobility: To improve the predictable movement of goods and people throughout Washington state;***

*(d) Environment: To enhance Washington's quality of life through transportation investments that promote energy conservation, enhance healthy communities, and protect the environment; and*

*(e) Stewardship: To continuously improve the quality, effectiveness, and efficiency of the transportation system.*

\*Sec. 712 was vetoed. See message at end of chapter.

**NEW SECTION. Sec. 713. FOR THE DEPARTMENT OF TRANSPORTATION**

Transportation Infrastructure Account—State  
Appropriation . . . . . \$7,000,000

The appropriation in this section is subject to the following conditions and limitations: The Palouse River and Coulee City (PCC) rail line system is made up of the CW, P&L and PV Hooper rail lines. The amount provided in this section is provided solely for grants to any intergovernmental entity or local rail district to which operating rights for the PCC rail line system are assigned, provided that the funds are used only to refurbish the rail lines. It is the intent of the legislature to make the funds appropriated in this section available as grants to an intergovernmental entity or local rail district for the purposes stated in this section at least until June 30, 2012, and to reappropriate as necessary any portion of the appropriation in this section that is not used by June 30, 2009.

**Sec. 714.** RCW 46.68.060 and 1969 c 99 s 11 are each amended to read as follows:

There is hereby created in the state treasury a fund to be known as the highway safety fund to the credit of which shall be deposited all moneys directed by law to be deposited therein. This fund shall be used for carrying out the provisions of law relating to driver licensing, driver improvement, financial responsibility, cost of furnishing abstracts of driving records and maintaining such case records, and to carry out the purposes set forth in RCW 43.59.010. During the 2005-2007 and 2007-2009 fiscal biennia, the legislature may transfer from the highway safety fund to the motor vehicle fund and the multimodal transportation account such amounts as reflect the excess fund balance of the highway safety fund.

**2005-07 BIENNIUM**

**TRANSPORTATION AGENCIES—OPERATING**

**Sec. 801.** 2006 c 53 s 2 (uncodified) is amended to read as follows:

**FOR THE BOARD OF PILOTAGE COMMISSIONERS**

Pilotage Account—State Appropriation . . . . . ~~(\$1,017,000)~~  
\$1,317,000

~~((The appropriation in this section is subject to the following conditions and limitations: \$500,000 of the appropriation is provided solely for stipends to trainees in the training program as set forth in rules adopted by the board.))~~

NEW SECTION. **Sec. 802.** A new section is added to 2005 c 313 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF LICENSING.** The appropriations to the department of licensing in chapter 370, Laws of 2006 shall be expended for the programs and in the amounts specified herein. However, after May 1, 2007, unless specifically prohibited, the department may transfer motor vehicle account—state appropriations for the 2005-2007 fiscal biennium, highway safety account—state appropriations for the 2005-2007 fiscal biennium, and department of licensing services account—state appropriations for the 2005-2007 fiscal biennium between programs after approval by the director of financial management. However, the department shall not transfer state moneys that are provided solely for a specified purpose. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing prior to approving any allotment modifications or transfers under this section.

NEW SECTION. **Sec. 803.** A new section is added to 2005 c 313 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION.** (1) The appropriations to the department of transportation in this act shall be expended for the programs and in the amounts specified in this act. However, in order to meet extraordinary ferry operating labor expenses, after May 1, 2007, unless specifically prohibited by this act, the department may transfer state appropriations among operating programs after approval by the director of financial management. However, the department shall not transfer state moneys that are provided solely for a specified purpose.

(2) The department shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds and not federal funds. The director of financial management shall notify the appropriate transportation committees of the legislature in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by program and appropriation, both before and after any allotment modifications or transfers.

**Sec. 804.** 2006 c 370 s 205 (uncodified) is amended to read as follows:

**FOR THE JOINT TRANSPORTATION COMMITTEE**

Motor Vehicle Account—State Appropriation . . . . . \$1,679,000

The appropriation in this section is subject to the following conditions and limitations:

(1)(a) \$200,000 of the total appropriation is provided solely for the joint transportation committee to conduct a finance study of the Washington state ferry system. The purpose of the study is to facilitate policy discussions and decisions by members of the legislature regarding the Washington state ferry system. The legislature recognizes there is a need within the Washington state ferry system for predictable cash flows, transparency, assessment of organizational structure, verification that the Washington state ferry system is operating at maximum efficiency, and better labor relations. The committee

shall report the study to the house of representatives and senate transportation committees by January 1, 2007.

(b) The study must include, at a minimum, a review and evaluation of the ferry system's financial plan, including current assumptions and past studies, in the following areas:

(i) Operating program, including ridership, revenue, and cost forecasts and the accuracy of those forecasts; and

(ii) Capital program, including project scoping, prioritization and cost estimating, project changes including legislative input regarding significant project changes, and performance measures.

(c) In addition to committee members, or their designees, the governor shall appoint a representative for this study. The committee may retain consulting services to assist the committee in conducting the study, including the evaluation of financial, operating, and capital plans. The committee may also appoint other persons to assist with the study.

(2) The joint transportation committee shall conduct a study regarding the feasibility of a statewide uniform motor vehicle excise tax (MVET) depreciation schedule. In addition to committee members, the participants in the study must include at a minimum the following individuals: (a) A representative of a regional transit authority (Sound Transit); (b) a representative of a regional transportation planning organization; (c) the secretary of transportation, or his or her designee; (d) a representative of the attorney general's office; (e) a representative of the department of licensing; and (f) a representative of the financial community. The purpose of the study is to develop an MVET depreciation schedule that more accurately reflects vehicle value but does not hinder outstanding contractual obligations.

(3) Funds provided in this section are sufficient for the committee to administer a study of the most reliable and cost-effective means of providing passenger-only ferry service.

(a) The study shall be guided by a 18 member task force consisting of the chairs and ranking members of the house of representatives and senate transportation committees, a designee of the director of the office of financial management, a member of the transportation commission, a designee of the secretary of transportation, a representative of organized labor, and ten stakeholders to be appointed by the governor as follows: Six representatives of ferry user communities, two representatives of public transportation agencies, and two representatives of commercial ferry operators.

(b) The study shall examine issues including but not limited to the long-term viability of different service providers, cost to ferry passengers, the state subsidies required by each provider, and the availability of federal funding for the different service providers.

(c) By November 30, 2005, the task force shall make its recommendations to the house of representatives and senate transportation committees.

(4) ~~(\$450,000 of the motor vehicle account state appropriation is provided solely to administer a consultant study of the long term viability of the state's transportation financing methods and sources.~~

~~(a) At a minimum, the study must examine the following: (i) The short and long term viability of the motor fuel tax (both state and federal) as a major source of funding for transportation projects and programs; (ii) the desirability~~

and effectiveness of state distributed transportation funds for the benefit of local units of government; (iii) the potential for alternative and/or emerging sources of transportation revenues, with particular emphasis on user-based fees and charges; and (iv) trends and implications of debt financing for transportation projects. The scope of work for the study may be expanded to include analysis of other financing issues relevant to the long-term viability of the state's transportation system.

~~(b)~~ The findings and recommendations must be submitted to the fiscal committees of the legislature by November 1, 2006.

~~(5))~~ \$75,000 of the motor vehicle account—state appropriation is provided solely for the joint transportation committee to contract for a review of existing research on programs and policies which decrease accidents by teenage drivers, including but not limited to publicly operated driver education and intermediate drivers licensing programs. The institute shall also evaluate the costs and benefits of programs and policies showing the greatest positive impact on teenage driving safety.

~~((6))~~ (5) The committee shall conduct an evaluation of the department of transportation surface transportation program enhancement grant program. The evaluation will include (a) information about the categories of projects submitted for consideration; (b) a review of the allocation of funds awarded across the categories of STP enhancement eligible activities; (c) a review of the criteria used to score projects; and (d) a finding by the committee whether certain categories of projects are disproportionately funded or unfunded.

**Sec. 805.** 2006 c 370 s 208 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE PATROL—FIELD OPERATIONS BUREAU**

State Patrol Highway Account—State Appropriation . . . . .	<del>(\$201,063,000)</del>
	<u>\$198,984,000</u>
State Patrol Highway Account—Federal Appropriation . . . . .	\$10,544,000
State Patrol Highway Account—Private/Local Appropriation . . . . .	\$169,000
TOTAL APPROPRIATION . . . . .	<del>(\$211,776,000)</del>
	<u>\$209,697,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Washington state patrol officers engaged in off-duty uniformed employment providing traffic control services to the department of transportation or other state agencies may use state patrol vehicles for the purpose of that employment, subject to guidelines adopted by the chief of the Washington state patrol. The Washington state patrol shall be reimbursed for the use of the vehicle at the prevailing state employee rate for mileage and hours of usage, subject to guidelines developed by the chief of the Washington state patrol. The patrol shall report to the house of representatives and senate transportation committees by December 31, 2005, on the use of agency vehicles by officers engaging in the off-duty employment specified in this subsection. The report shall include an analysis that compares cost reimbursement and cost-impacts, including increased vehicle mileage, maintenance costs, and indirect impacts, associated with the private use of patrol vehicles.

(2) In addition to the user fees, the patrol shall transfer into the state patrol nonappropriated airplane revolving account under RCW 43.79.470 no more than the amount of appropriated state patrol highway account and general fund funding necessary to cover the costs for the patrol's use of the aircraft. The state patrol highway account and general fund—state funds shall be transferred proportionately in accordance with a cost allocation that differentiates between highway traffic enforcement services and general policing purposes.

(3) The patrol shall not account for or record locally provided DUI cost reimbursement payments as expenditure credits to the state patrol highway account. The patrol shall report the amount of expected locally provided DUI cost reimbursements to the transportation committees of the senate and house of representatives by December 31st of each year.

(4) The state patrol highway account—state appropriation for DUI reimbursements shall only be spent for pursuit vehicle video cameras, datamaster DUI testing equipment, tire deflator equipment, and taser guns. The Washington state patrol prior to the issuance of any taser guns will train the troopers on using the equipment. The agency will provide a report to the transportation committees of the senate and house of representatives by December 31st of each year on the occurrences where the taser guns were utilized along with any issues that have been identified.

(5) \$29,000 of the state patrol highway account—state appropriation is provided solely for the implementation of House Bill No. 1469. If House Bill No. 1469 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(6) \$5,580,000 of the total appropriation is provided solely for a 3.8% salary increase for commissioned officers effective July 1, 2005, in addition to any other salary increases provided for in this act.

(7) The Washington state patrol is authorized to use certificates of participation to fund the King Air aircraft replacement over a term of not more than ten years and an amount not to exceed \$1,900,000.

(8)(a) \$834,000 of the state patrol highway account—state appropriation is provided solely for the collective bargaining agreement reached between the governor and the Washington state patrol troopers association under chapter 438, Laws of 2005. For commissioned troopers and sergeants covered under this section, funding is provided for a 2.6% salary increase effective July 1, 2006. This increase supersedes the fiscal year 2007 increase granted under section 501, chapter 313, Laws of 2005. Provisions of the collective bargaining agreement contained in this subsection are described in general terms. Only major economic terms are included in this description. This description does not contain the complete contents of the agreement. Due to the timing challenges in negotiating the initial collective bargaining agreement under chapter 438, Laws of 2005, this agreement was not concluded by the October 1st statutory deadline. However, the legislature does not intend to fund bargaining agreements concluded after the October 1st deadline, or other salary increases not included in the governor's budget proposal, in future biennia.

(b) \$62,000 of the state patrol highway account—state appropriation is provided solely for salary increases for commissioned captains and lieutenants covered under this section, if a new collective bargaining agreement is reached between the governor and the Washington state patrol lieutenants association by

July 1, 2006. The amount provided in this subsection is contingent on an agreement being reached by July 1, 2006, and shall be held in reserve status until the agreement is reached. If an agreement is not reached by July 1, 2006, the amount provided in this subsection shall lapse. If an agreement is reached by July 1, 2006, the increase supersedes the fiscal year 2007 increase granted under section 501, chapter 313, Laws of 2005. Due to the timing challenges in negotiating a collective bargaining agreement funded under this subsection, the agreement will not have been concluded by the October 1st statutory deadline. However, the legislature does not intend to fund bargaining agreements concluded after the October 1st deadline, or other salary increases not included in the governor's budget proposal, in future biennia.

(9) The Washington state patrol, in consultation with the department of licensing, local law enforcement agencies, and other appropriate organizations, shall study the options for implementing an inspection program for tow truck operators that are not licensed as registered tow truck operators. This study shall also evaluate prospective sources of funding and the amount of funding necessary for the program. The Washington state patrol shall report to the transportation committees of the legislature by December 1, 2006, on the options, strategies, and recommendations for implementing an inspection program for tow truck operators that are not licensed as registered tow truck operators.

(10) \$2,040,000 of the state patrol highway account—state appropriation is provided solely for eighteen additional commissioned officers in the vessel and terminal security division.

(11) The office of financial management shall conduct a review of the state patrol highway account and report its findings to the legislature by January 1, 2007.

**Sec. 806.** 2006 c 370 s 209 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE PATROL—INVESTIGATIVE SERVICES BUREAU**

State Patrol Highway Account—State Appropriation . . . . .(~~(\$1,358,000)~~)  
\$1,025,000

**Sec. 807.** 2006 c 370 s 210 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE PATROL—TECHNICAL SERVICES BUREAU**

State Patrol Highway Account—State Appropriation . . . . .(~~(\$91,359,000)~~)  
\$93,280,000

State Patrol Highway Account—Private/Local  
Appropriation. . . . . \$2,008,000  
TOTAL APPROPRIATION . . . . .(~~(\$93,367,000)~~)  
\$95,288,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$247,000 of the state patrol highway account—state appropriation is provided solely for the implementation of Second Substitute House Bill No. 1188. If Second Substitute House Bill No. 1188 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(2) The Washington state patrol is instructed to work with the risk management division in the office of financial management in compiling the state patrol data for establishing the agency's risk management insurance premiums to the tort claims account. The office of financial management and the Washington state patrol shall submit a report to the transportation committees of the senate and house of representatives by December 31st of each year on the number of claims, estimated claims to be paid, method of calculation, and the adjustment in the premium.

(3) \$8,678,000 of the total appropriation is provided solely for the purchase of pursuit vehicles.

(4) \$5,254,000 of the total appropriation is provided solely for vehicle repair and maintenance costs of vehicles used for highway purposes.

(5) \$384,000 of the total appropriation is provided solely for the purchase of mission vehicles used for highway purposes in the commercial vehicle and traffic investigation sections of the patrol.

(6)(a) \$28,000 of the state patrol highway account—state appropriation is provided solely for the collective bargaining agreement reached between the governor and the Washington state patrol troopers association under chapter 438, Laws of 2005. For commissioned troopers and sergeants covered under this section, funding is provided for a 2.6% salary increase effective July 1, 2006. This increase supersedes the fiscal year 2007 increase granted under section 501, chapter 313, Laws of 2005. Provisions of the collective bargaining agreement contained in this subsection are described in general terms. Only major economic terms are included in this description. This description does not contain the complete contents of the agreement. Due to the timing challenges in negotiating the initial collective bargaining agreement under chapter 438, Laws of 2005, this agreement was not concluded by the October 1st statutory deadline. However, the legislature does not intend to fund bargaining agreements concluded after the October 1st deadline, or other salary increases not included in the governor's budget proposal, in future biennia.

(b) \$2,000 of the state patrol highway account—state appropriation is provided solely for salary increases for commissioned captains and lieutenants covered under this section, if a new collective bargaining agreement is reached between the governor and the Washington state patrol lieutenants association by July 1, 2006. The amount provided in this subsection is contingent on an agreement being reached by July 1, 2006, and shall be held in reserve status until the agreement is reached. If an agreement is not reached by July 1, 2006, the amount provided in this subsection shall lapse. If an agreement is reached by July 1, 2006, the increase supersedes the fiscal year 2007 increase granted under section 501, chapter 313, Laws of 2005. Due to the timing challenges in negotiating a collective bargaining agreement funded under this subsection, the agreement will not have been concluded by the October 1st statutory deadline. However, the legislature does not intend to fund bargaining agreements concluded after the October 1st deadline, or other salary increases not included in the governor's budget proposal, in future biennia.

**Sec. 808.** 2006 c 370 s 215 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—TOLL  
OPERATIONS AND MAINTENANCE—PROGRAM B**



Tacoma Narrows Toll Bridge Account—State Appropriation . . . .(~~(\$8,294,000)~~)  
\$5,288,000

**Sec. 809.** 2006 c 370 s 218 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—AVIATION—PROGRAM F**

Aeronautics Account—State Appropriation . . . . .(~~(\$7,137,000)~~)  
\$6,925,000  
Aeronautics Account—Federal Appropriation . . . . . \$2,150,000  
Multimodal Transportation Account—State Appropriation . . . . . \$100,000  
Multimodal Transportation Account—Federal Appropriation . . . . . \$900,000  
TOTAL APPROPRIATION . . . . .(~~(\$10,287,000)~~)  
\$10,075,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) \$433,000 of the aeronautics account—state appropriation is provided solely for airport pavement projects. The department's aviation division shall complete a priority airport pavement project list by January 1, 2006, to be considered by the legislature in the 2006 supplemental budget. If Substitute Senate Bill No. 5414 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(b) If Substitute Senate Bill No. 5414 is enacted by July 1, 2005, then the remaining unexpended fund balance in the aircraft search and rescue, safety, and education account shall be deposited into the state aeronautics account.

(2) The entire multimodal transportation account—state and federal appropriations are provided solely for implementing Engrossed Substitute Senate Bill No. 5121. If Engrossed Substitute Senate Bill No. 5121 is not enacted by June 30, 2005, or if federal funds are not received by March 1, 2006, for the purpose of implementing Engrossed Substitute Senate Bill No. 5121, the amount provided in this subsection shall lapse.

**Sec. 810.** 2006 c 370 s 221 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M**

Motor Vehicle Account—State Appropriation . . . . .(~~(\$299,720,000)~~)  
\$300,920,000  
Motor Vehicle Account—Federal Appropriation . . . . .(~~(\$1,426,000)~~)  
\$3,926,000  
Motor Vehicle Account—Private/Local Appropriation . . . . . \$4,315,000  
TOTAL APPROPRIATION . . . . .(~~(\$305,461,000)~~)  
\$309,161,000

The appropriations in this section are subject to the following conditions and limitations:

(1) If portions of the appropriations in this section are required to fund maintenance work resulting from major disasters not covered by federal emergency funds such as fire, flooding, and major slides, supplemental appropriations must be requested to restore state funding for ongoing maintenance activities.

(2) The department shall request an unanticipated receipt for any federal moneys received for emergency snow and ice removal and shall place an equal amount of the motor vehicle account—state into unallotted status. This exchange shall not affect the amount of funding available for snow and ice removal.

(3) The department shall request an unanticipated receipt for any private or local funds received for reimbursements of third party damages that are in excess of the motor vehicle account—private/local appropriation.

(4) Funding is provided for maintenance on the state system to allow for a continuation of the level of service targets included in the 2003-05 biennium. In delivering the program, the department should concentrate on the following areas:

(a) Meeting or exceeding the target for structural bridge repair on a statewide basis;

(b) Eliminating the number of activities delivered in the "f" level of service at the region level;

(c) Reducing the number of activities delivered in the "d" level of service by increasing the resources directed to those activities on a statewide and region basis; and

(d) Evaluating, analyzing, and potentially redistributing resources within and among regions to provide greater consistency in delivering the program statewide and in achieving overall level of service targets.

(5) The department shall develop and implement a plan to improve work zone safety on a statewide basis. As part of the strategy included in the plan, the department shall fund equipment purchases using a portion of the money from the annual OTEF equipment purchasing and replacement process. The department shall also identify and evaluate statewide equipment needs (such as work zone safety equipment) and prioritize any such needs on a statewide basis. Substitute purchasing at the statewide level, when appropriate, shall be utilized to meet those identified needs. The department must report to the transportation committees of the legislature by December 1, 2005, on the plan, and by December 1, 2006, on the status of implementing the plan.

Sec. 811. 2006 c 370 s 224 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION PLANNING, DATA, AND RESEARCH—PROGRAM T**

Motor Vehicle Account—State Appropriation . . . . .	(\$24,052,000)
	<u>\$23,053,000</u>
Motor Vehicle Account—Federal Appropriation . . . . .	\$16,756,000
Multimodal Transportation Account—State Appropriation . . . . .	\$2,279,000
Multimodal Transportation Account—Federal	
Appropriation. . . . .	\$2,829,000
Multimodal Transportation Account—Private/Local	
Appropriation. . . . .	\$100,000
Transportation Partnership Account—State	
Appropriation. . . . .	\$2,300,000
TOTAL APPROPRIATION . . . . .	<u>(\$48,316,000)</u>
	<u>\$47,317,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) In order to qualify for state planning funds available to regional transportation planning organizations under this section, a regional transportation planning organization containing any county with a population in excess of one million shall provide voting membership on its executive board to any incorporated principal city of a metropolitan statistical area within the region, as designated by the United States census bureau, and to any incorporated city within the region with a population in excess of eighty thousand as of July 1, 2005. Additionally, a regional transportation planning organization described under this subsection shall conduct a review of its executive board membership criteria to ensure that the criteria appropriately reflects a true and comprehensive representation of the organization's jurisdictions of significance within the region.

(2) \$175,000 of the motor vehicle account—state appropriation is provided to the department in accordance with RCW 46.68.110(2) and 46.68.120(3) and shall be used by the department to support the processing and analysis of the backlog of city and county collision reports by January 2006. The amount provided in this subsection shall lapse if federal funds become available for this purpose.

(3) \$150,000 of the multimodal transportation account—state appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1565. If Engrossed Second Substitute House Bill No. 1565 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(4) The department of transportation shall evaluate the number of spaces available for long-haul truck parking relative to current and projected future needs. The department of transportation shall also explore options for augmenting the number of spaces available, including, but not limited to, expanding state-owned rest areas or modifying regulations governing the use of these facilities, utilizing weigh stations and park and ride lots, and encouraging the expansion of the private sector's role. Finally, the department shall explore the utility of coordinating with neighboring states on long-haul truck parking and evaluate methodologies for alleviating any air quality issues relative to the issue. The department must report to the transportation committees of the legislature by December 1, 2005, on the options, strategies, and recommendations for long-haul truck parking.

(5) \$50,000 of the multimodal transportation account—state appropriation is provided solely for evaluating high-speed passenger transportation facilities and services, including rail or magnetic levitation transportation systems, to connect airports as a means to more efficiently utilize airport capacity, as well as connect major population and activity centers. This evaluation shall be coordinated with the airport capacity and facilities market analysis conducted pursuant to Engrossed Substitute Senate Bill No. 5121 and results of the evaluation shall be submitted by July 1, 2007. If Engrossed Substitute Senate Bill No. 5121 is not enacted by June 30, 2005, or if federal funds are not received by March 1, 2006, for the purpose of implementing Engrossed Substitute Senate Bill No. 5121, the amount provided in this subsection shall lapse.

(6) \$440,000 [~~((700,000))~~ 440,000] of the motor vehicle account—state appropriation is provided solely for completing funding for a route development plan of U.S. route 2.

(7) The department shall conduct a study of the resources allocated to each of the seven department regions and the corresponding workloads. Given the magnitude of the investments in the Puget Sound region, particular emphasis shall be given to reviewing the resources allocated and corresponding workloads with respect to the urban corridors region and the northwest region. Based on the results of this study, the department shall submit recommendations by December 1, 2006, to the legislature and the office of financial management regarding reallocating resources and revising regional boundaries within the department, as appropriate, in order to better coincide allocated resources with designated regional boundaries.

(8) \$750,000 of the multimodal transportation account—state appropriation is provided solely for implementing Engrossed Substitute House Bill No. 2871. If Engrossed Substitute House Bill No. 2871 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse. The regional transportation commission's duties to develop, complete, and submit a governance proposal to the 2007 legislature are highly time sensitive. As a result, the legislature finds that competitive bidding is not cost-effective or appropriate for personal service contracts entered into by the commission, and that the director of the office of financial management should, by the director's authority under RCW 39.29.011(5), exempt any such personal service contract from the competitive bidding requirements of chapter 39.29 RCW.

(9) \$2,300,000 of the transportation partnership account—state appropriation is provided solely for the costs of the regional transportation investment district (RTID) and department of transportation project oversight. The department shall provide support from its urban corridors region to assist in preparing project costs, expenditure plans, and modeling. The department shall not deduct a management reserve, nor charge management or overhead fees. These funds are provided as a loan to the RTID and shall be repaid to the state motor vehicle account within one year following the certification of the election results related to the RTID.

(10) \$100,000 of the motor vehicle account—state appropriation is provided solely to the department in accordance with RCW 46.68.110(2) and 46.68.120(3) and shall be used by the department solely to conduct an analysis of expanding the transportation concurrency requirements prescribed under the growth management act, chapter 36.70A RCW, to include development impacts on level of service standards applicable to state-owned transportation facilities, including state highways and state ferry routes. The objective of the analysis is to determine how to ensure that jurisdictional divisions do not defeat growth management act concurrency goals. The department shall convene a committee to oversee the analysis, with the committee comprised of, at a minimum, four members of the transportation committees of the legislature, four members of the appropriate land use committees of the legislature, and one member each from the association of Washington cities and the Washington state association of counties, or a designee thereof. The completed study, including recommendations, must be submitted to the appropriate standing committees of the legislature, and to the office of financial management, by December 1, 2006.

(11) The department of transportation, the Washington state economic revenue forecast council, and the office of financial management shall review and adopt a method of forecasting motor vehicle and special fuel prices, revenue, and the amount of consumption that has an increased rate of accuracy as compared to the existing method. The three agencies shall submit a report to the transportation committees of the legislature by December 1, 2006, outlining the methods researched and the criteria utilized to select and adopt the new fuel forecasting method.

(12) \$150,000 of the multimodal transportation account—state appropriation is provided solely for a transportation demand management program, developed by the Whatcom council of governments, to further reduce drive-alone trips and maximize the use of sustainable transportation choices. The community based program must focus on all trips, not only commute trips, by providing education, assistance, and incentives to four target audiences: (a) Large work sites; (b) employees of businesses in downtown areas; (c) school children; and (d) residents of Bellingham.

Sec. 812. 2006 c 370 s 225 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U**

Motor Vehicle Account—State Appropriation . . . . .	(( <del>\$46,874,000</del> ))
	<u>\$47,374,000</u>
Motor Vehicle Account—Federal Appropriation . . . . .	\$400,000
TOTAL APPROPRIATION . . . . .	(( <del>\$47,274,000</del> ))
	<u>\$47,774,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) ((~~\$31,749,000~~)) \$32,209,000 of the motor vehicle fund—state appropriation is provided solely for the liabilities attributable to the department of transportation. The office of financial management must provide a detailed accounting of the revenues and expenditures of the self-insurance fund to the transportation committees of the legislature on December 31st and June 30th of each year.

(2) Payments in this section represent charges from other state agencies to the department of transportation.

(a) FOR PAYMENT OF OFFICE OF FINANCIAL MANAGEMENT DIVISION OF RISK MANAGEMENT FEES . . . . .	\$1,667,000
(b) FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE AUDITOR. . . . .	\$1,026,000
(c) FOR PAYMENT OF COSTS OF DEPARTMENT OF GENERAL ADMINISTRATION FACILITIES AND SERVICES AND CONSOLIDATED MAIL SERVICES. . . . .	\$4,049,000
(d) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF PERSONNEL . . . . .	\$4,548,000
(e) FOR PAYMENT OF SELF-INSURANCE LIABILITY PREMIUMS AND ADMINISTRATION. . . . .	(( <del>\$31,749,000</del> ))
	<u>\$32,249,000</u>
(f) FOR PAYMENT OF THE DEPARTMENT OF GENERAL ADMINISTRATION CAPITAL PROJECTS SURCHARGE . . . . .	\$1,717,000

(g) FOR ARCHIVES AND RECORDS MANAGEMENT . . . . .	\$545,000
(h) FOR OFFICE OF MINORITIES AND WOMEN BUSINESS ENTERPRISES . . . . .	\$1,124,000
(i) FOR PAYMENT OF THE DEPARTMENT OF PERSONNEL HRMS PAYROLL SYSTEM . . . . .	\$817,000
(j) FOR PAYMENT OF THE OFFICE OF FINANCIAL MANAGEMENT ROADMAP CHARGES . . . . .	\$12,000
(k) FOR PAYMENT OF OFFICE OF FINANCIAL MANAGEMENT CAPITAL BUDGET SYSTEM CHARGES . . . . .	\$15,000
(l) FOR PAYMENT OF DEPARTMENT OF INFORMATION SERVICES RATE INCREASES . . . . .	\$5,000

Sec. 813. 2006 c 370 s 226 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V**

Multimodal Transportation Account—State	
Appropriation . . . . .	<del>(\$87,233,000)</del>
	<u>\$70,005,000</u>
Multimodal Transportation Account—Federal	
Appropriation . . . . .	\$2,603,000
Multimodal Transportation Account—Private/Local	
Appropriation . . . . .	\$155,000
TOTAL APPROPRIATION . . . . .	<del>(\$89,991,000)</del>
	<u>\$72,763,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$25,000,000 of the multimodal transportation account—state appropriation is provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation.

(a) \$5,500,000 of the amount provided in this subsection is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers shall be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided.

(b) \$19,500,000 of the amount provided in this subsection is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies shall be prorated based on the amount expended for demand response service and route deviated service in calendar year 2003 as reported in the "Summary of Public Transportation - 2003" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions. The first \$450,000 provided to King county shall be used as follows:

(i) \$320,000 shall be used to provide electric buses, instead of diesel buses, for service on Capital Hill in Seattle, Washington through June 30, 2007;

(ii) \$130,000 shall be used to provide training for blind individuals traveling through Rainier Valley and the greater Seattle area. The training is to include destination training and retraining due to the expected closure of the downtown bus tunnel and training on how to use the Sound Transit light rail system.

(2) Funds are provided for the rural mobility grant program as follows:

(a) \$7,000,000 of the multimodal transportation account—state appropriation is provided solely for grants for those transit systems serving small cities and rural areas as identified in the Summary of Public Transportation - 2003 published by the department of transportation. Noncompetitive grants must be distributed to the transit systems serving small cities and rural areas in a manner similar to past disparity equalization programs.

(b) \$7,000,000 of the multimodal transportation account—state appropriation is provided solely to providers of rural mobility service in areas not served or underserved by transit agencies through a competitive grant process.

(3) \$8,900,000 of the multimodal transportation account—state appropriation is provided solely for a vanpool grant program for: (a) Public transit agencies to add vanpools; and (b) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; no operating costs for public transit agencies are eligible for funding under this grant program. No additional employees may be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. Additional criteria for selecting grants must include leveraging funds other than state funds.

(4) \$3,000,000 of the multimodal transportation account—state appropriation is provided solely for the city of Seattle for the Seattle streetcar project on South Lake Union.

(5) \$1,200,000 of the multimodal transportation account—state appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 2124. If Engrossed Substitute House Bill No. 2124 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(6)(a) (~~(\$20,000,000)~~) \$2,832,000 of the multimodal transportation account—state appropriation is provided solely for the regional mobility grant projects identified on the LEAP Transportation Document 2006-D, Regional Mobility Grant Program Projects as developed March 8, 2006. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, shall be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and identify where unused grant funds remain because actual project costs were lower than estimated in the grant award. When funds become available either because grant awards have been rescinded for lack of sufficient project activity or because completed projects returned excess grant funds upon project closeout, the department shall expeditiously extend new grant awards to qualified alternative projects identified on the list.

(b) Pursuant to the grant program established in RCW 47.66.030, the department shall issue a call for projects and/or service proposals. Applications

must be received by the department by November 1, 2005, and November 1, 2006. The department must submit a prioritized list for funding to the transportation committees of the legislature that reflects the department's recommendation, as well as, a list of all project or service proposals received.

(7) \$2,000,000 of the multimodal transportation account—state appropriation is provided solely for new tri-county connection service for Island, Skagit, and Whatcom transit agencies.

(8) \$2,000,000 of the multimodal transportation account—state appropriation is provided solely to King county as a state match to obtain federal funding for a car sharing program for persons meeting certain income or employment criteria.

(9) \$750,000 of the multimodal transportation account—state appropriation is provided solely for the implementation of the local government and regional transportation planning requirements in Engrossed Substitute Senate Bill No. 6566 (commute trip reduction). The department may use contract or temporary employees to implement the bill and shall allocate the remaining funds to regional transportation planning organizations, counties, and cities on an as needed basis. If Engrossed Substitute Senate Bill No. 6566 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(10) ~~(\$200,000)~~ \$140,000 of the multimodal account appropriation is provided solely for up to three low-income car ownership programs. The department shall seek to leverage available federal funds from the job access and reverse commute program to augment the funding provided in this subsection. Additionally, the department shall report back to the appropriate committees of the legislature with a review of the obstacles presented by state laws on surplus property disposal to community organizations reconditioning cars and selling those cars at below market rates to low-income families.

Sec. 814. 2006 c 370 s 227 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X**

Puget Sound Ferry Operations Account—State

Appropriation . . . . . ~~(\$372,254,000)~~  
\$389,249,000

Multimodal Transportation Account—State

Appropriation . . . . . \$3,660,000  
TOTAL APPROPRIATION . . . . . ~~(\$375,914,000)~~  
\$392,909,000

The appropriations in this section are subject to the following conditions and limitations:

(1) ~~(\$75,280,000)~~ \$81,664,000 of the total appropriation is provided solely for auto ferry vessel operating fuel in the 2005-2007 biennium.

(2) The maximum amount of expenditures for compensation paid to ferry employees during the 2005-2007 biennium shall not exceed ~~(\$226,455,000)~~ \$236,085,000. This amount reflects the sole source of state funding available to support the implementation of any collective bargaining agreements or arbitration awards with respect to state ferry employee compensation, including salaries, wages, and employee benefits, during the 2005-2007 biennium, which amount includes \$6,223,000 in full satisfaction of the arbitration awards for the



2001-2003 biennium and \$1,339,000 for labor productivity gains agreements and \$8,870,000 in full satisfaction of the arbitration awards and the negotiated collective bargaining agreements for the 2003-2005 and 2005-2007 biennia. The department's use of this expenditure authority constitutes a good faith attempt to implement such agreements and awards, including those applicable to prior biennia. It is the intent of the legislature that the expenditure authority provided in this subsection fully satisfy any agreements or awards required to be implemented during the 2005-2007 biennium, and that the provisions of Substitute House Bill No. 3178 (marine employees collective bargaining) will govern the implementation of agreements or awards effective beginning with the 2007-2009 biennium. For the purposes of this section, the expenditures for compensation paid to ferry employees shall be limited to salaries and wages and employee benefits as defined in the office of financial management's state administrative and accounting manual, chapter 75.70, named under objects of expenditure "A" and "B".

(3) \$1,116,000 of the Puget Sound ferry operations account—state appropriation is provided solely for ferry security operations necessary to comply with the ferry security plan submitted by the Washington state ferry system to the United States coast guard. The department shall track security costs and expenditures. Ferry security operations costs shall not be included as part of the operational costs that are used to calculate farebox recovery.

(4) The Washington state ferries must work with the department's information technology division to implement an electronic fare system, including the integration of the regional fare coordination system (smart card). Each December and June, semi-annual updates must be provided to the transportation committees of the legislature concerning the status of implementing and completing this project, with updates concluding the first December after full project implementation.

(5) The Washington state ferries shall continue to provide service to Sidney, British Columbia.

(6) \$3,660,000 of the multimodal transportation account—state appropriation is provided solely to provide passenger-only ferry service. The ferry system shall continue passenger-only ferry service from Vashon Island to Seattle until such time as a county ferry district's assumption of the route, as authorized by Substitute Senate Bill No. 6787. Beginning September 1, 2005, ferry system management shall implement its agreement with the Inlandboatmen's Union of the Pacific and the International Organization of Masters, Mates and Pilots providing for part-time passenger-only work schedules.

(7) \$350,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the implementation of Substitute House Bill No. 3178 (marine employees collective bargaining). If Substitute House Bill No. 3178 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(8) \$613,000 of the Puget Sound ferries operations account—state appropriation is provided solely for compliance with department of ecology rules regarding the transfer of oil on or near state waters.

Sec. 815. 2006 c 370 s 228 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—OPERATING**

Multimodal Transportation Account—State	
Appropriation . . . . .	<del>(\$36,876,000)</del>
	<u>\$35,376,000</u>

The appropriation in this section is subject to the following conditions and limitations:

(1)(a) \$29,091,000 of the multimodal transportation account—state appropriation is provided solely for the Amtrak service contract and Talgo maintenance contract associated with providing and maintaining the state-supported passenger rail service. Upon completion of the rail platform project in the city of Stanwood, the department shall provide daily Amtrak Cascades service to the city.

(b) The department shall negotiate with Amtrak and Burlington Northern Santa Fe to adjust the Amtrak Cascades schedule to leave Bellingham at a significantly earlier hour.

(2) ~~(\$2,750,000)~~ \$1,500,000 of the multimodal transportation account—state appropriation is provided solely for a new round trip rail service between Seattle and Portland beginning July 1, 2006.

(3) No AMTRAK Cascade runs may be eliminated.

(4) \$40,000 of the multimodal transportation account—state appropriation is provided solely for the produce railcar program. The department is encouraged to implement the produce railcar program by maximizing private investment.

(5) \$500,000 of the multimodal transportation account—state appropriation is provided solely for a study of the realignment of highway and rail in the Longview industrial area (SR 432) corridor, specifically regarding whether the construction of a limited access bypass highway to reduce congestion resulting from anticipated growth in future rail and truck traffic, is a feasible alternative. In conducting the study, the department shall consult port districts, local government planning staff, and rail road companies, and other appropriate stakeholders.

(6) \$60,000 of the multimodal transportation account—state appropriation is provided solely for a study of the need for transloading capabilities in the West Plains area that could be served by the Geiger Spur, including evaluation of prospective transloader sites, potential operators and users, and the type, size, and special needs of shippers/customers. The study must also evaluate the costs associated with building and operating a transloader site and the impact to local roadways and surrounding land uses. In conducting the study, the department shall consult with Spokane County.

Sec. 816. 2006 c 370 s 229 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING**

Motor Vehicle Account—State Appropriation . . . . .	<del>(\$8,500,000)</del>
	<u>\$8,836,000</u>
Motor Vehicle Account—Federal Appropriation . . . . .	\$2,597,000

Multimodal Transportation Account—State	
Appropriation . . . . .	(( <del>\$411,000</del> ))
	<u>\$200,000</u>
TOTAL APPROPRIATION . . . . .	(( <del>\$11,508,000</del> ))
	<u>\$11,633,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$211,000 of the motor vehicle account—state appropriation and ((~~\$411,000~~)) \$200,000 of the multimodal transportation account—state appropriation are provided solely for the state's contribution to county and city studies of flood hazards in association with interstate highways. First priority shall be given to threats along the I-5 corridor.

(2) ((~~\$525,000~~)) \$861,000 of the motor vehicle account—state appropriation is provided solely to the department in accordance with RCW 46.68.110(2) and 46.68.120(3) and shall be used by the department solely for contract services with the association of Washington cities and the Washington state association of counties for improving transportation permitting and mitigation processes.

**TRANSPORTATION AGENCIES—CAPITAL**

**Sec. 901.** 2006 c 370 s 301 (uncodified) is amended to read as follows:

**FOR THE COUNTY ROAD ADMINISTRATION BOARD**

Rural Arterial Trust Account—State Appropriation . . . . .	(( <del>\$64,933,000</del> ))
	<u>\$38,046,000</u>
Motor Vehicle Account—State Appropriation . . . . .	\$355,000
County Arterial Preservation Account—State	
Appropriation . . . . .	(( <del>\$32,697,000</del> ))
	<u>\$31,882,000</u>
TOTAL APPROPRIATION . . . . .	(( <del>\$97,985,000</del> ))
	<u>\$70,283,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$355,000 of the motor vehicle account—state appropriation is provided for county ferries as set forth in RCW 47.56.725(4).

**Sec. 902.** 2006 c 370 s 302 (uncodified) is amended to read as follows:

**FOR THE TRANSPORTATION IMPROVEMENT BOARD**

Urban Arterial Trust Account—State Appropriation . . . . .	(( <del>\$101,425,000</del> ))
	<u>\$93,425,000</u>
Small City Preservation and Sidewalk	
Account—State Appropriation . . . . .	(( <del>\$2,000,000</del> ))
	<u>\$1,696,000</u>
Transportation Improvement Account—State	
Appropriation . . . . .	(( <del>\$94,401,000</del> ))
	<u>\$82,258,000</u>
TOTAL APPROPRIATION . . . . .	(( <del>\$197,826,000</del> ))
	<u>\$177,379,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The transportation improvement account—state appropriation includes up to ~~(\$14,143,000)~~ \$7,000,000 in proceeds from the sale of bonds authorized in RCW 47.26.500.

(2) ~~(\$2,000,000)~~ \$1,696,000 of the small city preservation and sidewalk account—state appropriation is provided to fund the provisions of chapter 83, Laws of 2005 (Substitute Senate Bill No. 5775).

Sec. 903. 2006 c 370 s 303 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—PROGRAM D (DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)—CAPITAL**

Motor Vehicle Account—State Appropriation . . . . . ~~(\$2,328,000)~~  
\$1,911,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$584,000 of the motor vehicle account—state appropriation is provided solely for statewide administration.

(2) ~~(\$632,000)~~ \$561,000 of the motor vehicle account—state appropriation is provided solely for regional minor projects.

(3) ~~(\$305,000)~~ \$40,000 of the motor vehicle account—state appropriation is provided solely for designing the replacement of the existing outdated maintenance facility in Ephrata.

(4) ~~(\$239,000)~~ \$158,000 of the motor vehicle account—state appropriation is provided solely for the designing of the northwest regional maintenance complex in Seattle.

(5) \$568,000 of the motor vehicle account—state appropriation is provided solely for the Olympic region headquarters project.

~~((a) The department of transportation is authorized to use certificates of participation for the financing of the Olympic region project in the amount of \$34,874,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW.~~

~~(b) The Washington state department of transportation may utilize the design build process in accordance with chapter 39.10 RCW for the Olympic region project. If the design build process is used, it may be developed in partnership with the department of general administration.)~~

Sec. 904. 2006 c 370 s 306 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—CAPITAL**

Motor Vehicle Account—State Appropriation . . . . . ~~(\$17,555,000)~~  
\$11,162,000

Motor Vehicle Account—Federal Appropriation . . . . . ~~(\$15,068,000)~~  
\$10,308,000

Motor Vehicle Account—Local Appropriation . . . . . ~~(\$108,000)~~  
\$50,000

TOTAL APPROPRIATION . . . . . ~~(\$32,731,000)~~  
\$21,520,000

The appropriations in this section are subject to the following conditions and limitations: The motor vehicle account—state appropriation includes ~~((\\$11,255,000))~~ \$11,162,000 for state matching funds for federally selected competitive grant or congressional earmark projects other than the commercial vehicle information systems and network. These moneys shall be placed into reserve status until such time as federal funds are secured that require a state match.

\*Sec. 905. 2006 c 370 s 304 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—  
IMPROVEMENTS—PROGRAM I**

<i>Transportation 2003 Account (Nickel Account)—State</i>	
<i>Appropriation</i> .....	<del>((\\$1,190,511,000))</del> <u>\$1,079,697,000</u>
<i>Motor Vehicle Account—State Appropriation</i> .....	<del>((\\$85,165,000))</del> <u>\$84,385,000</u>
<i>Motor Vehicle Account—Federal Appropriation</i> .....	<del>((\\$395,043,000))</del> <u>\$352,856,000</u>
<i>Motor Vehicle Account—Private/Local Appropriation</i> .....	<del>((\\$58,522,000))</del> <u>\$47,655,000</u>
<i>Special Category C Account—State Appropriation</i> .....	<del>((\\$3,479,000))</del> <u>\$3,152,000</u>
<i>Tacoma Narrows Toll Bridge Account Appropriation</i> .....	\$274,038,000
<i>Transportation Partnership Account—State</i>	
<i>Appropriation</i> .....	<del>((\\$384,186,000))</del> <u>\$289,436,000</u>
<i>Multimodal Transportation Account—State</i>	
<i>Appropriation</i> .....	<del>((\\$1,002,000))</del> <u>\$750,000</u>
<b>TOTAL APPROPRIATION</b> .....	<del>((\\$2,391,946,000))</del> <u>\$2,131,969,000</u>

The appropriations in this section are subject to the following conditions and limitations:

*(1)(a) The entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by ~~((fund,))~~ project ~~((and amount))~~ in LEAP Transportation Document 2006-1, Highway Improvement Program (I) as developed March 8, 2006. ~~((However, limited transfers of allocations between projects may occur for those amounts listed subject to the conditions and limitations in section 603 of this act.))~~*

*(b) Within the amounts provided in this subsection, \$6,835,000 of the transportation partnership account—state appropriation, \$5,002,000 of the transportation 2003 account (nickel account)—state appropriation, and \$2,645,000 of the motor vehicle account—federal appropriation are for project 109040T: I-90/Seattle to Mercer Island – Two way transit/HOV. Expenditure of these funds on construction is contingent upon the development of an access plan that provides equitable and dependable access for I-90 Mercer Island exit and entry.*

*(c) Within the amounts provided in this subsection, \$500,000 of the transportation partnership account—state appropriation is for a west Olympia access study, to complete an access study for state route 101/west Olympia.*

*(d) Within the amounts provided in this subsection, \$800,000 of the transportation partnership account—state appropriation is for an SR 534 access point decision report.*

*(f) Within the amounts provided within this subsection, \$6,000,000 of the transportation partnership account—state appropriation is for project 509009B: I-90 Snoqualmie Pass East - Hyak to Keechelus dam. However, if the preferred alternative selected for this project results in a lower total project cost, the remaining funds may be used for concrete rehabilitation on I-90 in the vicinity of this project.*

*(g) Within the amounts provided in this subsection, \$12,841,000 of the transportation 2003 account (nickel account)—state appropriation and \$4,939,000 of the transportation partnership account—state appropriation are for construction of a new interchange on SR 522 to provide direct access to the University of Washington Bothell/Cascadia community college joint campus. This appropriation assumes an additional \$8,061,000 will be provided in the 2007-09 biennium from the transportation partnership account.*

*(h) Within the amounts provided in this subsection, \$19,262,149 of the motor vehicle account—federal appropriation and \$1,873,478 of the transportation 2003 account (nickel account) appropriation are for project 154302E: SR 543 (I-5 to the international boundary).*

(2) The motor vehicle account—state appropriation includes up to \$50,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.843.

(3) The department shall not commence construction on any part of the state route number 520 bridge replacement and HOV project until a record of decision has been reached providing reasonable assurance that project impacts will be avoided, minimized, or mitigated as much as practicable to protect against further adverse impacts on neighborhood environmental quality as a result of repairs and improvements made to the state route 520 bridge and its connecting roadways, and that any such impacts will be addressed through engineering design choices, mitigation measures, or a combination of both. The requirements of this section shall not apply to off-site pontoon construction supporting the state route number 520 bridge replacement and HOV project.

(4) The transportation partnership account—state appropriation includes up to \$150,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(5) The Tacoma Narrows toll bridge account—state appropriation includes up to \$257,016,000 in proceeds from the sale of bonds authorized by RCW 47.10.843. The Tacoma Narrows toll bridge account—state appropriation includes up to \$17,022,000 in unexpended proceeds from the March 2005 bond sale authorized in RCW 47.10.843 for the Tacoma Narrows bridge project.

(6) The transportation 2003 account (nickel account)—state appropriation includes up to \$880,000,000 in proceeds from the sale of bonds authorized by chapter 147, Laws of 2003.

(7) The department shall, on a quarterly basis beginning July 1, 2005, provide to the office of financial management and the legislature reports providing the status on each project in the project lists submitted pursuant to this

act. Other projects may be reported on a programmatic basis. The department shall work with the office of financial management and the transportation committees of the legislature to agree on report formatting and elements. Elements shall include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information systems (TEIS).

(8) The department of transportation shall conduct an analysis of the causes of traffic congestion on I-5 in the vicinity of Fort Lewis and develop recommendations for alleviating the congestion. The department must report to the transportation committees of the legislature by December 1, 2005, on its analysis and recommendations regarding traffic congestion on I-5 in the vicinity of Fort Lewis.

(9) The department of transportation is authorized to proceed with the SR 519 Intermodal Access project if the city of Seattle has not agreed to a project configuration or design by July 1, 2006.

(10) The motor vehicle account—state appropriation includes up to \$14,214,000 in unexpended proceeds from the sale of bonds authorized in RCW 47.10.843.

(11) The special category C account—state appropriation includes up to \$1,710,000 in unexpended proceeds from the sale of bonds authorized in RCW 47.10.812.

(12) The department should consider using mitigation banking on appropriate projects whenever possible, without increasing the cost to projects. The department should consider using the advanced environmental mitigation revolving account (AEMRA) for corridor and watershed based mitigation opportunities, in addition to project specific mitigation.

(13) \$500,000 of the motor vehicle account—state appropriation is provided solely for a planning study regarding congestion mitigation improvements on state route 101 in the vicinity of the city of Aberdeen.

(14) \$6,200,000 of the motor vehicle account—federal appropriation is provided solely for eastern Washington international border crossing and freight mobility projects, including pavement preservation, pavement structural strengthening, and other safety enhancements. Projects shall include funding for U.S. route 97 international border vicinity paving and improvement projects.

(15) \$3,509,738 of the motor vehicle account—federal appropriation and \$30,793 of the motor vehicle account—state appropriation are provided solely for project 100598C: I-5 Blaine Exit interchange improvements.

~~((17))~~ (16) The legislature recognizes that the finance and project implementation planning processes required for the Alaskan Way viaduct and Seattle Seawall replacement project and the SR 520 bridge replacement and HOV project cannot guarantee appropriate decisions unless key study assumptions are reasonable with respect to each project.

To assure appropriate finance plan and project implementation plan assumptions, an expert review panel shall be appointed to provide independent financial and technical review for development of a finance plan and project implementation plan for the projects described in this subsection.

(a) The expert review panel shall consist of five to ten members who are recognized experts in relevant fields, such as planning, engineering, finance,

law, the environment, emerging transportation technologies, geography, and economics.

(b) The expert review panel shall be selected cooperatively by the chairs of the senate and house transportation committees, the secretary of the department of transportation, and the governor to assure a balance of disciplines.

(c) The chair of the expert review panel shall be designated by the governor.

(d) The expert panel shall, with respect to completion of the project alternatives as described in the draft environmental impact statement of each project:

(i) Review the finance plan for the project to ensure that it clearly identifies secured and anticipated funding sources and is feasible and sufficient;

(ii) Review the project implementation plan covering all state and local permitting and mitigation approvals that ensure the most expeditious and cost-effective delivery of the project; and

(iii) Report its findings and recommendations on the items described in (d)(i) and (ii) of this subsection to the joint transportation committee, the office of financial management, and the governor no later than September 1, 2006.

(e) Upon receipt of the expert review panel's findings and recommendations under (d)(iii) of this subsection, the governor must make a finding of whether each finance plan is feasible and sufficient to complete the project as described in the draft environmental impact statement.

(f) Nothing in this section shall be interpreted to delay construction of any of the projects referenced in this subsection.

~~((18)(a) Prior to commencing construction on either project, the department of transportation must complete all of the following requirements for both the Alaskan Way viaduct and Seattle Seawall replacement project, and the state route number 520 bridge replacement and HOV project: (i) In accordance with the national environmental policy act, the department must designate the preferred alternative, prepare a substantial project mitigation plan, and complete a comprehensive cost estimate review using the department's cost estimate validation process, for each project; (ii) in accordance with all applicable federal highway administration planning and project management requirements, the department must prepare a project finance plan for each project that clearly identifies secured and anticipated fund sources, cash flow timing requirements, and project staging and phasing plans if applicable; and (iii) the department must report these results for each project to the joint transportation committee.~~

~~(b) The requirements of this subsection shall not apply to (i) utility relocation work, and related activities, on the Alaskan Way viaduct and Seattle Seawall replacement project and (ii) off site pontoon construction supporting the state route number 520 bridge replacement and HOV project.)~~

\*Sec. 905 was partially vetoed. See message at end of chapter.

\*Sec. 906. 2006 c 370 s 305 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—PRESERVATION—PROGRAM P**

*Transportation 2003 Account (Nickel Account)—State*

*Appropriation* . . . . . ~~(\$1,687,000)~~  
\$1,690,000

*Motor Vehicle Account—State Appropriation* . . . . . ~~(\$94,799,000)~~  
\$88,954,000



<i>Motor Vehicle Account—Federal Appropriation . . . . .</i>	<i><del>(\$435,310,000)</del></i>
	<i><u>\$426,297,000</u></i>
<i>Motor Vehicle Account—Private/Local Appropriation . . . . .</i>	<i><del>(\$8,485,000)</del></i>
	<i><u>\$6,194,000</u></i>
<i><del>(Puyallup Tribal Settlement Account—State</del></i>	
<i><del>Appropriation . . . . .</del></i>	<i><del>\$11,000,000)</del></i>
<i>Transportation Partnership Account—State</i>	
<i>Appropriation . . . . .</i>	<i><del>(\$24,540,000)</del></i>
	<i><u>\$20,180,000</u></i>
<b><i>TOTAL APPROPRIATION . . . . .</i></b>	<b><i><del>(\$575,821,000)</del></i></b>
	<b><i><u>\$543,315,000</u></i></b>

The appropriations in this section are subject to the following conditions and limitations:

***(1) The entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by ~~(fund,)~~ project ~~(and amount)~~ in LEAP Transportation Document 2006-1, Highway Preservation Program (P) as developed March 8, 2006. ~~(However, limited transfers of allocations between projects may occur for those amounts listed subject to the conditions and limitations in section 603 of this act.)~~***

(2) \$11,000,000 of the Puyallup tribal settlement account—state appropriation is provided solely for mitigation costs associated with the Murray Morgan/11th Street Bridge demolition. The department may negotiate with the city of Tacoma for the purpose of transferring ownership of the Murray Morgan/11th Street Bridge to the city. The department may use the Puyallup tribal settlement account appropriation, as well as any funds appropriated in the current biennium and planned in future biennia for the demolition and mitigation for the demolition of the bridge to rehabilitate or replace the bridge, if agreed to by the city. In no event shall the department's participation exceed \$26,500,000 and no funds may be expended unless the city of Tacoma agrees to take ownership of the bridge in its entirety and provide that the payment of these funds extinguishes any real or implied agreements regarding future expenditures on the bridge.

(3) \$740,000 of the motor vehicle account—state appropriation, \$106,149,000 of the motor vehicle account—federal appropriation, and \$10,305,000 of the transportation partnership account—state appropriation are provided solely for the Hood Canal bridge project.

(4) The motor vehicle account—state appropriation includes up to \$735,000 in unexpended proceeds from the sale of bonds authorized in RCW 47.10.761 and 47.10.762 for emergency purposes.

(5) The department of transportation shall continue to implement the lowest life cycle cost planning approach to pavement management throughout the state to encourage the most effective and efficient use of pavement preservation funds. Emphasis should be placed on increasing the number of roads addressed on time and reducing the number of roads past due.

(6) The department shall, on a quarterly basis beginning July 1, 2005, provide to the office of financial management and the legislature reports providing the status on each project in the project lists submitted pursuant to this

act. Other projects may be reported on a programmatic basis. The department shall work with the office of financial management and the transportation committees of the legislature to agree on report formatting and elements. Elements shall include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information systems (TEIS).

(7) The motor vehicle account—state appropriation includes up to \$912,000 in unexpended proceeds from the sale of bonds authorized in RCW 47.10.843.

(8) The motor vehicle account—state appropriation includes up to \$6,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.843.

(9) ~~(\$4,000,000)~~ \$3,200,000 of the motor vehicle account—federal appropriation and \$6,000,000 of the motor vehicle account—state appropriation, as specified in subsection (8) of this section, are for expenditures on damaged state roads due to flooding, mudslides, rock fall, or other unforeseen events. Slide repair on state routes 101, 4, 107, and 105 must be funded from this amount if federal emergency funds are not available.

\*Sec. 906 was partially vetoed. See message at end of chapter.

*\*Sec. 907. 2006 c 370 s 307 (uncodified) is amended to read as follows:*

**FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W**

**Puget Sound Capital Construction Account—State**

Appropriation ..... ~~(\$122,324,000)~~  
\$113,296,000

**Puget Sound Capital Construction Account—Federal**

Appropriation ..... ~~(\$73,590,000)~~  
\$47,873,000

**Puget Sound Capital Construction Account—Private/Local**

Appropriation ..... \$26,000

**Multimodal Transportation Account—State**

Appropriation ..... ~~(\$13,249,000)~~  
\$10,749,000

**Transportation 2003 Account (Nickel Account)—State**

Appropriation ..... ~~(\$34,991,000)~~  
\$17,391,000

**TOTAL APPROPRIATION**..... ~~(\$244,180,000)~~  
\$189,335,000

*The appropriations in this section are provided for improving the Washington state ferry system, including, but not limited to, vessel construction, major and minor vessel preservation, and terminal preservation, construction, and improvements. The appropriations in this section are subject to the following conditions and limitations:*

*(1) The Puget Sound capital construction account—state appropriation includes up to ~~(\$40,950,000)~~ \$40,288,000 in proceeds from the sale of bonds authorized by RCW 47.10.843 for vessel and terminal acquisition, major and minor improvements, and long lead time materials acquisition for the Washington state ferries.*

(2) *The multimodal transportation account—state appropriation includes up to (~~(\$10,249,000)~~) \$9,079,000 in proceeds from the sale of bonds authorized by RCW 47.10.867.*

(3) *\$15,617,000 of the Puget Sound capital construction account—state appropriation is provided solely for the Eagle Harbor Terminal Preservation project.*

(4) *The entire transportation 2003 account (nickel account) appropriation and \$10,249,000 of the multimodal transportation account—state appropriation are provided solely for the projects and activities as listed by fund, project and amount in LEAP Transportation Document 2006-1, Ferries Construction Program (W) as developed March 8, 2006. However, limited transfers of allocations between projects may occur for those amounts listed subject to the conditions and limitations in section 603 of this act.*

(5) *The department shall, on a quarterly basis beginning July 1, 2005, provide to the office of financial management and the legislature reports providing the status on each project in the project lists submitted pursuant to this act and on any additional projects for which the department has expended funds during the 2005-07 fiscal biennium. Elements shall include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection via the transportation executive information systems (TEIS).*

(6) *\$3,000,000 of the multimodal transportation account—state appropriation is provided solely for passenger-only projects. Projects may include vessel or terminal projects or costs associated with selling vessels.*

(7) *The multimodal transportation account—state appropriation includes up to \$1,170,000 in unexpended proceeds from the sale of bonds authorized in RCW 47.10.867.*

\*Sec. 907 was vetoed. See message at end of chapter.

Sec. 908. 2006 c 370 s 308 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—CAPITAL**

(Essential Rail Assistance Account—State Appropriation .....	<del>(\$250,000)</del>
Motor Vehicle Account—Federal Appropriation .....	\$1,485,000
Multimodal Transportation Account—State	
Appropriation .....	<del>(\$68,176,000)</del>
	\$57,814,000
Multimodal Transportation Account—Private/Local	
Appropriation .....	<del>(\$8,287,000)</del>
	\$551,000
Multimodal Transportation Account—Federal	
Appropriation .....	<del>(\$17,268,000)</del>
	\$10,198,000
TOTAL APPROPRIATION .....	<del>(\$93,981,000)</del>
	\$70,048,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The multimodal transportation account—state appropriation includes up to ~~(((\$33,435,000))~~ \$1,422,000 in proceeds from the sale of bonds ~~((and up to \$830,000 in unexpended bond proceeds authorized by RCW 47.10.867)).~~

(2) If federal block grant funding for freight or passenger rail is received, the department shall consult with the transportation committees of the legislature prior to spending the funds on additional projects.

(3)(a) ~~(((\$68,176,000))~~ \$56,399,000 of the multimodal transportation account—state appropriation, ~~(((\$17,268,000))~~ \$10,198,000 of the multimodal transportation account—federal appropriation, ~~(((\$8,287,000))~~ \$551,000 of the multimodal transportation account—local appropriation, and ~~(((\$250,000 of the essential rail assistance account))~~ \$1,485,000 of the motor vehicle account—federal appropriation are provided solely for the projects and activities as listed by ~~((fund,))~~ project ~~((and amount))~~ in LEAP Transportation Document 2006-C, Rail Capital Program (Y) as developed March 8, 2006. ~~((However, limited transfers of allocations between projects may occur for those amounts listed subject to the conditions and limitations in section 603 of this act.))~~

(b) Within the amounts provided in this subsection, ~~(((\$6,500,000))~~ \$5,000,000 of the multimodal transportation account—state appropriation is for the ~~((two))~~ commuter rail project~~((s))~~ listed in the LEAP Transportation Document 2006-C, Rail Capital Program (Y) as developed March 8, 2006.

(c) Within the amounts provided in this subsection, \$10,937,000 of the multimodal transportation account—state appropriation is for the cost of the memorandum of understanding for the acquisition of the Palouse River Coulee City (PCC) rail lines.

(i) The office of financial management shall negotiate the purchase of the CW line. The purchase agreement must include both the operating and capital rights of the CW line. If the office of financial management is unable to negotiate the purchase of the CW line, the office may stop all negotiations and acquire the line and operational rights through any other alternative means available. The office of financial management shall also negotiate a new operational agreement for the line, in consultation with local governments and other stakeholders. The operational agreement shall be assignable, at the state's option, to any intergovernmental entity or local rail district that expresses interest in the operating rights to the line.

~~((d))~~ (ii) The office of financial management shall negotiate the purchase of the operating rights of the P&L and PV Hooper lines. If the office of financial management is unable to negotiate the purchase of the operating rights of the P&L and PV Hooper lines, the office may stop all negotiations and acquire the operating rights through any other alternative means available. Watco will continue to operate the PV Hooper line, as required by contract. The office of financial management shall also negotiate a new operational agreement~~((s))~~ for the P&L ~~((and PV Hooper lines))~~ line in consultation with local governments and other stakeholders. The operational agreement negotiated shall be assignable, at the state's option, to any intergovernmental entity or local rail district that expresses interest in the operating rights to the line. If, upon expiration of the operational agreement for the PV Hooper line, any intergovernmental entity or local rail district expresses interest in the operating rights to the PV Hooper rail line, then the department shall assign the operating rights to the line to the intergovernmental entity or local rail district.

~~((e))~~ (iii) In order to maintain the operation of the Palouse River & Coulee City rail lines, the office of financial management is authorized to negotiate an agreement wherein they may forgive all or part of the existing freight rail assistance loan to the current operator of the Palouse River & Coulee City rail lines in exchange for good and valuable consideration.

(iv) Following acquisition of the PCC rail lines, the department shall not expend funds provided in (a) of this subsection to refurbish the lines or provide an operating subsidy for the lines.

(4) If the department issues a call for projects, applications must be received by the department by November 1, 2005, and November 1, 2006.

(5) \$50,000 of the multimodal transportation account—state appropriation is provided solely for a study of eastern Skagit county freight rail. The study shall examine the feasibility of restoring portions of freight rail line to the towns of Lyman, Hamilton, and Concrete. The study must also identify existing and potential industrial sites available for development and redevelopment, and the freight rail service needs of the identified industrial sites.

(6) The department shall finalize and issue the Amtrak Cascades long range plan update as of the effective date of this act.

(7) Funds provided for the Tacoma rail improvement project may be expended for preconstruction engineering.

(8) \$2,500,000 of the multimodal transportation account—state appropriation is provided solely for a rail loop at the Port of Walla Walla.

\*Sec. 909. 2006 c 370 s 309 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—CAPITAL**

<del>(Highway Infrastructure Account—State Appropriation</del>	<del>.....</del>	<del>\$207,000</del>
<del>Highway Infrastructure Account—Federal Appropriation</del>	<del>.....</del>	<del>\$1,602,000)</del>
<del>Motor Vehicle Account—Federal Appropriation</del>	<del>.....</del>	<del>((</del> <del>\$48,998,000)</del>
		<u>\$16,734,000</u>
<del>Motor Vehicle Account—State Appropriation</del>	<del>.....</del>	<del>((</del> <del>\$8,340,000)</del>
		<u>\$1,836,000</u>
<del>Transportation Partnership Account—State</del>		
<del>Appropriation</del>	<del>.....</del>	<del>((</del> <del>\$2,008,000)</del>
		<u>\$694,000</u>
<del>(Freight Mobility Investment Account—State</del>		
<del>Appropriation</del>	<del>.....</del>	<del>\$6,000,000</del>
<del>Passenger Ferry Account—State Appropriation</del>	<del>.....</del>	<del>\$9,000,000)</del>
<del>Multimodal Transportation Account—State</del>		
<del>Appropriation</del>	<del>.....</del>	<del>((</del> <del>\$39,403,000)</del>
		<u>\$21,860,000</u>
<del>Transportation 2003 Account (nickel account)—State</del>		
<del>Appropriation</del>	<del>.....</del>	<del>((</del> <del>\$557,000)</del>
		<u>\$145,000</u>
<del>Freight Mobility Multimodal Account—State</del>		
<del>Appropriation</del>	<del>.....</del>	<del>((</del> <del>\$9,700,000)</del>
		<u>\$1,150,000</u>

Freight Mobility Multimodal Account—

Private/Local Appropriation .....	\$3,050,000
TOTAL APPROPRIATION .....	(\$125,815,000)
	<u>\$45,469,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) To manage some projects more efficiently, federal funds may be transferred from program Z to programs I and P and state funds shall be transferred from programs I and P to program Z to replace those federal funds in a dollar-for-dollar match. Fund transfers authorized under this subsection shall not affect project prioritization status. Appropriations shall initially be allotted as appropriated in this act. The department may not transfer funds as authorized under this subsection without approval of the office of financial management. The department shall submit a report on those projects receiving fund transfers to the transportation committees of the senate and house of representatives by December 1, 2006.

(2) The department shall, on a quarterly basis, provide status reports to the legislature on the delivery of projects as outlined in the project lists distributed with this act, and on any additional projects for which the department has expended funds during the 2005-07 fiscal biennium, except for projects managed by the freight mobility strategic investment board. The department shall work with the transportation committees of the legislature to agree on report formatting and elements. For projects funded by new revenue in the 2003 and 2005 transportation packages, reporting elements shall include, but not be limited to, project scope, schedule, and costs. Other projects may be reported on a programmatic basis. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information system (TEIS).

(3) The multimodal transportation account—state appropriation includes up to \$6,000,000 in proceeds from the sale of bonds authorized by RCW 47.10.867.

(4) \$1,545,000 of the multimodal transportation account—state appropriation is reappropriated and provided solely to fund the multiphase cooperative project with the state of Oregon to dredge the Columbia River. The amount provided in this subsection shall lapse unless the state of Oregon appropriates a dollar-for-dollar match to fund its share of the project.

(5) Up to \$206,000 of the motor vehicle account—state appropriation is reappropriated and provided (~~solely~~) for additional traffic and pedestrian safety improvements near schools. The highways and local programs division within the department of transportation shall administer this program. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded traffic and pedestrian safety improvement grant funds, but does not report activity on the project within one year of grant award should be reviewed by the department to determine whether the grant should be terminated. The department must promptly close out grants when projects have been completed, and identify where unused grant funds remain because actual project costs were lower than estimated in the grant award. The department shall expeditiously extend new grant awards to qualified

projects when funds become available either because grant awards have been rescinded for lack of sufficient project activity or because completed projects returned excess grant funds upon project closeout.

(6) The motor vehicle account—state appropriation includes up to \$905,000 in unexpended proceeds from the sale of bonds authorized by RCW 47.10.843.

(7) Up to \$607,000 of the multimodal transportation account—state appropriation is reappropriated and provided (~~solely~~) to support the safe routes to school program.

(8) (~~(\$16,110,000)~~) Up to \$7,488,000 of the motor vehicle account—federal appropriation is provided (~~solely~~) for the local freight capital projects in progress identified in this subsection. The specific funding listed is provided (~~solely~~) for the respective projects: SR 397 Ainsworth Ave. Grade Crossing, \$4,992,000; Colville Alternate Truck Route, \$1,746,000; (~~(\$2,288,000) for the~~ Bigelow Gulch Road Urban Boundary to Argonne Rd., \$2,000,000; ~~Granite Falls Alternate Route, \$122,000;~~) and Pacific Hwy. E./Port of Tacoma Road to Alexander, \$750,000.

(9) (~~(\$2,898,000)~~) Up to \$1,011,000 of the motor vehicle account—state appropriation is provided (~~solely~~) for the local freight capital projects in progress identified in this subsection. The specific funding listed is provided (~~solely~~) for the respective projects: Duwamish Intelligent Transportation Systems (ITS), (~~(\$2,382,000)~~) \$495,000; Port of Kennewick/Piert Road, \$516,000.

(10) Up to \$6,000,000 of the multimodal account—state appropriation is provided (~~solely~~) for the local freight 'D' street grade separation project.

(11) The department shall issue a call for pedestrian safety projects, such as safe routes to schools and transit, and bicycle and pedestrian paths. Applications must be received by the department by November 1, 2005, and November 1, 2006. The department shall identify cost-effective projects, and submit a prioritized list to the legislature for funding by December 15th of each year. Recommendations made to the legislature for safe routes to schools and bicycle and pedestrian path projects must, to the extent practicable based on available funding, allocate sixty percent of available funds to bicycle and pedestrian path projects and forty percent to safe routes to schools. Preference shall be given to projects that provide a local match.

(12) (~~(\$18,370,000)~~) Up to \$12,000,000 of the multimodal transportation account—state appropriation, (~~(\$6,000,000)~~) up to \$2,440,000 of the freight mobility multimodal account—state appropriation, and up to \$2,008,000 of the transportation partnership account—state appropriation (~~(, and \$6,000,000 of the freight mobility investment account—state appropriation)~~) are provided (~~solely~~) for the projects and activities as listed by fund, project and amount in LEAP Transportation Document 2006-1, Local Programs (Z) as developed March 8, 2006. However, limited transfers of allocations between projects may occur for those amounts listed subject to the conditions and limitations in section 603 of this act.

(13) \$870,000 of the multimodal transportation account—state appropriation is provided solely for the Yakima Avenue, 9th Street to Front Street, pedestrian safety improvement project.

(14) Up to \$5,000,000 of the multimodal transportation account—state appropriation and up to \$2,000,000 of the motor vehicle account—federal appropriation are provided ((solely)) for the pedestrian and bicycle safety program projects and safe routes to schools program projects identified on the LEAP Transportation Document 2006-B, Pedestrian and Bicycle Safety Program Projects and Safe Routes to Schools Program Projects as developed March 8, 2006. Projects must be allocated funding based on order of priority. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, shall be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and identify where unused grant funds remain because actual project costs were lower than estimated in the grant award. When funds become available either because grant awards have been rescinded for lack of sufficient project activity or because completed projects returned excess grant funds upon project closeout, the department shall expeditiously extend new grant awards to qualified alternative projects identified on the list.

(15) Up to \$9,700,000 of the motor vehicle account—federal appropriation is provided ((solely)) for the intersection and corridor safety program projects as identified on the LEAP Transportation Document 2006-A, Intersection and Corridor Safety Program Projects as developed March 8, 2006.

(16) Up to \$19,500,000 of the motor vehicle account—federal appropriation is provided ((solely)) for rural county two-lane roadway pilot projects including \$7,500,000 already under contract. Any further allocations shall be prioritized by the department based on high-accident-corridor criteria. For purposes of this subsection, "high-accident-corridor" means a highway corridor of one mile or more where analysis of collision history indicates that the section has higher than average collision and severity factors.

(17) Up to \$2,500,000 of the motor vehicle account—state appropriation is provided ((solely)) for the Yakima downtown futures initiative.

(18) Up to \$810,000 of the multimodal transportation account—state appropriation is provided ((solely)) for the projects identified in this subsection: Des Moines creek trail, \$250,000; SR 282 to Port of Ephrata connector, \$385,000; Mount Baker Ridge viewpoint, \$175,000.

~~((20))~~ (19) Up to \$688,000 of the motor vehicle account—federal appropriation is provided ((solely)) for completion of the Coal Creek Parkway project.

~~((21) \$9,000,000 of the passenger ferry account—state appropriation is provided solely for the implementation of the passenger-only ferry grant program created in Substitute Senate Bill No. 6787. If Substitute Senate Bill No. 6787 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.)~~

(20) \$827,000 of the motor vehicle account—federal appropriation is provided solely for the projects identified in this subsection: The Franklin county slide project, \$800,000; and the Loomis-Oroville Road guardrail replacement project, \$27,000.



(21) \$252,000 of the multimodal transportation account—state appropriation is provided solely for the Winthrop pedestrian and bike path project.

\*Sec. 909 was partially vetoed. See message at end of chapter.

**TRANSFERS AND DISTRIBUTIONS**

Sec. 1001. 2006 c 370 s 401 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND TRANSPORTATION FUND REVENUE**

Highway Bond Retirement Account Appropriation . . . . .	<del>(\$334,313,000)</del>
	<u>\$329,713,000</u>
Nondebt-Limit Reimbursable Account Appropriation . . . . .	<del>(\$6,091,000)</del>
	<u>\$5,791,000</u>
Ferry Bond Retirement Account Appropriation . . . . .	\$38,241,000
Transportation Improvement Board Bond Retirement Account—State Appropriation . . . . .	\$30,923,000
Motor Vehicle Account—State Appropriation . . . . .	<del>(\$682,000)</del>
	<u>\$782,000</u>
Transportation Improvement Account—State Appropriation . . . . .	\$120,000
Multimodal Transportation Account—State Appropriation . . . . .	<del>(\$370,000)</del>
	<u>\$390,000</u>
Transportation 2003 Account (Nickel Account) Appropriation . . . . .	\$6,600,000
Transportation Partnership Account—State Appropriation . . . . .	<del>(\$1,125,000)</del>
	<u>\$975,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$418,465,000)</del>
	<u>\$413,535,000</u>

Sec. 1002. 2006 c 370 s 402 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES**

Motor Vehicle Account—State Appropriation . . . . .	\$248,000
Transportation Improvement Account—State Appropriation . . . . .	<del>(\$13,000)</del>
	<u>\$18,000</u>
Multimodal Transportation Account—State Appropriation . . . . .	\$35,000
Transportation 2003 Account (Nickel Account)—State Appropriation . . . . .	\$2,200,000
Transportation Partnership Account—State Appropriation . . . . .	\$375,000
TOTAL APPROPRIATION . . . . .	<del>(\$2,871,000)</del>
	<u>\$2,876,000</u>

Sec. 1003. 2006 c 370 s 404 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION**

Motor Vehicle Account Appropriation for  
 motor vehicle fuel tax distributions to cities  
 and counties . . . . . ((~~\$487,612,000~~))  
\$468,391,000

Sec. 1004. 2006 c 370 s 405 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—TRANSFERS**

Motor Vehicle Account—State  
 Appropriation: For motor vehicle fuel tax  
 refunds and transfers . . . . . ((~~\$1,037,342,000~~))  
\$1,031,321,000

Sec. 1005. 2006 c 370 s 406 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—TRANSFERS**

- (1) RV Account—State Appropriation:  
 For transfer to the Motor Vehicle Account—State . . . . . ((~~\$2,000,000~~))  
\$1,915,000
- (2) Motor Vehicle Account—State Appropriation:  
 For transfer to Puget Sound Capital Construction  
 Account—State . . . . . ((~~\$73,000,000~~))  
\$70,223,000
- (3) Highway Safety Account—State Appropriation:  
 For transfer to the Motor Vehicle Account—State . . . . . \$5,000,000
- (4) Motor Vehicle Account—State Appropriation:  
 For transfer to the Puget Sound Ferry Operations  
 Account—State . . . . . ((~~\$31,000,000~~))  
\$50,680,000
- (5) Motor Vehicle Account—State Appropriation:  
 For transfer to the Transportation Partnership  
 Account—State . . . . . \$33,127,000
- (6) Highway Safety Account—State Appropriation:  
 For transfer to the Multimodal Transportation  
 Account—State . . . . . \$25,980,000
- (7) Transportation Partnership Account—State Appropriation:  
 For transfer to the Small City Pavement and Sidewalk  
 Account—State . . . . . \$1,000,000
- (8) Transportation Partnership Account—State Appropriation:  
 For transfer to the Transportation Improvement  
 Account—State . . . . . \$2,500,000
- (9) Transportation Partnership Account—State Appropriation:  
 For transfer to the County Arterial Preservation  
 Account—State . . . . . \$1,500,000
- (10) License Plate Technology Account—State Appropriation:  
 For transfer to the Motor Vehicle Account—State . . . . . \$2,500,000
- (11) Multimodal Transportation Account—State Appropriation:  
 For transfer to the Transportation Partnership  
 Account—State . . . . . \$29,417,000

(12) Motor Vehicle Account—State Appropriation:  
 For transfer to the Freight Mobility Multimodal  
 Account—State, up to a maximum of . . . . .((~~\$3,700,000~~))  
\$3,537,000

(13) Multimodal Transportation Account—State Appropriation:  
 For transfer to the Tacoma Narrows Toll Bridge  
 Account—State . . . . . \$1,300,000

(14) Multimodal Transportation Account—State Appropriation:  
 For transfer to the Freight Mobility Multimodal  
 Account—State . . . . . \$4,610,000

(15) Motor Vehicle Account—State Appropriation:  
For transfer to the Tacoma Narrows Toll Bridge  
Account—State . . . . . \$5,288,000

The transfers identified in this section are subject to the following conditions and limitations:

- (a) The department of transportation shall only transfer funds in subsection (2) of this section up to the level provided, on an as-needed basis.
- (b) The amount transferred in subsection (12) of this section shall be the same as the Union Pacific Railroad's original contribution, adjusted for earned interest and expenditures, and shall be made on June 30, 2006.
- (c) The amount transferred in subsection (14) of this section is the equivalent of the Burlington Northern Santa Fe funds advanced to the SR 519 project and shall be invested in a freight mobility project agreed to by the freight mobility strategic investment board and the BNSF railway if the final design of the SR 519 project does not include the original rail benefit.
- (d) The amount transferred in subsection (13) of this section is appropriated as a nonreimbursable state financial contribution to the project and does not require repayment.

MISCELLANEOUS

NEW SECTION. Sec. 1101. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 1102. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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Passed by the House April 21, 2007.  
 Passed by the Senate April 20, 2007.  
 Approved by the Governor May 15, 2007, with the exception of certain items that were vetoed.  
 Filed in Office of Secretary of State May 16, 2007.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Sections 305(7); 305(10); 308(3); 407(9) and 407(b); 504; 709; 710; 712; 905, page 104, lines 11 through 30, and 905(1); 906, page 109, lines 24 through 37 and page 110, lines 1 through 2 and 906(1); 907; and 909, page 116, lines 8 through 28 of Engrossed Substitute House Bill 1094 entitled:

"AN ACT Relating to transportation funding and appropriations."

**Section 305(7), page 37, Use of Mitigation Funding**

This proviso prevents funds provided for mitigation from being used to pay for environmental assessments. The amount of funding for mitigation was not identified in the project list making it unclear how the Department of Transportation would implement this proviso or show compliance. Therefore, I am vetoing Section 305(7).

**Section 305(10), page 37, Limit Use of Agricultural Land**

Many agricultural lands consist of historically drained wetlands that often provide the best, and at times only, opportunity to successfully restore wetlands. Mitigation banks that conform to state statutes and to rules the Department of Ecology is now finalizing will help protect productive agricultural lands. This language could restrict the land considered for mitigation banks and could prohibit the Department from incorporating real estate acquired from a willing seller. Of the Department's three existing wetland mitigation bank sites, one was established on this type of land and was acquired from a willing seller.

Although I am vetoing this section, I am directing the Department of Transportation to not use eminent domain on its own to acquire agriculture land, and to submit any proposal to acquire agricultural property for review by my office before the land is acquired.

**Section 308(3), page 43, Replacing Dolphins at Orcas and Vashon Islands**

Section 308(3) identifies funding from the Puget Sound Ferries Operating Account - State appropriation; however no funding is appropriated from this account. Although I am vetoing this section, I have asked the Department of Transportation to complete a predesign study before designing and constructing dolphins at the Orcas and Vashon Island Ferry Terminals.

**Sections 407(9) and 407(b), page 54, Reducing Business and Occupation Tax Rates**

Sections 407(9) and 407(b) make funding contingent on Engrossed Substitute Senate Bill 5799, which did not pass during the 2007 Legislative Session. Therefore, I am vetoing these two sections.

**Section 504, page 57, Compensation - Pension Contributions**

This section asserts that appropriations are provided to fund employer contributions to state pension funds at rates adopted by the pension funding council. Because employer contribution rates are not set in this manner, this section is vetoed to avoid any confusion regarding the contribution rates for public pension funds. Therefore, I am vetoing section 504.

**Section 709, page 74, Government Accounting Standards Board Asset Valuation**

The Department of Transportation is meeting the requirements of the Governmental Accounting Standards Board's (GASB), Statement #34 to reflect additions and improvements that increase capacity or efficiency of the system. The requirement to establish the asset replacement value exceeds the reporting requirements of GASB, Statement #34. Establishing the asset replacement value is very complex and fluctuates with the economy and inflation, and is difficult to accomplish. Therefore, I am vetoing section 709.

**Section 710, pages 74-75, Freight Mobility Strategic Investment Board**

Under RCW 47.06A.030 (2), the Freight Mobility Strategic Investment Board has twelve members that represent a variety of stakeholders. Each member is appointed by the Governor for a four-year term. Section 710 adds a new member to the board for the 2007-09 Biennium. I support the addition but making a change in the size and composition of the board is a policy decision best done in substantive legislation. Therefore, I am vetoing section 710.

**Section 712, pages 76-77, Transportation Goals and Policies**

This section establishes policy goals for the state's transportation system. The language is identical to Section 3(a) of Substitute Senate Bill 5412, which was enacted by the Legislature. Therefore, I have vetoed section 712 to eliminate the duplicate language.

**Section 905, lines 11 through 30, page 104, and Section 905(1), 2007 Supplemental Adjustments in the Improvement Program**

The 2005-07 appropriations were reduced to reflect planned spending levels for the remainder of the biennium. The revised estimates were developed in January and February. Since then, four projects have progressed more quickly than was previously expected including the I-5/SR 16 Tacoma HOV Design that requires \$600,000 more in 2005-07, SR 11/Chuckanut Park and Ride that needs another \$5 million for right-of-way acquisition, the SR 3/SR 303 Interchange that is under construction and needs another \$1.9 million, and SR 240/I-182 to the Richland Y which is also under construction and requires an additional \$1 million.

Vetoing Section 905(1) restores current law procedures for moving funds among projects when the Legislature is not in session and ensures continuity with similar procedures included in the 2007-09 budget.

For these reasons, I have vetoed all appropriations (lines 11 through 30, page 104) and Section 905(1) to restore funding to prior levels and to simplify the allotment process. The Office of Financial Management will direct the Department of Transportation to place into reserve status any excess appropriation authority not required for the remainder of the 2005-07 Biennium.

**Section 906, page 109, lines 24 through 37, and page 110, lines 1 through 2 and Section 906(1), 2007 Supplemental Adjustments in the Preservation Program**

The 2005-07 appropriations were reduced to reflect planned spending levels for the remainder of the biennium. The revised estimates were developed in January and February. Since then, cost estimates changed, and better than expected weather has allowed a number of projects to move more quickly than previously expected.

Vetoing Section 906(1) restores current law procedures for moving funds among projects when the legislature is not in session and ensures continuity with similar procedures included in the 2007-09 budget.

For these reasons, I have vetoed all appropriations (lines 24 through 37, page 109, and lines 1 through 2, page 110) and Section 906(1) to restore funding to prior levels and simplify the allotment process. The Office of Financial Management will direct the Department of Transportation to place into reserve status any excess appropriation authority not required for the remainder of the 2005-07 Biennium.

**Section 907, pages 111-113, 2007 Supplemental Adjustments in the Ferry Construction Program**

The 2005-07 appropriations were reduced to reflect planned spending levels for the remainder of the biennium. The revised estimates were developed in January and February. Since then, cost estimates have changed and the underlying provisos will place unintended restrictions upon available resources for the remainder of the biennium.

For these reasons, I have vetoed the entire section to restore funding to prior levels and simplify the allotment process. The Office of Financial Management will direct the Department of Transportation to place into reserve status any excess appropriation authority that is not required for the remainder of the 2005-07 Biennium.

**Section 909, lines 8 through 28, page 116, 2007 Supplemental Adjustments in Highways and Local Programs**

The 2005-07 appropriations were reduced to reflect planned spending levels for the remainder of the biennium. The revised estimates were developed in January and February. Since then, two projects have progressed more quickly than was previously expected: the LeMay Museum and the Issaquah Traffic Signal project.

I have vetoed the appropriations on lines 8 through 28, page 116, to restore funding to prior levels and simplify the allotment process. The Office of Financial Management will direct the Department of Transportation to place into reserve status any excess appropriation authority that is not required for the remainder of the 2005-07 Biennium.

For these reasons, I have vetoed Sections 305(7); 305(10); 308(3); 407(9) and 407(b); 504; 709; 710; 712; 905, page 104, lines 11 through 30, and 905(1); 906, page 109, lines 24 through 37 and page 110, lines 1 through 2 and 906(1); 907; and 909, page 116, lines 8 through 28 of Engrossed Substitute House Bill 1094.

With the exception of Sections 305(7); 305(10); 308(3); 407(9) and 407(b); 504; 709; 710; 712; 905, page 104, lines 11 through 30, and 905(1); 906, page 109, lines 24 through 37 and page 110, lines 1 through 2 and 906(1); 907; and 909, page 116, lines 8 through 28, Engrossed Substitute House Bill 1094 is approved."

## CHAPTER 519

[Substitute House Bill 2394]

## TRANSPORTATION IMPROVEMENTS—BONDS

AN ACT Relating to requesting the issuance and sale of general obligation bonds for highway improvements; and amending RCW 47.10.812, 47.10.813, 47.10.861, 47.10.873, 47.10.877, 47.26.420, and 47.26.425.

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

**Sec. 1.** RCW 47.10.812 and 1999 sp.s. c 2 s 1 are each amended to read as follows:

In order to provide funds necessary for the location, design, right of way, and construction of state highway improvements that are identified as special category C improvements, there shall be issued and sold upon the request of the Washington state secretary of transportation (~~(commission)~~) a total of ~~((three))~~ six hundred ~~((thirty))~~ million dollars of general obligation bonds of the state of Washington.

**Sec. 2.** RCW 47.10.813 and 1993 c 431 s 2 are each amended to read as follows:

Upon the request of the secretary of transportation (~~(commission)~~), the state finance committee shall supervise and provide for the issuance, sale, and retirement of the bonds authorized by RCW 47.10.812 through 47.10.817 in accordance with chapter 39.42 RCW. Bonds authorized by RCW 47.10.812 through 47.10.817 shall be sold in such manner, at such time or times, in such amounts, and at such price as the state finance committee shall determine. No such bonds may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds.

The state finance committee shall consider the issuance of short-term obligations in lieu of long-term obligations for the purposes of more favorable interest rates, lower total interest costs, and increased marketability and for the purpose of retiring the bonds during the life of the project for which they were issued.

**Sec. 3.** RCW 47.10.861 and 2006 c 334 s 31 are each amended to read as follows:

In order to provide funds necessary for the location, design, right of way, and construction of selected projects or improvements that are identified as transportation 2003 projects or improvements in the omnibus transportation budget, there shall be issued and sold upon the request of the secretary of the department of transportation a total of ~~((two))~~ three billion ~~((six))~~ two hundred million dollars of general obligation bonds of the state of Washington.

**Sec. 4.** RCW 47.10.873 and 2005 c 315 s 1 are each amended to read as follows:

In order to provide funds necessary for the location, design, right of way, and construction of selected projects or improvements that are identified as 2005 transportation partnership projects or improvements in the omnibus transportation budget ~~((2005 c 313))~~ chapter 313, Laws of 2005, there shall be issued and sold upon the request of the department of transportation a total of five billion ~~((one))~~ three hundred million dollars of general obligation bonds of the state of Washington.



**Sec. 5.** RCW 47.10.877 and 2005 c 315 s 5 are each amended to read as follows:

Both principal and interest on the bonds issued for the purposes of RCW 47.10.873 through 47.10.878 shall be payable from the highway bond retirement fund. The state finance committee may provide that a special account be created in the fund to facilitate payment of the principal and interest. The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount required for principal and interest on the bonds in accordance with the bond proceedings. The state treasurer shall withdraw revenues from the transportation partnership account in the motor vehicle fund and deposit in the highway bond retirement fund, or a special account in the fund, such amounts, and at such times, as are required by the bond proceedings.

Any funds required for bond retirement or interest on the bonds authorized by RCW 47.10.873 through 47.10.878 shall be taken from that portion of the motor vehicle fund that results from the imposition of excise taxes on motor vehicle and special fuels and that is distributed to the transportation partnership account in the motor vehicle fund. Funds required shall never constitute a charge against any other allocations of motor vehicle fuel and special fuel tax revenues to the state, counties, cities, and towns unless the amount arising from excise taxes on motor vehicle and special fuels distributed to the transportation ~~((2005-[partnership]))~~ partnership account proves insufficient to meet the requirements for bond retirement or interest on any such bonds.

Any payments for bond retirement or interest on the bonds taken from other revenues from the motor vehicle fuel or special fuel taxes that are distributable to the state, counties, cities, and towns shall be repaid from the first revenues from the motor vehicle fuel or special fuel taxes distributed to the transportation partnership account not required for bond retirement or interest on the bonds.

**Sec. 6.** RCW 47.26.420 and 1981 c 315 s 5 are each amended to read as follows:

In order to provide funds necessary to meet the urgent construction needs on county and city arterials within urban areas, there are hereby authorized for issuance general obligation bonds of the state of Washington, the first authorization of which shall be in the sum of two hundred fifty million dollars, and the second authorization of which, to be known as series II bonds, shall be in the sum of sixty million dollars, and the third authorization of which, to be known as series III bonds, shall be in the sum of one hundred million dollars, which shall be issued and sold in such amounts and at such times as determined to be necessary by the ~~((state))~~ transportation ~~((commission))~~ improvement board. The amount of such bonds issued and sold under the provisions of RCW 47.26.420 through 47.26.427 in any biennium shall not exceed the amount of a specific appropriation therefor, from the proceeds of such bonds, for the construction of county and city arterials in urban areas. The issuance, sale, and retirement of said bonds shall be under the supervision and control of the state finance committee which, upon request being made by the ~~((state))~~ transportation ~~((commission))~~ improvement board, shall provide for the issuance, sale, and retirement of coupon or registered bonds to be dated, issued, and sold from time to time in such amounts as shall be requested by the ~~((state))~~ transportation ~~((commission))~~ improvement board.

**Sec. 7.** RCW 47.26.425 and 1999 sp.s. c 1 s 609 are each amended to read as follows:

Any funds required to repay the first authorization of two hundred fifty million dollars of bonds authorized by RCW 47.26.420, as amended by section 18, chapter 317, Laws of 1977 ex. sess. or the interest thereon when due, shall be taken from that portion of the motor vehicle fund which results from the imposition of excise taxes on motor vehicle and special fuels and which is distributed to the urban arterial trust account in the motor vehicle fund pursuant to RCW 46.68.090(~~((1)(g))~~) (2)(e), and shall never constitute a charge against any allocations of any other such funds in the motor vehicle fund to the state, counties, cities, and towns unless and until the amount of the motor vehicle fund arising from the excise tax on motor vehicle and special fuels and distributed to the urban arterial trust account proves insufficient to meet the requirements for bond retirement or interest on any such bonds.

Passed by the House April 16, 2007.

Passed by the Senate March 31, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 520

[Engrossed Substitute House Bill 1092]

### CAPITAL BUDGET

AN ACT Relating to the capital budget; making appropriations and authorizing expenditures for capital improvements; amending RCW 43.19.125, 79.17.210, 70.105D.070, 43.43.944, and 43.155.050; amending 2005 c 488 ss 165, 347, 357, and 955 (uncodified); amending 2006 c 371 ss 106, 191, and 192 (uncodified); reenacting and amending RCW 43.135.045 and 43.155.050; adding new sections to 2006 c 371 (uncodified); creating new sections; providing effective dates; providing expiration dates; and declaring an emergency.

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

**NEW SECTION. Sec. 1.** (1) A capital budget is hereby adopted and, subject to the provisions set forth in this act, the several dollar amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for capital projects during the period beginning with the effective date of this act and ending June 30, 2009, out of the several funds specified in this act.

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

(a) "Fiscal year 2008" or "FY 2008" means the fiscal year ending June 30, 2008.

(b) "Fiscal year 2009" or "FY 2009" means the fiscal year ending June 30, 2009.

(c) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(d) "Provided solely" means the specified amount may be spent only for the specified purpose.

Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose that is not expended subject to

the specified conditions and limitations to fulfill the specified purpose shall lapse.

**PART 1  
GENERAL GOVERNMENT**

**NEW SECTION. Sec. 1001. FOR THE OFFICE OF THE  
SECRETARY OF STATE**

Acquisition of Fredericks Collection (08-2-950)

Reappropriation:

Archives and Records Account—State . . . . .	\$100,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$100,000

**NEW SECTION. Sec. 1002. FOR THE DEPARTMENT OF  
COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Rural Washington Loan Fund (88-2-002)

Reappropriation:

Rural Washington Loan Account—State . . . . .	\$2,773,000
Prior Biennia (Expenditures) . . . . .	\$1,122,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,895,000

**NEW SECTION. Sec. 1003. FOR THE DEPARTMENT OF  
COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Cancer Research Facility Grant (01-S-005)

Reappropriation:

State Building Construction Account—State . . . . .	\$667,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$667,000

**NEW SECTION. Sec. 1004. FOR THE DEPARTMENT OF  
COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Coastal Erosion Grants (01-S-019)

Reappropriation:

State Building Construction Account—State . . . . .	\$316,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$316,000

**NEW SECTION. Sec. 1005. FOR THE DEPARTMENT OF  
COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Housing Assistance, Weatherization, and Affordable Housing (04-4-003)

Reappropriation:

State Taxable Building Construction Account—State . . . . .	\$156,000
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Prior Biennia (Expenditures) . . . . .	\$16,075,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$16,231,000

**NEW SECTION. Sec. 1006. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Highline School District Aircraft Noise Mitigation (03-H-001)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation in this section is subject to the Highline school district, the port of Seattle, and the federal aviation administration each matching the appropriation in section 150, chapter 26, Laws of 2003, 1st sp. sess.

(2) This reappropriation does not commit the state to make future appropriations for this program.

Reappropriation:

State Building Construction Account—State . . . . .	\$4,699,000
Prior Biennia (Expenditures) . . . . .	\$5,300,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$9,999,000

**NEW SECTION. Sec. 1007. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

City of Woodland Infrastructure Development (04-4-959)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The project must comply with RCW 43.63A.125(2)(c) and other requirements for community projects administered by the department.

(2) The reappropriation is provided solely for allocation by the department to the city of Woodland for infrastructure development, including drainage improvements and a dike access road.

Reappropriation:

State Building Construction Account—State . . . . .	\$79,000
Prior Biennia (Expenditures) . . . . .	\$222,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$301,000

**NEW SECTION. Sec. 1008. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Drinking Water Assistance Account (04-4-002)

The reappropriations in this section are subject to the following conditions and limitations:

(1) Expenditures of the appropriation shall comply with RCW 70.119A.170.

(2)(a) The state building construction account reappropriation is provided solely to provide assistance to counties, cities, and special purpose districts to identify, acquire, and rehabilitate public water systems that have water quality problems or have been allowed to deteriorate to a point where public health is an issue. Eligibility is confined to applicants that already own at least one group A

public water system and that demonstrate a track record of sound drinking water utility management. Funds may be used for: Planning, design, and other preconstruction activities; system acquisition; and capital construction costs.

(b) The state building construction account reappropriation must be jointly administered by the department of health, the public works board, and the department of community, trade, and economic development using the drinking water state revolving fund loan program as an administrative model. In order to expedite the use of these funds and minimize administration costs, this reappropriation must be administered by guidance, rather than rule. Projects must generally be prioritized using the drinking water state revolving fund loan program criteria. All financing provided through this program must be in the form of grants that must partially cover project costs. The maximum grant to any eligible entity may not exceed twenty-five percent of the funds allocated to the appropriation in section 201, chapter 277, Laws of 2004.

Reappropriation:

Drinking Water Assistance Account—State . . . . .	\$5,227,000
State Building Construction Account—State . . . . .	\$1,249,000
Drinking Water Assistance Repayment Account—State . . . . .	\$4,200,000
Subtotal Reappropriation . . . . .	\$10,676,000
Prior Biennia (Expenditures) . . . . .	\$6,024,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$16,700,000

**NEW SECTION. Sec. 1009. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Drinking Water SRF - Authorization to Use Loan Repayments (04-4-010)

Reappropriation:

Drinking Water Assistance Repayment Account—State . . . . .	\$15,200,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$15,200,000

**NEW SECTION. Sec. 1010. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Lewis & Clark Confluence Project (04-2-954)

The reappropriation in this section is subject to the following conditions and limitations: The project must comply with RCW 43.63A.125(2)(c) and other requirements for community projects administered by the department.

Reappropriation:

State Building Construction Account—State . . . . .	\$1,017,000
Prior Biennia (Expenditures) . . . . .	\$3,983,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,000,000

**NEW SECTION. Sec. 1011. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Local/Community Projects (04-4-011)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The projects must comply with RCW 43.63A.125(2)(c) and other requirements for community projects administered by the department, except that the Highline historical society project is land acquisition.

(2) The reappropriation is subject to the project list in section 204, chapter 277, Laws of 2004.

Reappropriation:

State Building Construction Account—State . . . . .	\$1,936,000
Prior Biennia (Expenditures) . . . . .	\$11,379,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$13,315,000

**NEW SECTION. Sec. 1012. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Public Works Trust Funds (04-4-001)

Reappropriation:

Public Works Assistance Account—State . . . . .	\$112,309,000
Prior Biennia (Expenditures) . . . . .	\$249,714,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$362,023,000

**NEW SECTION. Sec. 1013. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Building for the Arts (06-4-005)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation is subject to the provisions of RCW 43.63A.750.

(2) The reappropriation is subject to the project list in section 104, chapter 371, Laws of 2006.

Reappropriation:

State Building Construction Account—State . . . . .	\$4,263,000
Prior Biennia (Expenditures) . . . . .	\$427,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,690,000

**NEW SECTION. Sec. 1014. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Community Services Facilities Program (06-4-006)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation is subject to the provisions of RCW 43.63A.125.

(2) The reappropriation is subject to the project list in section 123, chapter 488, Laws of 2005 and section 111, chapter 8, Laws of 2001 2nd sp. sess.

Reappropriation:

State Building Construction Account—State . . . . .	\$952,000
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Prior Biennia (Expenditures) . . . . .	\$4,394,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,346,000

**NEW SECTION. Sec. 1015. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Local/Community Projects (06-4-008)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The projects must comply with RCW 43.63A.125(2)(c) and other requirements for community projects administered by the department.

(2) Funding for the Inland Northwest Science and Technology Center shall be held in reserve until the balance of phase I funding has been secured or committed from local government and community sources.

(3) The Washington state arts commission shall design a plaque that shall be affixed to buildings or displayed as part of a project receiving any appropriation from this section. The plaque shall provide information to the public that the building or project has been made possible by the tax dollars of Washington citizens. The commission may contact the secretary of state to obtain approval for use of the Washington seal in the design of the plaque. The final design shall be approved by the chairs and ranking members of the house of representatives capital budget committee and the senate ways and means committee.

(4) The reappropriation is subject to the project list in section 106, chapter 371, Laws of 2006.

Reappropriation:

State Building Construction Account—State . . . . .	\$29,192,000
Prior Biennia (Expenditures) . . . . .	\$20,608,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$49,800,000

**NEW SECTION. Sec. 1016. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Youth Recreational Facilities Program (06-4-007)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation is subject to the provisions of RCW 43.63A.135.

(2) The reappropriation is subject to the project list in section 136, chapter 488, Laws of 2005.

Reappropriation:

State Building Construction Account—State . . . . .	\$1,323,000
Prior Biennia (Expenditures) . . . . .	\$1,977,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,300,000

**NEW SECTION. Sec. 1017. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Community Economic Revitalization Board (CERB) (06-4-011)

The reappropriation in this section is subject to the following conditions and limitations: A maximum of twenty-five percent of the reappropriation in this section may be used for grants.

Reappropriation:

Public Facility Construction Loan Revolving Account—State . . . . .	\$20,209,000
Prior Biennia (Expenditures) . . . . .	\$241,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$20,450,000

**NEW SECTION. Sec. 1018. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Drinking Water Assistance Program (06-4-003)

Reappropriation:

Drinking Water Assistance Account—State . . . . .	\$8,100,000
Drinking Water Assistance Repayment Account—State . . . . .	\$21,780,000
Subtotal Reappropriation . . . . .	\$29,880,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$29,880,000

**NEW SECTION. Sec. 1019. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Housing Assistance, Weatherization, and Affordable Housing (06-4-001)

Reappropriation:

State Taxable Building Construction Account—State . . . . .	\$43,308,000
Prior Biennia (Expenditures) . . . . .	\$70,792,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$114,100,000

**NEW SECTION. Sec. 1020. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Housing Assistance, Weatherization, and Affordable Housing (06-4-851)

The reappropriations in this section are subject to the following conditions and limitations:

- (1) \$7,800,000 of the reappropriation from the Washington housing trust account is provided solely for the backlog, as defined by the department, of projects determined by the department to be eligible under chapter 43.185 or 43.185A RCW.
- (2) \$4,500,000 of the reappropriation from the Washington housing trust account is provided solely for weatherization administered through the energy matchmakers program.
- (3) \$850,000 of the reappropriation from the Washington housing trust account is provided solely to promote development of safe and affordable housing units for persons eligible for services from the division of developmental disabilities within the department of social and health services.



(4) \$500,000 of the reappropriation from the Washington housing trust account is provided solely for shelters, transitional housing, or other housing facilities for victims of domestic violence.

(5) \$3,000,000 of the reappropriation from the Washington housing trust account is provided solely for farm worker housing projects and programs to meet the full spectrum of housing needs of Washington's farm workers and their families. The department shall work with stakeholders representing a diversity of farm worker housing interests to develop a strategic plan in implementing this provision.

(6) \$200,000 of the reappropriation from the Washington housing trust account is provided solely for the implementation and management of a manufactured/mobile home landlord-tenant ombudsman conflict resolution program by the office of mobile home affairs as generally described in section 3, chapter 429, Laws of 2005. The office of mobile home affairs shall also determine the number of complaints made to the department since May of 2005 that, in the best estimate of the department, do in fact present violations of chapter 59.20 RCW and shall produce a summary of the number and types of complaints. The office of mobile home affairs shall also continue to maintain and update a database with information about all mobile home parks and manufactured housing communities. The office of mobile home affairs shall provide a report regarding the activities and results of the program to the appropriate committees of the house of representatives and the senate by December 31, 2007.

(7) \$150,000 of the appropriation from the Washington housing trust account is provided solely for a program to assist individuals and communities in the home-buying process, including, but not limited to: Homebuyer education classes, credit and budget counseling, financial literacy training, and down payment assistance programs. The department shall contract with a nonprofit organization as defined under section 501(c)(3) of the Internal Revenue Code or similar successor provision that has experience and expertise in addressing language access barriers in the home-buying process to implement this program.

(8) The reappropriation in this section must be included in the calculation of annual funds available for determining the administrative costs of the department, which shall not exceed five percent of the annual funds available for the housing assistance program and the affordable housing program as authorized under RCW 43.185.050 and 43.185A.030.

Reappropriation:

Washington Housing Trust Account—State . . . . .	\$16,502,000
Homeless Families Services Account—State . . . . .	\$4,000,000
Subtotal Reappropriation . . . . .	\$20,502,000
Prior Biennia (Expenditures) . . . . .	\$499,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$21,001,000

**NEW SECTION. Sec. 1021. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Job/Economic Development Grants (06-4-950)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation is subject to the project list in section 107, chapter 371, Laws of 2006.

(2) \$1,000,000 of the reappropriation for the Pacific Northwest national labs campus infrastructure project is provided solely for giga-pop infrastructure.

(3) \$5,000,000 of the reappropriation is provided solely for military communities infrastructure projects. Military communities infrastructure projects shall include:

(a) Grants to counties and cities for the purchase of development easements and the purchase of real property in fee simple to restrict the use of accident potential zones and clear zones. The office of financial management shall establish a competitive process for selecting projects to receive the grants. Final allocation of these grants shall be at the discretion and with the approval of the director of the office of financial management.

The grants are subject to the following conditions:

(i) The county or city must be subject to and in compliance with RCW 36.70A.530;

(ii) The grants may not be used to remove encroachments into these zones allowed by county or city zoning or permitting actions;

(iii) The county or city must have an encroachment prevention plan preventing future encroachment into these zones; and

(iv) The grant provided by the state must not exceed one-third of the project cost with funds from local and federal sources providing the balance of the funds.

(b) Up to \$481,000 of the reappropriation is provided solely for improvements to a military department site on Fairchild air force base.

Reappropriation:

Public Works Assistance Account—State . . . . .	\$31,481,000
Prior Biennia (Expenditures) . . . . .	\$18,519,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$50,000,000

**NEW SECTION. Sec. 1022. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Jobs in Communities (06-4-951)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The projects must comply with RCW 43.63A.125(2)(c) and other requirements for community projects administered by the department.

(2) The reappropriation is subject to the project list in section 140, chapter 488, Laws of 2005.

Reappropriation:

State Building Construction Account—State . . . . .	\$10,965,000
Prior Biennia (Expenditures) . . . . .	\$1,286,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$12,251,000

**NEW SECTION. Sec. 1023. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
Public Works Trust Fund (06-4-004)

Reappropriation:

Public Works Assistance Account—State . . . . .	\$288,900,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$288,900,000

**NEW SECTION. Sec. 1024. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
Rural Washington Loan Fund (06-4-010)

Reappropriation:

Rural Washington Loan Account—State . . . . .	\$3,937,000
Prior Biennia (Expenditures) . . . . .	\$191,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,128,000

**NEW SECTION. Sec. 1025. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
Water System Acquisition and Rehabilitation Program (06-4-850)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation must be jointly administered by the department of health, the public works board, and the department of community, trade, and economic development using the drinking water state revolving fund loan program as an administrative model. In order to expedite the use of these funds and minimize administration costs, this reappropriation must be administered by guidance, rather than rule. Projects must generally be prioritized using the drinking water state revolving fund loan program criteria. All financing provided through this program must be in the form of grants that must partially cover project costs. The maximum grant to any eligible entity may not exceed twenty-five percent of the funds allocated to this appropriation.

Reappropriation:

State Building Construction Account—State . . . . .	\$1,706,000
Prior Biennia (Expenditures) . . . . .	\$295,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,001,000

**NEW SECTION. Sec. 1026. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
Grays Harbor Public Utility District Bioenergy Project (06-4-852)

Reappropriation:

Energy Freedom Account—State . . . . .	\$2,100,000
Prior Biennia (Expenditures) . . . . .	\$3,900,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$6,000,000

**NEW SECTION. Sec. 1027. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
 Building for the Arts Grants (07-4-001)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation is subject to the provisions of RCW 43.63A.750.
- (2) The appropriation is provided solely for the following list of projects:

<b>Projects</b>	<b>Location</b>	<b>Recommendation</b>
Wing Luke Asian museum	Seattle	\$2,000,000
Friends of Gladish	Pullman	\$48,000
Town hall association	Seattle	\$750,000
Duwamish tribal services	Seattle	\$275,000
Seattle art museum	Seattle	\$1,750,000
Village theatre	Issaquah	\$575,000
Artspace projects, Inc.	Seattle	\$1,000,000
Suquamish foundation	Suquamish	\$550,000
Edmonds center for the arts	Edmonds	\$1,000,000
The Merc playhouse society	Twisp	\$9,500
Orcas open arts	Eastsound	\$70,000
Whatcom film association	Bellingham	\$325,000
Whatcom museum society	Bellingham	\$1,000,000
Seattle theatre group	Seattle	\$750,000
Confluence gallery	Twisp	\$77,000
Columbia theatre association	Longview	\$750,000
San Juan community theatre	Friday Harbor	\$193,000
Harlequin productions	Olympia	\$75,000
Northshore performing arts center	Bothell	\$350,000
Tacoma musical playhouse	Tacoma	\$75,000
Wing it productions	Seattle	\$20,000
826 Seattle	Seattle	\$7,500
Cornish College of the Arts	Seattle	\$350,000
<b>Total</b>		<b>\$12,000,000</b>

Appropriation:

State Building Construction Account—State . . . . .	\$12,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$48,000,000
<b>TOTAL . . . . .</b>	<b>\$60,000,000</b>

**NEW SECTION. Sec. 1028. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
 Community Economic Revitalization Board (07-4-015)

The appropriation in this section is subject to the following conditions and limitations: A maximum of twenty-five percent of the appropriation may be used for grants.

Appropriation:

State Building Construction Account—State .....	\$12,711,000
Public Facility Construction Loan Revolving Account—State .....	\$7,289,000
Subtotal Appropriation .....	\$20,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$24,000,000
TOTAL .....	\$44,000,000

**NEW SECTION. Sec. 1029. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
 Community Services Facilities Grants (07-4-002)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation is subject to the provisions of RCW 43.63A.125.
- (2) The appropriation is provided solely for the following list of projects:

<b>Projects</b>	<b>Location</b>	<b>Recommendation</b>
West Seattle food bank	Seattle	\$400,000
Compass health	Lynnwood	\$37,000
Neighborhood house	Seattle	\$1,000,000
White Center emergency food association	White Center	\$184,000
Garden-raised bounty	Olympia	\$170,000
Food lifeline	Seattle	\$122,000
Marysville food bank	Marysville	\$187,000
Maple Valley food bank	Maple Valley	\$117,000
The Arc of Whatcom county	Bellingham	\$158,000
CAC of Lewis, Mason, and Thurston county	Lacey	\$260,000
South county senior center	Edmonds	\$200,000
Chief Seattle club	Seattle	\$350,000
Senior center of West Seattle	Seattle	\$500,000
YMCA of Snohomish county	Monroe	\$1,000,000
The Salvation Army - Spokane	Spokane	\$275,000
Asian counseling and referral services	Seattle	\$1,000,000

Camas institute foundation	Usk	\$650,000
Youth eastside services	Bellevue	\$750,000
YMCA of Snohomish county	Everett	\$275,000
Bellingham food bank	Bellingham	\$400,000
N.A.T.I.V.E. project	Spokane	\$375,000
Brigid Collins family support center	Bellingham	\$400,000
Family resource center	Redmond	\$150,000
Morningside	Olympia	\$587,000
First step family support center	Port Angeles	\$200,000
Olympic community action programs	Port Townsend	\$400,000

**Total** **\$10,147,000**

Appropriation:

State Building Construction Account—State . . . . .	\$10,147,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$40,000,000
<b>TOTAL</b> . . . . .	<b>\$50,147,000</b>

**NEW SECTION. Sec. 1030. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Drinking Water Assistance Program (07-4-004)

Appropriation:

Drinking Water Assistance Account—State . . . . .	\$7,200,000
Drinking Water Assistance Repayment Account—State . . . . .	\$21,100,000
Subtotal Appropriation . . . . .	\$28,300,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$155,400,000
<b>TOTAL</b> . . . . .	<b>\$183,700,000</b>

**NEW SECTION. Sec. 1031. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Housing Assistance, Weatherization, and Affordable Housing (07-4-009)

The appropriation in this section is subject to the following conditions and limitations:

- (1) \$9,000,000 of the appropriation is provided solely for weatherization administered through the energy matchmakers program.
- (2) \$5,000,000 of the appropriation is provided solely to promote development of safe and affordable housing units for persons eligible for services from the division of developmental disabilities within the department of social and health services.
- (3) \$2,500,000 of the appropriation is provided solely for grants to nonprofit organizations and public housing authorities for revolving loan, self-help housing programs for low and moderate income families.

(4) \$1,000,000 of the appropriation is provided solely for shelters, transitional housing, or other housing facilities for victims of domestic violence.

(5) \$14,000,000 of the appropriation is provided solely for facilities housing low-income migrant, seasonal, or temporary farmworkers. The operation of the facilities built under this section shall be in compliance with 8 U.S.C. Sec. 1342. The department shall work with the farmworker housing advisory committee to prioritize funding of projects to the areas of highest need. Funding may also be provided, to the extent qualified projects are submitted, for health and safety projects. Any of this appropriation that is not obligated by June 30, 2009, shall be added to the amount appropriated for the general pool of projects.

(6) \$5,000,000 of the appropriation is provided solely for the development of emergency shelters and transitional housing opportunities for homeless families with children.

(7) \$4,000,000 of the appropriation is provided solely for the development of farm infrastructure improvements. Any of this appropriation that is not obligated by June 30, 2009, shall be added to the amount appropriated for the general pool of projects.

(8) \$1,500,000 of the appropriation is provided solely for the development of housing for low-income or homeless Native Americans. The department shall work with Native American tribes, not-for-profit organizations with experience in serving Native American populations, and Native American housing development organizations to prioritize projects located in the areas of highest identified need.

(9) \$4,000,000 of the appropriation is provided solely for loans and grants to eligible organizations to purchase manufactured/mobile home communities with the intent of preserving the communities for affordable housing.

(10) The appropriation in this section shall not be used for the administrative costs of the department. The amount of the appropriation shall be included in the calculation of annual funds available for determining the administrative costs authorized under RCW 43.185.050.

(11) Within available funding provided in this section, the department shall prepare an inventory of housing assistance programs. The inventory shall include all state funded programs, the housing finance commission programs, all programs funded by local governments and housing authorities, including a description of expenditures from fees and taxes specifically authorized by state law for housing assistance and homeless programs, all property tax and sales tax provisions that are intended to support housing assistance programs, and all federally funded housing assistance programs provided in the state. The inventory shall include a description of the program, biennial appropriation and expenditure levels since the 1999-2001 biennium through the 2007-2009 biennium, a description of eligibility criteria and the amount of benefit provided per unit or per family, and the number of units or families assisted. The department shall coordinate with the joint legislative audit and review committee to reduce duplicative efforts that may be required by legislation.

Appropriation:

State Taxable Building Construction	
Account—State . . . . .	\$130,000,000
Prior Biennia (Expenditures) . . . . .	\$0

Future Biennia (Projected Costs).....	\$560,000,000
TOTAL .....	\$690,000,000

**\*NEW SECTION. Sec. 1032. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
 Job Development Fund Grants (07-4-010)

The appropriation in this section is subject to the following conditions and limitations:

- (1) Up to \$429,000 of the appropriation in this section is for administration.
- (2) *The department shall not proceed with a competitive process for the 2009-2011 biennium.*
- (3) The appropriation is provided solely for the following list of projects:

Projects	Location	Recommendation
Mint farm industrial park phase 2 infrastructure improvements	City of Longview	\$1,982,000
Fruitdale road/McGarigle road improvements	Skagit county	\$2,277,000
Valentine road corridor improvements	City of Pacific	\$4,946,000
Wenatchee waterfront revitalization project	City of Wenatchee	\$10,000,000
Northeast Lacey public infrastructure and economic stimulus package	City of Lacey	\$9,912,000
Soap Lake spa and wellness center	City of Soap Lake	\$1,000,000
Port of Ephrata transportation center	Port of Ephrata	\$471,000
Project Pier 1	Port of Anacortes	\$5,610,000
Totem Lake mall and business center	City of Kirkland	\$3,000,000
Burnham/Borgen interchange improvements	City of Gig Harbor	\$5,000,000
Satsop development park turbine/administration building improvements	Grays Harbor public development authority	\$5,053,000
Technical and scientific service incubator	City of Tacoma	\$250,000
<b>Total</b>		<b>\$49,501,000</b>

Appropriation:

Job Development Account—State.....	\$49,930,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL .....	\$49,930,000

\*Sec. 1032 was partially vetoed. See message at end of chapter.

**NEW SECTION. Sec. 1033. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
 Belfair Sewer Improvements (08-4-852)



Appropriation:

Public Works Assistance Account—State . . . . .	\$4,800,000
State Building Construction Account—State . . . . .	\$5,500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$10,300,000

**NEW SECTION. Sec. 1034. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Public Works Trust Fund (07-4-005)

Appropriation:

Public Works Assistance Account—State . . . . .	\$327,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$1,400,000,000
TOTAL . . . . .	\$1,727,000,000

**NEW SECTION. Sec. 1035. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Rural Washington Loan Fund (07-4-008)

Appropriation:

Rural Washington Loan Account—State . . . . .	\$4,127,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$16,508,000
TOTAL . . . . .	\$20,635,000

**NEW SECTION. Sec. 1036. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Youth Recreational Facilities Grants (07-4-003)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation is subject to the provisions of RCW 43.63A.135.
- (2) The appropriation is provided solely for the following list of projects:

<b>Projects</b>	<b>Location</b>	<b>Recommendation</b>
YMCA of the inland northwest	Spokane	\$800,000
Boys and girls clubs of south Puget Sound	Lakewood	\$300,000
YMCA of Snohomish county	Mukilteo	\$385,000
YMCA of Snohomish county	Everett	\$800,000
Boys and girls club of south Puget Sound	Gig Harbor	\$600,000
Toutle river ranch	Longview	\$525,000
Boys and girls club of Bellevue	Bellevue	\$800,000
YMCA of Tacoma-Pierce county	Gig Harbor	\$800,000
Wenatchee valley YMCA	Wenatchee	\$213,000
YMCA of greater Seattle	Seattle	\$250,000
Maple Valley community center	Maple Valley	\$100,000
Boys and girls clubs of King county	Seattle	\$618,000

Filipino community of Seattle	Seattle	\$146,000
Boys and girls clubs of King county	Seattle	\$800,000
Ferndale boys and girls club	Ferndale	\$863,000
Tacoma community center	Tacoma	\$800,000
Mukilteo boys and girls club	Mukilteo	\$250,000
<b>Total</b>		<b>\$9,050,000</b>

Appropriation:

State Building Construction Account—State	\$9,050,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$32,000,000
<b>TOTAL</b>	<b>\$41,050,000</b>

**NEW SECTION. Sec. 1037. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

High Risk Forests Program (08-2-853)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for grants to an independent nonprofit land stewardship organization to purchase or lease development rights or conservation easements from willing family forest landowners facing pressure to convert their lands and who desire to keep their land as working forest. The organization shall award grants only for transfer of development rights programs approved by the local government participants.

Appropriation:

State Building Construction Account—State	\$3,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
<b>TOTAL</b>	<b>\$3,000,000</b>

**NEW SECTION. Sec. 1038. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Infrastructure Assistance (08-4-004)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for an infrastructure grant to the city of Tieton for water system improvements.

Appropriation:

State Building Construction Account—State	\$2,627,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
<b>TOTAL</b>	<b>\$2,627,000</b>

**NEW SECTION. Sec. 1039. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Innovation Partnership Zones (08-2-003)

The appropriation in this section is subject to the following conditions and limitations: The state will designate unique areas of the state as innovation

partnership zones, where globally competitive companies, research institutions, and advanced training are creating special competitive advantages for the state. From among the innovation partnership zones, using a competitive process based on need, estimated economic impact, geographic diversity, and local matches, five zones or projects will be selected to receive funding. The appropriation in this section is provided solely for shared telecommunications within the zone, shared infrastructure and facilities, long-term capital purchases, and up to 10 percent for zone administration through the locally-designated innovation partnership zone administrator. It is the intent of the legislature that innovation partnership zone grants should consider the commercialization of inventions and innovations.

Appropriation:

State Building Construction Account—State .....	\$5,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$5,000,000

**NEW SECTION. Sec. 1040. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Water System Acquisition Rehabilitation Program (07-4-006)

The appropriation in this section is subject to the following conditions and limitations: \$1,000,000 of the appropriation is provided solely for the city of Republic to acquire the Pine Grove water system.

Appropriation:

State Building Construction Account—State .....	\$3,750,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$3,750,000

**NEW SECTION. Sec. 1041. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Local and Community Projects (08-4-001)

The appropriation in this section is subject to the following conditions and limitations:

(1) Except as directed otherwise prior to the effective date of this section, the department shall not expend the appropriations in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement shall not apply to appropriations for preconstruction activities or appropriations whose sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) Projects funded in this section must be held by the recipient for a minimum of ten years and used for the same purpose or purposes intended by the legislature as required in RCW 43.63A.125(2)(c).

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation provided in this section for the bridge for kids project shall not be released until the department obtains a report from the project sponsor updating the cost of the project and the current fund raising plan.

(8) Funding for preconstruction activities for the Camas and Washougal community and recreation center is contingent on voter approval of a metropolitan park district.

(9) The appropriation provided in this section for the Fox theater shall be provided only under an agreement that the theater shall retain its current name as the Fox theater.

(10) The appropriation in this section for the life support and emergency medical services infrastructure build-out project is provided solely for emergency medical services and medical care infrastructure consistent with the adopted mission, goals, and capital plan of the 501(c)(3) life support.

(11) The port of Grays Harbor project is a loan that is subject to the provisions of chapter 171, Laws of 2006.

(12) The appropriation is provided solely for the following list of projects:

Project Name	Amount
800 MhZ interoperability public safety communication	\$1,000,000
Aberdeen union gospel mission	\$562,000
Arts west playhouse and gallery	\$150,000
Ashford cultural center and mountaineering museum	\$800,000
Asian counseling/referral services	\$2,000,000
Aviation high school	\$275,000
Ballard corners park	\$125,000
Beaver mitigation of Little Spokane river	\$75,000
Benton City food bank	\$200,000
Bethel community center	\$1,000,000
Blueberry park improvements	\$5,000
Bothell crossroads/state route 522 realignment - land acquisition and preconstruction activities	\$7,000,000
Bowen field	\$500,000
Bremerton downtown economic revitalization projects	\$5,000,000
Bridge for kids	\$500,000
Burbank water improvement	\$1,621,000
Burien town square	\$1,600,000
Camp kilworth land acquisition - Federal Way	\$1,100,000
Cannon house	\$750,000

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Chambers creek pedestrian bridge	\$1,000,000
Chehalis middle school track improvement	\$350,000
Chehalis veterans wall of honor security enclosure	\$25,000
Chelan county public utility district monitor domestic water system	\$800,000
Children's hospital	\$2,500,000
Cities of Camas and Washougal community/recreation center preconstruction activities	\$500,000
City of Everett - senior center expansion and upgrade	\$400,000
City of Everett minor league baseball - aquasox	\$433,000
City of Kent event center	\$3,000,000
City of Mount Vernon downtown and waterfront flood control	\$1,000,000
City of Puyallup riverwalk trail project	\$600,000
City of Tacoma minor league baseball - rainiers	\$2,500,000
City of Yakima minor league baseball	\$594,000
Civil war cemetery near volunteer park	\$5,000
Columbia Springs environmental learning center preconstruction or construction activities	\$200,000
Confluence project	\$500,000
Counter balance park	\$100,000
Coupeville covered play area	\$113,000
Covered bridge park land acquisition (Grays river)	\$90,000
Cowlitz drug treatment center	\$580,000
Darrington water system improvements	\$100,000
Dawson place child advocacy center land acquisition and renovation	\$650,000
Daybreak star in Discovery park	\$300,000
Dining car historic preservation	\$50,000
Discovery park - Fort Lawton	\$700,000
Duwamish education center	\$2,000,000
Duwamish longhouse	\$275,000
Eatonville family park	\$200,000
Evergreen school district health and biosciences academy	\$1,000,000
Federal Way little league field lighting	\$50,000
Ferndale boys and girls club - urgent needs and preconstruction activities	\$200,000
Fish lake trail	\$1,000,000
Fort Dent sewer	\$450,000
Foss waterway	\$1,000,000
Fox theater	\$2,000,000
Friends of hidden river preconstruction activities	\$675,000
Goodwill of Tacoma	\$1,500,000
Granite Falls museum	\$30,000
High Point neighborhood center in West Seattle	\$1,000,000
Highline school district noise mitigation	\$3,500,000
Hill ward building removal	\$550,000
Innovative services northwest	\$1,900,000
Institute for community leadership	\$700,000

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Jewish federation of greater Seattle	\$900,000
Kent alliance center	\$500,000
Kirkland public safety campus land acquisition and preconstruction activities	\$750,000
Kitsap SEED	\$1,100,000
Klickitat law enforcement firing range	\$20,000
Kruckeberg botanical garden	\$150,000
Lake Stevens civic center	\$800,000
Lake Stevens senior center	\$200,000
Lake Waughop/department of ecology aquatic weeds	\$50,000
Library connection at greenbridge	\$200,000
Life support and emergency medical services infrastructure build-out	\$2,700,000
Lions club renovation	\$160,000
Long lake nutrient reduction	\$300,000
Loon lake wood waste removal pilot study	\$350,000
Lucy Lopez center land acquisition	\$750,000
Maple Valley lake wilderness lodge and conference center	\$1,500,000
Maple Valley legacy site planning and infrastructure development	\$3,000,000
McCaw hall	\$2,000,000
McDonald park	\$150,000
Mercer slough environmental center	\$1,500,000
Mill creek senior center	\$150,000
Mirabeau Point children's universal park	\$800,000
Mobius	\$800,000
Monroe rotary field	\$700,000
Morning star cultural center	\$300,000
Mountains to sound - SR18/I90 interchange	\$500,000
Nisei veterans committee	\$250,000
NORCOM public safety communication	\$750,000
Nordic heritage museum	\$1,500,000
Northwest African American museum	\$650,000
Northwest harvest	\$3,000,000
Northwest stream center	\$300,000
Oak Harbor dredging preconstruction activities	\$59,000
Oak Harbor veterans memorial	\$50,000
Okanogan Valley equestrian and cultural heritage center	\$4,000,000
Palouse street safety improvements	\$210,000
Performing arts center eastside	\$2,000,000
Perry technical institute hanger	\$250,000
Pike Place market	\$1,070,000
Port of Benton transloader (railex)	\$1,000,000
Port of Grays Harbor	\$2,500,000
Port of Walla Walla wine incubator	\$500,000
Poulsbo marine science center floating classroom	\$100,000
Prime time repairs (terminally ill children)	\$300,000
Puyallup town square	\$200,000
Rainier lifelong learning center	\$200,000

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Richland Babe Ruth field complex	\$1,000,000
Seatac World War I memorial plaza	\$200,000
Seattle art museum	\$1,250,000
Seattle children's play garden	\$332,000
Seattle Chinese garden	\$500,000
Shoreline YMCA	\$800,000
Simon youth foundation resource center	\$150,000
Skagit recreation and event center	\$1,000,000
Snoqualmie railway history preconstruction activities	\$600,000
Somerset village - Snohomish Y	\$200,000
South Tacoma community center	\$700,000
Spokane county minor league baseball - Indians	\$2,000,000
Spokane Valley community center and foodbank	\$260,000
Spokane YWCA/YMCA joint project	\$2,500,000
Springwood youth center	\$500,000
SR 395/court street pedestrian overpass	\$400,000
Suquamish inviting house construction	\$1,000,000
Tacoma narrows bridge lights	\$1,500,000
Tonasket viewing platform	\$100,000
Tanbara clinic - East Tacoma community	\$850,000
The Northwest maritime center	\$2,250,000
The Tri Cities minor league baseball	\$666,000
Thurston county small business incubator	\$750,000
Tokeland/North Cove water tank for fire	\$10,000
Town square grid - drexler drive	\$750,000
Tukwila southcenter parkway infrastructure	\$4,000,000
Turning point domestic violence shelter	\$700,000
University Place town square	\$1,000,000
VaHalla hall	\$750,000
Vancouver national historic reserve	\$750,000
Vernetta Smith Chehalis timberland library	\$500,000
Waitsburg flood control feasibility report	\$29,000
Walla Walla county health center annex	\$100,000
White Center heights park	\$500,000
White Salmon water improvement	\$1,500,000
Willapa harbor community center	\$300,000
Wing-It productions historic theater	\$20,000
Washington State University/Shoreline Community College zero energy house	\$200,000
Yakima domestic violence shelter	\$200,000
Yakima downtown futures initiative phase 3	\$1,000,000
YMCA of Snohomish county: Ebey Island project	\$2,200,000
Total	\$132,619,000

Appropriation:

State Building Construction Account—State	\$132,619,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$132,619,000

**NEW SECTION. Sec. 1042. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
Community Development Fund (08-4-850)

The appropriation in this section is subject to the following conditions and limitations:

(1) The projects listed in this section must comply with RCW 43.63A.125(2)(c).

(2) The appropriation is provided solely for the following list of projects:

Project Name	Amount
CASA Latina	\$1,000,000
Divine alternatives for dads services (DADS) center	\$10,000
El Centro de la Raza center	\$821,000
Hilltop renaissance community - Centro Latino	\$1,950,000
Hilltop renaissance community - MLK development association	\$4,000,000
HomeSight center	\$250,000
Ilwaco community building	\$2,700,000
Japanese cultural center of Washington	\$1,000,000
KCR Bremerton community services center	\$900,000
KDNA community center (Granger community center)	\$500,000
Korean women's association center	\$1,500,000
North helpline lake city court	\$350,000
Salishan housing community	\$2,900,000
Sea Mar family housing community	\$1,500,000
Spokane east central community center	\$150,000
Spokane emmanuel center	\$500,000
Spokane Northeast community center	\$1,000,000
Wapato Filipino American center	\$135,000
Total	\$21,166,000

Appropriation:

State Building Construction Account—State . . . . .	\$21,166,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$21,166,000

**NEW SECTION. Sec. 1043. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
Grays Harbor Wind Project (08-4-950)

Appropriation:

State Building Construction Account—State . . . . .	\$5,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,000,000

**NEW SECTION. Sec. 1044. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
Land Acquisition Revolving Loans (08-2-856)



The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely to implement the land acquisition revolving loan program created in chapter . . . (Second Substitute House Bill No. 1401), Laws of 2007. If the bill is not enacted by June 30, 2007, the appropriation shall lapse.

Appropriation:

State Building Construction Account—State . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 1045. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
Washington State Horse Park (08-2-004)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section shall complete the state's capital obligation for the facility.

Appropriation:

State Building Construction Account—State . . . . .	\$3,500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,500,000

**NEW SECTION. Sec. 1046. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
Small and Rural Fire Districts Facility Assessment (08-2-854)

The appropriation in this section is subject to the following conditions and limitations:

(1) The department of community, trade, and economic development, in consultation with the Washington fire commissioners association, the association of Washington fire chiefs, and the fiscal committees of the legislature, shall conduct a study of small and rural fire districts that have a limited fiscal capacity to finance fire district facilities. The study shall include but not be limited to the following:

- (a) An assessment of small and rural fire districts' current and projected need for capital facilities;
- (b) An assessment of the fiscal capacity of the fire districts to finance capital facilities; and
- (c) The identification of potential sources of financial assistance for small and rural fire district and the ability of the districts to access such assistance.

(2) The department of community, trade, and economic development shall provide a report of the findings to the fiscal committees of the legislature by December 1, 2007.

Appropriation:

State Building Construction Account—State . . . . .	\$30,000
Prior Biennia (Expenditures) . . . . .	\$0

Future Biennia (Projected Costs).....	\$0
TOTAL .....	\$30,000

**NEW SECTION. Sec. 1047. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

Graving Dock Settlement (08-4-001)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the purposes of settling all identified and potential claims from the port of Port Angeles and the city of Port Angeles related to the construction of a graving dock facility on the graving dock property. In conjunction with the settlement agreement in *Lower Elwha Klallam Tribe et al v. State et al*, Thurston county superior court, cause no. 05-2-01595-8, the city of Port Angeles, port of Port Angeles, and the state of Washington entered into an economic development agreement which settles all claims related to graving dock property and associated construction and releases the state from all claims related to the construction of the graving dock facilities. The expenditure of this appropriation is contingent on the conditions and limitation set forth in subsections (2), (3), and (4) of this section.

(2) \$7,500,000 of the state building construction account—state appropriation is provided solely for the city of Port Angeles for funding capital projects intended to enhance economic development.

(3) \$7,500,000 of the state building construction account—state appropriation is provided solely for the port of Port Angeles for funding capital projects intended to enhance economic development.

(4) \$480,000 of the state building construction account—state appropriation is provided solely for the city of Port Angeles for archaeological work as specified in the settlement agreement.

Appropriation:

State Building Construction Account—State .....	\$15,480,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL .....	\$15,480,000

**NEW SECTION. Sec. 1048. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

Snohomish, Island, and Skagit County Regional Higher Education (08-2-001)

The appropriation in this section is subject to the following conditions and limitations:

(1) It is the intent of the legislature that the four-year institutions and the community and technical colleges work as cooperative partners to ensure the successful and efficient operation of the state's system of higher education. In furtherance of the state's responsibility for the expansion of baccalaureate and graduate educational programs in the central Puget Sound area, the University of Washington shall govern and operate an additional branch campus to be located in the Snohomish/Island/Skagit county area. Top priorities for the campus include expansion of upper division capacity for transfer students and graduate

students in high demand programs, with a particular focus on science, technology, and engineering. The campus may offer lower division courses linked to specific majors in fields not addressed at local community colleges. The campus may also directly admit freshmen and sophomores gradually and deliberately in accordance with a campus plan to be submitted to the higher education coordinating board. All student admissions will be carried out in accordance with coadmissions and proportionality agreements emphasizing access for transfer students codeveloped by the University of Washington and the state board for community and technical colleges.

(2) The office of financial management and the University of Washington are directed to assess options and make recommendations on the siting of the branch campus in the Snohomish/Island/Skagit county region and shall develop operational and management plans needed to establish the institution. The plans shall include but not be limited to a master business plan for design and implementation, and programs to be offered to address demographic pressures and workforce needs. Planning and analysis shall be done in coordination with the local community and existing higher education institutions. Site selection criteria shall include, but not be limited to: Meeting the objectives of the master business plan; meeting the unmet baccalaureate needs in the region, including high demand program needs; compliance with provisions of the state's growth management act; and accessibility from existing and planned transportation infrastructure.

(3) Five years from the time the first class of students enters the new institution, the higher education coordinating board will work with the new institution and a local advisory board to: (a) Review the extent to which the new institution is meeting the baccalaureate degree needs of the citizens and businesses of the region and state; (b) assess any additional steps needed to accomplish the goals set forth in subsection (1) of this section, and; (c) assess the relationship between the new institution and other higher education institutions in the region and the state.

(4) The state board for community and technical colleges and the University of Washington shall plan for transition of appropriate programs from the university center to upper division programs at the branch campus.

(5) The office of financial management and the University of Washington shall report to the governor and the appropriate committees of the senate and house of representatives by November 15, 2007, on campus siting recommendations and a preliminary design and implementation plan. The final design and implementation plan shall be delivered to the governor and the appropriate committees of the senate and house of representatives by June 1, 2008.

(6) The office of financial management may contract with outside sources to carry out the provisions of this section.

Appropriation:

State Building Construction Account—State .....	\$4,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$4,000,000

**NEW SECTION. Sec. 1049. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

Higher Education Cost Escalation (08-2-854)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the office of financial management to assist public baccalaureate higher education institutions in managing unanticipated cost escalation for projects bid during the 2007-2009 biennium. Not more than \$750,000 shall be made available to any single project and amounts used must be matched equally from other resources. The office of financial management shall manage the distribution of funds to ensure that the requesting institution has managed its project within the current appropriation through preparation of bid documents and that the scope of the project is no greater than originally specified in the design. Prior to approving use of a minor works appropriation as a match, and its transfer to the project with unanticipated cost escalation, the office of financial management shall require the institution to describe what it has done to identify and develop alternative resources for a match, and the specific minor works projects that would be deferred as a result of the transfer. The office of financial management shall report to the appropriate fiscal committees of the legislature on the use of these funds.

Appropriation:

State Building Construction Account—State . . . . .	\$3,237,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,237,000

**NEW SECTION. Sec. 1050. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

Oversight of State Facilities (08-2-855)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the office of financial management to strengthen its oversight role in state facility analysis and decision making as generally described in chapter . . . (Substitute House Bill No. 2366), Laws of 2007.

Appropriation:

State Building Construction Account—State . . . . .	\$1,015,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,015,000

**NEW SECTION. Sec. 1051. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

Cowlitz River Dredging (08-2-856)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for state participation in the federal maintenance dredging of the lower Cowlitz river to maintain flood protection for communities along the river and to protect the navigation channel

of the Columbia river. The office of financial management may allocate funds to state agencies as needed to meet the state's obligations related to disposal of the dredged material.

Appropriation:

State Building Construction Account—State . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 1052. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Transportation Building Preservation (02-1-008)

Reappropriation:

Thurston County Capital Facilities Account—State . . . . .	\$2,928,000
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Appropriation:

Thurston County Capital Facilities Account—State . . . . .	\$3,425,000
Prior Biennia (Expenditures) . . . . .	\$5,252,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$11,605,000

**NEW SECTION. Sec. 1053. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Capitol Public/Historic Facilities: Preservation Minor Works (06-1-006)

Reappropriation:

State Building Construction Account—State . . . . .	\$327,000
Prior Biennia (Expenditures) . . . . .	\$673,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 1054. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Heritage Park Development (01-H-004)

Reappropriation:

State Building Construction Account—State . . . . .	\$2,000
Prior Biennia (Expenditures) . . . . .	\$1,676,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,678,000

**NEW SECTION. Sec. 1055. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Engineering and Architectural Services (06-2-012)

Reappropriation:

Community/Technical College Capital Projects Account—State . . . . .	\$850,000
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Prior Biennia (Expenditures) . . . . .	\$874,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,724,000

**NEW SECTION. Sec. 1056. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Highway-License Building Repair and Renewal (06-1-013)

Reappropriation:

Thurston County Capital Facilities Account—State . . . . .	\$497,000
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Appropriation:

Thurston County Capital Facilities Account—State . . . . .	\$2,598,000
Prior Biennia (Expenditures) . . . . .	\$354,000
Future Biennia (Projected Costs) . . . . .	\$1,639,000
TOTAL . . . . .	\$5,088,000

**NEW SECTION. Sec. 1057. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Natural Resources Building Repairs and Renewal (06-1-014)

Reappropriation:

Thurston County Capital Facilities Account—State . . . . .	\$269,000
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Appropriation:

State Vehicle Parking Account—State . . . . .	\$258,000
Thurston County Capital Facilities Account—State . . . . .	\$2,223,000
Subtotal Appropriation . . . . .	\$2,481,000
Prior Biennia (Expenditures) . . . . .	\$233,000
Future Biennia (Projected Costs) . . . . .	\$5,266,000
TOTAL . . . . .	\$8,249,000

**NEW SECTION. Sec. 1058. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Statewide Infrastructure: Preservation Minor Works (06-1-004)

Reappropriation:

State Vehicle Parking Account—State . . . . .	\$31,000
State Building Construction Account—State . . . . .	\$246,000
Thurston County Capital Facilities Account—State . . . . .	\$1,824,000
Subtotal Reappropriation . . . . .	\$2,101,000

Prior Biennia (Expenditures) . . . . .	\$918,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,019,000

**NEW SECTION. Sec. 1059. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Statewide Office Facilities: Preservation Minor Works (06-1-003)

Reappropriation:

Thurston County Capital Facilities Account—State . . . . .	\$812,000
General Administration Service Account—State . . . . .	\$510,000
Subtotal Reappropriation . . . . .	\$1,322,000

Prior Biennia (Expenditures) . . . . .	\$3,558,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,880,000

**NEW SECTION. Sec. 1060. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Statewide Parking Facilities: Preservation Minor Works (06-1-007)

Reappropriation:

State Vehicle Parking Account—State . . . . .	\$697,000
Prior Biennia (Expenditures) . . . . .	\$183,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$880,000

**NEW SECTION. Sec. 1061. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Capitol Campus High Voltage System Improvements (08-1-010)

Appropriation:

State Building Construction Account—State . . . . .	\$2,204,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,204,000

**NEW SECTION. Sec. 1062. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Deferred Maintenance (08-1-018)

Appropriation:

State Building Construction Account—State . . . . .	\$2,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,000,000

**NEW SECTION. Sec. 1063. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Emergency Repairs (08-1-001)

Appropriation:

State Building Construction Account—State . . . . .	\$350,000
Thurston County Capital Facilities Account—State . . . . .	\$900,000
General Administration Service Account—State . . . . .	\$150,000
Subtotal Appropriation . . . . .	\$1,400,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$6,000,000
TOTAL . . . . .	\$7,400,000

**NEW SECTION. Sec. 1064. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Engineering and Architectural Services (08-2-013)

Appropriation:

Charitable, Educational, Penal, and Reformatory	
Institutions Account—State . . . . .	\$380,000
State Vehicle Parking Account—State . . . . .	\$133,000
State Building Construction Account—State . . . . .	\$12,340,000
Thurston County Capital Facilities Account—State . . . . .	\$461,000
General Administration Service Account—State . . . . .	\$104,000
Subtotal Appropriation . . . . .	\$13,418,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$42,815,000
TOTAL . . . . .	\$56,233,000

**NEW SECTION. Sec. 1065. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Legislative Building Improvements (08-1-011)

The appropriation in this section is subject to the following conditions and limitations: \$25,000 of the capitol building construction account appropriation is provided solely to establish a legislative gift center created in chapter . . . (Second Substitute House Bill No. 1896), Laws of 2007. If the bill is not enacted by June 30, 2007, the appropriation shall lapse.

Appropriation:

Capitol Building Construction Account—State . . . . .	\$701,000
State Building Construction Account—State . . . . .	\$550,000
Subtotal Appropriation . . . . .	\$1,251,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$2,836,000
TOTAL . . . . .	\$4,087,000

**NEW SECTION. Sec. 1066. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Minor Works - Facility Preservation (08-1-015)

Appropriation:

Capitol Building Construction Account—State . . . . .	\$1,715,000
State Building Construction Account—State . . . . .	\$1,456,000
Thurston County Capital Facilities Account—State . . . . .	\$3,634,000
General Administration Service Account—State . . . . .	\$1,386,000
Subtotal Appropriation . . . . .	\$8,191,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$20,365,000
TOTAL . . . . .	\$28,556,000

**NEW SECTION. Sec. 1067. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Minor Works - Infrastructure Preservation (08-1-004)

Appropriation:

Capitol Building Construction Account—State . . . . .	\$600,000
State Vehicle Parking Account—State . . . . .	\$22,000
State Building Construction Account—State . . . . .	\$3,000,000



Thurston County Capital Facilities Account—State .....	\$1,899,000
General Administration Service Account—State .....	\$200,000
Subtotal Appropriation .....	\$5,721,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$7,006,000
TOTAL .....	\$12,727,000

**\*NEW SECTION. Sec. 1068. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**  
 Minor Works - Program (08-2-012)

*The appropriation in this section is subject to the following conditions and limitations: The department shall post signs on eastbound and westbound 5th avenue in Olympia, Washington over Capitol Lake dam to notify cyclists that the bike lanes discontinue. The signs shall be posted in such a way to optimize visibility.*

Appropriation:

State Building Construction Account—State .....	\$370,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$2,720,000
TOTAL .....	\$3,090,000

\*Sec. 1068 was partially vetoed. See message at end of chapter.

**NEW SECTION. Sec. 1069. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**  
 O'Brien Building Improvements (08-1-007)

Appropriation:

State Building Construction Account—State .....	\$2,981,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$15,501,000
TOTAL .....	\$18,482,000

**NEW SECTION. Sec. 1070. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**  
 Heritage Center/Executive Office Building Development (08-2-954)

The appropriation in this section is subject to the following conditions and limitations: Planning funds are provided solely for the development of a heritage center and executive office building on the west capitol campus. The project shall be procured under a general contractor construction management contract. Prior to issuing the request for proposals for the project, the department shall report to the appropriate committees of the legislature the results of: (1) A detailed analysis of the soils of the proposed development site, including the stability of the soils and the affect on the cost of the project; and (2) cost reduction options resulting from a detailed "best study" or value engineering study. The report to the legislature shall be submitted prior to January 1, 2008. The request for proposal shall not be released prior to February 1, 2008.

Appropriation:

State Building Construction Account—State .....	\$2,000,000
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Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,000,000

**NEW SECTION. Sec. 1071. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Emergency Newhouse Repairs and South Campus Plan (08-2-952)

Appropriation:

State Building Construction Account—State . . . . .	\$750,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$750,000

**NEW SECTION. Sec. 1072. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Capital Lake Plan Completion (08-2-953)

Appropriation:

State Building Construction Account—State . . . . .	\$500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$500,000

**NEW SECTION. Sec. 1073. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Oversight of State Facilities (08-2-853)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the department of general administration to assist the office of financial management with the development of six-year facility plans as generally described in chapter . . . (Substitute House Bill No. 2366), Laws of 2007.

Appropriation:

General Administration Services Account—State . . . . .	\$345,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$345,000

**NEW SECTION. Sec. 1074. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Capital Campus Sundial Repair (08-1-853)

Appropriation:

Capitol Building Construction Account—State . . . . .	\$5,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,000

**NEW SECTION. Sec. 1075. FOR THE DEPARTMENT OF INFORMATION SERVICES**

Wheeler Block Development—Department of Information Services, State Patrol, and General Office (08-2-950)

The appropriation in this section is subject to the following conditions and limitations: Planning funds are provided solely to lease/develop state office buildings and facilities for the department of information services on the "Wheeler block" of the east capitol campus. The office buildings shall be constructed and financed so that agencies' occupancy costs per gross square foot or per employee will not exceed 110 percent of comparable private market rental rates per gross square foot or per employee. The comparable general office space rate shall be calculated based on recent Thurston county leases of new space of at least 100,000 rentable square feet adjusted for known escalation clauses, expected inflation, and differences in the level of service provided by the comparable leases as determined by the department in consultation with the department of general administration. In addition to the department of information services, state agency tenants shall include the state patrol and general office facilities for small agencies and offices. The department shall design and operate the general office facilities for small agencies and offices as a demonstration of the efficiencies gained from the integration of office space and telecommunications and computer technology. The demonstration project shall provide office space, furniture, and telecommunications and computer technology as a single package. The facility shall be designed so that small agencies and offices can move in and out of the facility without the typical moving expenses that result from individual agency ownership of furniture and technology. The facility for small agencies and offices shall also provide for staffing and space efficiencies resulting from central reception, and support services and spaces. The department of general administration shall coordinate with state agency tenants of the existing general administration building that will not be relocated to the new facilities of the "Wheeler block" for occupancy of state-owned or existing leased facilities vacated by the state patrol or the department of information services.

Appropriation:

State Building Construction Account—State .....	\$2,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$2,000,000

**NEW SECTION. Sec. 1076. FOR THE MILITARY DEPARTMENT Omnibus Support to Federal Preservation Projects (06-1-003)**

Reappropriation:

State Building Construction Account—State .....	\$1,500,000
Prior Biennia (Expenditures) .....	\$5,993,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$7,493,000

**NEW SECTION. Sec. 1077. FOR THE MILITARY DEPARTMENT Auditorium and Instructor Support Facility (06-2-003)**

Reappropriation:

General Fund—Federal . . . . .	\$1,240,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,240,000

**NEW SECTION. Sec. 1078. FOR THE MILITARY DEPARTMENT**

Omnibus Support for Federal Minor Works Projects-Statewide (06-2-001)

Reappropriation:

State Building Construction Account—State . . . . .	\$846,000
General Fund—Federal . . . . .	\$7,200,000
Subtotal Reappropriation . . . . .	\$8,046,000
Prior Biennia (Expenditures) . . . . .	\$1,154,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$9,200,000

**NEW SECTION. Sec. 1079. FOR THE MILITARY DEPARTMENT**

Modular Building Reutilization (08-2-001)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,850,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,850,000

**NEW SECTION. Sec. 1080. FOR THE MILITARY DEPARTMENT**

Energy Conservation Project (08-2-005)

Appropriation:

General Fund—Federal . . . . .	\$275,000
State Building Construction Account—State . . . . .	\$275,000
Subtotal Appropriation . . . . .	\$550,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$550,000

**NEW SECTION. Sec. 1081. FOR THE MILITARY DEPARTMENT**

Minor Works - Facility Preservation (08-1-004)

Appropriation:

General Fund—Federal . . . . .	\$5,522,000
State Building Construction Account—State . . . . .	\$2,301,000
Subtotal Appropriation . . . . .	\$7,823,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$35,867,000
TOTAL . . . . .	\$43,690,000

**NEW SECTION. Sec. 1082. FOR THE MILITARY DEPARTMENT**

Minor Works - Program (08-2-003)

Appropriation:

General Fund—Federal . . . . .	\$4,938,000
State Building Construction Account—State . . . . .	\$1,165,000
Subtotal Appropriation . . . . .	\$6,103,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$36,215,000
TOTAL . . . . .	\$42,318,000

**NEW SECTION, Sec. 1083. FOR THE MILITARY DEPARTMENT**

Washington Youth Academy Facility (08-2-850)

Appropriation:

General Fund—Federal . . . . .	\$300,000
State Building Construction Account—State . . . . .	\$5,000,000
Subtotal Appropriation . . . . .	\$5,300,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,300,000

**NEW SECTION, Sec. 1084. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

Historical Preservation (06-4-009)

Reappropriation:

State Building Construction Account—State . . . . .	\$500,000
Prior Biennia (Expenditures) . . . . .	\$4,500,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,000,000

**NEW SECTION, Sec. 1085. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

Historical Courthouse Rehabilitation (08-2-851)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for courthouse protection and preservation, including character defining architectural features, general repairs, system upgrades, payments for renovations completed since January 1, 2006, and improvements to access and accommodations for persons with disabilities. By July 1, 2007, the department shall revise the existing eligibility criteria and grant application process to include review of projects selected for funding by the courthouse advisory committee. Those projects chosen for funding shall undergo a review by the department of general administration's barrier free program to ensure that they meet Americans with disabilities act standards and accessibility and all other Americans with disabilities act requirements are maintained during the construction. The existing historic courthouse advisory committee shall continue to review grant applications and make funding recommendations to the state historic preservation officer. All rehabilitation work shall comply with the secretary of interior's standards for rehabilitation. Grants shall not be used for expenditures for courthouse maintenance. Only counties with historic courthouses that continue to maintain county functions are eligible for grants. Counties receiving grants shall provide an equal amount of

matching funds from public or private sources. The department shall use up to two percent of the appropriation for program administration.

Appropriation:

State Building Construction Account—State . . . . .	\$5,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$20,000,000
TOTAL . . . . .	\$25,000,000

**NEW SECTION. Sec. 1086. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

Historic Barn Preservation (08-4-851)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for implementation of the historic barn preservation program created in chapter . . . (Substitute House Bill No. 2115), Laws of 2007. If the bill is not enacted by June 30, 2007, the appropriation shall lapse.

Appropriation:

State Building Construction Account—State . . . . .	\$500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$500,000

**NEW SECTION. Sec. 1087. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

Inventory of Historic Theaters (08-2-950)

Appropriation:

State Building Construction Account—State . . . . .	\$150,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$150,000

**NEW SECTION. Sec. 1088. FOR THE STATE CONVENTION AND TRADE CENTER**

Minor Works - Facility Preservation (08-1-001)

Appropriation:

State Convention and Trade Center Account—State . . . . .	\$5,990,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,990,000

**NEW SECTION. Sec. 1089. FOR THE STATE CONVENTION AND TRADE CENTER**

Omnibus Minor Works (06-1-001)

Reappropriation:

State Convention and Trade Center Account—State . . . . .	\$995,000
Prior Biennia (Expenditures) . . . . .	\$0

Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$995,000

**NEW SECTION. Sec. 1090. FOR THE STATUTE LAW COMMITTEE**

Pritchard Building Rehabilitation (08-2-017)

Appropriation:

State Building Construction Account—State . . . . . \$1,100,000  
Prior Biennia (Expenditures) . . . . . \$0  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$1,100,000

**PART 2  
HUMAN SERVICES**

**NEW SECTION. Sec. 2001. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

Mapping of K-8 Schools (08-4-003)

Appropriation:

State Building Construction Account—State . . . . . \$6,236,000  
Prior Biennia (Expenditures) . . . . . \$0  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$6,236,000

**NEW SECTION. Sec. 2002. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

Minor Works - Preservation (08-1-002)

Appropriation:

State Building Construction Account—State . . . . . \$598,000  
Prior Biennia (Expenditures) . . . . . \$0  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$598,000

**NEW SECTION. Sec. 2003. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

Replace Hawthorne Hall Dormitory (08-2-001)

Appropriation:

State Building Construction Account—State . . . . . \$1,925,000  
Prior Biennia (Expenditures) . . . . . \$0  
Future Biennia (Projected Costs) . . . . . \$15,764,000  
TOTAL . . . . . \$17,689,000

**NEW SECTION. Sec. 2004. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Echo Glen Children's Center-Housing Units (00-1-041)

Reappropriation:

State Building Construction Account—State . . . . . \$5,700,000

Prior Biennia (Expenditures) . . . . .	\$6,292,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$11,992,000

**NEW SECTION. Sec. 2005. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Developmental Disabilities: Omnibus Programmatic Projects (06-2-465)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$500,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,500,000

**NEW SECTION. Sec. 2006. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Eastern State Hospital-Westlake Building: Fire Alarm Upgrades (06-1-370)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,500,000
Prior Biennia (Expenditures) . . . . .	\$150,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,650,000

**NEW SECTION. Sec. 2007. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Fircrest School - Health and Safety Improvements (06-1-852)

Reappropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State . . . . .	\$400,000
Prior Biennia (Expenditures) . . . . .	\$350,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$750,000

**NEW SECTION. Sec. 2008. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Green Hill School: New IMU, Health Center, and Administration (06-2-202)

Reappropriation:

State Building Construction Account—State . . . . .	\$900,000
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Appropriation:

State Building Construction Account—State . . . . .	\$13,325,000
Prior Biennia (Expenditures) . . . . .	\$350,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$14,575,000

**NEW SECTION. Sec. 2009. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Juvenile Rehabilitation: Omnibus Programmatic Projects (06-2-265)



Reappropriation:

Charitable, Educational, Penal, and Reformatory	
Institutions Account—State . . . . .	\$850,000
Prior Biennia (Expenditures) . . . . .	\$150,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 2010. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Lakeland Village-Nine Cottages: Renovation, Phase 4, 5, and 6 (06-1-402)

Reappropriation:

State Building Construction Account—State . . . . .	\$2,000,000
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Appropriation:

State Building Construction Account—State . . . . .	\$2,990,000
Prior Biennia (Expenditures) . . . . .	\$400,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,390,000

**NEW SECTION. Sec. 2011. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Mental Health Division-CLIP Facilities: Preservation (06-4-353)

The appropriations in the section are subject to the following conditions and limitations: The department shall evaluate options for maximizing federal fund contributions for capital needs of privately-owned facilities that contract with the department for children's long-term inpatient program services and report to the appropriate fiscal committees of the legislature by September 1, 2007.

Reappropriation:

State Building Construction Account—State . . . . .	\$750,000
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Appropriation:

State Building Construction Account—State . . . . .	\$2,381,000
State and Local Improvements Revolving	
Account—State . . . . .	\$20,000
Subtotal Appropriation . . . . .	\$2,401,000
Prior Biennia (Expenditures) . . . . .	\$550,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,701,000

**NEW SECTION. Sec. 2012. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Mental Health Division-Eastern Washington: Evaluation and Treatment (06-4-352)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,500,000

**NEW SECTION. Sec. 2013. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Mental Health: Omnibus Programmatic Projects (06-2-365)

Reappropriation:

State Building Construction Account—State . . . . .	\$400,000
Prior Biennia (Expenditures) . . . . .	\$600,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 2014. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Omnibus Preservation: Facility Preservation (06-1-112)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,400,000
Prior Biennia (Expenditures) . . . . .	\$1,600,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,000,000

**NEW SECTION. Sec. 2015. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Omnibus Preservation: Health, Safety, and Code Requirements (06-1-111)

Reappropriation:

State Building Construction Account—State . . . . .	\$3,400,000
Prior Biennia (Expenditures) . . . . .	\$1,600,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,000,000

**NEW SECTION. Sec. 2016. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Omnibus Preservation: Infrastructure Preservation (06-1-113)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,750,000
Prior Biennia (Expenditures) . . . . .	\$1,250,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,000,000

**NEW SECTION. Sec. 2017. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Rainier School: Storm and Sanitary Sewer, Phase 3 (06-1-853)

Reappropriation:

State Building Construction Account—State . . . . .	\$75,000
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Appropriation:

State Building Construction Account—State . . . . .	\$665,000
Prior Biennia (Expenditures) . . . . .	\$25,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$765,000

**NEW SECTION. Sec. 2018. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Statewide: Emergency and Unanticipated Repair Projects (06-1-101)

Reappropriation:

State Building Construction Account—State . . . . .	\$200,000
Prior Biennia (Expenditures) . . . . .	\$600,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$800,000

**NEW SECTION. Sec. 2019. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Statewide: Hazards Abatement and Demolition (06-1-119)

Reappropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State . . . . .	\$500,000
Prior Biennia (Expenditures) . . . . .	\$800,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,300,000

**NEW SECTION. Sec. 2020. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Statewide: Facilities Assessment and Cultural Resources Planning (06-1-120)

Reappropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State . . . . .	\$300,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$300,000

**NEW SECTION. Sec. 2021. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Capital Project Management (08-1-110)

Appropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State . . . . .	\$2,555,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$11,870,000
TOTAL . . . . .	\$14,425,000

**NEW SECTION. Sec. 2022. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Echo Glen Children's Center: Housing Units Renovation (08-1-041)

Appropriation:

State Building Construction Account—State . . . . .	\$5,400,000
Prior Biennia (Expenditures) . . . . .	\$0

Future Biennia (Projected Costs).....	\$13,185,000
TOTAL .....	\$18,585,000

**NEW SECTION. Sec. 2023. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Emergency Repairs (08-1-101)

Appropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State .....	\$933,000
State Social and Health Services Construction Account—State .....	\$67,000
Subtotal Appropriation .....	\$1,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs).....	\$4,000,000
TOTAL .....	\$5,000,000

**NEW SECTION. Sec. 2024. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Hazards Abatement and Demolition (08-1-119)

Appropriation:

State Building Construction Account—State .....	\$600,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs).....	\$5,200,000
TOTAL .....	\$5,800,000

**NEW SECTION. Sec. 2025. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Minor Works - Facility Preservation (08-1-112)

Appropriation:

State Building Construction Account—State .....	\$9,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs).....	\$50,500,000
TOTAL .....	\$59,500,000

**NEW SECTION. Sec. 2026. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Minor Works - Health, Safety, and Code Requirements (08-1-111)

Appropriation:

State Building Construction Account—State .....	\$4,200,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs).....	\$20,000,000
TOTAL .....	\$24,200,000

**NEW SECTION. Sec. 2027. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Minor Works - Infrastructure Preservation (08-1-113)

Appropriation:

State Building Construction Account—State . . . . .	\$4,700,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$23,000,000
TOTAL . . . . .	\$27,700,000

**NEW SECTION. Sec. 2028. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Minor Works - Program Projects (08-2-365)

The appropriation in this section is subject to the following conditions and limitations: Up to \$250,000 is provided for roof repairs of historic homes on the grounds of western state hospital.

Appropriation:

State Building Construction Account—State . . . . .	\$730,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$10,000,000
TOTAL . . . . .	\$10,730,000

**NEW SECTION. Sec. 2029. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Special Commitment Center Medium Management Housing Addition (08-2-505)

The appropriation in this section is subject to the following conditions and limitations: Funding is for the evaluation of design alternatives to meet programmatic needs.

Appropriation:

State Building Construction Account—State . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 2030. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Upgrade Eastern State Hospital Communications Systems (08-1-306)

Appropriation:

State Building Construction Account—State . . . . .	\$2,280,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,280,000

**NEW SECTION. Sec. 2031. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Utility Replacements at the Special Commitment Center (08-1-504)

Appropriation:

State Building Construction Account—State . . . . .	\$3,040,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0

TOTAL . . . . . \$3,040,000

**NEW SECTION. Sec. 2032. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Western State Hospital Laundry Upgrades (08-1-325)

Appropriation:

State Building Construction Account—State . . . . . \$885,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$885,000

**NEW SECTION. Sec. 2033. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Western State Hospital New Kitchen and Commissary Building (08-1-319)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for predesign and design of a new kitchen and commissary building at western state hospital. The office of financial management shall not allot design funding until a predesign has been submitted to the legislative fiscal committees and to the office of financial management for review and approval. The predesign must assess cook chill alternatives showing staffing and other operating efficiencies such as providing food for the special commitment center and other facilities located in Pierce county.

Appropriation:

State Building Construction Account—State . . . . . \$650,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$9,820,000  
 TOTAL . . . . . \$10,470,000

**NEW SECTION. Sec. 2034. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Rainier School Waste Treatment Plant (08-2-001)

Appropriation:

State Building Construction Account—State . . . . . \$4,200,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$4,200,000

**NEW SECTION. Sec. 2035. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

JRA Camp Outlook-Basic Training Camp (08-2-205)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for a final site selection and preliminary plans for a permanent facility for camp outlook. The department shall further explore possible existing facilities that would support the privately operated program. If the preferred location remains at Connell, Washington, the department shall ensure that the planned facility shall be designed to minimize

the added cost for the program, and retain its cost effectiveness when debt service costs for the new facility are included. The department shall submit a report to the appropriate committees of the legislature before September 1, 2008, with the recommended plan for the facility.

Appropriation:

State Building Construction Account—State .....	\$150,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$4,000,000
TOTAL .....	\$4,150,000

**NEW SECTION. Sec. 2036. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Study of Juvenile Rehabilitation Bed Use (08-2-851)

The appropriation in this section is subject to the following conditions and limitations: The department, in consultation with the office of financial management, shall submit a report to the appropriate committees of the legislature by January 1, 2008, containing the following information:

- (1) Bed capacity, average occupied beds, and unused bed capacity in state and county juvenile rehabilitation facilities, by state facility and by county for the past ten years;
- (2) An analysis of the distinguishing characteristics of current resident populations at the different state facilities and the residents in county facilities, including but not limited to age, gender, criminal history, race and ethnicity, and history of serious mental illness; and
- (3) The different utilization rates of intensive management beds at Green Hill, Maple Lane, and Echo Glen, by institution, age, gender, race and ethnicity, and history of serious mental illness.

This analysis shall also include the number of occupied intensive management unit beds at Green Hill, Maple Lane, and Echo Glen, the average length of stay in intensive management unit beds at each facility, and the rate of repeat use of intensive management unit beds for the same residents. The report shall also describe the department's protocol for identifying residents with mental health needs, and report the percentage of residents identified with mental health needs by age, gender, and race and ethnicity.

Appropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State .....	\$75,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$75,000

**NEW SECTION. Sec. 2037. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Fircrest Campus Master Plan (08-2-850)

The appropriation in this section is subject to the following conditions and limitations:

(1) The department shall resume and complete a master plan of the portion of the Fircrest campus that is not utilized by the Fircrest school or the department of health.

(2) In drafting the master plan, the department shall consult with the following:

- (a) The city of Shoreline;
- (b) The department of natural resources;
- (c) The department of health regarding their master planning effort;
- (d) Representatives of institutions of higher education with whom the department has a partnership; and
- (e) Representatives of the Shoreline community and neighboring communities.

(3) The master plan must include a plan for the future of the property, including recommendations for alternative uses such as affordable housing and smart growth options.

(4) The department must report to the appropriate committees of the legislature and the office of financial management by January 1, 2008.

Appropriation:

State Building Construction Account—State	\$175,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
<b>TOTAL</b>	<b>\$175,000</b>

**NEW SECTION. Sec. 2038. FOR THE DEPARTMENT OF HEALTH**  
Public Health Laboratory: Chiller Plant Upgrade (02-1-004)

Reappropriation:

State Building Construction Account—State	\$474,000
Prior Biennia (Expenditures)	\$2,380,000
Future Biennia (Projected Costs)	\$0
<b>TOTAL</b>	<b>\$2,854,000</b>

**NEW SECTION. Sec. 2039. FOR THE DEPARTMENT OF HEALTH**  
Public Health Laboratory: Roof Replacement (06-1-002)

Reappropriation:

State Building Construction Account—State	\$898,000
Prior Biennia (Expenditures)	\$727,000
Future Biennia (Projected Costs)	\$0
<b>TOTAL</b>	<b>\$1,625,000</b>

**NEW SECTION. Sec. 2040. FOR THE DEPARTMENT OF HEALTH**  
Minor Works - Facility Preservation (08-1-001)

Appropriation:

State Building Construction Account—State	\$386,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$2,531,000
<b>TOTAL</b>	<b>\$2,917,000</b>



**NEW SECTION. Sec. 2041. FOR THE DEPARTMENT OF HEALTH**  
Minor Works - Program (08-2-004)

Appropriation:

State Building Construction Account—State	\$135,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$1,542,000
TOTAL	\$1,677,000

**NEW SECTION. Sec. 2042. FOR THE DEPARTMENT OF HEALTH**  
Public Health Laboratory Addition (08-2-003)

Appropriation:

State Building Construction Account—State	\$1,184,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$8,984,000
TOTAL	\$10,168,000

**NEW SECTION. Sec. 2043. FOR THE DEPARTMENT OF HEALTH**  
Public Health Laboratory Heating, Ventilation, and Air Conditioning  
Systems Upgrades (08-1-002)

Appropriation:

State Building Construction Account—State	\$4,912,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,912,000

**NEW SECTION. Sec. 2044. FOR THE DEPARTMENT OF HEALTH**  
Shoreline Campus Master Plan (08-2-005)

Appropriation:

State Building Construction Account—State	\$255,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$255,000

**NEW SECTION. Sec. 2045. FOR THE DEPARTMENT OF HEALTH**  
Drinking Water Assistance Program (06-4-001)

Reappropriation:

Drinking Water Assistance Account—Federal	\$18,588,000
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Appropriation:

Drinking Water Assistance Account—Federal	\$54,300,000
Prior Biennia (Expenditures)	\$7,086,000
Future Biennia (Projected Costs)	\$99,360,000
TOTAL	\$179,334,000

**NEW SECTION. Sec. 2046. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

Building 10 Assisted Living Upgrades (08-2-005)

Appropriation:

Charitable, Educational, Penal, and Reformatory	
Institutions Account—State . . . . .	\$1,242,000
State Building Construction Account—State . . . . .	\$571,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,813,000

**NEW SECTION. Sec. 2047. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

Minor Works - Facility Preservation (08-1-003)

Appropriation:

Charitable, Educational, Penal, and Reformatory	
Institutions Account—State . . . . .	\$722,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$1,283,000
TOTAL . . . . .	\$2,005,000

**NEW SECTION. Sec. 2048. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

Minor Works - Program (08-2-002)

Appropriation:

Charitable, Educational, Penal, and Reformatory	
Institutions Account—State . . . . .	\$344,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$231,000
TOTAL . . . . .	\$575,000

**NEW SECTION. Sec. 2049. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

State Veterans Cemetery (08-2-004)

Appropriation:

General Fund—Federal . . . . .	\$6,886,000
Charitable, Educational, Penal, and Reformatory	
Institutions Account—State . . . . .	\$939,000
Subtotal Appropriation . . . . .	\$7,825,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$7,825,000

**NEW SECTION. Sec. 2050. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

Emergency Repairs (08-1-004)

Appropriation:

Charitable, Educational, Penal, and Reformatory	
Institutions Account—State . . . . .	\$300,000
Prior Biennia (Expenditures) . . . . .	\$0

Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$300,000

**NEW SECTION. Sec. 2051. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

Minor Works - Health, Safety, and Code Requirements (08-1-002)

Appropriation:

Charitable, Educational, Penal, and Reformatory  
Institutions Account—State . . . . . \$596,000

Prior Biennia (Expenditures) . . . . . \$0  
Future Biennia (Projected Costs) . . . . . \$1,680,000  
TOTAL . . . . . \$2,276,000

**NEW SECTION. Sec. 2052. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

Minor Works - Infrastructure Preservation (08-1-001)

Appropriation:

Charitable, Educational, Penal, and Reformatory  
Institutions Account—State . . . . . \$1,025,000

Prior Biennia (Expenditures) . . . . . \$0  
Future Biennia (Projected Costs) . . . . . \$2,377,000  
TOTAL . . . . . \$3,402,000

**NEW SECTION. Sec. 2053. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

Retsil Energy Assessment and Audit (08-2-850)

The appropriation in this section is subject to the following conditions and limitations:

- (1) Up to \$40,000 of the appropriation is for a department of general administration assessment of the use of digester gas fuel generated by a nearby wastewater treatment facility to heat the veterans home in Retsil.
- (2) Up to \$60,000 of the appropriation is for a department of general administration energy audit of the veterans home in Retsil.

Appropriation:

Charitable, Educational, Penal, and Reformatory  
Institutions Account—State . . . . . \$100,000

Prior Biennia (Expenditures) . . . . . \$0  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$100,000

**NEW SECTION. Sec. 2054. FOR THE DEPARTMENT OF CORRECTIONS**

Coyote Ridge Corrections Center: Design and Construct Medium Security Facility (98-2-011)

Reappropriation:

State Building Construction Account—State . . . . . \$155,459,000

Appropriation:

State Building Construction Account—State . . . . . \$13,700,000

Prior Biennia (Expenditures) . . . . .	\$75,449,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$244,608,000

**NEW SECTION. Sec. 2055. FOR THE DEPARTMENT OF CORRECTIONS**

Washington Corrections Center: Regional Infrastructure (04-2-008)

Reappropriation:

State Building Construction Account—State . . . . .	\$13,208,000
Prior Biennia (Expenditures) . . . . .	\$1,521,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$14,729,000

**NEW SECTION. Sec. 2056. FOR THE DEPARTMENT OF CORRECTIONS**

Washington State Penitentiary: North Close Security Compound (04-2-005)

Reappropriation:

State Building Construction Account—State . . . . .	\$10,482,000
Prior Biennia (Expenditures) . . . . .	\$130,276,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$140,758,000

**NEW SECTION. Sec. 2057. FOR THE DEPARTMENT OF CORRECTIONS**

Clallam Bay Corrections Center: Install Close Custody Slider Doors (06-2-070)

Reappropriation:

State Building Construction Account—State . . . . .	\$660,000
Prior Biennia (Expenditures) . . . . .	\$90,000
Future Biennia (Projected Costs) . . . . .	\$11,581,000
TOTAL . . . . .	\$12,331,000

**NEW SECTION. Sec. 2058. FOR THE DEPARTMENT OF CORRECTIONS**

Clallam Bay Corrections Center: Replace Support Building Roof (06-1-044)

Reappropriation:

State Building Construction Account—State . . . . .	\$3,930,000
Prior Biennia (Expenditures) . . . . .	\$822,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,752,000

**NEW SECTION. Sec. 2059. FOR THE DEPARTMENT OF CORRECTIONS**

Cedar Creek Corrections Center: Add 100 Minimum Security Beds (06-2-851)

Reappropriation:

State Building Construction Account—State .....	\$6,022,000
Prior Biennia (Expenditures) .....	\$207,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$6,229,000

**NEW SECTION. Sec. 2060. FOR THE DEPARTMENT OF CORRECTIONS**

Larch Corrections Center: 80 Bed Expansion (06-2-852)

Reappropriation:

State Building Construction Account—State .....	\$2,915,000
Prior Biennia (Expenditures) .....	\$157,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$3,072,000

**NEW SECTION. Sec. 2061. FOR THE DEPARTMENT OF CORRECTIONS**

Monroe Corrections Complex: Improve C and D Units Security Features (06-1-046)

Reappropriation:

State Building Construction Account—State .....	\$280,000
Prior Biennia (Expenditures) .....	\$2,618,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$2,898,000

**NEW SECTION. Sec. 2062. FOR THE DEPARTMENT OF CORRECTIONS**

McNeil Island Corrections Center: Replace/Stabilize Housing Unit Siding (06-1-005)

Reappropriation:

State Building Construction Account—State .....	\$445,000
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Appropriation:

State Building Construction Account—State .....	\$3,000,000
Prior Biennia (Expenditures) .....	\$349,000
Future Biennia (Projected Costs) .....	\$9,024,000
TOTAL .....	\$12,818,000

**NEW SECTION. Sec. 2063. FOR THE DEPARTMENT OF CORRECTIONS**

Washington State Penitentiary: Kitchen Improvements (06-1-007)

Reappropriation:

State Building Construction Account—State .....	\$569,000
Prior Biennia (Expenditures) .....	\$61,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$630,000

**NEW SECTION. Sec. 2064. FOR THE DEPARTMENT OF CORRECTIONS**

Mission Creek: Add 120 Beds (06-2-017)

Reappropriation:

State Building Construction Account—State . . . . .	\$2,861,000
Prior Biennia (Expenditures) . . . . .	\$564,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,425,000

**NEW SECTION. Sec. 2065. FOR THE DEPARTMENT OF CORRECTIONS**

Omnibus Preservation: Facility Preservation (Minor Works) (06-1-035)

Reappropriation:

State Building Construction Account—State . . . . .	\$2,268,000
Prior Biennia (Expenditures) . . . . .	\$1,565,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,833,000

**NEW SECTION. Sec. 2066. FOR THE DEPARTMENT OF CORRECTIONS**

Omnibus Preservation: Health, Safety, and Code (Minor Works) (06-1-027)

Reappropriation:

State Building Construction Account—State . . . . .	\$2,039,000
Prior Biennia (Expenditures) . . . . .	\$2,061,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,100,000

**NEW SECTION. Sec. 2067. FOR THE DEPARTMENT OF CORRECTIONS**

Omnibus Preservation: Infrastructure Preservation (Minor Works) (06-1-025)

Reappropriation:

State Building Construction Account—State . . . . .	\$3,183,000
Prior Biennia (Expenditures) . . . . .	\$643,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,826,000

**NEW SECTION. Sec. 2068. FOR THE DEPARTMENT OF CORRECTIONS**

Omnibus Program: Programmatic Projects (Minor Works) (06-2-033)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,554,000
Prior Biennia (Expenditures) . . . . .	\$361,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,915,000

**NEW SECTION. Sec. 2069. FOR THE DEPARTMENT OF CORRECTIONS**

Monroe Corrections Center: Health Care Facility (06-2-043)

Reappropriation:

State Building Construction Account—State	\$360,000
Prior Biennia (Expenditures)	\$340,000
Future Biennia (Projected Costs)	\$76,027,000
TOTAL	\$76,727,000

**NEW SECTION. Sec. 2070. FOR THE DEPARTMENT OF CORRECTIONS**

Washington Corrections Center: Health Care Facility (06-2-072)

Reappropriation:

State Building Construction Account—State	\$1,039,000
Prior Biennia (Expenditures)	\$161,000
Future Biennia (Projected Costs)	\$17,592,000
TOTAL	\$18,792,000

**NEW SECTION. Sec. 2071. FOR THE DEPARTMENT OF CORRECTIONS**

Stafford Creek Corrections Center: Correct Security Deficiencies (06-1-013)

Reappropriation:

State Building Construction Account—State	\$1,000,000
Prior Biennia (Expenditures)	\$593,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,593,000

**NEW SECTION. Sec. 2072. FOR THE DEPARTMENT OF CORRECTIONS**

Statewide: Add Minimum Security Beds (06-2-950)

Reappropriation:

State Building Construction Account—State	\$5,361,000
Prior Biennia (Expenditures)	\$2,082,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$7,443,000

**NEW SECTION. Sec. 2073. FOR THE DEPARTMENT OF CORRECTIONS**

Washington Corrections Center for Women Healthcare Center (06-2-066)

Reappropriation:

State Building Construction Account—State	\$758,000
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Appropriation:

State Building Construction Account—State	\$17,858,000
Prior Biennia (Expenditures)	\$442,000
Future Biennia (Projected Costs)	\$0

TOTAL ..... \$19,058,000

**NEW SECTION. Sec. 2074. FOR THE DEPARTMENT OF CORRECTIONS**

Washington Corrections Center for Women: Replace Steamlines (06-1-018)

Reappropriation:

State Building Construction Account—State ..... \$641,000

Appropriation:

State Building Construction Account—State ..... \$5,179,000

Prior Biennia (Expenditures) ..... \$375,000

Future Biennia (Projected Costs) ..... \$0

TOTAL ..... \$6,195,000

**NEW SECTION. Sec. 2075. FOR THE DEPARTMENT OF CORRECTIONS**

Washington State Penitentiary: Replace Correctional Industry Roof (06-1-023)

Reappropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account—State ..... \$1,619,000

State Building Construction Account—State ..... \$1,338,000

Subtotal Reappropriation ..... \$2,957,000

Prior Biennia (Expenditures) ..... \$494,000

Future Biennia (Projected Costs) ..... \$0

TOTAL ..... \$3,451,000

**NEW SECTION. Sec. 2076. FOR THE DEPARTMENT OF CORRECTIONS**

Washington State Penitentiary: South Close Security Complex (06-2-021)

Reappropriation:

State Building Construction Account—State ..... \$2,983,000

Appropriation:

State Building Construction Account—State ..... \$61,294,000

Prior Biennia (Expenditures) ..... \$1,017,000

Future Biennia (Projected Costs) ..... \$69,193,000

TOTAL ..... \$134,487,000

**NEW SECTION. Sec. 2077. FOR THE DEPARTMENT OF CORRECTIONS**

100 Bed Expansion at Mission Creek Corrections Center for Women (08-2-020)

Appropriation:

State Building Construction Account—State ..... \$6,627,000

Prior Biennia (Expenditures) ..... \$0

Future Biennia (Projected Costs) ..... \$0

TOTAL ..... \$6,627,000



**NEW SECTION. Sec. 2078. FOR THE DEPARTMENT OF CORRECTIONS**

Airway Heights Heating and Cooling Loop Replacement (08-1-001)

Appropriation:

State Building Construction Account—State .....	\$2,925,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$2,925,000

**NEW SECTION. Sec. 2079. FOR THE DEPARTMENT OF CORRECTIONS**

Close Sewer Lagoon at Monroe Correctional Complex (08-2-022)

Appropriation:

State Building Construction Account—State .....	\$229,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$6,736,000
TOTAL .....	\$6,965,000

**NEW SECTION. Sec. 2080. FOR THE DEPARTMENT OF CORRECTIONS**

Emergency Repairs (08-1-035)

Appropriation:

State Building Construction Account—State .....	\$2,500,000
Charitable, Educational, Penal, and Reformatory Institutions Account—State .....	\$500,000
Subtotal Appropriation .....	\$3,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$10,000,000
TOTAL .....	\$13,000,000

**NEW SECTION. Sec. 2081. FOR THE DEPARTMENT OF CORRECTIONS**

Expand Reception Center at Washington Corrections Center (08-2-016)

Appropriation:

State Building Construction Account—State .....	\$470,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$45,353,000
TOTAL .....	\$45,823,000

**NEW SECTION. Sec. 2082. FOR THE DEPARTMENT OF CORRECTIONS**

Laundry Improvements at Washington State Penitentiary (08-1-033)

Appropriation:

State Building Construction Account—State .....	\$4,051,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0

TOTAL . . . . . \$4,051,000

**NEW SECTION. Sec. 2083. FOR THE DEPARTMENT OF CORRECTIONS**

Minor Works - Facility Preservation (08-1-024)

Appropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State . . . . .	\$3,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$12,000,000
TOTAL . . . . .	\$15,000,000

**NEW SECTION. Sec. 2084. FOR THE DEPARTMENT OF CORRECTIONS**

Minor Works - Health, Safety, and Code Requirements (08-1-031)

Appropriation:

Charitable, Educational, Penal, and Reformatory Institutions Account—State . . . . .	\$3,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$12,000,000
TOTAL . . . . .	\$15,000,000

**NEW SECTION. Sec. 2085. FOR THE DEPARTMENT OF CORRECTIONS**

Minor Works - Infrastructure Preservation (08-1-018)

Appropriation:

State Building Construction Account—State . . . . .	\$1,000,000
Charitable, Educational, Penal, and Reformatory Institutions Account—State . . . . .	\$1,000,000
Subtotal Appropriation . . . . .	\$2,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$8,000,000
TOTAL . . . . .	\$10,000,000

**NEW SECTION. Sec. 2086. FOR THE DEPARTMENT OF CORRECTIONS**

Replace Barge Slip Pilings at McNeil Island Corrections Center (08-1-002)

Appropriation:

State Building Construction Account—State . . . . .	\$3,900,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,900,000

**NEW SECTION. Sec. 2087. FOR THE DEPARTMENT OF CORRECTIONS**

Replace Cell Door and Electronics at Washington State Reformatory (08-1-010)

Appropriation:

State Building Construction Account—State . . . . .	\$1,545,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,545,000

**NEW SECTION. Sec. 2088. FOR THE DEPARTMENT OF CORRECTIONS**

Replace Electrical Distribution Building at Special Offenders Unit (08-1-009)

Appropriation:

State Building Construction Account—State . . . . .	\$1,222,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,222,000

**NEW SECTION. Sec. 2089. FOR THE DEPARTMENT OF CORRECTIONS**

Replace Fire Alarm System at Washington Corrections Center (08-1-008)

Appropriation:

State Building Construction Account—State . . . . .	\$1,524,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,524,000

**NEW SECTION. Sec. 2090. FOR THE DEPARTMENT OF CORRECTIONS**

Replace G Building Roof at Washington Corrections Center (08-1-004)

Appropriation:

State Building Construction Account—State . . . . .	\$4,431,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,431,000

**NEW SECTION. Sec. 2091. FOR THE DEPARTMENT OF CORRECTIONS**

Replace Kitchen Roofs at Monroe Correctional Complex (08-1-003)

Appropriation:

State Building Construction Account—State . . . . .	\$2,062,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,062,000

**NEW SECTION. Sec. 2092. FOR THE DEPARTMENT OF CORRECTIONS**

Replace Roofs at Washington Corrections Center (08-1-005)

Appropriation:

State Building Construction Account—State	\$6,666,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,666,000

**NEW SECTION. Sec. 2093. FOR THE DEPARTMENT OF CORRECTIONS**

Replace Roofs at Washington State Penitentiary (08-1-007)

Appropriation:

State Building Construction Account—State	\$1,789,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,789,000

**NEW SECTION. Sec. 2094. FOR THE DEPARTMENT OF CORRECTIONS**

Replace Telecommunications Infrastructure at Clallam Bay (08-1-013)

Appropriation:

State Building Construction Account—State	\$1,850,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$13,691,000
TOTAL	\$15,541,000

**NEW SECTION. Sec. 2095. FOR THE DEPARTMENT OF CORRECTIONS**

Sex Offender Treatment Program Building at Airway Heights (08-2-028)

Appropriation:

State Building Construction Account—State	\$4,947,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,947,000

**NEW SECTION. Sec. 2096. FOR THE DEPARTMENT OF CORRECTIONS**

300 Minimum Security Bed Expansion - Predesign - Three Locations (08-2-850)

Appropriation:

State Building Construction Account—State	\$477,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$477,000

**NEW SECTION. Sec. 2097. FOR THE DEPARTMENT OF CORRECTIONS**

Washington State Penitentiary: Add 300 Minimum Security Beds (08-2-026)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for predesign and design of 300 minimum security beds. As part of the predesign to be completed for this project, the department shall provide programmatic recommendations and cost estimates for high priority needs that the existing minimum security building can provide.

Appropriation:

State Building Construction Account—State . . . . .	\$1,418,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$30,000,000
TOTAL . . . . .	\$31,418,000

**NEW SECTION. Sec. 2098. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

Employment Resource Center (05-2-001)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided solely for services and activities including the purchase and installation of state of the art equipment for a 40,000 square foot facility supporting work force development programs using funds available to the state in section 903(d) of the Social Security Act (Reed act).

Reappropriation:

Unemployment Compensation Administration	
Account—Federal . . . . .	\$3,354,000
Prior Biennia (Expenditures) . . . . .	\$2,646,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$6,000,000

**NEW SECTION. Sec. 2099. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

Employment Security Headquarters Building Assessment (08-1-002)

The appropriation in this section is subject to the following conditions and limitations: This appropriation is provided solely for the assessment of the employment security headquarters building using funds available to the state in section 903(d) of the Social Security Act (Reed act).

Appropriation:

Unemployment Compensation Administration	
Account—Federal . . . . .	\$300,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$300,000

**NEW SECTION. Sec. 2100. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

Walla Walla WorkSource Expansion Project (06-2-001)

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for the construction of a training and meeting room at the Walla Walla WorkSource building using funds available to the state in section 903(d) of the Social Security Act (Reed act).

Reappropriation:

Unemployment Compensation Administration Account—Federal . . . . .	\$250,000
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Appropriation:

Unemployment Compensation Administration Account—Federal . . . . .	\$484,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$734,000

**PART 3  
NATURAL RESOURCES**

**NEW SECTION. Sec. 3001. FOR THE DEPARTMENT OF  
ECOLOGY**

Water Supply Facilities (74-2-006)

Reappropriation:

State and Local Improvements Revolving Account (Water Supply Facilities)—State . . . . .	\$2,756,000
Prior Biennia (Expenditures) . . . . .	\$13,543,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$16,299,000

**NEW SECTION. Sec. 3002. FOR THE DEPARTMENT OF  
ECOLOGY**

Centennial Clean Water Fund (86-2-007)

Reappropriation:

Water Quality Capital Account—State . . . . .	\$678,000
Prior Biennia (Expenditures) . . . . .	\$351,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,029,000

**NEW SECTION. Sec. 3003. FOR THE DEPARTMENT OF  
ECOLOGY**

Local Toxics Grants for Cleanup and Prevention (88-2-008)

Reappropriation:

Local Toxics Control Account—State . . . . .	\$400,000
Prior Biennia (Expenditures) . . . . .	\$3,191,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,591,000

**NEW SECTION. Sec. 3004. FOR THE DEPARTMENT OF ECOLOGY**

Water Pollution Control Revolving Account (90-2-002)

Reappropriation:

Water Pollution Control Revolving Account—	
Federal .....	\$400,000
Prior Biennia (Expenditures) .....	\$13,306,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$13,706,000

**NEW SECTION. Sec. 3005. FOR THE DEPARTMENT OF ECOLOGY**

Low-Level Nuclear Waste Disposal Trench Closure (97-2-012)

Reappropriation:

Site Closure Account—State .....	\$4,800,000
Prior Biennia (Expenditures) .....	\$7,045,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$11,845,000

**NEW SECTION. Sec. 3006. FOR THE DEPARTMENT OF ECOLOGY**

Water Irrigation Efficiencies (01-H-010)

Reappropriation:

State and Local Improvements Revolving Account	
(Water Supply Facilities)—State .....	\$1,318,000
Water Quality Capital Account—State .....	\$310,000
Subtotal Reappropriation .....	\$1,628,000
Prior Biennia (Expenditures) .....	\$8,449,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$10,077,000

**NEW SECTION. Sec. 3007. FOR THE DEPARTMENT OF ECOLOGY**

Water Measuring Devices (01-H-009)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is provided solely for water measuring devices and gauges. The department shall prioritize the distribution of water measuring devices and gauges to locations participating in the department of fish and wildlife's fish screens and cooperative compliance programs.

Reappropriation:

State Building Construction Account—State .....	\$1,201,000
Prior Biennia (Expenditures) .....	\$1,943,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$3,144,000

**NEW SECTION. Sec. 3008. FOR THE DEPARTMENT OF ECOLOGY**

Centennial Clean Water Fund (02-4-007)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the conditions and limitations of section 315, chapter 8, Laws of 2001 2nd sp. sess.

Reappropriation:

Water Quality Capital Account—State . . . . .	\$1,625,000
Prior Biennia (Expenditures) . . . . .	\$1,974,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,599,000

**NEW SECTION. Sec. 3009. FOR THE DEPARTMENT OF ECOLOGY**

Water Pollution Control Revolving Account (02-4-002)

Reappropriation:

Water Pollution Control Revolving Account—	
State . . . . .	\$7,000,000
Water Pollution Control Revolving Account—	
Federal . . . . .	\$79,000
Subtotal Reappropriation . . . . .	\$7,079,000
Prior Biennia (Expenditures) . . . . .	\$37,134,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$44,213,000

**NEW SECTION. Sec. 3010. FOR THE DEPARTMENT OF ECOLOGY**

Water Supply Facilities (02-4-006)

Reappropriation:

State and Local Improvements Revolving Account	
(Water Supply Facilities)—State . . . . .	\$2,110,000
Prior Biennia (Expenditures) . . . . .	\$3,889,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,999,000

**NEW SECTION. Sec. 3011. FOR THE DEPARTMENT OF ECOLOGY**

Centennial Clean Water Fund (04-4-007)

Reappropriation:

State Building Construction Account—State . . . . .	\$4,650,000
Water Quality Capital Account—State . . . . .	\$1,400,000
Subtotal Reappropriation . . . . .	\$6,050,000
Prior Biennia (Expenditures) . . . . .	\$8,702,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$14,752,000



**NEW SECTION. Sec. 3012. FOR THE DEPARTMENT OF ECOLOGY**

Local Toxics Grants for Cleanup and Prevention (04-4-008)

Reappropriation:

Local Toxics Control Account—State . . . . .	\$1,100,000
Prior Biennia (Expenditures) . . . . .	\$10,296,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$11,396,000

**NEW SECTION. Sec. 3013. FOR THE DEPARTMENT OF ECOLOGY**

Site Closure - Nuclear Waste Trench Site Investigation (04-4-010)

Reappropriation:

Site Closure Account—State . . . . .	\$1,120,000
Prior Biennia (Expenditures) . . . . .	\$1,146,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,266,000

**NEW SECTION. Sec. 3014. FOR THE DEPARTMENT OF ECOLOGY**

Twin Lake Aquifer Recharge Project (04-2-951)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is provided solely to recover the department of ecology's cost in evaluating and issuing decisions on water applications and restoration of the Twin Lakes in the Methow Valley.

Reappropriation:

State Building Construction Account—State . . . . .	\$643,000
Prior Biennia (Expenditures) . . . . .	\$106,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$749,000

**NEW SECTION. Sec. 3015. FOR THE DEPARTMENT OF ECOLOGY**

Water Pollution Control Revolving Account (04-4-002)

Reappropriation:

Water Pollution Control Revolving Account—	
State . . . . .	\$13,000,000
Water Pollution Control Revolving Account—	
Federal . . . . .	\$6,200,000
Subtotal Reappropriation . . . . .	\$19,200,000
Prior Biennia (Expenditures) . . . . .	\$65,228,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$84,428,000

**NEW SECTION. Sec. 3016. FOR THE DEPARTMENT OF ECOLOGY**

Water Rights Purchase/Lease (04-1-005)

Reappropriation:

State Drought Preparedness—State . . . . .	\$804,000
Prior Biennia (Expenditures) . . . . .	\$696,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,500,000

**NEW SECTION. Sec. 3017. FOR THE DEPARTMENT OF ECOLOGY**

Water Supply Facilities (04-4-006)

Reappropriation:

State Building Construction Account—State . . . . .	\$3,389,000
State and Local Improvements Revolving Account (Water Supply Facilities)—State . . . . .	\$1,438,000
Subtotal Reappropriation . . . . .	\$4,827,000
Prior Biennia (Expenditures) . . . . .	\$8,799,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$13,626,000

**NEW SECTION. Sec. 3018. FOR THE DEPARTMENT OF ECOLOGY**

Quad Cities Water Right Mitigation (05-2-852)

Reappropriation:

State Building Construction Account—State . . . . .	\$2,047,000
Prior Biennia (Expenditures) . . . . .	\$153,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,200,000

**NEW SECTION. Sec. 3019. FOR THE DEPARTMENT OF ECOLOGY**

State Drought Preparedness (05-4-009)

Reappropriation:

State Drought Preparedness—State . . . . .	\$1,464,000
Prior Biennia (Expenditures) . . . . .	\$5,865,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$7,329,000

**NEW SECTION. Sec. 3020. FOR THE DEPARTMENT OF ECOLOGY**

Sunnyside Valley Irrigation District Water Conservation (05-2-851)

Reappropriation:

State Building Construction Account—State . . . . .	\$3,187,000
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Appropriation:

State Building Construction Account—State . . . . .	\$2,544,000
Prior Biennia (Expenditures) . . . . .	\$1,133,000
Future Biennia (Projected Costs) . . . . .	\$2,132,000
TOTAL . . . . .	\$8,996,000

**NEW SECTION. Sec. 3021. FOR THE DEPARTMENT OF ECOLOGY**

Water Conveyance Infrastructure Projects (05-2-850)

Reappropriation:

State Building Construction Account—State . . . . .	\$3,168,000
State and Local Improvements Revolving Account (Water Supply Facilities)—State . . . . .	\$1,415,000
Water Quality Capital Account—State . . . . .	\$293,000
Subtotal Reappropriation . . . . .	\$4,876,000
Prior Biennia (Expenditures) . . . . .	\$954,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,830,000

**NEW SECTION. Sec. 3022. FOR THE DEPARTMENT OF ECOLOGY**

Centennial Clean Water Program (06-4-007)

Reappropriation:

State Building Construction Account—State . . . . .	\$5,900,000
Water Quality Capital Account—State . . . . .	\$8,500,000
State Toxics Control Account—State . . . . .	\$10,000,000
Subtotal Reappropriation . . . . .	\$24,400,000
Prior Biennia (Expenditures) . . . . .	\$32,024,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$56,424,000

**NEW SECTION. Sec. 3023. FOR THE DEPARTMENT OF ECOLOGY**

Cleanup Toxic Sites - Puget Sound (06-4-001)

The reappropriation in this section is subject to the following conditions and limitations: Funding is provided solely for the clean up of contaminated sites that lie adjacent to and are within one-half mile of Puget Sound. Clean ups must include orphaned and abandoned sites that pose a threat to Puget Sound with the highest priority sites being cleaned up first.

Reappropriation:

State Toxics Control Account—State . . . . .	\$2,750,000
Prior Biennia (Expenditures) . . . . .	\$1,233,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,983,000

**NEW SECTION. Sec. 3024. FOR THE DEPARTMENT OF ECOLOGY**

Columbia River Basin Water Supply Development Program (06-2-950)

Reappropriation:

Columbia River Basin Water Supply Development Account—State . . . . .	\$10,000,000
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Appropriation:

Columbia River Basin Water Supply Development	
Account—State . . . . .	\$34,500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$155,500,000
TOTAL . . . . .	\$200,000,000

**NEW SECTION. Sec. 3025. FOR THE DEPARTMENT OF ECOLOGY**

Columbia River Program (06-2-010)

Reappropriation:

State Building Construction Account—State . . . . .	\$11,542,000
Prior Biennia (Expenditures) . . . . .	\$4,458,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$16,000,000

**NEW SECTION. Sec. 3026. FOR THE DEPARTMENT OF ECOLOGY**

Local Toxics Grants for Cleanup and Prevention (06-4-008)

Reappropriation:

Local Toxics Control Account—State . . . . .	\$56,470,000
Prior Biennia (Expenditures) . . . . .	\$42,430,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$98,900,000

**NEW SECTION. Sec. 3027. FOR THE DEPARTMENT OF ECOLOGY**

Low Impact Development for Storm Water Management (06-2-006)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is provided solely for grants to local governments in Puget Sound to fund innovative, low-impact development storm water management projects to meet critical storm water management needs and protect or restore water quality. Projects may include use of bioretention, rainwater harvest, permeable pavement, vegetated roofs, and other low-impact development techniques. Projects funded in Puget Sound must meet the design guidelines contained in the low-impact development technical guidance manual for Puget Sound, unless the municipality can demonstrate that site conditions warrant a deviation from the design guidelines and the deviations in design provides similar performance. All projects must include performance monitoring.

Reappropriation:

State Toxics Control Account—State . . . . .	\$2,500,000
Prior Biennia (Expenditures) . . . . .	\$2,500,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,000,000

**NEW SECTION. Sec. 3028. FOR THE DEPARTMENT OF ECOLOGY**

Minor Works (06-1-004)

Reappropriation:

State Building Construction Account—State . . . . . \$30,000

Appropriation:

State Building Construction Account—State . . . . . \$270,000

Prior Biennia (Expenditures) . . . . . \$0

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$300,000

**NEW SECTION. Sec. 3029. FOR THE DEPARTMENT OF ECOLOGY**

Motor Vehicle Mercury Removal Program (06-2-850)

Reappropriation:

State Toxics Control Account—State . . . . . \$900,000

Prior Biennia (Expenditures) . . . . . \$100,000

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$1,000,000

**NEW SECTION. Sec. 3030. FOR THE DEPARTMENT OF ECOLOGY**

Puget Sound Aquatic Cleanup and Restoration (06-1-005)

Reappropriation:

State Toxics Control Account—State . . . . . \$3,129,000

Prior Biennia (Expenditures) . . . . . \$1,871,000

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$5,000,000

**NEW SECTION. Sec. 3031. FOR THE DEPARTMENT OF ECOLOGY**

Safe Soil Remediation and Awareness Projects (06-2-001)

Reappropriation:

State Toxics Control Account—State . . . . . \$1,059,000

Prior Biennia (Expenditures) . . . . . \$1,909,000

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$2,968,000

**NEW SECTION. Sec. 3032. FOR THE DEPARTMENT OF ECOLOGY**

Waste Tire Piles (06-1-002)

Reappropriation:

Waste Tire Removal Account—State . . . . . \$3,500,000

Prior Biennia (Expenditures) . . . . . \$4,000,000

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$7,500,000

**NEW SECTION. Sec. 3033. FOR THE DEPARTMENT OF ECOLOGY**

Water Irrigation Efficiencies (06-2-009)

Reappropriation:

State Building Construction Account—State .....	\$3,435,000
Prior Biennia (Expenditures) .....	\$64,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$3,499,000

**NEW SECTION. Sec. 3034. FOR THE DEPARTMENT OF ECOLOGY**

Water Pollution Control Revolving Account (06-4-002)

The reappropriations in this section are subject to the following conditions and limitations:

(1) The department shall give priority loan funding consideration to on-site septic system rehabilitation and replacement programs in Mason, Kitsap, and Jefferson counties for up to \$1,000,000 from the water pollution control revolving account—state in the second year of the funding cycle.

(2) Up to \$5,000,000 of the water pollution control revolving account—state reappropriation is for loans for on-site sewage replacement. This reappropriation may be used to: (a) Establish new or expand existing on-site sewage repair and replacement loan programs by county governments or tribes; or (b) develop a pilot program to administer an on-site sewage repair and replacement loan program through a qualified private or nonprofit lending institution. This appropriation must be used in conjunction with water quality capital account—state appropriation in section 3022 of this act provided for this purpose. The department must work with the department of health, the Puget Sound water quality action team, local governments, and the lending industry in developing and piloting this program. The department shall provide a status report on the loan program to the governor and the appropriate legislative fiscal committees by June 30, 2008, including any recommendations for improving the program.

Reappropriation:

Water Pollution Control Revolving Account—	
State .....	\$124,000,000
Water Pollution Control Revolving Account—	
Federal .....	\$65,000,000
Subtotal Reappropriation .....	\$189,000,000
Prior Biennia (Expenditures) .....	\$50,617,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$239,617,000

**NEW SECTION. Sec. 3035. FOR THE DEPARTMENT OF ECOLOGY**

Watershed Plan Implementation and Flow Achievement (06-2-003)

Reappropriation:

State Building Construction Account—State .....	\$10,849,000
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Water Quality Capital Account—State .....	\$386,000
Subtotal Reappropriation .....	\$11,235,000
Prior Biennia (Expenditures) .....	\$1,563,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$12,798,000

**NEW SECTION. Sec. 3036. FOR THE DEPARTMENT OF ECOLOGY**

Centennial Clean Water Program (08-4-010)

The appropriations in this section are subject to the following conditions and limitations:

(1) Up to \$10,000,000 of the state building construction account—state appropriation is for the extended grant payment to Spokane for the Spokane-Rathdrum Prairie aquifer.

(2) \$5,000,000 of the state building construction account—state appropriation is provided solely for water quality grants for hardship communities with a population of less than 5,000. The department shall give priority consideration to: (a) Communities subject to a regulatory order from the department of ecology for noncompliance with water quality rules; (b) projects for which design work has been completed; and (c) projects with a local match from reasonable water quality rates and charges.

(3) \$2,000,000 of the state building construction account—state appropriation is provided solely for the Adams and Lincoln counties ground water mapping project. The project shall submit a report to the appropriate committees of the legislature describing the dynamic relationship between groundwater and surface water in the region. The report shall be submitted by January 1, 2009.

(4) \$2,100,000 of the state toxics control account appropriation is provided solely for wastewater and clean water improvement projects at Illahee state park, Fort Flagler state park, and Larrabee state park.

(5)(a) \$18,505,000 of the state building construction account—state appropriation is provided solely for the following projects:

Project	Amount
City of Carnation waste water treatment system	\$3,000,000
Mansfield waste water treatment upgrade	\$960,000
Rock Island waste water treatment system	\$870,000
Enumclaw waste water treatment system	\$750,000
Snohomish waste water treatment system	\$4,925,000
Freeland sewer district	\$1,000,000
Clark county regional sewer cooperative	\$4,000,000
Town of Warden waste water	\$3,000,000

(b) The appropriation for entities that are listed in (a) of this subsection shall not affect the entities' eligibility for centennial fund hardship assistance and shall be excluded from any financial hardship calculation that would have the effect of reducing other moneys for which the entity is currently contracted and eligible under WAC 173-95A-030(8), as it existed on the effective date of this section.

(c) The appropriation to the city of Carnation is for payment to King county for the county connection charge and other eligible costs.

Appropriation:

State Building Construction Account—State	\$49,225,000
Water Quality Capital Account—State	\$7,550,000
State Toxics Control Account—State	\$2,100,000
Subtotal Appropriation	\$58,875,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$178,400,000
TOTAL	\$237,275,000

**NEW SECTION. Sec. 3037. FOR THE DEPARTMENT OF ECOLOGY**

Cleanup Toxic Sites in Puget Sound (08-4-005)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for the clean up of contaminated sites that lie adjacent to and are within one-half mile of Puget Sound. Clean ups shall include orphan and abandoned sites that pose a threat to Puget Sound with the highest priority sites being cleaned up first. The department shall provide the Puget Sound partnership, as created by chapter . . . (Engrossed Substitute Senate Bill No. 5372), Laws of 2007, the opportunity to review and provide comment on proposed projects and activities recommended for funding. This review shall be consistent with the funding schedule for the program.

Appropriation:

State Toxics Control Account—State	\$4,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$18,820,000
TOTAL	\$22,820,000

**NEW SECTION. Sec. 3038. FOR THE DEPARTMENT OF ECOLOGY**

Coordinated Prevention Grants (08-4-015)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$4,000,000 of the appropriation is provided solely for grants to local governments for local waste and pollution prevention projects. Grants shall fund new organics composting and conversion, green building, and moderate risk waste initiatives described in the state "beyond waste" plan.

(2) Up to \$2,000,000 of the appropriation may be used for grants to local governments to provide alternatives to backyard burning of organic materials. Priority for these grants shall be given to: (a) Urban growth areas of less than 5,000 people affected by the January 1, 2007, ban on outdoor burning; (b) projects that develop infrastructure for an on-going program; and (c) projects that coordinate regionally.

(3) Up to \$75,000 of the appropriation shall be used by the department to convene a work group with representatives of affected stakeholders to assess opportunities, other than burning, to manage vegetative solid waste and



recommend best management practices, consistent with good solid waste management practices, that work for smaller communities. The department shall provide the recommendations to affected cities and to the appropriate standing committees of the legislature. The work group recommendations must be completed by December 31, 2007.

Appropriation:

Local Toxics Control Account—State . . . . .	\$25,500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$114,000,000
TOTAL . . . . .	\$139,500,000

**NEW SECTION. Sec. 3039. FOR THE DEPARTMENT OF ECOLOGY**

On-Site Septic Replacement Program (08-4-012)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is for a contract with an entity that is familiar with on-site sewage repair and replacement in Hood Canal to coordinate improvements to sewage systems. As part of a pilot project, the entity may provide funds to a qualified private or nonprofit lending institution to provide financial assistance to local governments and private landowners for the repair, replacement, or upgrade of on-site sewage systems.

Appropriation:

Water Quality Capital Account—State . . . . .	\$3,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,000,000

**NEW SECTION. Sec. 3040. FOR THE DEPARTMENT OF ECOLOGY**

Puget Sound Aquatic Cleanup and Restoration (08-4-004)

The appropriation in this section is subject to the following conditions and limitations: The department shall provide the Puget Sound partnership, as created by chapter . . . (Engrossed Substitute Senate Bill No. 5372), Laws of 2007, the opportunity to review and provide comment on proposed projects and activities recommended for funding. This review shall be consistent with the funding schedule for the program.

Appropriation:

State Toxics Control Account—State . . . . .	\$5,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$23,620,000
TOTAL . . . . .	\$28,620,000

**NEW SECTION. Sec. 3041. FOR THE DEPARTMENT OF ECOLOGY**

Puget Sound Storm Water Projects (08-2-002)

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for grants to local governments within Puget Sound for municipal storm water projects, including but not limited to, retrofit of existing storm water projects in urban areas where storm water is a significant source of contamination, identification and removal of nonstorm water discharges into municipal storm sewer systems, and local innovative storm water projects that implement low-impact development. The department shall provide the Puget Sound partnership, as created by chapter . . . (Engrossed Substitute Senate Bill No. 5372), Laws of 2007, the opportunity to review and provide comment on proposed projects and activities recommended for funding. This review shall be consistent with the funding schedule for the program.

Appropriation:

State Building Construction Account—State . . . . .	\$12,920,000
Local Toxics Control Account—State . . . . .	\$5,000,000
Subtotal Appropriation . . . . .	\$17,920,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$56,680,000
TOTAL . . . . .	\$74,600,000

**NEW SECTION. Sec. 3042. FOR THE DEPARTMENT OF ECOLOGY**

Storm Water Projects (08-2-003)

Appropriation:

State Toxics Control Account—State . . . . .	\$3,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,000,000

**NEW SECTION. Sec. 3043. FOR THE DEPARTMENT OF ECOLOGY**

Rebuild East Wall of Ecology Headquarters (08-1-002)

Appropriation:

State Building Construction Account—State . . . . .	\$100,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$100,000

**NEW SECTION. Sec. 3044. FOR THE DEPARTMENT OF ECOLOGY**

Reclaimed Water (08-4-002)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for grants to local governments in Puget Sound to complete reclaimed water projects. Priority shall be given to projects in water short areas where reclaimed water can be used to replace other water sources and where reclaimed water can be used to restore important ecosystem functions in Puget Sound.

Appropriation:

State Building Construction Account—State .....	\$5,455,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$24,320,000
TOTAL .....	\$29,775,000

**NEW SECTION. Sec. 3045. FOR THE DEPARTMENT OF ECOLOGY**

Reduce Health Risks from Toxic Diesel Pollution (08-4-024)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$4,840,000 of the appropriation is provided solely for school bus diesel retrofits for local school districts.

(2) \$2,330,000 of the appropriation is provided solely for emission reduction projects for local governments to retrofit public sector diesel engines to allow public sector fleets to reduce their emissions.

Appropriation:

Local Toxics Control Account—State .....	\$7,170,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$7,170,000

**NEW SECTION. Sec. 3046. FOR THE DEPARTMENT OF ECOLOGY**

Remedial Action Grants (08-4-008)

Appropriation:

Local Toxics Control Account—State .....	\$84,475,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$180,000,000
TOTAL .....	\$264,475,000

**NEW SECTION. Sec. 3047. FOR THE DEPARTMENT OF ECOLOGY**

Repair Exterior Surfaces and Expand Emergency Power Supply (08-1-003)

Appropriation:

State Building Construction Account—State .....	\$475,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$475,000

**NEW SECTION. Sec. 3048. FOR THE DEPARTMENT OF ECOLOGY**

Safe Soils Remediation Grants (08-4-009)

Appropriation:

State Toxics Control Account—State .....	\$2,000,000
Prior Biennia (Expenditures) .....	\$0

Future Biennia (Projected Costs).....	\$4,000,000
TOTAL .....	\$6,000,000

**NEW SECTION. Sec. 3049. FOR THE DEPARTMENT OF ECOLOGY**

Reduce Public Health Risks from Wood Stove Pollution (08-4-019)

Appropriation:

Wood Stove Education Account—State .....	\$500,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$2,000,000
TOTAL .....	\$2,500,000

**NEW SECTION. Sec. 3050. FOR THE DEPARTMENT OF ECOLOGY**

Skykomish Cleanup (08-4-020)

Appropriation:

State Toxics Control Account—State .....	\$7,000,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL .....	\$7,000,000

**NEW SECTION. Sec. 3051. FOR THE DEPARTMENT OF ECOLOGY**

Waste Tire Pile Cleanup (08-4-022)

Appropriation:

Waste Tire Removal Account—State .....	\$5,000,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$5,000,000
TOTAL .....	\$10,000,000

**NEW SECTION. Sec. 3052. FOR THE DEPARTMENT OF ECOLOGY**

Water Irrigation Efficiencies (08-4-028)

The appropriation in this section is subject to the following conditions and limitations: \$250,000 of the appropriation is provided solely for emergency repairs for the South Naches irrigation district.

Appropriation:

State Building Construction Account—State .....	\$3,000,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$12,000,000
TOTAL .....	\$15,000,000

**NEW SECTION. Sec. 3053. FOR THE DEPARTMENT OF ECOLOGY**

Water Pollution Control Loan Program (08-4-011)

Appropriation:

Water Pollution Control Revolving Account—	
State .....	\$90,000,000
Water Pollution Control Revolving Account—	
Federal .....	\$50,000,000
Subtotal Appropriation .....	\$140,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$500,000,000
TOTAL .....	\$640,000,000

**NEW SECTION. Sec. 3054. FOR THE DEPARTMENT OF ECOLOGY**

Watershed Plan Implementation and Flow Achievement (08-4-029)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for grants for projects that improve water supplies and help achieve instream flows by implementing watershed plans, as follows:

(1) Surface or ground water storage projects, where such projects are consistent with the recommendations of the water storage task force. The department shall consult the departments of agriculture and fish and wildlife before issuing water storage grants.

(2) Infrastructure or water management projects that resolve conflicts among water needs for municipal, agricultural, rural, and fish restoration purposes. The stream flow improvements and other public benefits secured from these projects must be commensurate with the investment of state funds.

(3) Agricultural water supply projects that improve water conservation and water use efficiency.

(4) Purchase and installation of water measuring devices in salmon critical basins and areas participating in the department of fish and wildlife fish screening and cooperative compliance program, and basins where watershed plans call for additional water use measurement.

(5) Acquisition of water to achieve instream flows or to establish water banks. The department shall give priority to acquisitions in salmon critical basins. The department shall place acquired water into the state's trust water rights program (chapters 90.38 and 90.42 RCW).

(6) Up to \$200,000 of the appropriation is provided for a portion of the costs of the Ahtanum creek watershed restoration program, including construction of the Pine Hollow reservoir, provided there is agreement among the Yakama nation, Ahtanum irrigation district, and other jurisdictional federal, state, and local agencies and entities to proceed with the environmental impact statement.

(7) \$560,000 is provided solely for the Chehalis watershed.

(8) \$300,000 is provided solely for a grant to the Nisqually river foundation to support the watershed conservation plan, low-impact development program, and Nisqually river education program.

(9) Up to \$1,200,000 of the appropriation is provided for grants to lead local government entities for planning unit administrative support to watershed planning units. Such grants shall only be provided to those entities that have completed, approved plans that are actively being implemented. Grant amounts will range from \$30,000 to \$60,000, based on criteria to be developed by the

department. Criteria should consider factors including complexity of water issues, geographical size, population growth pressure, rate of plan implementation, and others issues to be determined by the department.

Appropriation:

State Building Construction Account—State . . . . .	\$14,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$64,000,000
TOTAL . . . . .	\$78,000,000

**NEW SECTION. Sec. 3055. FOR THE DEPARTMENT OF ECOLOGY**

Yakima River Basin Water Storage Feasibility Study (08-4-026)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for completion of the United States bureau of reclamation's Yakima Basin storage feasibility study, including the associated joint national environmental policy act, the state environmental policy act, and environmental impact statement. The appropriated funds shall be used by the bureau of reclamation and the department of ecology to evaluate potential in-basin storage facilities such as the proposed Black Rock and Wymer reservoirs and other reasonable alternatives that will enhance water supply in the Yakima Basin.

Appropriation:

State Building Construction Account—State . . . . .	\$3,250,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,250,000

**NEW SECTION. Sec. 3056. FOR THE DEPARTMENT OF ECOLOGY**

Transfer of Water Rights for Cabin Owners (08-1-951)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the purchase of water for domestic water users in the Yakima Basin (WRIsAs 37, 38, and 39) that have a surface water right with a priority date later than May 10, 1905, as well as for all out-of-priority surface water users in the Yakima Basin. A portion of the appropriation may be used for administrative and other costs associated with acquiring and transferring the water rights. The department shall recover all costs from participating domestic water users for their prorated portion of the cost of securing a water right or rights for this purpose and associated annual operational costs owed to the United States bureau of reclamation. Funds recovered in this manner shall be placed in the drought preparedness account.

Appropriation:

State Building Construction Account—State . . . . .	\$450,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$450,000

**NEW SECTION. Sec. 3057. FOR THE STATE PARKS AND RECREATION COMMISSION**

Spokane Centennial Trail - Unanticipated Receipt (03-2-001)

Reappropriation:

General Fund—Private/Local . . . . .	\$34,000
Prior Biennia (Expenditures) . . . . .	\$5,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$39,000

**NEW SECTION. Sec. 3058. FOR THE STATE PARKS AND RECREATION COMMISSION**

Cowan Barn and House (06-2-851)

Reappropriation:

State Building Construction Account—State . . . . .	\$250,000
Prior Biennia (Expenditures) . . . . .	\$51,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$301,000

**NEW SECTION. Sec. 3059. FOR THE STATE PARKS AND RECREATION COMMISSION**

Deception Pass - Renewed Traditions (06-2-013)

Reappropriation:

State Building Construction Account—State . . . . .	\$770,000
Prior Biennia (Expenditures) . . . . .	\$100,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$870,000

**NEW SECTION. Sec. 3060. FOR THE STATE PARKS AND RECREATION COMMISSION**

Facility Preservation - Facilities (06-1-004)

Reappropriation:

State Building Construction Account—State . . . . .	\$6,000,000
Prior Biennia (Expenditures) . . . . .	\$4,419,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$10,419,000

**NEW SECTION. Sec. 3061. FOR THE STATE PARKS AND RECREATION COMMISSION**

Fort Worden - Facilities (06-1-003)

Reappropriation:

State Building Construction Account—State . . . . .	\$432,000
Prior Biennia (Expenditures) . . . . .	\$838,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,270,000

**NEW SECTION. Sec. 3062. FOR THE STATE PARKS AND RECREATION COMMISSION**

Historic Stewardship - Stewardship (06-1-002)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,485,000
Prior Biennia (Expenditures) . . . . .	\$117,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,602,000

**NEW SECTION. Sec. 3063. FOR THE STATE PARKS AND RECREATION COMMISSION**

Ice Age Floods - Cherished Resources (06-2-014)

Reappropriation:

State Building Construction Account—State . . . . .	\$2,150,000
Prior Biennia (Expenditures) . . . . .	\$78,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,228,000

**NEW SECTION. Sec. 3064. FOR THE STATE PARKS AND RECREATION COMMISSION**

Natural Resources - Stewardship (06-1-001)

Reappropriation:

State Building Construction Account—State . . . . .	\$600,000
Prior Biennia (Expenditures) . . . . .	\$89,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$689,000

**NEW SECTION. Sec. 3065. FOR THE STATE PARKS AND RECREATION COMMISSION**

Park Development (06-1-950)

Reappropriation:

State Building Construction Account—State . . . . .	\$300,000
Prior Biennia (Expenditures) . . . . .	\$415,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$715,000

**NEW SECTION. Sec. 3066. FOR THE STATE PARKS AND RECREATION COMMISSION**

Revenue Creation - Financial Strategy (06-2-010)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,100,000
Prior Biennia (Expenditures) . . . . .	\$250,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,350,000

**NEW SECTION. Sec. 3067. FOR THE STATE PARKS AND RECREATION COMMISSION**

Rocky Reach - Chelan County Public Utility District (06-1-023)



The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided to construct and surface the northern mile of Rocky Reach trail, and partially fund installation of signs, interpretive panels, and bridges related to the 5.1 mile project.

Reappropriation:

Parks Renewal and Stewardship Account—	
Private/Local . . . . .	\$500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$500,000

**NEW SECTION. Sec. 3068. FOR THE STATE PARKS AND RECREATION COMMISSION**

Southeast Washington Parks (06-2-852)

Reappropriation:

State Building Construction Account—State . . . . .	
Prior Biennia (Expenditures) . . . . .	\$2,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$219,000

**NEW SECTION. Sec. 3069. FOR THE STATE PARKS AND RECREATION COMMISSION**

Statewide Boat Pumpout - Federal Clean Vessel Act (06-4-018)

Reappropriation:

General Fund—Federal . . . . .	
Prior Biennia (Expenditures) . . . . .	\$40,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$736,000

**NEW SECTION. Sec. 3070. FOR THE STATE PARKS AND RECREATION COMMISSION**

Trails (06-2-017)

Reappropriation:

State Building Construction Account—State . . . . .	
Prior Biennia (Expenditures) . . . . .	\$208,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$649,000

**NEW SECTION. Sec. 3071. FOR THE STATE PARKS AND RECREATION COMMISSION**

Hood Canal Wastewater (06-1-850)

Reappropriation:

Hood Canal Aquatic Rehabilitation Bond	
Account—State . . . . .	\$5,100,000
Prior Biennia (Expenditures) . . . . .	\$702,000
Future Biennia (Projected Costs) . . . . .	\$0

TOTAL ..... \$5,802,000

**NEW SECTION. Sec. 3072. FOR THE STATE PARKS AND RECREATION COMMISSION**

Puget Sound Wastewater (06-1-851)

Reappropriation:

State Building Construction Account—State ..... \$6,100,000

Prior Biennia (Expenditures) ..... \$1,095,000

Future Biennia (Projected Costs) ..... \$0

TOTAL ..... \$7,195,000

**NEW SECTION. Sec. 3073. FOR THE STATE PARKS AND RECREATION COMMISSION**

Sustainable Development and Restoration (06-1-011)

Reappropriation:

State Toxics Control Account—State ..... \$80,000

Prior Biennia (Expenditures) ..... \$412,000

Future Biennia (Projected Costs) ..... \$0

TOTAL ..... \$492,000

**NEW SECTION. Sec. 3074. FOR THE STATE PARKS AND RECREATION COMMISSION**

Cama Beach - New Destinations (06-2-011)

Reappropriation:

State Building Construction Account—State ..... \$4,015,000

Appropriation:

State Building Construction Account—State ..... \$1,800,000

Prior Biennia (Expenditures) ..... \$305,000

Future Biennia (Projected Costs) ..... \$0

TOTAL ..... \$6,120,000

**NEW SECTION. Sec. 3075. FOR THE STATE PARKS AND RECREATION COMMISSION**

Bay View Park Wide Wastewater Treatment System (08-2-041)

Appropriation:

State Building Construction Account—State ..... \$2,187,000

Prior Biennia (Expenditures) ..... \$0

Future Biennia (Projected Costs) ..... \$0

TOTAL ..... \$2,187,000

**NEW SECTION. Sec. 3076. FOR THE STATE PARKS AND RECREATION COMMISSION**

Beacon Rock-Pierce Trust Grant (08-4-034)

Appropriation:

Parks Renewal and Stewardship Account—

Private/Local ..... \$25,000

Prior Biennia (Expenditures) ..... \$0

Future Biennia (Projected Costs) . . . . .	\$100,000
TOTAL . . . . .	\$125,000

**NEW SECTION. Sec. 3077. FOR THE STATE PARKS AND RECREATION COMMISSION**

Belfair Major Park Upgrade (08-1-018)

Appropriation:

State Building Construction Account—State . . . . .	\$400,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$2,500,000
TOTAL . . . . .	\$2,900,000

**NEW SECTION. Sec. 3078. FOR THE STATE PARKS AND RECREATION COMMISSION**

Cape Disappointment Major Park Upgrade (08-1-012)

Appropriation:

State Building Construction Account—State . . . . .	\$500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$4,219,000
TOTAL . . . . .	\$4,719,000

**NEW SECTION. Sec. 3079. FOR THE STATE PARKS AND RECREATION COMMISSION**

Clean Vessel Boating Pumpout Grants (08-4-035)

The appropriation in this section is subject to the following conditions and limitations: The commission shall coordinate with the department of natural resources to develop a plan to transition the boat pumpout grant program to the department of natural resources. The legislature intends to accelerate the use of the federal money for boat pumpouts and integrate the grant program with the aquatic lands leasing program of the department of natural resources. The transition plan shall be submitted to the office of financial management and the appropriate committees of the legislature by September 1, 2007.

Appropriation:

General Fund—Federal . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$2,000,000
TOTAL . . . . .	\$3,000,000

**NEW SECTION. Sec. 3080. FOR THE STATE PARKS AND RECREATION COMMISSION**

Deferred Maintenance (08-1-025)

The appropriation in this section is subject to the following conditions and limitations: The department shall develop a plan of action, agreed upon between the office of financial management and the appropriate fiscal committees of the legislature by September 1, 2007. Up to \$200,000 of the appropriation may be used for systems necessary to implement the plan. The plan shall address the

conclusions and key findings in the 2006 study of the department's capital development, execution, and monitoring process, including but not limited to:

- (1) The capital budget submittal and approval process;
- (2) Emergent needs and unforeseen cost overruns;
- (3) Adherence to project budgets and schedules;
- (4) Project completion rate;
- (5) Agency expenditure of capital budget appropriations;
- (6) Permitting delays;
- (7) The number of projects with complete close-out;
- (8) Project funding sources by project, phase, and/or activity;
- (9) Movement of project funding sources from original appropriation;
- (10) Satisfaction levels of operations staff and end users; and
- (11) Instances of noncompliance with environmental regulations.

Appropriation:

State Building Construction Account—State . . . . .	\$3,500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$14,000,000
TOTAL . . . . .	\$17,500,000

**NEW SECTION. Sec. 3081. FOR THE STATE PARKS AND RECREATION COMMISSION**

Visible Park Improvements (08-1-951)

Appropriation:

State Building Construction Account—State . . . . .	\$10,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$10,000,000

**NEW SECTION. Sec. 3082. FOR THE STATE PARKS AND RECREATION COMMISSION**

Emergency Repairs (08-1-024)

Appropriation:

State Building Construction Account—State . . . . .	\$600,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$1,200,000
TOTAL . . . . .	\$1,800,000

**NEW SECTION. Sec. 3083. FOR THE STATE PARKS AND RECREATION COMMISSION**

Federal Grant Authority (08-4-032)

Appropriation:

General Fund—Federal . . . . .	\$500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$2,000,000
TOTAL . . . . .	\$2,500,000

**NEW SECTION. Sec. 3084. FOR THE STATE PARKS AND RECREATION COMMISSION**  
Historic Preservation (08-1-002)

The appropriation in this section is subject to the following conditions and limitations:

- (1) \$500,000 of the appropriation is provided solely for the design, permits, and drawings for the seminary building at St. Edward State Park.
- (2) \$500,000 of the appropriation is provided solely for improvements to prevent further degradation of the seminary building.

Appropriation:

State Building Construction Account—State .....	\$7,101,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$14,500,000
TOTAL .....	\$21,601,000

**NEW SECTION. Sec. 3085. FOR THE STATE PARKS AND RECREATION COMMISSION**  
Ice Age Flood (08-2-037)

The appropriation in this section is subject to the following conditions and limitations:

- (1) \$3,000,000 of the appropriation is provided solely for a grant for the Hanford Reach national monument heritage and visitor center. The funds may be used for preconstruction activities.
- (2) \$100,000 is provided solely for the department to prepare interpretive materials describing the ice age floods.

Appropriation:

State Building Construction Account—State .....	\$3,100,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$3,100,000

**NEW SECTION. Sec. 3086. FOR THE STATE PARKS AND RECREATION COMMISSION**  
Local Grant Authority (08-4-033)

Appropriation:

Parks Renewal and Stewardship Account—Private/Local .....	\$500,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$2,000,000
TOTAL .....	\$2,500,000

**NEW SECTION. Sec. 3087. FOR THE STATE PARKS AND RECREATION COMMISSION**  
Minor Works - Facility Preservation (08-1-001)

Appropriation:

State Building Construction Account—State .....	\$9,000,000
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Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$40,000,000
TOTAL . . . . .	\$49,000,000

**NEW SECTION. Sec. 3088. FOR THE STATE PARKS AND RECREATION COMMISSION**

Parkland Acquisition (08-2-031)

The appropriation in this section is subject to the following conditions and limitations: The state parks and recreation commission shall provide lists of potential purchases and sales to the office of financial management and the appropriate policy and fiscal committees of the legislature prior to committing the state parks and recreation commission to any sale or purchase of land or buildings and prior to any allotments made for those purchases. The list shall include any potential operating or capital cost impacts known to the state parks and recreation commission.

Appropriation:

Parkland Acquisition Account—State . . . . .	\$4,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$16,000,000
TOTAL . . . . .	\$20,000,000

**NEW SECTION. Sec. 3089. FOR THE STATE PARKS AND RECREATION COMMISSION**

Pearrygin Lake Major Park Upgrade (08-2-016)

Appropriation:

State Building Construction Account—State . . . . .	\$1,367,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$3,633,000
TOTAL . . . . .	\$5,000,000

**NEW SECTION. Sec. 3090. FOR THE STATE PARKS AND RECREATION COMMISSION**

Road Preservation (08-1-036)

Appropriation:

State Building Construction Account—State . . . . .	\$3,700,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,700,000

**NEW SECTION. Sec. 3091. FOR THE STATE PARKS AND RECREATION COMMISSION**

Storm Water Improvements (08-1-027)

Appropriation:

State Building Construction Account—State . . . . .	\$571,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$3,000,000
TOTAL . . . . .	\$3,571,000

**NEW SECTION. Sec. 3092. FOR THE STATE PARKS AND RECREATION COMMISSION**  
Trail Development (08-1-008)

The appropriation in this section is subject to the following conditions and limitations:

- (1) \$500,000 of the appropriation is provided solely to construct the ecological trail from Baker Bay to the Pacific ocean at Cape Disappointment state park, as identified in the commission's master capital plan.
- (2) \$350,000 of the appropriation is provided solely for upgrades to the Squak mountain trail.

Appropriation:

State Building Construction Account—State . . . . .	\$4,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,000,000

**NEW SECTION. Sec. 3093. FOR THE STATE PARKS AND RECREATION COMMISSION**  
Statewide Boat Pumpout (04-4-014)

The appropriation in this section is subject to the following conditions and limitations: The commission shall coordinate with the department of natural resources to develop a plan to transition the boat pumpout grant program to the department of natural resources. The legislature intends to accelerate the use of the federal money for boat pumpouts and integrate the grant program with the aquatic lands leasing program of the department of natural resources. The transition plan shall be submitted to the office of financial management and the appropriate committees of the legislature by September 1, 2007.

Reappropriation:

General Fund—Federal . . . . .	\$497,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$497,000

**NEW SECTION. Sec. 3094. FOR THE STATE PARKS AND RECREATION COMMISSION**  
Cama Beach Donation (06-2-853)

Reappropriation:

General Fund—Private/Local . . . . .	\$1,716,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,716,000

**NEW SECTION. Sec. 3095. FOR THE STATE PARKS AND RECREATION COMMISSION**  
Lake Sammamish Major Park Upgrade (08-1-014)

Appropriation:

State Building Construction Account—State .....	\$1,033,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$1,033,000

**NEW SECTION. Sec. 3096. FOR THE STATE PARKS AND RECREATION COMMISSION**

City to Mountains Regional Gap Fund (08-1-950)

Appropriation:

State Building Construction Account—State .....	\$3,600,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$3,600,000

**NEW SECTION. Sec. 3097. FOR THE STATE PARKS AND RECREATION COMMISSION**

Nisqually Mashel State Park (08-1-953)

Appropriation:

State Building Construction Account—State .....	\$500,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$500,000

**NEW SECTION. Sec. 3098. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Boating Facilities Projects (98-2-001)

Reappropriation:

Recreation Resources Account—State .....	\$1,369,000
Prior Biennia (Expenditures) .....	\$18,187,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$19,556,000

**NEW SECTION. Sec. 3099. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Firearms and Archery Range Program (98-2-004)

Reappropriation:

Firearms Range Account—State .....	\$25,000
Prior Biennia (Expenditures) .....	\$549,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$574,000

**NEW SECTION. Sec. 3100. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Nonhighway Off-Road Vehicle Program (NOVA) (98-2-002)

Reappropriation:

Nonhighway and Off-Road Vehicle Activities Program Account—State .....	\$249,000
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Prior Biennia (Expenditures) . . . . .	\$10,847,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$11,096,000

**NEW SECTION. Sec. 3101. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Washington Wildlife and Recreation Program (98-2-003)

Reappropriation:

Outdoor Recreation Account—State . . . . .	\$1,767,000
Habitat Conservation Account—State . . . . .	\$2,252,000
Subtotal Reappropriation . . . . .	\$4,019,000

Prior Biennia (Expenditures) . . . . .	\$73,582,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$77,601,000

**NEW SECTION. Sec. 3102. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Salmon Recovery Funding Board Programs (00-2-001)

Reappropriation:

General Fund—Federal . . . . .	\$166,000
Salmon Recovery Account—State . . . . .	\$1,175,000
Subtotal Reappropriation . . . . .	\$1,341,000

Prior Biennia (Expenditures) . . . . .	\$100,284,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$101,625,000

**NEW SECTION. Sec. 3103. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Boating Facilities Program (02-4-001)

Reappropriation:

Recreation Resources Account—State . . . . .	\$766,000
Prior Biennia (Expenditures) . . . . .	\$6,167,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$6,933,000

**NEW SECTION. Sec. 3104. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Boating Infrastructure Grant (02-4-010)

Reappropriation:

Recreation Resources Account—Federal . . . . .	\$529,000
Prior Biennia (Expenditures) . . . . .	\$1,471,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,000,000

**NEW SECTION. Sec. 3105. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Firearms and Archery Range Program (02-0-001)

Reappropriation:

Firearms Range Account—State . . . . .	\$43,000
Prior Biennia (Expenditures) . . . . .	\$357,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$400,000

**NEW SECTION. Sec. 3106. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Hatchery Management Program (02-4-009)

Reappropriation:

General Fund—Federal . . . . .	\$1,482,000
Prior Biennia (Expenditures) . . . . .	\$9,719,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$11,201,000

**NEW SECTION. Sec. 3107. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Land and Water Conservation Fund (02-4-005)

Reappropriation:

Recreation Resources Account—Federal . . . . .	\$1,350,000
Prior Biennia (Expenditures) . . . . .	\$6,150,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$7,500,000

**NEW SECTION. Sec. 3108. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Nonhighway Off-Road Vehicle Program (NOVA) (02-4-002)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation for the nonhighway and off road vehicle program under RCW 46.09.170(2)(d)(i) is subject to the following conditions and limitations: A portion of the reappropriation may be used for grants to projects to research, develop, publish, and distribute informational guides and maps of nonhighway and off road vehicle trails and associated facilities meeting the requirements, guidelines, spirit, and intent of the federal Americans with disabilities act.

(2) The reappropriation for the nonhighway and off road vehicle program under RCW 46.09.170(2)(d)(ii) is subject to the following conditions and limitations: The portion of the reappropriation that applies to grants for capital facilities may be used for grants to projects that meet the requirements, guidelines, spirit, and intent of the federal Americans with disabilities act and do not compromise or impair sensitive natural resources. The portion of the reappropriation that applies to grants for management, maintenance, and operation of existing off road vehicle recreation facilities may be used to bring the facilities into compliance with the requirements, guidelines, spirit, and intent of the federal Americans with disabilities act.

(3) The reappropriation for the nonhighway and off road vehicle program under RCW 46.09.170(2)(d)(iii) is subject to the following conditions and

limitations: Funds may be expended for nonhighway road recreation facilities which may include recreational trails that are accessed by nonhighway roads and are intended solely for nonmotorized recreational uses.

Reappropriation:

Nonhighway and Off-Road Vehicle Activities	
Program Account—State . . . . .	\$69,000
Prior Biennia (Expenditures) . . . . .	\$5,459,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,528,000

**NEW SECTION. Sec. 3109. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Salmon Recovery Funding Board Programs (02-4-007)

Reappropriation:

General Fund—Federal . . . . .	\$8,470,000
State Building Construction Account—State . . . . .	\$2,786,000
Subtotal Reappropriation . . . . .	\$11,256,000
Prior Biennia (Expenditures) . . . . .	\$63,737,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$74,993,000

**NEW SECTION. Sec. 3110. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Washington Wildlife and Recreation Program (02-4-003)

The reappropriations in this section are subject to the following conditions and limitations: Any amount of the reappropriations that is not obligated to a specific project may be used to fund projects in the following order: (1) The department of natural resources Cypress Island project; and (2) alternate projects approved by the legislature from the same account in biennia succeeding that in which the funds were originally appropriated.

Reappropriation:

Outdoor Recreation Account—State . . . . .	\$299,000
Habitat Conservation Account—State . . . . .	\$1,164,000
Subtotal Reappropriation . . . . .	\$1,463,000
Prior Biennia (Expenditures) . . . . .	\$43,537,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$45,000,000

**NEW SECTION. Sec. 3111. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Aquatic Lands Enhancement (04-4-018)

Reappropriation:

Aquatic Lands Enhancement Account—State . . . . .	\$1,395,000
Prior Biennia (Expenditures) . . . . .	\$3,962,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,357,000

NEW SECTION. Sec. 3112. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION Boating Facilities Program (04-4-003)

Reappropriation:

Recreation Resources Account—State . . . . .	\$1,501,000
Prior Biennia (Expenditures) . . . . .	\$6,006,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$7,507,000

NEW SECTION. Sec. 3113. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION Boating Infrastructure Grant (04-4-009)

Reappropriation:

General Fund—Federal . . . . .	\$720,000
Prior Biennia (Expenditures) . . . . .	\$1,280,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,000,000

NEW SECTION. Sec. 3114. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION Family Forest Fish Blockages Program (04-4-011)

Reappropriation:

State Building Construction Account—State . . . . .	\$188,000
Prior Biennia (Expenditures) . . . . .	\$1,812,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,000,000

NEW SECTION. Sec. 3115. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION Firearms and Archery Range Program (04-4-006)

Reappropriation:

Firearms Range Account—State . . . . .	\$82,000
Prior Biennia (Expenditures) . . . . .	\$169,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$251,000

NEW SECTION. Sec. 3116. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION Hatchery Management Program (04-4-010)

Reappropriation:

General Fund—Federal . . . . .	\$3,002,000
Prior Biennia (Expenditures) . . . . .	\$6,997,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$9,999,000

NEW SECTION. Sec. 3117. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Land and Water Conservation Fund (04-4-007)

Reappropriation:

General Fund—Federal . . . . .	\$1,133,000
Prior Biennia (Expenditures) . . . . .	\$4,602,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,735,000

**NEW SECTION. Sec. 3118. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

National Recreation Trails Program (04-4-008)

Reappropriation:

General Fund—Federal . . . . .	\$226,000
Prior Biennia (Expenditures) . . . . .	\$2,034,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,260,000

**NEW SECTION. Sec. 3119. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Nonhighway and Off-Road Vehicle Activities Program (NOVA) (04-4-004)

Reappropriation:

Nonhighway and Off-Road Vehicle Activities Program Account—State . . . . .	\$2,665,000
Prior Biennia (Expenditures) . . . . .	\$4,262,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$6,927,000

**NEW SECTION. Sec. 3120. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Salmon Recovery Fund Board Programs (04-4-001)

Reappropriation:

General Fund—Federal . . . . .	\$15,132,000
State Building Construction Account—State . . . . .	\$5,682,000
Subtotal Reappropriation . . . . .	\$20,814,000
Prior Biennia (Expenditures) . . . . .	\$25,561,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$46,375,000

**NEW SECTION. Sec. 3121. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Washington Wildlife and Recreation Program (04-4-002)

The reappropriations in this section are subject to the following conditions and limitations: Any amount of the reappropriations that is not obligated to a specific project may be used to fund alternate projects approved by the legislature from the same account in biennia succeeding that in which the moneys were originally appropriated.

Reappropriation:

Outdoor Recreation Account—State . . . . .	\$4,394,000
Habitat Conservation Account—State . . . . .	\$10,267,000
Subtotal Reappropriation . . . . .	\$14,661,000
Prior Biennia (Expenditures) . . . . .	\$30,339,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$45,000,000

**NEW SECTION. Sec. 3122. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Hood Canal Aquatic Rehabilitation Program (06-4-850)

Reappropriation:

Hood Canal Aquatic Rehabilitation Bond Account—State . . . . .	\$996,000
Prior Biennia (Expenditures) . . . . .	\$4,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 3123. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Aquatic Lands Enhancement Account (06-4-018)

Reappropriation:

Aquatic Lands Enhancement Account—State . . . . .	\$2,010,000
Prior Biennia (Expenditures) . . . . .	\$3,015,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,025,000

**NEW SECTION. Sec. 3124. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Boating Facilities Program (06-4-003)

Reappropriation:

Recreation Resources Account—State . . . . .	\$3,340,000
Prior Biennia (Expenditures) . . . . .	\$3,931,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$7,271,000

**NEW SECTION. Sec. 3125. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Boating Infrastructure Grant (06-4-009)

Reappropriation:

General Fund—Federal . . . . .	\$80,000
Prior Biennia (Expenditures) . . . . .	\$120,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$200,000

**NEW SECTION. Sec. 3126. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**  
 Family Forest Fish Passage Program (06-4-011)

The reappropriations in this section are subject to the following conditions and limitations:

(1) The reappropriation is provided solely for the salmon recovery funding board in consultation with the small forest landowner office of the department of natural resources and the department of fish and wildlife to provide grants to correct fish passage blockages on nonindustrial forest lands. Selection of projects must be coordinated with the other salmon recovery grant programs provided in section 3132 of this act.

(2) In addition to the annual project progress reporting requirement of RCW 43.88.160(3), the committee shall file quarterly project progress reports with the office of financial management.

Reappropriation:

General Fund—Federal . . . . .	\$35,000
State Building Construction Account—State . . . . .	\$2,502,000
Subtotal Reappropriation . . . . .	\$2,537,000
Prior Biennia (Expenditures) . . . . .	\$1,830,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,367,000

**NEW SECTION. Sec. 3127. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**  
 Firearm and Archery Range Program (06-4-006)

Reappropriation:

Firearms Range Account—State . . . . .	\$113,000
Prior Biennia (Expenditures) . . . . .	\$109,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$222,000

**NEW SECTION. Sec. 3128. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**  
 Improve Hatchery Management (06-4-010)

Reappropriation:

General Fund—Federal . . . . .	\$2,400,000
Prior Biennia (Expenditures) . . . . .	\$3,600,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$6,000,000

**NEW SECTION. Sec. 3129. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**  
 Land and Water Conservation Fund (06-4-007)

Reappropriation:

General Fund—Federal . . . . .	\$3,150,000
Prior Biennia (Expenditures) . . . . .	\$1,350,000

Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$4,500,000

**NEW SECTION. Sec. 3130. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**  
National Recreation Trails Program (06-4-008)

Reappropriation:

General Fund—Federal.....	\$1,830,000
Prior Biennia (Expenditures).....	\$970,000
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$2,800,000

**NEW SECTION. Sec. 3131. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**  
Nonhighway and Off-Road Vehicle Program (NOVA) (06-4-004)

The reappropriation in this section is subject to the following conditions and limitations: Up to \$100,000 of the reappropriation is for the following studies:

(1) The committee shall prepare cost estimates for creating a database of motorized and nonmotorized off-road trails and facilities in Washington state. The cost estimate shall consider the possibility of a database that allows the downloading of maps formatted for the most widely used GPS devices, including the feasibility and cost to make GPS maps readily available for all users of Washington recreational lands and facilities. For this purpose, available GPS maps shall include GPS maps developed by state agencies, by federal agencies, and proprietary maps offered by private companies.

(2) The committee shall recommend a program for enhanced education and enforcement regarding excessive noise from off-road vehicles. The study shall include a review of relevant existing laws and regulations. The recommendations shall address the appropriate equipment needed for enforcement, model ordinances, enhanced educational strategies, and a proposed grant program to assist local governments to more effectively reduce the impact of excessive ORV noise in rural residential neighborhoods and nonresidential areas, including consideration of grant programs for planning departments, code enforcement departments, health departments, or other entities of local government.

Reappropriation:

Nonhighway and Off-Road Vehicle Activities	
Program Account—State.....	\$5,157,000
Prior Biennia (Expenditures).....	\$2,422,000
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$7,579,000

**NEW SECTION. Sec. 3132. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**  
Salmon Recovery Fund Board Programs (06-4-001)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are provided solely for grants for salmon recovery efforts. These grants may include a grant to any regional recovery



board and/or may include grants for additional restoration projects, monitoring activities, or other salmon recovery actions.

Reappropriation:

General Fund—Federal . . . . .	\$25,739,000
State Building Construction Account—State . . . . .	\$13,412,000
Subtotal Reappropriation . . . . .	\$39,151,000
Prior Biennia (Expenditures) . . . . .	\$22,849,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$62,000,000

**NEW SECTION. Sec. 3133. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Washington Wildlife and Recreation Program (06-4-002)

The reappropriations in this section are subject to the following conditions and limitations:

(1) The reappropriation is provided for the approved list of projects in LEAP capital document No. 2005-14 as developed on April 9, 2005.

(2) Funds reappropriated for distribution according to RCW 79A.15.050 shall fulfill the uses and restrictions of each category whether the funds are distributed according to the statutory allotment, the unallocated distribution, or a reassignment of reappropriations. If the cumulative total for acquisition projects is less than the statutory requirement, the difference may be allocated to the remaining development projects.

(3) Funds reappropriated for distribution according to the provisions of RCW 79A.15.040(1)(c) shall be allocated forty percent to local government projects and sixty percent to state agency projects. If the cumulative total of local government projects is less than forty percent of the total distribution to this category, the difference may be allocated to state agency projects.

Reappropriation:

Outdoor Recreation Account—State . . . . .	\$13,363,000
Habitat Conservation Account—State . . . . .	\$17,062,000
Subtotal Reappropriation . . . . .	\$30,425,000
Prior Biennia (Expenditures) . . . . .	\$19,575,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$50,000,000

**NEW SECTION. Sec. 3134. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Youth Athletic Fields (06-2-952)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is provided solely for competitive grants for acquisition, development, and renovation of youth athletic fields. The committee shall follow the applicable rules of the youth athletic facilities program, except that grants for maintenance are not eligible and the amount of a grant need not be in proportion to the population of the city or county where the community outdoor athletic facility is located.

Reappropriation:

State Building Construction Account—State . . . . .	\$2,500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,500,000

**NEW SECTION. Sec. 3135. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Aquatic Lands Enhancement Account (08-4-005)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the list of projects in LEAP capital document No. 2007-1, developed March 17, 2007.

(2) The committee shall submit a list of recommended projects to be funded from the aquatic lands enhancement account in the 2009-2011 capital budget to the office of financial management and the appropriate legislative committees. The list shall result from a competitive grants program developed by the committee based upon, at a minimum: (a) Uniform criteria for selecting projects and awarding grants for up to fifty percent of the total projects cost; (b) local community support for the projects; and (c) environmental benefits to be derived from projects.

Appropriation:

Aquatic Lands Enhancement Account—State . . . . .	\$5,025,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$20,100,000
TOTAL . . . . .	\$25,125,000

**NEW SECTION. Sec. 3136. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Boating Facilities Program (08-4-001)

Appropriation:

Recreation Resources Account—State . . . . .	\$8,021,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$35,688,000
TOTAL . . . . .	\$43,709,000

**NEW SECTION. Sec. 3137. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Boating Improvement Grants (08-4-002)

Appropriation:

General Fund—Federal . . . . .	\$200,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$800,000
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 3138. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**  
Family Forest and Fish Passage Program (08-2-001)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the salmon recovery funding board in consultation with the small forest landowner office of the department of natural resources and the department of fish and wildlife to provide grants to correct fish passage blockages on nonindustrial forest lands. Selection of projects must be coordinated with the other salmon recovery grant programs provided in section 3140 of this act.

(2) In addition to the annual project progress reporting requirement of RCW 43.88.160(3), the committee shall file quarterly project progress reports with the office of financial management.

Appropriation:

State Building Construction Account—State . . . . .	\$6,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$24,000,000
TOTAL . . . . .	\$30,000,000

**NEW SECTION. Sec. 3139. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**  
Firearms and Archery Range Recreation (08-4-003)

Appropriation:

Firearms Range Account—State . . . . .	\$472,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$1,007,000
TOTAL . . . . .	\$1,479,000

**NEW SECTION. Sec. 3140. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**  
Salmon Recovery Funding Board Programs (SRFB) (08-4-851)

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are provided solely for grants for salmon recovery efforts. These grants may include grants to any regional recovery board and/or may include grants for additional restoration projects, monitoring activities, or other salmon recovery actions.

(2) The administrative funding currently provided by the salmon recovery funding board for the regional salmon recovery organization in Puget Sound shall be redirected to the Puget Sound partnership created in chapter . . . ([House][Senate] Bill No. ....), Laws of 2007 (Z-0369, Puget Sound partnership).

(3) Prior to awarding project grants for projects in Puget Sound, the salmon recovery funding board shall submit the list of proposed projects to the Puget Sound partnership for their review. The Puget Sound partnership shall provide their comments back to the salmon recovery funding board within forty-five days of receiving the proposed list of projects.

Appropriation:

General Fund—Federal . . . . .	\$42,000,000
State Building Construction Account—State . . . . .	\$18,000,000
Subtotal Appropriation . . . . .	\$60,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$240,000,000
TOTAL . . . . .	\$300,000,000

**NEW SECTION. Sec. 3141. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Hatchery Reform Program (08-4-006)

Appropriation:

General Fund—Federal . . . . .	\$6,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$32,000,000
TOTAL . . . . .	\$38,000,000

**NEW SECTION. Sec. 3142. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Land and Water Conservation (08-4-007)

Appropriation:

General Fund—Federal . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$4,000,000
TOTAL . . . . .	\$5,000,000

**NEW SECTION. Sec. 3143. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

National Recreational Trails Program (08-4-009)

Appropriation:

General Fund—Federal . . . . .	\$3,500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$14,000,000
TOTAL . . . . .	\$17,500,000

**NEW SECTION. Sec. 3144. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Nonhighway Off-Road Vehicle Activities (08-4-008)

The appropriation in this section is subject to the following conditions and limitations: \$450,000 of the appropriation is provided solely for grants to local law enforcement and noise enforcement agencies for the enforcement of existing state noise laws and regulations. Grants may be used to acquire noise monitoring equipment and to compensate law enforcement agencies for staff overtime and administrative expenses.

Appropriation:

Nonhighway Off-Road Vehicle Activities Program	
Account—State . . . . .	\$9,036,000

Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$42,945,000
TOTAL . . . . .	\$51,981,000

**NEW SECTION. Sec. 3145. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Puget Sound Restoration and Acquisition (08-4-004)

The appropriation in this section is subject to the following conditions and limitations:

(1) Prior to awarding project grants, the salmon recovery funding board shall provide the Puget Sound partnership, as created by chapter . . . (Engrossed Substitute Senate Bill No. 5372), Laws of 2007, the opportunity to review and provide comment on proposed projects and activities recommended for funding. This review shall be consistent with the funding schedule for the program.

(2) All estuary projects shall be submitted for review and coordination with the executive committee of the Puget Sound nearshore partnership between the department of fish and wildlife and the United States army corps of engineers.

Appropriation:

State Building Construction Account—State . . . . .	\$40,750,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$160,000,000
TOTAL . . . . .	\$200,750,000

**NEW SECTION. Sec. 3146. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Washington Wildlife Recreation Grants (08-4-011)

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations are provided solely for the approved list of projects in LEAP capital document No. 2007-3 as developed on March 17, 2007.

(2) If additional funds are available after funding the farmlands preservation account projects approved in subsection (1) of this section, the committee may:

(a) Provide one-time grants of up to \$25,000 each to counties requesting assistance in developing farmlands preservation strategies for the purpose of seeking grants from the farmlands preservation account in future grant cycles.

(b) Conduct a second grant cycle in the 2007-2009 biennium for farmlands preservation projects. A ranked list of farmlands preservation projects may be submitted to the governor by November 1, 2007, for approval in the 2008 supplemental capital budget. The governor may remove projects from the list recommended by the committee and shall submit this amended list in the supplemental capital budget request to the legislature.

(3) Funds appropriated for distribution according to the provisions of RCW 79A.15.040(1)(c) shall be allocated forty percent to local government projects and sixty percent to state agency projects. If the cumulative total of local government projects is less than forty percent of the total distribution to this category, the difference may be allocated to state agency projects.

(4) \$627,299 of the appropriation from the riparian protection account is provided solely for the Chehalis river surge plain natural area preserve. This

amount shall not be expended for the project until the department of natural resources has completed a management plan for the preserve that maintains recreational access and that management plan is presented to the house of representatives capital budget and senate ways and means committees.

Appropriation:

Outdoor Recreation Account—State . . . . .	\$36,000,000
Farmlands Preservation Account—State . . . . .	\$9,000,000
Riparian Protection Account—State . . . . .	\$19,000,000
Habitat Conservation Account—State . . . . .	\$36,000,000
Subtotal Appropriation . . . . .	\$100,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$280,000,000
TOTAL . . . . .	\$380,000,000

**NEW SECTION. Sec. 3147. FOR THE STATE CONSERVATION COMMISSION**

Conservation Reserve Enhancement Program (06-4-001)

The reappropriation in this section is subject to the following conditions and limitations: The total cumulative dollar value of state conservation reserve enhancement program grant obligations incurred by the conservation commission and conservation districts shall not exceed \$20,000,000, as provided in the conservation reserve enhancement program agreement between the United States department of agriculture, commodity credit corporation, and the state of Washington executed on October 19, 1998, and subsequent amendments.

Reappropriation:

State Building Construction Account—State . . . . .	\$1,936,000
Prior Biennia (Expenditures) . . . . .	\$64,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,000,000

**NEW SECTION. Sec. 3148. FOR THE STATE CONSERVATION COMMISSION**

Livestock Water Quality - Landowner Cost Share (06-4-006)

Reappropriation:

Water Quality Capital Account—State . . . . .	\$10,000
Prior Biennia (Expenditures) . . . . .	\$2,490,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,500,000

**NEW SECTION. Sec. 3149. FOR THE STATE CONSERVATION COMMISSION**

Puget Sound District Grants (06-4-003)

Reappropriation:

Water Quality Capital Account—State . . . . .	\$100,000
Prior Biennia (Expenditures) . . . . .	\$1,605,000
Future Biennia (Projected Costs) . . . . .	\$0

TOTAL .....	\$1,705,000
<b>NEW SECTION. Sec. 3150. FOR THE STATE CONSERVATION COMMISSION</b>	
Water Quality Grants Program (06-4-007)	
Reappropriation:	
Water Quality Capital Account—State .....	\$300,000
Prior Biennia (Expenditures) .....	\$6,450,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$6,750,000
<b>NEW SECTION. Sec. 3151. FOR THE STATE CONSERVATION COMMISSION</b>	
Skokomish Anaerobic Digester (06-4-009)	
Reappropriation:	
State Building Construction Account—State .....	\$500,000
Prior Biennia (Expenditures) .....	\$60,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$560,000
<b>NEW SECTION. Sec. 3152. FOR THE STATE CONSERVATION COMMISSION</b>	
Land Restoration (07-1-001)	
Reappropriation:	
State Building Construction Account—State .....	\$587,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$587,000
<b>NEW SECTION. Sec. 3153. FOR THE STATE CONSERVATION COMMISSION</b>	
Conservation Reserve Enhancement Program Cost Share (08-4-005)	
Appropriation:	
State Building Construction Account—State .....	\$1,170,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$1,170,000
<b>NEW SECTION. Sec. 3154. FOR THE STATE CONSERVATION COMMISSION</b>	
Conservation Reserve Enhancement Program Water Quality (08-4-002)	
Appropriation:	
State Building Construction Account—State .....	\$709,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$709,000

**NEW SECTION. Sec. 3155. FOR THE STATE CONSERVATION COMMISSION**

Practice Incentive Payment Loan Program (08-4-004)

Appropriation:

Conservation Assistance Revolving Account—State . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$3,000,000
TOTAL . . . . .	\$4,000,000

**NEW SECTION. Sec. 3156. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Deschutes Watershed Center (06-2-008)

The reappropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the design of the Deschutes Watershed center.

Reappropriation:

State Building Construction Account—State . . . . .	\$582,000
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Appropriation:

State Building Construction Account—State . . . . .	\$2,345,000
Prior Biennia (Expenditures) . . . . .	\$268,000
Future Biennia (Projected Costs) . . . . .	\$21,500,000
TOTAL . . . . .	\$24,695,000

**NEW SECTION. Sec. 3157. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Department of Natural Resources Land Exchange - Shrub Steppe (06-2-851)

The reappropriation in this section is subject to the following conditions and limitations: Funding is provided solely to appraise the value of lands for exchange with the department of natural resources. Forest lands transferred to the department of natural resources under this section shall be actively managed by the department under a cooperative agreement with surrounding public and private landowners to implement landscape scale restoration and other management objectives.

Reappropriation:

State Building Construction Account—State . . . . .	\$250,000
Prior Biennia (Expenditures) . . . . .	\$250,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$500,000

**NEW SECTION. Sec. 3158. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Facility, Infrastructure, Lands, and Access Condition Improvements (06-1-002)



The reappropriation in this section is subject to the following conditions and limitations: Up to \$5,000 of the reappropriation in this section is for bank stabilization of the south Toledo access road.

Reappropriation:

State Building Construction Account—State	\$1,937,000
Prior Biennia (Expenditures)	\$4,520,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,457,000

**NEW SECTION, Sec. 3159. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Fish and Wildlife Opportunity Improvements (06-2-004)

Reappropriation:

State Building Construction Account—State	\$155,000
Wildlife Account—State	\$1,235,000
Subtotal Reappropriation	\$1,390,000
Prior Biennia (Expenditures)	\$610,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,000,000

**NEW SECTION, Sec. 3160. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Hatchery Reform, Retrofits, and Condition Improvements (06-1-001)

Reappropriation:

State Building Construction Account—State	\$2,195,000
Prior Biennia (Expenditures)	\$4,076,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,271,000

**NEW SECTION, Sec. 3161. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Fish and Wildlife Population and Habitat Protection (06-1-003)

Reappropriation:

Wildlife Account—State	\$288,750
Prior Biennia (Expenditures)	\$311,250
Future Biennia (Projected Costs)	\$0
TOTAL	\$600,000

**NEW SECTION, Sec. 3162. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Sinlahekin Creek Dams - Flood Damage Repair (07-1-004)

Reappropriation:

State Building Construction Account—State	\$70,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$70,000

**NEW SECTION. Sec. 3163. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Region 1 Office - Complete Phase 1 (07-2-009)

Reappropriation:

State Building Construction Account—State . . . . .	\$588,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$588,000

**NEW SECTION. Sec. 3164. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

2006 Flood Damage (08-1-006)

Appropriation:

State Building Construction Account—State . . . . .	\$630,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$630,000

**NEW SECTION. Sec. 3165. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Aquatic Lands Enhancement Account (08-2-017)

Appropriation:

Aquatic Lands Enhancement Account—State . . . . .	\$350,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$350,000

**NEW SECTION. Sec. 3166. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Chambers Creek Adult Trap - Phase 2 (08-1-004)

Appropriation:

State Building Construction Account—State . . . . .	\$252,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$252,000

**NEW SECTION. Sec. 3167. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Migratory Waterfowl Habitat (08-2-045)

Appropriation:

Wildlife Account—State . . . . .	\$700,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$700,000

**NEW SECTION. Sec. 3168. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Dole Bee Be Property (06-1-950)

Reappropriation:

State Building Construction Account—State	\$380,000
Prior Biennia (Expenditures)	\$570,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$950,000

**NEW SECTION. Sec. 3169. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Emergency Projects (08-1-019)

Appropriation:

State Building Construction Account—State	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$2,000,000
TOTAL	\$2,500,000

**NEW SECTION. Sec. 3170. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Methow Culverts Replacement (08-1-027)

Appropriation:

State Building Construction Account—State	\$754,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$994,000
TOTAL	\$1,748,000

**NEW SECTION. Sec. 3171. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Minor Works - Facility Preservation (08-1-013)

The appropriation in this section is subject to the following conditions and limitations: The department shall develop a plan of action, agreed upon between the office of financial management and the appropriate fiscal committees of the legislature by September 1, 2007. Up to \$200,000 of the appropriation may be used for systems necessary to implement the plan. The plan shall address the conclusions and key findings in the 2006 study of the department's capital development, execution, and monitoring process, including but not limited to:

- (1) The commitment and role of senior management to improve and change the department's capital budget practices;
- (2) The clarification of the commission's role and responsibility for the capital budget process;
- (3) The development of capital program performance measures;
- (4) The alignment of the capital budget process with the department's strategic plan and priorities;
- (5) The implementation of a project scoping process;
- (6) The prioritization of capital projects, including both maintenance and other capital activities;
- (7) The review of business lines; and
- (8) The review of construction project delivery and organization.

Appropriation:

State Building Construction Account—State . . . . .	\$3,525,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,525,000

**NEW SECTION. Sec. 3172. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Minor Works - Health Safety and Code Requirements (08-1-001)

Appropriation:

State Building Construction Account—State . . . . .	\$2,100,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,100,000

**NEW SECTION. Sec. 3173. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Minor Works - Infrastructure Preservation (08-1-014)

Appropriation:

State Building Construction Account—State . . . . .	\$6,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$6,000,000

**NEW SECTION. Sec. 3174. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Mitigation Projects and Dedicated Funding (08-2-048)

The appropriations in this section are subject to the following conditions and limitations: \$2,300,000 of the appropriation is provided solely for capital projects and engineering to pay the total cost of labor and materials provided by the department of fish and wildlife.

Appropriation:

General Fund—Federal . . . . .	\$22,800,000
General Fund—Private/Local . . . . .	\$3,700,000
Game Special Wildlife Account—Federal . . . . .	\$1,000,000
Game Special Wildlife Account—Private/Local . . . . .	\$625,000
Subtotal Appropriation . . . . .	\$28,125,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$106,800,000
TOTAL . . . . .	\$134,925,000

**NEW SECTION. Sec. 3175. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Puget Sound Initiative - Nearshore Salmon Restoration (06-2-001)

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are provided solely for efforts to restore nearshore habitat and estuaries in Puget Sound. The department shall focus on restoring natural nearshore processes, including protection and restoration of beach sediments and removal of existing bulkheads.

(2) The department shall provide the Puget Sound partnership, as created by chapter . . . (Engrossed Substitute Senate Bill No. 5372), Laws of 2007 the opportunity to review and provide comment on proposed projects and activities recommended for funding. This review shall be consistent with the funding schedule for the program.

(3) Funded projects require a nonstate match or in-kind contributions. The department shall seek to maximize the amount of nonstate match from local, state, tribal, and federal partners. Individual projects require a minimum 33 percent cash or in-kind match.

(4) Eligible projects must be within Puget Sound and identified by a salmon recovery lead entity or marine resource committee and identified in a current salmon recovery, watershed, or nearshore habitat restoration and protection plan.

(5) Project evaluation criteria shall be developed by the Puget Sound nearshore steering committee. The criteria shall be consistent with the technical guidance developed by the Puget Sound nearshore science team and shall be coordinated with the salmon recovery funding board to ensure that project funding and matching requirements are maximized to the greatest extent possible.

(6) The department shall not utilize any amount of this appropriation to support administration or overhead. Funding to support the administration of the funds and the implementation of selected projects shall be obtained from the department's operating budget.

(7) In recognition of the urgent need to complete the Puget Sound nearshore ecosystem restoration project general investigation, up to \$723,000 of this appropriation may be used to match federal funds implementing the cost-share agreement between the department and the United States army corps of engineers.

(8) \$3,746,875 of the appropriation is provided solely for the following projects:

Project	Amount
Carpenter creek estuary phase 1 (South Kingston road)	\$637,000
Duwamish Garden estuary restoration	\$1,400,000
Seahurst Park bulkhead phase II	\$1,100,000
Lower Dosewallips floodplain	\$609,875
Reappropriation:	
State Building Construction Account—State . . . . .	\$2,300,000
Appropriation:	
State Building Construction Account—State . . . . .	\$12,000,000
General Fund—Federal . . . . .	\$1,000,000
Subtotal Appropriation . . . . .	\$13,000,000
Prior Biennia (Expenditures) . . . . .	\$200,000
Future Biennia (Projected Costs) . . . . .	\$28,000,000
TOTAL . . . . .	\$43,500,000

**NEW SECTION. Sec. 3176. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Ranch Lands Irrigation Efficiencies (06-2-952)

The reappropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for irrigation efficiency projects on ranch lands owned by the department.

Reappropriation:

State Building Construction Account—State	\$400,000
Prior Biennia (Expenditures)	\$200,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$600,000

**NEW SECTION. Sec. 3177. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Skookumchuck Hatchery Renovation - Phase 2 (08-2-015)

Appropriation:

State Building Construction Account—State	\$528,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$3,389,000
TOTAL	\$3,917,000

**NEW SECTION. Sec. 3178. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Spokane Region One Office - Phase 2 (08-2-008)

As of the effective date of this section, the department of fish and wildlife's Spokane region one building shall be known as the "Fred Shiosaki" building.

Appropriation:

State Building Construction Account—State	\$1,830,000
Prior Biennia (Expenditures)	\$4,400,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,230,000

**NEW SECTION. Sec. 3179. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Statewide Fencing Renovation and Replacement (08-1-009)

The appropriation in this section is subject to the following conditions and limitations: \$1,000,000 of the appropriation is provided solely for the replacement of elk fencing lost in the 2005 school fire in the Wooten wildlife area. The department shall contract with another state agency to construct the fence.

Appropriation:

State Building Construction Account—State	\$2,100,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,100,000

**NEW SECTION. Sec. 3180. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Sustainability and Energy Savings (06-1-009)

Reappropriation:

State Building Construction Account—State . . . . .	\$118,000
Prior Biennia (Expenditures) . . . . .	\$382,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$500,000

**\*NEW SECTION. Sec. 3181. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Wiley Slough Restoration (08-1-028)

*The appropriation in this section is subject to the following conditions and limitations: The department shall not expend any amounts of the appropriations in this section prior to July 1, 2008. The department shall submit a report to the appropriate committees of the legislature by January 1, 2008, to mitigate the loss of upland habitat, including waterfowl management capabilities, and the loss of outdoor recreation opportunities within the proposed Wiley Slough intertidal restoration area. The report shall contain:*

*(1) Options to mitigate the proposed loss of upland habitat, which may include but are not limited to: Retention of a portion of the currently proposed intertidal restoration area as upland habitat; identification and acquisition of nearby property for new or enhanced upland habitat; and other approaches that will mitigate the loss of upland habitat that will be incurred as a result of the completed intertidal restoration;*

*(2) A plan to retain and enhance recreation opportunities that will be lost as a result of the completed intertidal restoration; and*

*(3) A proposed budget to implement options to mitigate the loss of upland habitat and retain and enhance recreation opportunities. The proposed budget shall identify local, state, federal, and private grant opportunities that might support the proposed budget.*

*The report shall be developed with the immediate involvement of the user groups affected by the proposed loss of upland habitat and recreation opportunities. The legislature finds that progress in restoring the estuary at Wiley Slough is dependent on a community-supported plan that balances the goals of estuary restoration and improved salmon habitat with current uses of the proposed restoration area. Community investment and support for this restoration project is essential and the department must take a new approach to productively engage the community affected by the loss of upland habitat and recreation opportunities. It is the intent of the legislature that this project shall not move forward until the affected community is involved in the development of a revised Wiley Slough restoration plan and addresses these concerns and has wide community support.*

Appropriation:

General Fund—Federal . . . . .	\$2,500,000
State Building Construction Account—State . . . . .	\$295,000
Subtotal Appropriation . . . . .	\$2,795,000

Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,795,000

\*Sec. 3181 was partially vetoed. See message at end of chapter.

**NEW SECTION. Sec. 3182. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Tokul Creek Hatchery (08-1-005)

Appropriation:

State Building Construction Account—State . . . . .	\$435,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$4,857,000
TOTAL . . . . .	\$5,292,000

**NEW SECTION. Sec. 3183. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Grazing Monitoring on Fish and Wildlife Lands (08-2-001)

Appropriation:

State Building Construction Account—State . . . . .	\$200,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$200,000

**NEW SECTION. Sec. 3184. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Voights Creek Hatchery - Phase 1 (08-1-003)

Appropriation:

State Building Construction Account—State . . . . .	\$505,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$6,402,000
TOTAL . . . . .	\$6,907,000

**NEW SECTION. Sec. 3185. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Issaquah Hatchery Gravity Intake (08-1-850)

Appropriation:

State Building Construction Account—State . . . . .	\$562,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$562,000

**NEW SECTION. Sec. 3186. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Bee Be Property (08-1-029)

Appropriation:

State Building Construction Account—State . . . . .	\$502,000
Prior Biennia (Expenditures) . . . . .	\$0



Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$502,000

**NEW SECTION. Sec. 3187. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Combined State Agency Aviation Facility (08-1-950)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for predesign of a single, consolidated aviation facility at the Olympia airport to house the fixed wing operations of the Washington state patrol, the department of natural resources, and the department of fish and wildlife, and the rotary operations of the department of natural resources.

Appropriation:

State Building Construction Account—State . . . . . \$11,000  
 Wildlife Account—State . . . . . \$12,000  
 Subtotal Appropriation . . . . . \$23,000

Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$1,608,000  
 TOTAL . . . . . \$1,631,000

**NEW SECTION. Sec. 3188. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Community and Technical College Trust Land Acquisitions (08-2-004)

Appropriation:

Community and Technical College Forest Reserve  
 Account—State . . . . . \$200,000

Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$950,000  
 TOTAL . . . . . \$1,150,000

**NEW SECTION. Sec. 3189. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Creosote Removal in Puget Sound (08-2-017)

The appropriation in this section is subject to the following conditions and limitations: The department shall provide the Puget Sound partnership, as created by chapter . . . (Engrossed Substitute Senate Bill No. 5372), Laws of 2007, the opportunity to review and provide comment on proposed projects and activities recommended for funding. This review shall be consistent with the funding schedule for the program.

Appropriation:

State Toxics Control Account—State . . . . . \$4,000,000

Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$4,000,000  
 TOTAL . . . . . \$8,000,000

**NEW SECTION. Sec. 3190. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Forest Legacy (04-2-015)

Reappropriation:	
General Fund—Federal . . . . .	\$8,186,000
Appropriation:	
General Fund—Federal . . . . .	\$8,500,000
Prior Biennia (Expenditures) . . . . .	\$7,520,000
Future Biennia (Projected Costs) . . . . .	\$39,000,000
TOTAL . . . . .	\$63,206,000

**NEW SECTION. Sec. 3191. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Storm Damage (07-1-850)

Reappropriation:	
State Building Construction Account—State . . . . .	\$282,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$282,000

**NEW SECTION. Sec. 3192. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Forest Riparian Easement Program (08-2-022)

Appropriation:	
State Building Construction Account—State . . . . .	\$10,500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$32,000,000
TOTAL . . . . .	\$42,500,000

**NEW SECTION. Sec. 3193. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Land Acquisition Grants (05-2-021)

Reappropriation:	
General Fund—Federal . . . . .	\$3,247,000
Appropriation:	
General Fund—Federal . . . . .	\$26,000,000
Prior Biennia (Expenditures) . . . . .	\$43,271,000
Future Biennia (Projected Costs) . . . . .	\$113,363,000
TOTAL . . . . .	\$185,881,000

**NEW SECTION. Sec. 3194. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Marine Station Public Access (04-2-019)

Reappropriation:	
Aquatic Lands Enhancement Account—State . . . . .	\$72,000
Prior Biennia (Expenditures) . . . . .	\$236,000
Future Biennia (Projected Costs) . . . . .	\$2,145,000
TOTAL . . . . .	\$2,453,000

**NEW SECTION. Sec. 3195. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Minor Works - Preservation (08-1-007)

Appropriation:

Forest Development Account—State	\$413,000
Resources Management Cost Account—State	\$430,000
State Building Construction Account—State	\$607,000
Subtotal Appropriation	\$1,450,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$4,154,000
TOTAL	\$5,604,000

**NEW SECTION. Sec. 3196. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Minor Works - Programmatic (08-2-016)

Appropriation:

Forest Development Account—State	\$534,000
Resources Management Cost Account—State	\$556,000
State Building Construction Account—State	\$85,000
Subtotal Appropriation	\$1,175,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$2,515,000
TOTAL	\$3,690,000

**NEW SECTION. Sec. 3197. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Natural Areas Facilities Preservation and Access (08-1-014)

Appropriation:

State Building Construction Account—State	\$942,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$9,958,000
TOTAL	\$10,900,000

**NEW SECTION. Sec. 3198. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Recreation Capital Renovations (08-2-006)

The appropriation in this section is subject to the following conditions and limitations: \$200,000 of the appropriation is provided solely for trail system signage.

Appropriation:

State Building Construction Account—State	\$1,065,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$15,278,000
TOTAL	\$16,343,000

**NEW SECTION. Sec. 3199. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Right-of-Way Acquisition (08-2-020)

Appropriation:

Forest Development Account—State . . . . .	\$250,000
Resources Management Cost Account—State . . . . .	\$750,000
Subtotal Appropriation . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$4,000,000
TOTAL . . . . .	\$5,000,000

**NEW SECTION. Sec. 3200. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Riparian Open Space Program (08-2-001)

Appropriation:

State Building Construction Account—State . . . . .	\$1,500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$11,000,000
TOTAL . . . . .	\$12,500,000

**NEW SECTION. Sec. 3201. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Statewide Aquatic Restoration Projects (06-2-008)

Reappropriation:

State Toxics Control Account—State . . . . .	\$937,000
State Building Construction Account—State . . . . .	\$150,000
Subtotal Reappropriation . . . . .	\$1,087,000

Appropriation:

Aquatic Lands Enhancement Account—State . . . . .	\$300,000
Prior Biennia (Expenditures) . . . . .	\$1,563,000
Future Biennia (Projected Costs) . . . . .	\$1,200,000
TOTAL . . . . .	\$4,150,000

**NEW SECTION. Sec. 3202. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Road Maintenance and Abandonment Projects (06-2-003)

Reappropriation:

State Building Construction Account—State . . . . .	\$87,000
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Appropriation:

State Building Construction Account—State . . . . .	\$700,000
Prior Biennia (Expenditures) . . . . .	\$700,000
Future Biennia (Projected Costs) . . . . .	\$500,000
TOTAL . . . . .	\$1,987,000

**NEW SECTION. Sec. 3203. FOR THE DEPARTMENT OF NATURAL RESOURCES**

State Lands Maintenance (08-1-019)

Appropriation:

Forest Development Account—State . . . . .	\$250,000
Resources Management Cost Account—State . . . . .	\$2,350,000
Subtotal Appropriation . . . . .	\$2,600,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$10,400,000
TOTAL . . . . .	\$13,000,000

**\*NEW SECTION. Sec. 3204. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Trust Land Transfer (08-2-005)

The appropriations in this section are subject to the following conditions and limitations:

(1) The total appropriation is provided to the department solely to transfer from trust status, or enter into fifty year leases for, certain trust lands of statewide significance deemed appropriate for state park, fish and wildlife habitat, natural area preserve, natural resources conservation area, open space, housing and essential government services, or recreation purposes. The approved list of projects is identified in the LEAP capital document 2007-5, developed March 20, 2007.

***(2) Property transferred under this section shall be appraised and transferred at fair market value. The value of the timber transferred shall be deposited by the department to the common school construction account in the same manner as timber revenues from other common school trust lands. No deduction shall be made for the resource management cost account under RCW 79.64.040. The value of the land transferred shall be deposited in the natural resources real property replacement account. These funds shall be expended by the department for the exclusive purpose of acquiring forest lands of equal value to be managed as common school trust land.***

(3) Property subject to lease agreements under this section shall be appraised at fair market value. Lease terms shall be fifty years with options to renew for an additional fifty years. Lease payments shall be lump sum payments for the entire term of the lease at the beginning of the lease. The department shall calculate such lump sum payments using professional appraisal standards. These lease payments may not exceed the fee simple purchase price based on current fair market value and shall be deposited by the department to the common school construction account in the same manner as lease revenues from other common school trust lands. No deduction shall be made for the resource management cost account under RCW 79.64.040.

(4) All reasonable costs incurred by the department to implement this section are authorized to be paid out of the appropriations. Authorized costs include the actual cost of appraisals, staff time, environmental reviews, surveys, and other similar costs.

(5) Intergrant exchanges between common school and other trust lands of equal value may occur if the exchange is in the interest of each trust, as determined by the board of natural resources.

(6) Prior to or concurrent with conveyance of these properties, the department, with full cooperation of the receiving agencies, shall execute and record a real property instrument that dedicates the transferred properties to the purposes identified in subsection (1) of this section. Transfer and lease

agreements for properties identified in subsection (1) of this section must include terms that restrict the use of the property to the intended purpose. Transfer and lease agreements may include provisions for receiving agencies to request alternative uses of the property, provided the alternative uses are compatible with the original intended public purpose and the department and legislature approves such uses.

(7) The department and receiving agencies shall work in good faith to carry out the intent of this section. However, the department or receiving agencies may remove a property from the transfer list based on new, substantive information, if it is determined that transfer of the property is not in the statewide interest of either the common school trust or the receiving agency.

(8) The department shall execute trust land transfers that, after the deduction of reasonable costs as provided in subsection (4) of this section, eighty percent of the total value of transferred property is timber value and is deposited in the common school construction account. To achieve the eighty percent requirement, the department may choose to lease properties originally intended as transfers.

(9) On June 30, 2009, the state treasurer shall transfer all remaining uncommitted funds from this appropriation to the common school construction account and the appropriations in this section shall be reduced by an equivalent amount.

Appropriation:

State Building Construction Account—State . . . . .	\$98,985,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$287,000,000
TOTAL . . . . .	\$385,985,000

\*Sec. 3204 was partially vetoed. See message at end of chapter.

**NEW SECTION. Sec. 3205. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Federal Habitat Conservation Program Land Acquisition Grants (06-2-950)

Reappropriation:

General Fund—Federal . . . . .	\$705,000
Prior Biennia (Expenditures) . . . . .	\$6,015,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$6,720,000

**NEW SECTION. Sec. 3206. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Loomis Natural Resources Conservation Area Restoration (07-1-004)

Reappropriation:

State Building Construction Account—State . . . . .	\$271,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$271,000

**NEW SECTION. Sec. 3207. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Deep Water Geoduck/Sea Cucumber Population Surveys (06-2-850)

Reappropriation:

State Building Construction Account—State	\$491,000
Prior Biennia (Expenditures)	\$159,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$650,000

**NEW SECTION. Sec. 3208. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Riparian Open Space Program (06-2-018)

Reappropriation:

State Building Construction Account—State	\$700,000
Prior Biennia (Expenditures)	\$800,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,500,000

**NEW SECTION. Sec. 3209. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Port Angeles Armory (08-1-851)

Appropriation:

Forest Development Account—State	\$135,000
Resource Management Cost Account—State	\$151,000
State Building Construction Account—State	\$157,000
Subtotal Appropriation	\$443,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$443,000

**NEW SECTION. Sec. 3210. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Colville Armory (08-2-851)

Appropriation:

Forest Development Account—State	\$313,000
Resource Management Cost Account—State	\$330,000
State Building Construction Account—State	\$299,000
Subtotal Appropriation	\$942,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$942,000

**NEW SECTION. Sec. 3211. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Combined State Agency Aviation Facility (08-1-952)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for predesign of a single, consolidated aviation facility at the Olympia airport to house the fixed wing operations of the Washington state patrol, the department of natural resources, and the department

of fish and wildlife, and the rotary operations of the department of natural resources.

Appropriation:

Forest Development Account—State . . . . .	\$15,000
Resource Management Cost Account—State . . . . .	\$16,000
State Building Construction Account—State . . . . .	\$23,000
Subtotal Appropriation . . . . .	\$54,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$3,783,000
TOTAL . . . . .	\$3,837,000

**NEW SECTION. Sec. 3212. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Blanchard Mountain (08-1-951)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for acquisition of working forest lands as an initial purchase in support of an approved plan to preserve the core of Blanchard mountain in Skagit county. The department shall consult with the University of Washington college of forestry resources' northwest environmental forum and with other interest groups prior to the purchase. The department shall coordinate purchases funded under this section with purchases funded under section 3214 of this act to block up and preserve working forest lands at risk of conversion in Skagit county.

Appropriation:

State Building Construction Account—State . . . . .	\$4,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,000,000

**NEW SECTION. Sec. 3213. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Marine Station (08-1-015)

Appropriation:

Resource Management Cost Account—State . . . . .	\$750,000
State Building Construction Account—State . . . . .	\$750,000
Subtotal Appropriation . . . . .	\$1,500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,500,000

**NEW SECTION. Sec. 3214. FOR THE DEPARTMENT OF NATURAL RESOURCES**

Conversion Land Acquisition (08-1-950)

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for acquisition of working forest lands at risk of conversion to nonforest uses. The legislature finds that the chronic loss of working forest lands threatens the long-term



prospects of the timber products industry, which in turn threatens the long-term economic return for the beneficiaries of state trust lands. Acquisition of these conversion lands is intended to help stabilize the primary source of revenue to trust land beneficiaries. The department shall submit a report to the appropriate committees of the legislature by October 1, 2008, indicating the lands purchased under this section, showing the locations, acres, purchase price, and within that purchase price, the value of the property attributed to the future value of timber harvests given an expected rate of return for timber lands, and the value of the property attributed to future development of the property. It is the intention of the legislature to lease the development rights of these conversion lands and retain them as long-term working forest lands under the sustainable harvest plan. Working forest lands acquired under this section shall be managed at a level equal to or greater than seventy-five percent of the expected harvest under the sustainable harvest plan. The appropriation provided in this section shall lapse unless chapter . . . (House Bill No. 2395 (An act relating to leasing state lands and development rights on state lands to public agencies), Laws of 2007, or similar provisions contained in other legislation, is enacted prior to June 30, 2007. No amounts appropriated in this section shall be expended on the central cascade land exchange unless one of the two following conditions are met: (1) The four Stemilt parcels in T21R20E are excluded from the exchange; or (2) the four Stemilt parcels in T21R20E are included in the exchange and the department and Chelan county, as chair of the Stemilt partnership, agree on a plan for eventual ownership, disposition, and management of the four Stemilt parcels. The department shall manage cash balances in the natural resources real property replacement account such that cash balances are sufficient for the treasurer transfers required in section 6030 of this act. The department may also transfer funds from the land bank subaccount of the resource management cost account to the natural resources real property replacement account to ensure sufficient cash balances.

Appropriation:

Resource Management Cost Account—State . . . . .	\$40,000,000
Natural Resources Real Property Replacement	
Account—State . . . . .	\$30,000,000
Subtotal Appropriation . . . . .	\$70,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$70,000,000

**NEW SECTION. Sec. 3215. FOR THE DEPARTMENT OF AGRICULTURE**

Fair Improvements (06-4-850)

The appropriation in this section is subject to the following conditions and limitations: \$1,000,000 is provided solely for renovations and repairs to the historic pavilion at the Walla Walla fairgrounds.

Appropriation:

State Building Construction Account—State . . . . .	\$1,400,000
Prior Biennia (Expenditures) . . . . .	\$0

Future Biennia (Projected Costs)..... \$0  
 TOTAL..... \$1,400,000

**NEW SECTION. Sec. 3216. FOR THE DEPARTMENT OF AGRICULTURE**

Hops Initiative (08-2-850)

Appropriation:

State Building Construction Account—State ..... \$1,000,000  
 Prior Biennia (Expenditures)..... \$0  
 Future Biennia (Projected Costs)..... \$0  
 TOTAL..... \$1,000,000

**NEW SECTION. Sec. 3217. FOR THE DEPARTMENT OF AGRICULTURE**

Asparagus Automation and Mechanization (08-2-851)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely to extend and expand the department's asparagus automation and mechanization program, subject to appropriate agreements with growers.

Appropriation:

State Building Construction Account—State ..... \$840,000  
 Prior Biennia (Expenditures)..... \$0  
 Future Biennia (Projected Costs)..... \$0  
 TOTAL..... \$840,000

**NEW SECTION. Sec. 3218. FOR THE DEPARTMENT OF AGRICULTURE**

Energy Freedom Program (06-2-851)

The reappropriation in this section is subject to the following conditions and limitations: If legislation is enacted by June 30, 2009, that moves the energy freedom program to the department of community, trade, and economic development, then the amounts in this section are appropriated to the department of community, trade, and economic development.

Reappropriation:

Energy Freedom Account—State ..... \$8,529,000  
 Prior Biennia (Expenditures)..... \$0  
 Future Biennia (Projected Costs)..... \$0  
 TOTAL..... \$8,529,000

**NEW SECTION. Sec. 3219. FOR THE DEPARTMENT OF AGRICULTURE**

Energy Freedom Program (E3SHB No. 2939) (06-2-850)

The reappropriation in this section is subject to the following conditions and limitations: If legislation is enacted by June 30, 2009, that moves the energy freedom program to the department of community, trade, and economic development, then the amounts in this section are appropriated to the department of community, trade, and economic development.

Reappropriation:

Energy Freedom Account—State . . . . .	\$5,971,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,971,000

**PART 4  
TRANSPORTATION**

**NEW SECTION. Sec. 4001. FOR THE WASHINGTON STATE PATROL**

Fire Training Academy Sanitary System (08-2-002)

Appropriation:

Fire Service Training Account—State . . . . .	\$3,500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,500,000

**NEW SECTION. Sec. 4002. FOR THE WASHINGTON STATE PATROL**

Minor Works - Preservation (08-1-001)

Appropriation:

State Building Construction Account—State . . . . .	\$480,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$2,000,000
TOTAL . . . . .	\$2,480,000

**NEW SECTION. Sec. 4003. FOR THE WASHINGTON STATE PATROL**

Replace Existing Dormitory (08-2-003)

The appropriation in this section is subject to the following conditions and limitations: The state building construction account appropriation is provided solely for one-half of the construction cost for replacement of the student dormitory at the fire training academy and is contingent upon the remaining construction cost being funded with a certificate of participation that is repaid with revenues from fees charged by the fire training academy. Any expenditures from this appropriation must be matched by an equal expenditure from the certificate of participation.

Appropriation:

State Building Construction Account—State . . . . .	\$1,360,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,360,000

**NEW SECTION. Sec. 4004. FOR THE WASHINGTON STATE PATROL**

Combined State Agency Aviation Facility (08-2-951)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for predesign of a single, consolidated aviation facility at the Olympia airport to house the fixed wing operations of the Washington state patrol, the department of natural resources, and the department of fish and wildlife, and the rotary operations of the department of natural resources.

Appropriation:

State Building Construction Account—State . . . . .	\$12,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$813,000
TOTAL . . . . .	\$825,000

**NEW SECTION. Sec. 4005. FOR THE DEPARTMENT OF TRANSPORTATION**

Columbia River Dredging (03-H-001)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided solely to fund the second phase of a multiphase cooperative project with the state of Oregon to dredge the Columbia river. The amount in this section lapses unless the state of Oregon appropriates a dollar-for-dollar match to fund its share of the project.

Reappropriation:

State Building Construction Account—State . . . . .	\$2,980,000
Prior Biennia (Expenditures) . . . . .	\$14,720,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$17,700,000

**PART 5  
EDUCATION**

**NEW SECTION. Sec. 5001. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

2001-2003 School Construction Assistance Grant Program (02-4-001)

Reappropriation:

Common School Construction Account—State . . . . .	\$3,850,000
Prior Biennia (Expenditures) . . . . .	\$8,150,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$12,000,000

**NEW SECTION. Sec. 5002. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

2003-2005 School Construction Assistance Grant Program (04-4-001)

Reappropriation:

State Building Construction Account—State . . . . .	\$11,961,000
Common School Construction Account—State . . . . .	\$10,682,000
Subtotal Reappropriation . . . . .	\$22,643,000
Prior Biennia (Expenditures) . . . . .	\$171,568,000

Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$194,211,000

**NEW SECTION. Sec. 5003. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

2005-2007 Apple Achievement Awards (06-4-850)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 196, chapter 371, Laws of 2006.

Reappropriation:

Education Construction Account—State . . . . .	\$302,000
Prior Biennia (Expenditures) . . . . .	\$198,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$500,000

**NEW SECTION. Sec. 5004. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

2005-2007 High Performance School Building Grants (06-4-852)

The reappropriation in this section is subject to the following conditions and limitations: Additional funding will be provided to school districts constructing public schools to recognized standards for high performance public buildings for a transition period of three years. The districts building high performance public schools will be granted funding per school project for capital-related costs associated with the design and construction of public K-12 schools that meet or exceed comprehensive design, construction, and operating standards for high performance and sustainable school buildings. No more than \$250,000 will be allotted for each elementary school built to high performance standards, no more than \$350,000 will be allotted for each middle school built to high performance standards, and no more than \$500,000 will be allotted to each high school built to high performance standards. These levels may be modified, in a limited manner, if specific project conditions warrant and as determined by the office of the superintendent of public instruction.

Reappropriation:

State Building Construction Account—State . . . . .	\$6,078,000
Prior Biennia (Expenditures) . . . . .	\$25,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$6,103,000

**NEW SECTION. Sec. 5005. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

2005-2007 School Construction Assistance Grant Program (06-4-100)

Reappropriation:

State Building Construction Account—State . . . . .	\$117,539,000
Common School Construction Account—State . . . . .	\$218,896,000
Subtotal Reappropriation . . . . .	\$336,435,000
Prior Biennia (Expenditures) . . . . .	\$305,331,000

Future Biennia (Projected Costs).....	\$0
TOTAL .....	\$641,766,000

**NEW SECTION. Sec. 5006. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

Environmental Learning Centers (06-2-951)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided solely for capital projects at the Chewelah peak learning center.

Reappropriation:

State Building Construction Account—State .....	\$518,000
Prior Biennia (Expenditures).....	\$1,832,000
Future Biennia (Projected Costs).....	\$0
TOTAL .....	\$2,350,000

**NEW SECTION. Sec. 5007. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

Capital Project Administration (08-4-100)

Appropriation:

Common School Construction Account—State .....	\$2,828,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$12,049,000
TOTAL .....	\$14,877,000

**NEW SECTION. Sec. 5008. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

School Construction Assistance Grants (08-4-200)

The appropriations in this section are subject to the following conditions and limitations:

(1) For state assistance grants for purposes of calculating square foot eligibility, kindergarten student headcount shall not be reduced by fifty percent.

(2) The legislature has made a commitment to phase in all-day kindergarten programs beginning with the 2007-08 school year. However, the legislature finds that one potential barrier to successful expansion of all-day kindergarten programs may be a lack of facilities that meet the requirements of an all-day kindergarten program. The office of the superintendent of public instruction, in consultation with the school facilities citizen advisory panel, shall examine alternatives for addressing school facilities needs for all-day kindergarten programs, including adapting existing unused space, creating innovative public-private partnerships and partnerships with early learning providers, shifting the location of current programs within a district or a school, and temporary, limited use of portables. The office of the superintendent of public instruction shall submit a report to the capital budget committee of the house of representatives and the ways and means committee of the senate by September 1, 2007, with recommendations on preferred alternatives and an analysis of the feasibility and cost of implementing the alternatives.

Appropriation:

State Building Construction Account—State . . . . .	\$109,521,000
Common School Construction Account—State . . . . .	\$770,658,000
Common School Reimbursable Construction Account—State . . . . .	\$180,000
Subtotal Appropriation . . . . .	\$880,359,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$3,500,725,000
TOTAL . . . . .	\$4,381,084,000

**NEW SECTION. Sec. 5009. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

Small Repair Grants (08-4-402)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for nonrecurring costs associates with urgent health and safety school facility repairs and renovations. The office of superintendent of public instruction, after consulting with maintenance and operations administrators of school districts, shall develop criteria for providing funding for specific projects that stay within the appropriation level provided in this section. The criteria shall include, but is not limited to, the following: (1) Limiting recipient district applications to one hundred thousand dollars per three-year period; (2) limiting districts eligible to receive the grant only once in any three-year period; and (3) any district receiving funding provided in this section demonstrating a consistent commitment to addressing school facilities needs.

Appropriation:

State Building Construction Account—State . . . . .	\$4,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$12,000,000
TOTAL . . . . .	\$16,000,000

**NEW SECTION. Sec. 5010. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

Vocational Skills Centers (08-4-300)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$9,362,000 from this appropriation is provided solely for minor capital projects at all of the state's skills centers ranked with a "severity score" of 40 points or more.

(2) \$24,400,000 from this appropriation is provided solely for the design and construction of the Skagit Valley vocational skills center.

(3) \$16,366,000 from this appropriation is provided solely for the design and construction of the Yakima Valley technical skills center.

(4) \$23,161,000 from this appropriation is provided solely for the design and construction of the Sno-Isle skills center.

(5) \$1,118,000 from this appropriation is provided solely for the design and construction of the Clark county skills center.

(6) \$300,000 from this appropriation is provided solely for the completion of the new market skills center project and to address storm water issues.

Appropriation:

State Building Construction Account—State . . . . .	\$74,707,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$83,984,000
TOTAL . . . . .	\$158,691,000

**NEW SECTION. Sec. 5011. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

Vader School Campus (08-2-852)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the costs associated with demolition of the Vader school campus.

Appropriation:

State Building Construction Account—State . . . . .	\$200,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$200,000

**NEW SECTION. Sec. 5012. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

Island Wood Environmental Learning Center (08-4-406)

Appropriation:

State Building Construction Account—State . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 5013. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

Chewelah Peak Environmental Learning Center (08-4-401)

Appropriation:

State Building Construction Account—State . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 5014. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

K-12 Inventory Pilot Project (08-2-851)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for the office of the superintendent of public instruction to define and develop a pilot information management system for public school facilities, building on the experience of the community and technical college facilities information management system. Participating school districts must represent a cross-section of large and small districts, urban and rural districts, and districts with facilities of varying age and condition. The system must allow for the efficient transfer of information between the office of



the superintendent of public instruction and participating school districts. The inventory system must include, but not be limited to, facility and site information necessary for appropriate facility stewardship. Data elements may include facility location, condition, type, current use, size, date and cost of original construction, the cost of any major remodeling or renovation, and energy information. By December 1, 2007, the office of the superintendent of public instruction shall provide a report to the appropriate legislative fiscal committees on the inventory system's scope, potential school district participants, and an implementation plan for the pilot group of school districts.

Appropriation:

Education Construction Account—State . . . . .	\$900,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$900,000

**NEW SECTION. Sec. 5015. FOR THE STATE SCHOOL FOR THE BLIND**

Campus Preservation (06-1-003)

Reappropriation:

State Building Construction Account—State . . . . .	\$400,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$400,000

**NEW SECTION. Sec. 5016. FOR THE STATE SCHOOL FOR THE BLIND**

Minor Works - Facility Preservation (08-1-005)

Appropriation:

State Building Construction Account—State . . . . .	\$770,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$2,500,000
TOTAL . . . . .	\$3,270,000

**NEW SECTION. Sec. 5017. FOR THE STATE SCHOOL FOR THE BLIND**

New Physical Education Center (08-2-001)

Appropriation:

State Building Construction Account—State . . . . .	\$9,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$9,000,000

**NEW SECTION. Sec. 5018. FOR THE STATE SCHOOL FOR THE DEAF**

Minor Works - Facility Preservation (08-1-001)

Appropriation:

State Building Construction Account—State . . . . .	\$1,325,000
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Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$1,000,000
TOTAL . . . . .	\$2,325,000

**NEW SECTION. Sec. 5019. FOR THE STATE SCHOOL FOR THE DEAF**

Vocational Education, Cafeteria, and Maintenance Support Building (08-2-002)

Appropriation:

State Building Construction Account—State . . . . .	\$10,900,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$10,900,000

**NEW SECTION. Sec. 5020. FOR THE HIGHER EDUCATION COORDINATING BOARD**

Higher Education Preservation Information (08-2-850)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely to refresh preservation information that resides in the state's comparable framework for higher education buildings (report 06-5) including any necessary revisions or adjustments that will enable more direct translation of information, updates for last renewal or replacement of major systems, and quality assurance field sampling. In executing this continued capital study, the higher education coordinating board shall consult the office of financial management and the legislative fiscal committees about its workplan to ensure timely delivery of assembled facilities information and related capital models in an easy to understand format. As a general condition, upon appropriations provided to higher education agencies in this act, the state board for community and technical colleges and each state baccalaureate institution shall provide requested facilities information in a timely manner to enable the higher education coordinating board to complete the tasks and oversight assigned in this section.

Appropriation:

Education Construction Account—State . . . . .	\$300,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$300,000

**NEW SECTION. Sec. 5021. FOR THE UNIVERSITY OF WASHINGTON**

UW Bothell/Cascadia Community College - State Route 522 Off Ramp (02-2-014)

Reappropriation:

Gardner-Evans Higher Education Construction Account—State . . . . .	\$255,000
Prior Biennia (Expenditures) . . . . .	\$1,495,000

Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$1,750,000

**NEW SECTION. Sec. 5022. FOR THE UNIVERSITY OF WASHINGTON**

UW Tacoma Land Acquisition/Soils Remediation (01-2-029)

Reappropriation:

Education Construction Account—State . . . . . \$50,000  
Prior Biennia (Expenditures) . . . . . \$5,900,000  
Future Biennia (Projected Costs) . . . . . \$20,000,000  
TOTAL . . . . . \$25,950,000

**NEW SECTION. Sec. 5023. FOR THE UNIVERSITY OF WASHINGTON**

Facility Preservation Backlog Reduction (04-1-951)

Reappropriation:

State Building Construction Account—State . . . . . \$4,100,000  
Prior Biennia (Expenditures) . . . . . \$21,214,000  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$25,314,000

**NEW SECTION. Sec. 5024. FOR THE UNIVERSITY OF WASHINGTON**

UW Emergency Power Expansion - Phase II (04-1-024)

Reappropriation:

University of Washington Building Account—State . . . . . \$1,500,000  
Prior Biennia (Expenditures) . . . . . \$5,148,000  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$6,648,000

**NEW SECTION. Sec. 5025. FOR THE UNIVERSITY OF WASHINGTON**

Classroom Improvements (05-1-850)

Reappropriation:

Gardner-Evans Higher Education Construction  
Account—State . . . . . \$150,000  
Prior Biennia (Expenditures) . . . . . \$3,850,000  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$4,000,000

**NEW SECTION. Sec. 5026. FOR THE UNIVERSITY OF WASHINGTON**

Infectious Disease Laboratory Facilities (05-2-850)

Reappropriation:

Gardner-Evans Higher Education Construction  
Account—State . . . . . \$4,000,000  
Prior Biennia (Expenditures) . . . . . \$0

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Future Biennia (Projected Costs)..... \$0  
TOTAL..... \$4,000,000

**NEW SECTION. Sec. 5027. FOR THE UNIVERSITY OF WASHINGTON**

Playhouse Theater (05-1-004)

**Appropriation:**

State Building Construction Account—State ..... \$6,578,000  
Prior Biennia (Expenditures)..... \$1,000,000  
Future Biennia (Projected Costs)..... \$0  
TOTAL..... \$7,578,000

**NEW SECTION. Sec. 5028. FOR THE UNIVERSITY OF WASHINGTON**

Architecture Hall Renovation (06-1-008)

**Reappropriation:**

State Building Construction Account—State ..... \$3,000,000  
Prior Biennia (Expenditures)..... \$20,324,000  
Future Biennia (Projected Costs)..... \$0  
TOTAL..... \$23,324,000

**NEW SECTION. Sec. 5029. FOR THE UNIVERSITY OF WASHINGTON**

Clark Hall Renovation (06-1-007)

**Reappropriation:**

State Building Construction Account—State ..... \$1,200,000

**Appropriation:**

State Building Construction Account—State ..... \$554,000  
Education Construction Account—State..... \$15,000,000  
Subtotal Appropriation..... \$15,554,000  
Prior Biennia (Expenditures)..... \$1,300,000  
Future Biennia (Projected Costs)..... \$0  
TOTAL..... \$18,054,000

**NEW SECTION. Sec. 5030. FOR THE UNIVERSITY OF WASHINGTON**

Cleanup More Hall and Other Toxics (06-1-950)

**Reappropriation:**

State Toxics Control Account—State ..... \$1,125,000  
Prior Biennia (Expenditures)..... \$3,375,000  
Future Biennia (Projected Costs)..... \$0  
TOTAL..... \$4,500,000

**NEW SECTION. Sec. 5031. FOR THE UNIVERSITY OF WASHINGTON**

Guggenheim Hall Renovation (06-1-006)

**Reappropriation:**

State Building Construction Account—State . . . . .	\$3,000,000
Education Construction Account—State . . . . .	\$4,000,000
Subtotal Reappropriation . . . . .	\$7,000,000
Prior Biennia (Expenditures) . . . . .	\$19,312,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$26,312,000

**NEW SECTION. Sec. 5032. FOR THE UNIVERSITY OF WASHINGTON**

Health Sciences - H Wing (06-1-001)

Reappropriation:

State Building Construction Account—State . . . . .	\$5,000,000
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Appropriation:

State Building Construction Account—State . . . . .	\$7,000,000
University of Washington Building Account—State . . . . .	\$3,000,000
Subtotal Appropriation . . . . .	\$10,000,000

Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$15,000,000

**NEW SECTION. Sec. 5033. FOR THE UNIVERSITY OF WASHINGTON**

Minor Works - Facility Preservation (06-1-002)

Reappropriation:

University of Washington Building Account—State . . . . .	\$9,000,000
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Prior Biennia (Expenditures) . . . . .	\$12,200,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$21,200,000

**NEW SECTION. Sec. 5034. FOR THE UNIVERSITY OF WASHINGTON**

Minor Works - Health, Safety, and Code Requirements (06-1-003)

Reappropriation:

University of Washington Building Account—State . . . . .	\$5,000,000
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Prior Biennia (Expenditures) . . . . .	\$6,000,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$11,000,000

**NEW SECTION. Sec. 5035. FOR THE UNIVERSITY OF WASHINGTON**

Minor Works - Infrastructure Preservation (06-1-004)

Reappropriation:

University of Washington Building Account—State . . . . .	\$2,500,000
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Prior Biennia (Expenditures) . . . . .	\$2,500,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,000,000

**NEW SECTION. Sec. 5036. FOR THE UNIVERSITY OF WASHINGTON**

Minor Works - Program (06-2-009)

Reappropriation:

University of Washington Building Account—State . . . . .	\$3,000,000
Prior Biennia (Expenditures) . . . . .	\$1,700,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,700,000

**NEW SECTION. Sec. 5037. FOR THE UNIVERSITY OF WASHINGTON**

Savery Hall Renovation (06-1-005)

Reappropriation:

State Building Construction Account—State . . . . .	\$3,000,000
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Appropriation:

Gardner-Evans Higher Education Construction Account—State . . . . .	\$54,910,000
Prior Biennia (Expenditures) . . . . .	\$3,600,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$61,510,000

**NEW SECTION. Sec. 5038. FOR THE UNIVERSITY OF WASHINGTON**

UW Tacoma - Assembly Hall (06-2-007)

Reappropriation:

State Building Construction Account—State . . . . .	\$7,000,000
Prior Biennia (Expenditures) . . . . .	\$500,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$7,500,000

**NEW SECTION. Sec. 5039. FOR THE UNIVERSITY OF WASHINGTON**

UW Tacoma Land Acquisition (06-2-852)

Reappropriation:

Gardner-Evans Higher Education Construction Account—State . . . . .	\$750,000
Prior Biennia (Expenditures) . . . . .	\$3,250,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,000,000

**NEW SECTION. Sec. 5040. FOR THE UNIVERSITY OF WASHINGTON**

Balmer Hall Reconstruction (08-1-004)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for predesign and design of the reconstruction/replacement of Balmer hall. The office of financial management shall not allot funding for the design until after sine die adjournment of the 2008

regular legislative session and only if the predesign has been submitted to the legislative fiscal committees and to the office of financial management for review and approval under RCW 43.88.110(6) prior to the start of the 2008 regular legislative session.

Appropriation:

State Building Construction Account—State .....	\$4,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$42,800,000
TOTAL .....	\$46,800,000

**NEW SECTION. Sec. 5041. FOR THE UNIVERSITY OF WASHINGTON**

Denny Hall Renovation (08-1-002)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for predesign and design of the renovation of Denny hall. The office of financial management shall not allot funding for the design until after sine die adjournment of the 2008 regular legislative session and only if the predesign has been submitted to the legislative fiscal committees and to the office of financial management for review and approval under RCW 43.88.110(6) prior to the start of the 2008 regular legislative session.

Appropriation:

State Building Construction Account—State .....	\$4,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$52,915,000
TOTAL .....	\$56,915,000

**NEW SECTION. Sec. 5042. FOR THE UNIVERSITY OF WASHINGTON**

Interdisciplinary Academic Building (08-2-003)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for predesign and design of the interdisciplinary academic building. The office of financial management shall not allot funding for the design until after sine die adjournment of the 2008 regular legislative session and only if the predesign has been submitted to the legislative fiscal committees and to the office of financial management for review and approval under RCW 43.88.110(6) prior to the start of the 2008 regular legislative session.

Appropriation:

State Building Construction Account—State .....	\$5,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$57,500,000
TOTAL .....	\$62,500,000

**NEW SECTION. Sec. 5043. FOR THE UNIVERSITY OF WASHINGTON**

Intermediate Student Service and Classroom Improvements (08-1-005)

Appropriation:

Education Construction Account—State . . . . .	\$13,281,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$13,281,000

**NEW SECTION. Sec. 5044. FOR THE UNIVERSITY OF WASHINGTON**

Lewis Hall Renovation (08-1-003)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for predesign and design of the renovation of Lewis hall. The office of financial management shall not allot funding for the design until after sine die adjournment of the 2008 regular legislative session and only if the predesign has been submitted to the legislative fiscal committees and to the office of financial management for review and approval under RCW 43.88.110(6) prior to the start of the 2008 regular legislative session.

Appropriation:

State Building Construction Account—State . . . . .	\$2,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$16,501,000
TOTAL . . . . .	\$18,501,000

**NEW SECTION. Sec. 5045. FOR THE UNIVERSITY OF WASHINGTON**

Minor Works - Facility Preservation (08-1-001)

Appropriation:

University of Washington Building Account—State . . . . .	\$23,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$140,000,000
TOTAL . . . . .	\$163,000,000

**NEW SECTION. Sec. 5046. FOR THE UNIVERSITY OF WASHINGTON**

Minor Works - Program (08-2-001)

Appropriation:

University of Washington Building Account—State . . . . .	\$5,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$32,610,000
TOTAL . . . . .	\$37,610,000

**NEW SECTION. Sec. 5047. FOR THE UNIVERSITY OF WASHINGTON**

Infrastructure Savings (08-1-151)

The appropriations in this section are subject to the following conditions and limitations: Projects that are completed in accordance with section 6004 of



this act may have their remaining funds transferred to this appropriation for other preservation projects approved by the office of financial management.

Appropriation:

State Building Construction Account—State . . . . .	\$1
Gardner-Evans Higher Education Construction Account—State . . . . .	\$1
Subtotal Appropriation . . . . .	\$2
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2

**NEW SECTION. Sec. 5048. FOR THE UNIVERSITY OF WASHINGTON**

Preventive Facility Maintenance and Building System Repairs (08-1-150)

The appropriation in this section is subject to the following conditions and limitations:

(1) Pursuant to definitions and provisions in section 925, chapter 26, Laws of 2003 1st sp. sess., the appropriation is provided solely to maintain facilities housing educational and general programs and to maintain its major building systems and campus infrastructure. Building maintenance, mechanical adjustments, repairs, and minor works for the facility or its major building systems and campus infrastructure must extend the remaining useful life of the facility or keep it safe and functioning normally.

(2) With this appropriation, the intent is to improve the average condition of state facilities as compared to the baseline conditions documented in report 03-1 of the joint legislative audit and review committee. Preventive facility maintenance project funds must be allocated at local discretion to achieve the performance goal stated in this subsection (2), with particular attention given to buildings currently rated in superior to adequate condition so as to maximize useful life given both the passage of time and intensity with which the space is used.

(3) Section 6004 of this act does not apply to this appropriation.

(4) There is no intent to reappropriate amounts not expended by June 30, 2009.

Appropriation:

Education Construction Account—State . . . . .	\$25,825,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$25,825,000

**NEW SECTION. Sec. 5049. FOR THE UNIVERSITY OF WASHINGTON**

UW Bothell Phase 3 - Predesign (08-2-006)

Appropriation:

State Building Construction Account—State . . . . .	\$150,000
Prior Biennia (Expenditures) . . . . .	\$0

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Future Biennia (Projected Costs).....	\$62,850,000
TOTAL .....	\$63,000,000

**NEW SECTION. Sec. 5050. FOR THE UNIVERSITY OF WASHINGTON**

UW Tacoma Phase 3 (08-2-005)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for predesign and design of UW Tacoma phase 3. The office of financial management shall not allot funding for the design until after sine die adjournment of the 2008 regular legislative session and only if the predesign has been submitted to the legislative fiscal committees and to the office of financial management for review and approval under RCW 43.88.110(6) prior to the start of the 2008 regular legislative session.

Appropriation:

State Building Construction Account—State .....	\$6,150,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$54,000,000
TOTAL .....	\$60,150,000

**NEW SECTION. Sec. 5051. FOR THE UNIVERSITY OF WASHINGTON**

Computing and Communications Upgrades and Data Center (08-2-004)

Appropriation:

State Building Construction Account—State .....	\$25,000,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$22,000,000
TOTAL .....	\$47,000,000

**NEW SECTION. Sec. 5052. FOR WASHINGTON STATE UNIVERSITY**

WSU Spokane Riverpoint - Academic Center Building (00-2-906)

Reappropriation:

Gardner-Evans Higher Education Construction Account—State.....	\$1,750,000
Prior Biennia (Expenditures).....	\$32,100,000
Future Biennia (Projected Costs).....	\$0
TOTAL .....	\$33,850,000

**NEW SECTION. Sec. 5053. FOR WASHINGTON STATE UNIVERSITY**

WSU Vancouver - Student Services Center (00-2-905)

Reappropriation:

State Building Construction Account—State .....	\$1,500,000
Prior Biennia (Expenditures).....	\$13,126,000
Future Biennia (Projected Costs).....	\$0
TOTAL .....	\$14,626,000

**NEW SECTION. Sec. 5054. FOR WASHINGTON STATE UNIVERSITY**

WSU Pullman - Biotechnology/Life Sciences 2 (04-2-085)

Reappropriation:

Gardner-Evans Higher Education Construction  
 Account—State . . . . . \$2,600,000

Appropriation:

State Building Construction Account—State . . . . . \$9,022,000  
 Gardner-Evans Higher Education Construction  
 Account—State . . . . . \$48,978,000  
 Subtotal Appropriation . . . . . \$58,000,000  
  
 Prior Biennia (Expenditures) . . . . . \$12,050,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$72,650,000

**NEW SECTION. Sec. 5055. FOR WASHINGTON STATE UNIVERSITY**

WSU Spokane - Nursing Building at Riverpoint (04-2-941)

The reappropriation in this section is subject to the following conditions and limitations: Upon completion of construction of this facility at the Riverpoint campus in Spokane, the existing land and facilities housing the intercollegiate nursing center adjacent to Spokane Falls Community College shall be transferred to the state board for community and technical colleges for the use of community college district 17, community colleges of Spokane.

Reappropriation:

State Building Construction Account—State . . . . . \$20,000,000  
  
 Prior Biennia (Expenditures) . . . . . \$14,600,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$34,600,000

**NEW SECTION. Sec. 5056. FOR WASHINGTON STATE UNIVERSITY**

WSU Tri-Cities - Bioproducts Facility (04-2-940)

Reappropriation:

State Taxable Building Construction Account—State . . . . . \$1,500,000  
  
 Prior Biennia (Expenditures) . . . . . \$23,250,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$24,750,000

**NEW SECTION. Sec. 5057. FOR WASHINGTON STATE UNIVERSITY**

Campus Infrastructure (06-1-073)

Reappropriation:

State Building Construction Account—State . . . . . \$1,000,000  
  
 Prior Biennia (Expenditures) . . . . . \$6,000,000  
 Future Biennia (Projected Costs) . . . . . \$0

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TOTAL . . . . . \$7,000,000

**NEW SECTION. Sec. 5058. FOR WASHINGTON STATE UNIVERSITY**

Minor Capital Improvements (06-2-002)

Reappropriation:

Washington State University Building Account—State . . . . . \$1,100,000  
Prior Biennia (Expenditures) . . . . . \$4,900,000  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$6,000,000

**NEW SECTION. Sec. 5059. FOR WASHINGTON STATE UNIVERSITY**

Minor Works - Facility Preservation (06-1-001)

Reappropriation:

State Building Construction Account—State . . . . . \$3,500,000  
Washington State University Building Account—State . . . . . \$500,000  
Subtotal Reappropriation . . . . . \$4,000,000  
  
Prior Biennia (Expenditures) . . . . . \$26,500,000  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$30,500,000

**NEW SECTION. Sec. 5060. FOR WASHINGTON STATE UNIVERSITY**

Minor Works - Health, Safety, and Code (06-1-002)

Reappropriation:

Washington State University Building Account—State . . . . . \$500,000  
  
Prior Biennia (Expenditures) . . . . . \$1,500,000  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$2,000,000

**NEW SECTION. Sec. 5061. FOR WASHINGTON STATE UNIVERSITY**

Center for Precision Agriculture (06-2-850)

Reappropriation:

State Building Construction Account—State . . . . . \$800,000  
  
Prior Biennia (Expenditures) . . . . . \$2,000,000  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$2,800,000

**NEW SECTION. Sec. 5062. FOR WASHINGTON STATE UNIVERSITY**

WSU Vancouver - Undergraduate Classroom Building (06-2-951)

Reappropriation:

State Building Construction Account—State . . . . . \$1,200,000

Appropriation:

State Building Construction Account—State . . . . . \$24,350,000

Prior Biennia (Expenditures) . . . . .	\$2,450,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$28,000,000

**NEW SECTION. Sec. 5063. FOR WASHINGTON STATE UNIVERSITY**

Intermediate Preservation Projects (08-1-702)

Appropriation:

State Building Construction Account—State . . . . .	\$3,119,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$31,240,000
TOTAL . . . . .	\$34,359,000

**NEW SECTION. Sec. 5064. FOR WASHINGTON STATE UNIVERSITY**

Library Road Infrastructure (08-1-703)

Appropriation:

State Building Construction Account—State . . . . .	\$12,000,000
Washington State University Building Account—State . . . . .	\$3,000,000
Subtotal Appropriation . . . . .	\$15,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$15,000,000

**NEW SECTION. Sec. 5065. FOR WASHINGTON STATE UNIVERSITY**

Minor Works - Facility Preservation (08-1-001)

Appropriation:

State Building Construction Account—State . . . . .	\$18,900,000
Washington State University Building Account—State . . . . .	\$20,000,000
Subtotal Appropriation . . . . .	\$38,900,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$155,900,000
TOTAL . . . . .	\$194,800,000

**NEW SECTION. Sec. 5066. FOR WASHINGTON STATE UNIVERSITY**

Infrastructure Savings (08-1-151)

The appropriations in this section are subject to the following conditions and limitations: Projects that are completed in accordance with section 6004 of this act may have their remaining funds transferred to this appropriation for other preservation projects approved by the office of financial management.

Appropriation:

State Building Construction Account—State . . . . .	\$1
Gardner-Evans Higher Education Construction Account—State . . . . .	\$1

Subtotal Appropriation . . . . .	\$2
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2

**NEW SECTION. Sec. 5067. FOR WASHINGTON STATE UNIVERSITY**

Minor Works - Program (08-2-002)

Appropriation:

Washington State University Building	
Account—State . . . . .	\$17,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$73,000,000
TOTAL . . . . .	\$90,000,000

**NEW SECTION. Sec. 5068. FOR WASHINGTON STATE UNIVERSITY**

Preventive Facility Maintenance and Building System Repairs (08-1-150)

The appropriation in this section is subject to the following conditions and limitations:

(1) Pursuant to definitions and provisions in section 925, chapter 26, Laws of 2003 1st sp. sess., the appropriation is provided solely to maintain facilities housing educational and general programs and to maintain its major building systems and campus infrastructure. Building maintenance, mechanical adjustments, repairs, and minor works for the facility or its major building systems and campus infrastructure must extend the remaining useful life of the facility or keep it safe and functioning normally.

(2) With this appropriation, the intent is to improve the average condition of state facilities as compared to the baseline conditions documented in report 03-1 of the joint legislative audit and review committee. Preventive facility maintenance project funds must be allocated at local discretion to achieve the performance goal stated in this subsection (2), with particular attention given to buildings currently rated in superior to adequate condition so as to maximize useful life given both the passage of time and intensity with which the space is used.

(3) Section 6004 of this act does not apply to this appropriation.

(4) There is no intent to reappropriate amounts not expended by June 30, 2009.

Appropriation:

Education Construction Account—State . . . . .	\$10,115,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$10,115,000

**NEW SECTION. Sec. 5069. FOR WASHINGTON STATE UNIVERSITY**

University Wide Infrastructure (08-1-701)

Appropriation:  
 State Building Construction Account—State . . . . . \$8,000,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$72,500,000  
 TOTAL . . . . . \$80,500,000

**NEW SECTION. Sec. 5070. FOR WASHINGTON STATE UNIVERSITY**

Utilities Extension (08-1-100)

Appropriation:  
 Washington State University Building Account—State . . . . . \$11,536,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$11,536,000

**NEW SECTION. Sec. 5071. FOR WASHINGTON STATE UNIVERSITY**

WSU Vancouver: Applied Technology and Classroom Building (06-2-950)

Appropriation:  
 State Building Construction Account—State . . . . . \$4,770,000  
 Prior Biennia (Expenditures) . . . . . \$150,000  
 Future Biennia (Projected Costs) . . . . . \$35,300,000  
 TOTAL . . . . . \$40,220,000

**NEW SECTION. Sec. 5072. FOR EASTERN WASHINGTON UNIVERSITY**

Patterson Hall Remodel (06-2-002)

Reappropriation:  
 Gardner-Evans Higher Education Construction  
 Account—State . . . . . \$40,000

Appropriation:  
 State Building Construction Account—State . . . . . \$2,000,000  
 Prior Biennia (Expenditures) . . . . . \$160,000  
 Future Biennia (Projected Costs) . . . . . \$28,000,000  
 TOTAL . . . . . \$30,200,000

**NEW SECTION. Sec. 5073. FOR EASTERN WASHINGTON UNIVERSITY**

Infrastructure Savings (06-1-751)

Reappropriation:  
 Gardner-Evans Higher Education Construction  
 Account—State . . . . . \$800,000  
 Prior Biennia (Expenditures) . . . . . \$377,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$1,177,000

**NEW SECTION. Sec. 5074. FOR EASTERN WASHINGTON UNIVERSITY**

Hargreaves Hall Renovation (06-1-701)

Reappropriation:

State Building Construction Account—State . . . . . \$500,000

Appropriation:

State Building Construction Account—State . . . . . \$10,821,000

Prior Biennia (Expenditures) . . . . . \$914,000

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$12,235,000

**NEW SECTION. Sec. 5075. FOR EASTERN WASHINGTON UNIVERSITY**

Martin Williamson Hall Renovation (06-1-706)

Reappropriation:

Gardner-Evans Higher Education Construction Account—State . . . . . \$40,000

Prior Biennia (Expenditures) . . . . . \$160,000

Future Biennia (Projected Costs) . . . . . \$26,000,000

TOTAL . . . . . \$26,200,000

**NEW SECTION. Sec. 5076. FOR EASTERN WASHINGTON UNIVERSITY**

Minor Works - Facility Preservation (06-1-710)

Reappropriation:

State Building Construction Account—State . . . . . \$3,000,000

Prior Biennia (Expenditures) . . . . . \$5,000,000

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$8,000,000

**NEW SECTION. Sec. 5077. FOR EASTERN WASHINGTON UNIVERSITY**

Minor Works - Health Safety and Code Compliance (06-1-711)

Reappropriation:

State Building Construction Account—State . . . . . \$2,500,000

Prior Biennia (Expenditures) . . . . . \$3,200,000

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$5,700,000

**NEW SECTION. Sec. 5078. FOR EASTERN WASHINGTON UNIVERSITY**

Minor Works - Infrastructure Preservation (06-1-712)

Reappropriation:

State Building Construction Account—State . . . . . \$2,500,000

Prior Biennia (Expenditures) . . . . . \$1,500,000

Future Biennia (Projected Costs) . . . . . \$0



TOTAL .....	\$4,000,000
<b><u>NEW SECTION. Sec. 5079. FOR EASTERN WASHINGTON UNIVERSITY</u></b>	
Minor Works Program (06-2-006)	
Reappropriation:	
State Building Construction Account—State .....	\$3,500,000
Eastern Washington University Capital Projects	
Account—State .....	\$3,500,000
Subtotal Reappropriation .....	\$7,000,000
Prior Biennia (Expenditures) .....	\$8,600,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$15,600,000
<b><u>NEW SECTION. Sec. 5080. FOR EASTERN WASHINGTON UNIVERSITY</u></b>	
Minor Works - Facility Preservation (08-1-001)	
Appropriation:	
Eastern Washington University Capital Projects	
Account—State .....	\$3,500,000
State Building Construction Account—State .....	\$500,000
Subtotal Appropriation .....	\$4,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$24,000,000
TOTAL .....	\$28,000,000
<b><u>NEW SECTION. Sec. 5081. FOR EASTERN WASHINGTON UNIVERSITY</u></b>	
Minor Works - Health, Safety, and Code Requirements (08-1-002)	
Appropriation:	
Education Construction Account—State .....	\$4,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$24,000,000
TOTAL .....	\$28,000,000
<b><u>NEW SECTION. Sec. 5082. FOR EASTERN WASHINGTON UNIVERSITY</u></b>	
Minor Works - Infrastructure Preservation (08-1-003)	
Appropriation:	
State Building Construction Account—State .....	\$4,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$22,000,000
TOTAL .....	\$26,000,000
<b><u>NEW SECTION. Sec. 5083. FOR EASTERN WASHINGTON UNIVERSITY</u></b>	
Minor Works - Program (08-2-001)	

Appropriation:

State Building Construction Account—State . . . . .	\$4,000,000
Eastern Washington University Capital Projects	
Account—State . . . . .	\$7,000,000
Subtotal Appropriation . . . . .	\$11,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$62,400,000
TOTAL . . . . .	\$73,400,000

**NEW SECTION. Sec. 5084. FOR EASTERN WASHINGTON UNIVERSITY**

Infrastructure Savings (08-1-151)

The appropriations in this section are subject to the following conditions and limitations: Projects that are completed in accordance with section 6004 of this act may have their remaining funds transferred to this appropriation for other preservation projects approved by the office of financial management.

Appropriation:

State Building Construction Account—State . . . . .	\$1
Gardner-Evans Higher Education Construction	
Account—State . . . . .	\$1
Subtotal Appropriation . . . . .	\$2
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2

**NEW SECTION. Sec. 5085. FOR EASTERN WASHINGTON UNIVERSITY**

Preventive Facility Maintenance and Building System Repairs (08-1-150)

The appropriation in this section is subject to the following conditions and limitations:

(1) Pursuant to definitions and provisions in section 925, chapter 26, Laws of 2003 1st sp. sess., the appropriation is provided solely to maintain facilities housing educational and general programs and to maintain its major building systems and campus infrastructure. Building maintenance, mechanical adjustments, repairs, and minor works for the facility or its major building systems and campus infrastructure must extend the remaining useful life of the facility or keep it safe and functioning normally.

(2) With this appropriation, the intent is to improve the average condition of state facilities as compared to the baseline conditions documented in report 03-1 of the joint legislative audit and review committee. Preventive facility maintenance project funds must be allocated at local discretion to achieve the performance goal stated in this subsection (2), with particular attention given to buildings currently rated in superior to adequate condition so as to maximize useful life given both the passage of time and intensity with which the space is used.

(3) Section 6004 of this act does not apply to this appropriation.

(4) There is no intent to reappropriate amounts not expended by June 30, 2009.

Appropriation:  
 Education Construction Account—State . . . . . \$2,217,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$2,217,000

**NEW SECTION. Sec. 5086. FOR CENTRAL WASHINGTON UNIVERSITY**

Dean Hall Renovation (06-1-004)

Reappropriation:  
 State Building Construction Account—State . . . . . \$924,000

Appropriation:  
 State Building Construction Account—State . . . . . \$23,200,000  
 Prior Biennia (Expenditures) . . . . . \$1,276,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$25,400,000

**NEW SECTION. Sec. 5087. FOR CENTRAL WASHINGTON UNIVERSITY**

Minor Works - Facility Preservation (06-1-003)

Reappropriation:  
 Central Washington University Capital Projects  
 Account—State . . . . . \$250,000  
 Prior Biennia (Expenditures) . . . . . \$1,808,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$2,058,000

**NEW SECTION. Sec. 5088. FOR CENTRAL WASHINGTON UNIVERSITY**

Minor Works - Infrastructure Preservation (06-1-002)

Reappropriation:  
 Central Washington University Capital Projects  
 Account—State . . . . . \$27,000  
 Prior Biennia (Expenditures) . . . . . \$1,073,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$1,100,000

**NEW SECTION. Sec. 5089. FOR CENTRAL WASHINGTON UNIVERSITY**

Minor Works Program (06-2-005)

Reappropriation:  
 Central Washington University Capital Projects  
 Account—State . . . . . \$669,000  
 Prior Biennia (Expenditures) . . . . . \$3,721,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$4,390,000

**NEW SECTION. Sec. 5090. FOR CENTRAL WASHINGTON UNIVERSITY**

Nicholson Pavilion Indoor Air/Asbestos (06-1-008)

Reappropriation:

State Building Construction Account—State .....	\$375,000
Prior Biennia (Expenditures) .....	\$3,725,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$4,100,000

**NEW SECTION. Sec. 5091. FOR CENTRAL WASHINGTON UNIVERSITY**

Combined Utilities (08-1-011)

Appropriation:

State Building Construction Account—State .....	\$6,800,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$15,000,000
TOTAL .....	\$21,800,000

**NEW SECTION. Sec. 5092. FOR CENTRAL WASHINGTON UNIVERSITY**

Hogue Hall Renovation and Addition (08-2-003)

Appropriation:

Gardner-Evans Higher Education Construction Account—State .....	\$3,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$35,000,000
TOTAL .....	\$38,000,000

**NEW SECTION. Sec. 5093. FOR CENTRAL WASHINGTON UNIVERSITY**

Minor Works - Facility Preservation (08-1-001)

Appropriation:

State Building Construction Account—State .....	\$3,175,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$12,700,000
TOTAL .....	\$15,875,000

**NEW SECTION. Sec. 5094. FOR CENTRAL WASHINGTON UNIVERSITY**

Minor Works - Health, Safety, and Code Requirements (08-1-009)

Appropriation:

State Building Construction Account—State .....	\$660,000
Central Washington University Capital Projects Account—State .....	\$2,675,000
Subtotal Appropriation .....	\$3,335,000
Prior Biennia (Expenditures) .....	\$0

Future Biennia (Projected Costs) . . . . .	\$13,340,000
TOTAL . . . . .	\$16,675,000

**NEW SECTION. Sec. 5095. FOR CENTRAL WASHINGTON UNIVERSITY**

Minor Works - Infrastructure Preservation (08-1-010)

Appropriation:

State Building Construction Account—State . . . . .	\$2,165,000
Central Washington University Capital Projects	
Account—State . . . . .	\$1,125,000
Subtotal Appropriation . . . . .	\$3,290,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$13,160,000
TOTAL . . . . .	\$16,450,000

**NEW SECTION. Sec. 5096. FOR CENTRAL WASHINGTON UNIVERSITY**

Minor Works - Program (08-2-002)

Appropriation:

State Building Construction Account—State . . . . .	\$4,000,000
Central Washington University Capital Projects	
Account—State . . . . .	\$3,800,000
Subtotal Appropriation . . . . .	\$7,800,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$17,500,000
TOTAL . . . . .	\$25,300,000

**NEW SECTION. Sec. 5097. FOR CENTRAL WASHINGTON UNIVERSITY**

Infrastructure Savings (08-1-151)

The appropriations in this section are subject to the following conditions and limitations: Projects that are completed in accordance with section 6004 of this act may have their remaining funds transferred to this appropriation for other preservation projects approved by the office of financial management.

Appropriation:

State Building Construction Account—State . . . . .	\$1
Gardner-Evans Higher Education Construction	
Account—State . . . . .	\$1
Subtotal Appropriation . . . . .	\$2
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2

**NEW SECTION. Sec. 5098. FOR CENTRAL WASHINGTON UNIVERSITY**

Preventive Facility Maintenance and Building System Repairs (08-1-150)

The appropriation in this section is subject to the following conditions and limitations:

(1) Pursuant to definitions and provisions in section 925, chapter 26, Laws of 2003 1st sp. sess., the appropriation is provided solely to maintain facilities housing educational and general programs and to maintain its major building systems and campus infrastructure. Building maintenance, mechanical adjustments, repairs, and minor works for the facility or its major building systems and campus infrastructure must extend the remaining useful life of the facility or keep it safe and functioning normally.

(2) With this appropriation, the intent is to improve the average condition of state facilities as compared to the baseline conditions documented in report 03-1 of the joint legislative audit and review committee. Preventive facility maintenance project funds must be allocated at local discretion to achieve the performance goal stated in this subsection (2), with particular attention given to buildings currently rated in superior to adequate condition so as to maximize useful life given both the passage of time and intensity with which the space is used.

(3) Section 6004 of this act does not apply to this appropriation.

(4) There is no intent to reappropriate amounts not expended by June 30, 2009.

Appropriation:

Education Construction Account—State . . . . .	\$2,422,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,422,000

**NEW SECTION. Sec. 5099. FOR THE EVERGREEN STATE COLLEGE**

Seminar Building Phase II - Construction (02-2-004)

Reappropriation:

The Evergreen State College Capital Projects	
Account—State . . . . .	\$150,000
Prior Biennia (Expenditures) . . . . .	\$47,350,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$47,500,000

**NEW SECTION. Sec. 5100. FOR THE EVERGREEN STATE COLLEGE**

Daniel J. Evans Building - Modernization (04-2-006)

Reappropriation:

Gardner-Evans Higher Education Construction	
Account—State . . . . .	\$20,250,000
Prior Biennia (Expenditures) . . . . .	\$24,500,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$44,750,000

**NEW SECTION. Sec. 5101. FOR THE EVERGREEN STATE COLLEGE**

Health, Safety, and Code Requirements (06-1-002)

Reappropriation:

The Evergreen State College Capital Projects	
Account—State . . . . .	\$300,000
Prior Biennia (Expenditures) . . . . .	\$1,700,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,000,000

**NEW SECTION. Sec. 5102. FOR THE EVERGREEN STATE COLLEGE**

Infrastructure Preservation (06-1-004)

Reappropriation:

The Evergreen State College Capital Projects	
Account—State . . . . .	\$175,000
Prior Biennia (Expenditures) . . . . .	\$825,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 5103. FOR THE EVERGREEN STATE COLLEGE**

Lab I First Floor Class/Laboratory Renovation (06-2-001)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,950,000
Prior Biennia (Expenditures) . . . . .	\$1,150,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,100,000

**NEW SECTION. Sec. 5104. FOR THE EVERGREEN STATE COLLEGE**

Minor Works - Facility Preservation (06-1-003)

Reappropriation:

The Evergreen State College Capital Projects	
Account—State . . . . .	\$1,100,000
Prior Biennia (Expenditures) . . . . .	\$2,900,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,000,000

**NEW SECTION. Sec. 5105. FOR THE EVERGREEN STATE COLLEGE**

Minor Works Program (06-2-005)

Reappropriation:

The Evergreen State College Capital Projects	
Account—State . . . . .	\$75,000
Prior Biennia (Expenditures) . . . . .	\$425,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$500,000

NEW SECTION. **Sec. 5106. FOR THE EVERGREEN STATE COLLEGE**

College Activities Building Renovation (08-2-009)

Appropriation:

State Building Construction Account—State . . . . .	\$4,900,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,900,000

NEW SECTION. **Sec. 5107. FOR THE EVERGREEN STATE COLLEGE**

Longhouse Expansion (08-2-007)

Appropriation:

State Building Construction Account—State . . . . .	\$1,700,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,700,000

NEW SECTION. **Sec. 5108. FOR THE EVERGREEN STATE COLLEGE**

Minor Works - Infrastructure Preservation (08-1-004)

Appropriation:

State Building Construction Account—State . . . . .	\$700,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$700,000

NEW SECTION. **Sec. 5109. FOR THE EVERGREEN STATE COLLEGE**

Minor Works - Health, Safety, and Code Requirements (08-1-002)

Appropriation:

State Building Construction Account—State . . . . .	\$3,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,000,000

NEW SECTION. **Sec. 5110. FOR THE EVERGREEN STATE COLLEGE**

Minor Works - Preservation (08-1-001)

Appropriation:

The Evergreen State College Capital Projects Account—State . . . . .	\$5,300,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,300,000



**NEW SECTION. Sec. 5111. FOR THE EVERGREEN STATE COLLEGE**

Infrastructure Savings (08-1-151)

The appropriations in this section are subject to the following conditions and limitations: Projects that are completed in accordance with section 6004 of this act may have their remaining funds transferred to this appropriation for other preservation projects approved by the office of financial management.

Appropriation:

State Building Construction Account—State .....	\$1
Gardner-Evans Higher Education Construction Account—State .....	\$1
Subtotal Appropriation .....	\$2
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$2

**NEW SECTION. Sec. 5112. FOR THE EVERGREEN STATE COLLEGE**

Minor Works - Program (08-2-003)

Appropriation:

State Building Construction Account—State .....	\$930,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$930,000

**NEW SECTION. Sec. 5113. FOR THE EVERGREEN STATE COLLEGE**

Preventive Facility Maintenance and Building System Repairs (08-1-150)

The appropriation in this section is subject to the following conditions and limitations:

(1) Pursuant to definitions and provisions in section 925, chapter 26, Laws of 2003 1st sp. sess., the appropriation is provided solely to maintain facilities housing educational and general programs and to maintain its major building systems and campus infrastructure. Building maintenance, mechanical adjustments, repairs, and minor works for the facility or its major building systems and campus infrastructure must extend the remaining useful life of the facility or keep it safe and functioning normally.

(2) With this appropriation, the intent is to improve the average condition of state facilities as compared to the baseline conditions documented in report 03-1 of the joint legislative audit and review committee. Preventive facility maintenance project funds must be allocated at local discretion to achieve the performance goal stated in this subsection (2), with particular attention given to buildings currently rated in superior to adequate condition so as to maximize useful life given both the passage of time and intensity with which the space is used.

(3) Section 6004 of this act does not apply to this appropriation.

(4) There is no intent to reappropriate amounts not expended by June 30, 2009.

Appropriation:

Education Construction Account—State . . . . .	\$760,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$760,000

**NEW SECTION. Sec. 5114. FOR WESTERN WASHINGTON UNIVERSITY**

Academic Instructional Center (02-2-026)

Reappropriation:

Gardner-Evans Higher Education Construction Account—State . . . . .	\$48,000,000
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Appropriation:

State Building Construction Account—State . . . . .	\$5,895,000
Western Washington University Capital Projects Account—State . . . . .	\$1,178,000
Subtotal Appropriation . . . . .	\$7,073,000
Prior Biennia (Expenditures) . . . . .	\$9,171,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$64,244,000

**NEW SECTION. Sec. 5115. FOR WESTERN WASHINGTON UNIVERSITY**

Miller Hall Renovation (04-1-953)

Appropriation:

State Building Construction Account—State . . . . .	\$5,523,000
Prior Biennia (Expenditures) . . . . .	\$250,000
Future Biennia (Projected Costs) . . . . .	\$52,227,000
TOTAL . . . . .	\$58,000,000

**NEW SECTION. Sec. 5116. FOR WESTERN WASHINGTON UNIVERSITY**

Minor Works - Facility Preservation (06-1-083)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,850,000
Prior Biennia (Expenditures) . . . . .	\$2,440,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,290,000

**NEW SECTION. Sec. 5117. FOR WESTERN WASHINGTON UNIVERSITY**

Minor Works - Health, Safety, and Code (06-1-082)

Reappropriation:

State Building Construction Account—State . . . . .	\$850,000
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Prior Biennia (Expenditures) . . . . .	\$1,240,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,090,000

**NEW SECTION. Sec. 5118. FOR WESTERN WASHINGTON UNIVERSITY**

Minor Works - Infrastructure Preservation (06-1-084)

Reappropriation:

State Building Construction Account—State . . . . .	\$850,000
Prior Biennia (Expenditures) . . . . .	\$1,375,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,225,000

**NEW SECTION. Sec. 5119. FOR WESTERN WASHINGTON UNIVERSITY**

Minor Works - Program (06-2-085)

Reappropriation:

Western Washington University Capital Projects Account—State . . . . .	\$2,200,000
Prior Biennia (Expenditures) . . . . .	\$5,522,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$7,722,000

**NEW SECTION. Sec. 5120. FOR WESTERN WASHINGTON UNIVERSITY**

Academic Facilities Modernization Projects (08-2-099)

Appropriation:

State Building Construction Account—State . . . . .	\$11,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$11,000,000

**NEW SECTION. Sec. 5121. FOR WESTERN WASHINGTON UNIVERSITY**

Carver Academic Renovation (08-1-060)

Appropriation:

State Building Construction Account—State . . . . .	\$400,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$51,587,000
TOTAL . . . . .	\$51,987,000

**NEW SECTION. Sec. 5122. FOR WESTERN WASHINGTON UNIVERSITY**

Minor Works - Facility Preservation (08-1-091)

Appropriation:

State Building Construction Account—State . . . . .	\$5,051,000
Prior Biennia (Expenditures) . . . . .	\$0

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Future Biennia (Projected Costs).....	\$18,000,000
TOTAL.....	\$23,051,000

**NEW SECTION. Sec. 5123. FOR WESTERN WASHINGTON UNIVERSITY**

Minor Works - Health, Safety, and Code Requirements (08-1-090)

Appropriation:

State Building Construction Account—State .....	\$2,933,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$12,000,000
TOTAL.....	\$14,933,000

**NEW SECTION. Sec. 5124. FOR WESTERN WASHINGTON UNIVERSITY**

Minor Works - Infrastructure Preservation (08-1-092)

Appropriation:

State Building Construction Account—State .....	\$2,016,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$8,000,000
TOTAL.....	\$10,016,000

**NEW SECTION. Sec. 5125. FOR WESTERN WASHINGTON UNIVERSITY**

Infrastructure Savings (08-1-151)

The appropriations in this section are subject to the following conditions and limitations: Projects that are completed in accordance with section 6004 of this act may have their remaining funds transferred to this appropriation for other preservation projects approved by the office of financial management.

Appropriation:

State Building Construction Account—State .....	\$1
Gardner-Evans Higher Education Construction Account—State.....	\$1
Subtotal Appropriation.....	\$2
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$0
TOTAL.....	\$2

**NEW SECTION. Sec. 5126. FOR WESTERN WASHINGTON UNIVERSITY**

Minor Works - Program (08-2-093)

Appropriation:

State Building Construction Account—State .....	\$3,000,000
Western Washington University Capital Projects Account—State.....	\$7,000,000
Subtotal Appropriation.....	\$10,000,000
Prior Biennia (Expenditures).....	\$0
Future Biennia (Projected Costs).....	\$40,000,000

TOTAL ..... \$50,000,000

**NEW SECTION. Sec. 5127. FOR WESTERN WASHINGTON UNIVERSITY**

Preventive Facility Maintenance and Building System Repairs (08-1-150)

The appropriation in this section is subject to the following conditions and limitations:

(1) Pursuant to definitions and provisions in section 925, chapter 26, Laws of 2003 1st sp. sess., the appropriation is provided solely to maintain facilities housing educational and general programs and to maintain its major building systems and campus infrastructure. Building maintenance, mechanical adjustments, repairs, and minor works for the facility or its major building systems and campus infrastructure must extend the remaining useful life of the facility or keep it safe and functioning normally.

(2) With this appropriation, the intent is to improve the average condition of state facilities as compared to the baseline conditions documented in report 03-1 of the joint legislative audit and review committee. Preventive facility maintenance project funds must be allocated at local discretion to achieve the performance goal stated in this subsection (2), with particular attention given to buildings currently rated in superior to adequate condition so as to maximize useful life given both the passage of time and intensity with which the space is used.

(3) Section 6004 of this act does not apply to this appropriation.

(4) There is no intent to reappropriate amounts not expended by June 30, 2009.

Appropriation:

Education Construction Account—State ..... \$3,614,000  
Prior Biennia (Expenditures) ..... \$0  
Future Biennia (Projected Costs) ..... \$0  
TOTAL ..... \$3,614,000

**NEW SECTION. Sec. 5128. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

Pacific - Lewis and Clark Station Camp Park Project (02-S-001)

Reappropriation:

State Building Construction Account—State ..... \$666,000  
Prior Biennia (Expenditures) ..... \$1,885,000  
Future Biennia (Projected Costs) ..... \$0  
TOTAL ..... \$2,551,000

**NEW SECTION. Sec. 5129. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

Lewis and Clark Trail Interpretive Infrastructure Grant (02-4-001)

Reappropriation:

State Building Construction Account—State ..... \$1,081,000  
Prior Biennia (Expenditures) ..... \$646,000  
Future Biennia (Projected Costs) ..... \$0

TOTAL . . . . . \$1,727,000

**NEW SECTION. Sec. 5130. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

Washington Heritage Projects (04-4-004)

Reappropriation:

State Building Construction Account—State . . . . . \$1,947,000  
Prior Biennia (Expenditures) . . . . . \$2,053,000  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$4,000,000

**NEW SECTION. Sec. 5131. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

Olympia - State Capital Museum: Building Preservation (06-1-003)

Reappropriation:

State Building Construction Account—State . . . . . \$17,000  
Prior Biennia (Expenditures) . . . . . \$314,000  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$331,000

**NEW SECTION. Sec. 5132. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

Statewide - Washington Heritage Project Grants (06-4-004)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the project list in section 733, chapter 488, Laws of 2005.

Reappropriation:

State Building Construction Account—State . . . . . \$3,821,000  
Prior Biennia (Expenditures) . . . . . \$843,000  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$4,664,000

**NEW SECTION. Sec. 5133. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

Tacoma - State History Museum: Building Preservation (06-1-001)

Reappropriation:

State Building Construction Account—State . . . . . \$100,000  
Prior Biennia (Expenditures) . . . . . \$381,000  
Future Biennia (Projected Costs) . . . . . \$0  
TOTAL . . . . . \$481,000

**NEW SECTION. Sec. 5134. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

Tacoma - Research Center: Building Preservation (06-1-002)

Reappropriation:

State Building Construction Account—State . . . . . \$100,000

Prior Biennia (Expenditures) . . . . .	\$82,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$182,000

**NEW SECTION. Sec. 5135. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

Tacoma Research Center Building Preservation (07-1-002)

Appropriation:

State Building Construction Account—State . . . . .	\$200,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$537,000
TOTAL . . . . .	\$737,000

**NEW SECTION. Sec. 5136. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

Tacoma State History Museum Building Preservation (07-1-001)

Appropriation:

State Building Construction Account—State . . . . .	\$500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$1,000,000
TOTAL . . . . .	\$1,500,000

**NEW SECTION. Sec. 5137. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

Washington Heritage Grants (07-4-004)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation is subject to the provisions of RCW 27.34.330.
- (2) The appropriation is provided solely for the following list of projects:

<b>Project</b>	<b>Recommended</b>
Cascade land conservancy	\$202,000
Suquamish museum and arts center	\$1,000,000
Moses Lake museum and arts center	\$1,000,000
White River Valley museum	\$245,000
The Tulalip tribe	\$1,000,000
City of Mukilteo	\$490,000
Lewis county historical museum	\$43,000
Pacific county historical society	\$186,000
City of Gig Harbor	\$1,000,000
Bainbridge Island metro parks and recreation	\$70,000
Polson museum	\$171,000
Washington trust for historic preservation	\$83,000
Historic Seattle PDA	\$500,000
City of Tacoma	\$77,000
City of Des Moines	\$1,000,000
Fort Walla Walla museum	\$859,000

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Foss waterway seaport	\$300,000
LaConner quilt museum	\$125,000
Cowlitz River Valley historical society	\$158,000
Western forest industries museum	\$158,000
San Juan historical society	\$25,000
Central Washington fair association	\$48,000
Urban league of metro Seattle	\$650,000
The center for wooden boats	\$235,000
Jefferson county historical society	\$200,000
Mansfield museum	\$10,000
Martin Luther King Ballet	\$50,000
The northwest railway museum	\$75,000
Northpoint cooperative preschool	\$40,000

Total \$10,000,000

Appropriation:

State Building Construction Account—State	\$10,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$40,000,000
TOTAL	\$50,000,000

**NEW SECTION. Sec. 5138. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

Women's History Preservation Grants (07-4-950)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the preservation of documents that are important in revealing the role of women in the history of the region and the role Washington women played in the nation's history.

Appropriation:

State Building Construction Account—State	\$200,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$200,000

**NEW SECTION. Sec. 5139. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

Building Management System (08-1-003)

Appropriation:

State Building Construction Account—State	\$196,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$196,000

**NEW SECTION. Sec. 5140. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

Campbell House Long-Term Preservation (08-1-002)



The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely to repair the foundation, sandstone, mortar, brick, chimney, and roof of state-owned National Register property "Campbell house" and its carriage house.

Appropriation:

State Building Construction Account—State	\$402,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$293,000
TOTAL	\$695,000

**NEW SECTION. Sec. 5141. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

Computer Catalog System (08-2-010)

Appropriation:

State Building Construction Account—State	\$63,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$63,000

**NEW SECTION. Sec. 5142. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

Museum Preservation (08-1-001)

Appropriation:

State Building Construction Account—State	\$150,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$1,154,000
TOTAL	\$1,304,000

**NEW SECTION. Sec. 5143. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

Security System and Technology Infrastructure (08-1-005)

Appropriation:

State Building Construction Account—State	\$408,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$408,000

**NEW SECTION. Sec. 5144. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

Storage and Exhibit Equipment for Collections (08-2-012)

Appropriation:

State Building Construction Account—State	\$42,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$114,000
TOTAL	\$156,000

**NEW SECTION. Sec. 5145. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

Museum System Repair and Upgrades/Preservation (08-1-013)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for preservation projects and to repair and upgrade museum systems to enhance delivery of K-12 education and American Indian programs.

Appropriation:

State Building Construction Account—State .....	\$1,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$1,000,000

**NEW SECTION. Sec. 5146. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Clark College: Clark Center at WSU Vancouver (00-2-680)

Reappropriation:

Gardner-Evans Higher Education Construction Account—State .....	\$150,000
Prior Biennia (Expenditures) .....	\$19,624,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$19,774,000

**NEW SECTION. Sec. 5147. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Pierce College Puyallup: Phase III Expansion (00-2-676)

Reappropriation:

Gardner-Evans Higher Education Construction Account—State .....	\$1,000,000
Prior Biennia (Expenditures) .....	\$24,335,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$25,335,000

**NEW SECTION. Sec. 5148. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Green River Community College: Science Building (01-2-688)

Reappropriation:

State Building Construction Account—State .....	\$4,000,000
Prior Biennia (Expenditures) .....	\$25,804,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$29,804,000

**NEW SECTION. Sec. 5149. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Tacoma Community College: Science Building (01-2-687)

Reappropriation:

State Building Construction Account—State . . . . .	\$10,500,000
Prior Biennia (Expenditures) . . . . .	\$21,496,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$31,996,000

**NEW SECTION. Sec. 5150. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Bates Technical College: Learning Resource Center/Vocational (02-2-684)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,300,000
Prior Biennia (Expenditures) . . . . .	\$15,760,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$17,060,000

**NEW SECTION. Sec. 5151. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Cascadia Community College/UW Bothell: Phase 2B Off Ramp (02-2-999)

Reappropriation:

Gardner-Evans Higher Education Construction Account—State . . . . .	\$320,000
Prior Biennia (Expenditures) . . . . .	\$1,430,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,750,000

**NEW SECTION. Sec. 5152. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Edmonds Community College: Instructional Lab Building - Construction (02-2-685)

Reappropriation:

State Building Construction Account—State . . . . .	\$8,000,000
Prior Biennia (Expenditures) . . . . .	\$9,488,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$17,488,000

**NEW SECTION. Sec. 5153. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Tacoma Community College: Information Technology Vocational Center (02-2-683)

Reappropriation:

State Building Construction Account—State . . . . .	\$450,000
Prior Biennia (Expenditures) . . . . .	\$15,280,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$15,730,000

**NEW SECTION. Sec. 5154. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Walla Walla Community College: Basic Skills/Computer Lab (02-2-686)

Reappropriation:

Gardner-Evans Higher Education Construction	
Account—State . . . . .	\$3,000,000
Prior Biennia (Expenditures) . . . . .	\$4,178,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$7,178,000

**NEW SECTION. Sec. 5155. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Bellevue Community College: Science and Technology (04-2-690)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,400,000
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Appropriation:

State Building Construction Account—State . . . . .	\$31,332,000
Prior Biennia (Expenditures) . . . . .	\$1,066,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$33,798,000

**NEW SECTION. Sec. 5156. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Bellingham Technical College: Welding/Auto Collision Replacement (04-1-213)

Reappropriation:

State Building Construction Account—State . . . . .	\$600,000
Gardner-Evans Higher Education Construction	
Account—State . . . . .	\$2,600,000
Subtotal Reappropriation . . . . .	\$3,200,000
Prior Biennia (Expenditures) . . . . .	\$13,638,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$16,838,000

**NEW SECTION. Sec. 5157. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Cascadia Community College: Center for Arts, Technology, and Communications (04-2-693)

Reappropriation:

Gardner-Evans Higher Education Construction	
Account—State . . . . .	\$2,100,000

Appropriation:

Gardner-Evans Higher Education Construction	
Account—State . . . . .	\$32,636,000
Prior Biennia (Expenditures) . . . . .	\$1,091,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$35,827,000

**NEW SECTION. Sec. 5158. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Centralia Community College: Science Building (04-2-850)

Reappropriation:  
 State Building Construction Account—State . . . . . \$1,700,000

Appropriation:  
 Gardner-Evans Higher Education Construction  
 Account—State . . . . . \$28,716,000  
 Prior Biennia (Expenditures) . . . . . \$1,697,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$32,113,000

**NEW SECTION. Sec. 5159. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Clark College: East County Satellite (04-1-689)

Reappropriation:  
 Gardner-Evans Higher Education Construction  
 Account—State . . . . . \$2,000,000

Appropriation:  
 Gardner-Evans Higher Education Construction  
 Account—State . . . . . \$27,184,000  
 Prior Biennia (Expenditures) . . . . . \$693,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$29,877,000

**NEW SECTION. Sec. 5160. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Edmonds Community College: Renovation - Mountlake Terrace Hall (04-1-311)

Reappropriation:  
 State Building Construction Account—State . . . . . \$230,000  
 Prior Biennia (Expenditures) . . . . . \$8,596,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$8,826,000

**NEW SECTION. Sec. 5161. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Everett Community College: Pilchuck/Glacier (04-1-205)

Reappropriation:  
 State Building Construction Account—State . . . . . \$130,000  
 Prior Biennia (Expenditures) . . . . . \$18,815,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$18,945,000

**NEW SECTION. Sec. 5162. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Everett Community College: Replacement - Monte Cristo Hall (04-1-305)

Reappropriation:  
 State Building Construction Account—State . . . . . \$45,000

Prior Biennia (Expenditures) . . . . .	\$7,307,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$7,352,000

**NEW SECTION. Sec. 5163. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Everett Community College: University Center - North Puget Sound (04-2-692)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,900,000
Gardner-Evans Higher Education Construction Account—State . . . . .	\$3,844,000
Subtotal Reappropriation . . . . .	\$5,744,000

Appropriation:

State Building Construction Account—State . . . . .	\$40,604,000
Prior Biennia (Expenditures) . . . . .	\$5,590,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$51,938,000

**NEW SECTION. Sec. 5164. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Facility Preservation Backlog Reduction (04-1-951)

The reappropriation in this section is subject to the following conditions and limitations:

(1) Pursuant to definitions and provisions in section 925, chapter 26, Laws of 2003 1st sp. sess., the reappropriation is provided solely to accomplish preservation work that improves existing state facilities in the worst relative condition for housed programs and current building occupants.

(2) With this reappropriation, the intent is to improve the average condition of state facilities as compared to the baseline conditions documented in report 03-1 of the joint legislative audit and review committee. Preservation backlog reduction project funds shall be prioritized at local discretion to achieve the above stated goal, with particular attention given to buildings currently rated in adequate to marginal condition.

(3) This section is subject to the same allotment procedures as a minor works category.

(4) Section 6004 of this act does not apply to this reappropriation.

Reappropriation:

State Building Construction Account—State . . . . .	\$12,000,000
Prior Biennia (Expenditures) . . . . .	\$52,298,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$64,298,000

**NEW SECTION. Sec. 5165. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Grays Harbor College: Replacement - Instructional Building (04-1-204)

Reappropriation:

Gardner-Evans Higher Education Construction	
Account—State . . . . .	\$420,000
Prior Biennia (Expenditures) . . . . .	\$20,314,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$20,734,000

**NEW SECTION. Sec. 5166. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Grays Harbor College: Riverview Education Center (07-1-850)

Reappropriation:

State Building Construction Account—State . . . . .	\$498,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$498,000

**NEW SECTION. Sec. 5167. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Green River Community College: Computer Technology Center (04-2-682)

Reappropriation:

State Building Construction Account—State . . . . .	\$580,000
Prior Biennia (Expenditures) . . . . .	\$11,419,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$11,999,000

**NEW SECTION. Sec. 5168. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Lake Washington Technical College: Redmond Land Acquisition (04-2-403)

The reappropriation in this section is subject to the following conditions and limitations:

- (1) The purpose of the reappropriation is to purchase property for expansion, storm water retention, and parking requirements.
- (2) State funds must be matched with nonstate resources of at least \$500,000.
- (3) Allotment of funds shall be in accordance with RCW 43.88.150.

Reappropriation:

Community/Technical College Capital Projects	
Account—State . . . . .	\$500,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$500,000

**NEW SECTION. Sec. 5169. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Lake Washington Technical College: Renovation - East/West Buildings (04-1-312)

Reappropriation:

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State Building Construction Account—State .....	\$150,000
Prior Biennia (Expenditures) .....	\$4,271,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$4,421,000

**NEW SECTION. Sec. 5170. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Lower Columbia College: Instructional Fine Arts Building (04-1-214)

Reappropriation:

State Building Construction Account—State .....	\$300,000
Gardner-Evans Higher Education Construction	
Account—State .....	\$13,500,000
Subtotal Reappropriation .....	\$13,800,000
Prior Biennia (Expenditures) .....	\$10,861,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$24,661,000

**NEW SECTION. Sec. 5171. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Minor Works - Program (Minor Improvements) (04-2-130)

Reappropriation:

State Building Construction Account—State .....	\$730,000
Community/Technical College Capital Projects	
Account—State .....	\$1,400,000
Subtotal Reappropriation .....	\$2,130,000
Prior Biennia (Expenditures) .....	\$12,850,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$14,980,000

**NEW SECTION. Sec. 5172. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Olympic College: Science and Technology Building Replacement (04-1-202)

Reappropriation:

State Building Construction Account—State .....	\$2,000,000
Prior Biennia (Expenditures) .....	\$11,998,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$13,998,000

**NEW SECTION. Sec. 5173. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Peninsula College: Replacement Science and Technology Building (04-1-208)

Reappropriation:

Gardner-Evans Higher Education Construction	
Account—State .....	\$3,000,000
Prior Biennia (Expenditures) .....	\$20,640,000



Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$23,640,000

**NEW SECTION. Sec. 5174. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Pierce College - Fort Steilacoom: Science and Technology (04-2-694)

Reappropriation:

State Building Construction Account—State . . . . . \$850,000

Appropriation:

State Building Construction Account—State . . . . . \$30,407,000

Prior Biennia (Expenditures) . . . . . \$1,327,000

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$32,584,000

**NEW SECTION. Sec. 5175. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Pierce College Fort Steilacoom: Childcare Center (04-2-401)

Reappropriation:

Community/Technical College Capital Projects  
 Account—State . . . . . \$40,000

Prior Biennia (Expenditures) . . . . . \$460,000

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$500,000

**NEW SECTION. Sec. 5176. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Pierce College Puyallup: Communication Arts/Health Building (04-2-691)

Reappropriation:

Gardner-Evans Higher Education Construction  
 Account—State . . . . . \$900,000

Appropriation:

Gardner-Evans Higher Education Construction  
 Account—State . . . . . \$25,303,000

Prior Biennia (Expenditures) . . . . . \$1,196,000

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$27,399,000

**NEW SECTION. Sec. 5177. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Renton Technical College: Portable Replacement (04-1-215)

Reappropriation:

State Building Construction Account—State . . . . . \$1,000,000

Prior Biennia (Expenditures) . . . . . \$2,396,000

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$3,396,000

**NEW SECTION. Sec. 5178. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Roof Repairs "A" (04-1-010)

Reappropriation:

State Building Construction Account—State . . . . .	\$640,000
Prior Biennia (Expenditures) . . . . .	\$6,626,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$7,266,000

**NEW SECTION. Sec. 5179. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Site Repairs "A" (04-1-090)

Reappropriation:

State Building Construction Account—State . . . . .	\$300,000
Prior Biennia (Expenditures) . . . . .	\$5,006,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,306,000

**NEW SECTION. Sec. 5180. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Skagit Valley College: Science Building Replacement (04-1-209)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,500,000
Gardner-Evans Higher Education Construction Account—State . . . . .	\$325,000
Subtotal Reappropriation . . . . .	\$1,825,000

Appropriation:

State Building Construction Account—State . . . . .	\$28,068,000
Prior Biennia (Expenditures) . . . . .	\$1,217,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$31,110,000

**NEW SECTION. Sec. 5181. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

South Puget Sound Community College: Science Complex (04-2-695)

Reappropriation:

Gardner-Evans Higher Education Construction Account—State . . . . .	\$2,000,000
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Appropriation:

State Building Construction Account—State . . . . .	\$25,867,000
Prior Biennia (Expenditures) . . . . .	\$1,253,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$29,120,000

**NEW SECTION. Sec. 5182. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

South Seattle Community College: Instructional Technology Center (04-2-681)

Reappropriation:

State Building Construction Account—State . . . . .	\$150,000
Prior Biennia (Expenditures) . . . . .	\$18,711,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$18,861,000

**NEW SECTION. Sec. 5183. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Spokane Community College: Science Building Replacement (04-1-212)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,200,000
Prior Biennia (Expenditures) . . . . .	\$14,521,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$15,721,000

**NEW SECTION. Sec. 5184. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Tacoma Community College: Replacement - Portable Buildings (04-1-206)

Reappropriation:

State Building Construction Account—State . . . . .	\$175,000
Prior Biennia (Expenditures) . . . . .	\$2,447,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,622,000

**NEW SECTION. Sec. 5185. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Tacoma Community College: Renovation - Building 7 (04-1-313)

Reappropriation:

State Building Construction Account—State . . . . .	\$2,000,000
Prior Biennia (Expenditures) . . . . .	\$2,988,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,988,000

**NEW SECTION. Sec. 5186. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Walla Walla Community College: Health Science Facility (04-1-211)

Reappropriation:

Community/Technical College Capital Projects Account—State . . . . .	\$500,000
Prior Biennia (Expenditures) . . . . .	\$6,762,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$7,262,000

**NEW SECTION. Sec. 5187. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Yakima Valley Community College: Glenn/Anthon Hall - Replacement (04-1-207)

Reappropriation:

Gardner-Evans Higher Education Construction	
Account—State . . . . .	\$8,000,000
Prior Biennia (Expenditures) . . . . .	\$20,645,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$28,645,000

**NEW SECTION. Sec. 5188. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Columbia Basin College: Health Sciences Center (05-2-851)

Reappropriation:

State Building Construction Account—State . . . . .	\$50,000
Prior Biennia (Expenditures) . . . . .	\$7,950,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$8,000,000

**NEW SECTION. Sec. 5189. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

South Seattle Community College: Training Facility (05-1-854)

Reappropriation:

Gardner-Evans Higher Education Construction	
Account—State . . . . .	\$8,000,000
Prior Biennia (Expenditures) . . . . .	\$1,752,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$9,752,000

**NEW SECTION. Sec. 5190. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Spokane Falls: Business and Social Science Building (05-1-853)

Reappropriation:

Gardner-Evans Higher Education Construction	
Account—State . . . . .	\$8,000,000
Prior Biennia (Expenditures) . . . . .	\$12,312,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$20,312,000

**NEW SECTION. Sec. 5191. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Wenatchee Valley College: Anderson Hall and Portable Replacement (05-1-852)

Reappropriation:

Gardner-Evans Higher Education Construction	
Account—State . . . . .	\$7,000,000
Prior Biennia (Expenditures) . . . . .	\$17,660,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$24,660,000

**NEW SECTION. Sec. 5192. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Big Bend Community College: Performing Arts and Fine Arts (06-1-309)

Reappropriation:

State Building Construction Account—State	\$3,300,000
Prior Biennia (Expenditures)	\$398,000
Future Biennia (Projected Costs)	\$0
<b>TOTAL</b>	<b>\$3,698,000</b>

**NEW SECTION. Sec. 5193. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Clark College: Gaiser Hall Renovation (06-1-302)

Reappropriation:

State Building Construction Account—State	\$3,000,000
Prior Biennia (Expenditures)	\$5,374,000
Future Biennia (Projected Costs)	\$0
<b>TOTAL</b>	<b>\$8,374,000</b>

**NEW SECTION. Sec. 5194. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Clark College: O'Connell Sports Center Improvements (06-2-403)

Reappropriation:

State Building Construction Account—State	\$480,000
Prior Biennia (Expenditures)	\$170,000
Future Biennia (Projected Costs)	\$0
<b>TOTAL</b>	<b>\$650,000</b>

**NEW SECTION. Sec. 5195. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Clover Park Technical College: Allied Health Care Facility (06-2-699)

Reappropriation:

State Building Construction Account—State	\$20,000
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Appropriation:

State Building Construction Account—State	\$2,285,000
Prior Biennia (Expenditures)	\$115,000
Future Biennia (Projected Costs)	\$24,340,000
<b>TOTAL</b>	<b>\$26,760,000</b>

**NEW SECTION. Sec. 5196. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Clover Park Technical College: Personal Care Services Facility (06-1-310)

Reappropriation:

State Building Construction Account—State	\$5,900,000
Prior Biennia (Expenditures)	\$599,000
Future Biennia (Projected Costs)	\$0
<b>TOTAL</b>	<b>\$6,499,000</b>

**NEW SECTION. Sec. 5197. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Edmonds Community College: Brier Hall Renovation (06-1-307)

Reappropriation:

State Building Construction Account—State . . . . .	\$4,700,000
Prior Biennia (Expenditures) . . . . .	\$433,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,133,000

**NEW SECTION. Sec. 5198. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Everett Community College: Paine Field Technical Center (06-2-408)

Reappropriation:

State Building Construction Account—State . . . . .	\$980,000
Prior Biennia (Expenditures) . . . . .	\$20,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 5199. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Facility Repairs (06-1-050)

Reappropriation:

Community/Technical College Capital Projects Account—State . . . . .	\$12,400,000
Prior Biennia (Expenditures) . . . . .	\$9,927,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$22,327,000

**NEW SECTION. Sec. 5200. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Grays Harbor College: Vocational Education Renovation (06-1-303)

Reappropriation:

State Building Construction Account—State . . . . .	\$4,710,000
Prior Biennia (Expenditures) . . . . .	\$661,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,371,000

**NEW SECTION. Sec. 5201. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Green River Community College: Humanities and Classroom Building (06-1-205)

Reappropriation:

State Building Construction Account—State . . . . .	\$40,000
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Appropriation:

State Building Construction Account—State . . . . .	\$2,744,000
Prior Biennia (Expenditures) . . . . .	\$97,000

Future Biennia (Projected Costs) . . . . . \$25,427,000  
 TOTAL . . . . . \$28,308,000

**NEW SECTION. Sec. 5202. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Green River Community College: Physical Education Renovation (06-1-313)

Reappropriation:

State Building Construction Account—State . . . . . \$477,000

Appropriation:

State Building Construction Account—State . . . . . \$3,818,000

Prior Biennia (Expenditures) . . . . . \$0

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$4,295,000

**NEW SECTION. Sec. 5203. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Green River Community College: Water System Replacement (06-1-501)

Reappropriation:

Gardner-Evans Higher Education Construction

Account—State . . . . . \$1,951,000

Prior Biennia (Expenditures) . . . . . \$0

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$1,951,000

**NEW SECTION. Sec. 5204. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Green River Community College: Skills Support Center Addition (06-2-405)

Reappropriation:

State Building Construction Account—State . . . . . \$640,000

Prior Biennia (Expenditures) . . . . . \$160,000

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$800,000

**NEW SECTION. Sec. 5205. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Highline Community College: Marine Science and Technology (06-2-406)

Reappropriation:

State Building Construction Account—State . . . . . \$490,000

Prior Biennia (Expenditures) . . . . . \$10,000

Future Biennia (Projected Costs) . . . . . \$0

TOTAL . . . . . \$500,000

**NEW SECTION. Sec. 5206. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Infrastructure Savings (06-1-751)

Reappropriation:

Gardner-Evans Higher Education Construction	
Account—State . . . . .	\$2,600,000
Prior Biennia (Expenditures) . . . . .	\$116,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,716,000

**NEW SECTION. Sec. 5207. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Lake Washington Technical College: Allied Health Building (06-2-697)

Appropriation:

State Building Construction Account—State . . . . .	\$1,732,000
Prior Biennia (Expenditures) . . . . .	\$197,000
Future Biennia (Projected Costs) . . . . .	\$26,085,000
TOTAL . . . . .	\$28,014,000

**NEW SECTION. Sec. 5208. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Lake Washington Technical College: Science Lab Renovation (06-1-308)

Reappropriation:

State Building Construction Account—State . . . . .	\$290,000
Prior Biennia (Expenditures) . . . . .	\$1,469,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,759,000

**NEW SECTION. Sec. 5209. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Minor Works Preservation (RMI) (06-1-001)

Reappropriation:

Community/Technical College Capital Projects	
Account—State . . . . .	\$6,300,000
Prior Biennia (Expenditures) . . . . .	\$7,700,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$14,000,000

**NEW SECTION. Sec. 5210. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Minor Works: Program (06-2-130)

Reappropriation:

State Building Construction Account—State . . . . .	\$11,900,000
Prior Biennia (Expenditures) . . . . .	\$8,363,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$20,263,000

**NEW SECTION. Sec. 5211. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**



North Seattle Community College: Employment Resource Center (06-2-851)

The appropriation in this section is subject to the following conditions and limitations: The department of social and health services and the employment security department shall not execute new leases or lease extensions for facilities identified in the August 25, 2006, predesign beyond the timeframe for completion of this project.

Reappropriation:

State Building Construction Account—State .....	\$325,000
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Appropriation:

State Building Construction Account—State .....	\$1,970,000
Prior Biennia (Expenditures) .....	\$195,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$2,490,000

**NEW SECTION. Sec. 5212. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

North Seattle Community College: Wellness Center Repairs (06-1-330)

Reappropriation:

State Building Construction Account—State .....	\$970,000
Prior Biennia (Expenditures) .....	\$2,030,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$3,000,000

**NEW SECTION. Sec. 5213. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Olympic College: Humanities and Student Services (06-1-204)

Reappropriation:

State Building Construction Account—State .....	\$2,500,000
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Appropriation:

State Building Construction Account—State .....	\$37,889,000
Prior Biennia (Expenditures) .....	\$999,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$41,388,000

**NEW SECTION. Sec. 5214. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Olympic College: Bremer Student Center (06-2-411)

Reappropriation:

State Building Construction Account—State .....	\$30,000
Prior Biennia (Expenditures) .....	\$570,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$600,000

**NEW SECTION. Sec. 5215. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Peninsula College: Library Renovation (06-1-305)

Reappropriation:

State Building Construction Account—State . . . . .	\$11,000,000
Prior Biennia (Expenditures) . . . . .	\$3,000,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$14,000,000

**NEW SECTION. Sec. 5216. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Peninsula College: Phase II Cultural and Arts Center (06-2-412)

Reappropriation:

State Building Construction Account—State . . . . .	\$250,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$250,000

**NEW SECTION. Sec. 5217. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Pierce College Fort Steilacoom: Cascade Core Phase I (06-1-326)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,000,000
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Appropriation:

State Building Construction Account—State . . . . .	\$14,602,000
Prior Biennia (Expenditures) . . . . .	\$2,350,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$17,952,000

**NEW SECTION. Sec. 5218. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Roof Repairs (06-1-010)

Reappropriation:

Community/Technical College Capital Projects Account—State . . . . .	\$3,900,000
Prior Biennia (Expenditures) . . . . .	\$4,940,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$8,840,000

**NEW SECTION. Sec. 5219. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Seattle Central Community College: Maritime Academy Repairs (06-1-502)

Reappropriation:

Gardner-Evans Higher Education Construction Account—State . . . . .	\$268,000
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Appropriation:

Gardner-Evans Higher Education Construction Account—State . . . . .	\$1,688,000
Prior Biennia (Expenditures) . . . . .	\$0

Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$1,956,000

**NEW SECTION. Sec. 5220. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Seattle Central Community College: Greenhouse/Educational Center (06-2-410)

Reappropriation:

State Building Construction Account—State . . . . . \$240,000  
 Prior Biennia (Expenditures) . . . . . \$10,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$250,000

**NEW SECTION. Sec. 5221. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Seattle Central Community College: Information Technology and Visual Communications (06-1-304)

Reappropriation:

State Building Construction Account—State . . . . . \$7,400,000  
 Prior Biennia (Expenditures) . . . . . \$696,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$8,096,000

**NEW SECTION. Sec. 5222. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Shoreline Community College: Annex Renovation (06-1-312)

Reappropriation:

State Building Construction Account—State . . . . . \$840,000  
 Prior Biennia (Expenditures) . . . . . \$1,899,000  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$2,739,000

**NEW SECTION. Sec. 5223. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Shoreline Community College: Automotive Building (Phase I) (06-2-951)

Reappropriation:

State Building Construction Account—State . . . . . \$1,000,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$1,000,000

**NEW SECTION. Sec. 5224. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Site Repairs (06-1-090)

Reappropriation:

Community/Technical College Capital Projects  
 Account—State . . . . . \$2,300,000

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Prior Biennia (Expenditures) . . . . .	\$1,537,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,837,000

**NEW SECTION. Sec. 5225. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Skagit Valley College: Campus Fire Loop Replacement (06-1-504)

Reappropriation:

Gardner-Evans Higher Education Construction Account—State . . . . .	\$230,000
Prior Biennia (Expenditures) . . . . .	\$1,404,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,634,000

**NEW SECTION. Sec. 5226. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

South Puget Sound Community College: Learning Resource Center (06-2-698)

Appropriation:

State Building Construction Account—State . . . . .	\$3,268,000
Prior Biennia (Expenditures) . . . . .	\$197,000
Future Biennia (Projected Costs) . . . . .	\$35,382,000
TOTAL . . . . .	\$38,847,000

**NEW SECTION. Sec. 5227. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

South Seattle Community College: Automotive Collision Technology (06-1-306)

Reappropriation:

State Building Construction Account—State . . . . .	\$1,700,000
Prior Biennia (Expenditures) . . . . .	\$272,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,972,000

**NEW SECTION. Sec. 5228. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

South Seattle Community College: Horticulture/SCGS Classrooms (06-2-404)

Reappropriation:

State Building Construction Account—State . . . . .	\$490,000
Prior Biennia (Expenditures) . . . . .	\$67,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$557,000

**NEW SECTION. Sec. 5229. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Spokane Falls Community College: Campus Classrooms (06-2-696)

Appropriation:

State Building Construction Account—State	\$1,802,000
Prior Biennia (Expenditures)	\$82,000
Future Biennia (Projected Costs)	\$18,686,000
TOTAL	\$20,570,000

**NEW SECTION. Sec. 5230. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Walla Walla Community College: Center for Water and Environmental Studies (06-2-853)

Reappropriation:

State Building Construction Account—State	\$940,000
Prior Biennia (Expenditures)	\$1,060,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,000,000

**NEW SECTION. Sec. 5231. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Walla Walla Community College: Clarkston Health Science Facility (06-2-402)

Reappropriation:

State Building Construction Account—State	\$490,000
Prior Biennia (Expenditures)	\$510,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

**NEW SECTION. Sec. 5232. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Wenatchee Valley College: Brown Library Renovation (06-1-311)

Reappropriation:

State Building Construction Account—State	\$760,000
Prior Biennia (Expenditures)	\$1,644,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,404,000

**NEW SECTION. Sec. 5233. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Yakima Valley Community College: Center for Workforce Education (06-2-407)

Reappropriation:

State Building Construction Account—State	\$690,000
Prior Biennia (Expenditures)	\$310,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,000,000

**NEW SECTION. Sec. 5234. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Yakima Valley Community College: Raymond Hall Renovation (06-1-325)

Reappropriation:

State Building Construction Account—State . . . . .	\$3,800,000
Prior Biennia (Expenditures) . . . . .	\$369,000
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$4,169,000

**NEW SECTION. Sec. 5235. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Bates Technical College: Mohler Communications Technology Center (08-2-703)

Appropriation:

State Building Construction Account—State . . . . .	\$173,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$22,567,000
TOTAL . . . . .	\$22,740,000

**NEW SECTION. Sec. 5236. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Bellevue Community College: Health Science Building (08-2-702)

Appropriation:

State Building Construction Account—State . . . . .	\$144,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$38,893,000
TOTAL . . . . .	\$39,037,000

**NEW SECTION. Sec. 5237. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Bellingham Technical College: Instructional Resource Center (08-1-223)

Appropriation:

State Building Construction Account—State . . . . .	\$1,824,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$28,065,000
TOTAL . . . . .	\$29,889,000

**NEW SECTION. Sec. 5238. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Centralia College: Health and Wellness Education Center (08-2-414)

Appropriation:

State Building Construction Account—State . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 5239. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Clark College: Child and Family Studies Center (08-2-417)

Appropriation:  
 State Building Construction Account—State . . . . . \$1,000,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$1,000,000

**NEW SECTION. Sec. 5240. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Clark College: Health and Advanced Technologies Building (08-2-705)

Appropriation:  
 State Building Construction Account—State . . . . . \$250,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$32,982,000  
 TOTAL . . . . . \$33,232,000

**NEW SECTION. Sec. 5241. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Columbia Basin College: Business Education Building (08-1-315)

Appropriation:  
 State Building Construction Account—State . . . . . \$5,020,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$5,020,000

**NEW SECTION. Sec. 5242. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Columbia Basin College: Social Science Center (08-2-704)

Appropriation:  
 State Building Construction Account—State . . . . . \$111,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$12,299,000  
 TOTAL . . . . . \$12,410,000

**NEW SECTION. Sec. 5243. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Columbia Basin College: Vocational Building (08-1-217)

Appropriation:  
 State Building Construction Account—State . . . . . \$1,802,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$20,498,000  
 TOTAL . . . . . \$22,300,000

**NEW SECTION. Sec. 5244. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Edmonds Community College: Primary Electrical Replacement (08-1-508)

Appropriation:  
 State Building Construction Account—State . . . . . \$2,466,000

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Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2,466,000

**NEW SECTION. Sec. 5245. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Edmonds Community College: Meadowdale Hall Renovation (08-1-318)

Appropriation:

State Building Construction Account—State . . . . .	\$9,256,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$9,256,000

**NEW SECTION. Sec. 5246. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Everett Community College: Index Hall Replacement (08-1-221)

Appropriation:

State Building Construction Account—State . . . . .	\$2,800,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$41,005,000
TOTAL . . . . .	\$43,805,000

**NEW SECTION. Sec. 5247. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Grays Harbor College: Child Care Facility (08-2-416)

Appropriation:

State Building Construction Account—State . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 5248. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Grays Harbor College: Science and Math Building (08-1-226)

Appropriation:

State Building Construction Account—State . . . . .	\$276,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$40,026,000
TOTAL . . . . .	\$40,302,000

**NEW SECTION. Sec. 5249. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Green River Community College: Primary Electrical Replacement (08-1-506)

Appropriation:

State Building Construction Account—State . . . . .	\$1,870,000
Prior Biennia (Expenditures) . . . . .	\$0



Future Biennia (Projected Costs) . . . . . \$0  
 TOTAL . . . . . \$1,870,000

**NEW SECTION. Sec. 5250. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Green River Community College: Trades and Industry Building (08-1-222)

Appropriation:

State Building Construction Account—State . . . . . \$138,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$29,833,000  
 TOTAL . . . . . \$29,971,000

**NEW SECTION. Sec. 5251. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Lower Columbia College: Health and Science Building (08-1-225)

Appropriation:

State Building Construction Account—State . . . . . \$2,500,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$39,915,000  
 TOTAL . . . . . \$42,415,000

**NEW SECTION. Sec. 5252. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Minor Works - Facility Preservation (08-1-050)

Appropriation:

Community/Technical College Capital Projects  
 Account—State . . . . . \$21,243,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$80,000,000  
 TOTAL . . . . . \$101,243,000

**NEW SECTION. Sec. 5253. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Minor Works - Facility Preservation - Roof Repairs (08-1-010)

Appropriation:

State Building Construction Account—State . . . . . \$2,719,000  
 Education Construction Account—State . . . . . \$3,957,000  
 Subtotal Appropriation . . . . . \$6,767,000  
 Prior Biennia (Expenditures) . . . . . \$0  
 Future Biennia (Projected Costs) . . . . . \$24,000,000  
 TOTAL . . . . . \$30,676,000

**NEW SECTION. Sec. 5254. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Minor Works - Infrastructure Preservation (08-1-090)

Appropriation:

Community/Technical College Capital Projects	
Account—State . . . . .	\$2,082,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$16,000,000
TOTAL . . . . .	\$18,082,000

**NEW SECTION. Sec. 5255. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Minor Works - Preservation - Repairs and Minor Improvements (08-1-001)

Appropriation:

Community/Technical College Capital Projects	
Account—State . . . . .	\$16,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$70,000,000
TOTAL . . . . .	\$86,000,000

**NEW SECTION. Sec. 5256. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Minor Works - Program (08-2-130)

Appropriation:

Community/Technical College Capital Projects	
Account—State . . . . .	\$20,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$80,000,000
TOTAL . . . . .	\$100,000,000

**NEW SECTION. Sec. 5257. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Peninsula College: Business and Humanities Center (08-1-218)

Appropriation:

State Building Construction Account—State . . . . .	
	\$2,300,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$33,938,000
TOTAL . . . . .	\$36,238,000

**NEW SECTION. Sec. 5258. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Pierce College Fort Steilacoom: Cascade Core Phase II (08-1-321)

Appropriation:

State Building Construction Account—State . . . . .	
	\$2,242,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$22,353,000
TOTAL . . . . .	\$24,595,000

**NEW SECTION. Sec. 5259. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Infrastructure Savings (08-1-151)

The appropriations in this section are subject to the following conditions and limitations: Projects that are completed in accordance with section 6004 of this act may have their remaining funds transferred to this appropriation for other preservation projects approved by the office of financial management.

Appropriation:

State Building Construction Account—State . . . . .	\$1
Gardner-Evans Higher Education Construction Account—State. . . . .	\$1
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$2

**NEW SECTION. Sec. 5260. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Preventive Facility Maintenance and Building System Repairs (08-1-150)

The appropriation in this section is subject to the following conditions and limitations:

(1) Pursuant to definitions and provisions in section 925, chapter 26, Laws of 2003 1st sp. sess., the appropriation is provided solely to maintain facilities housing educational and general programs and to maintain its major building systems and campus infrastructure. Building maintenance, mechanical adjustments, repairs, and minor works for the facility or its major building systems and campus infrastructure must extend the remaining useful life of the facility or keep it safe and functioning normally.

(2) With this appropriation, the intent is to improve the average condition of state facilities as compared to the baseline conditions documented in report 03-1 of the joint legislative audit and review committee. Preventive facility maintenance project funds must be allocated at the state board's discretion to achieve the performance goal stated in this subsection (2), with particular attention given to buildings currently rated in superior to adequate condition so as to maximize useful life given both the passage of time and intensity with which the space is used.

(3) Section 6004 of this act does not apply to this appropriation.

(4) There is no intent to reappropriate amounts not expended by June 30, 2009.

Appropriation:

Education Construction Account—State . . . . .	\$22,802,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$22,802,000

**NEW SECTION. Sec. 5261. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Seattle Central Community College: Edison North Renovation (08-1-314)

Appropriation:

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State Building Construction Account—State .....	\$18,284,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$18,284,000

**NEW SECTION. Sec. 5262. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Seattle Central Community College: Wood Construction Center (08-1-216)

Appropriation:

State Building Construction Account—State .....	\$2,549,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$23,734,000
TOTAL .....	\$26,283,000

**NEW SECTION. Sec. 5263. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Shoreline Community College: Automotive Training Center (08-2-413)

Appropriation:

State Building Construction Account—State .....	\$1,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$1,000,000

**NEW SECTION. Sec. 5264. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Skagit Valley College: Academic and Student Services Building (08-1-224)

Appropriation:

State Building Construction Account—State .....	\$136,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$26,763,000
TOTAL .....	\$26,899,000

**NEW SECTION. Sec. 5265. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

South Puget Sound Community College: Building 22 Renovation (08-1-316)

Appropriation:

State Building Construction Account—State .....	\$10,359,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$10,001,000
TOTAL .....	\$20,360,000

**NEW SECTION. Sec. 5266. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Spokane Community College: Building 7 Renovation (08-1-319)

Appropriation:

State Building Construction Account—State .....	\$1,009,000
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Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$9,331,000
TOTAL .....	\$10,340,000

**NEW SECTION. Sec. 5267. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Spokane Community College: Technical Education Building (08-1-220)

Appropriation:

State Building Construction Account—State .....	\$2,393,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$30,391,000
TOTAL .....	\$32,784,000

**NEW SECTION. Sec. 5268. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Spokane Falls Community College: Chemistry and Life Science Building (08-1-219)

Appropriation:

State Building Construction Account—State .....	\$2,520,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$27,044,000
TOTAL .....	\$29,564,000

**NEW SECTION. Sec. 5269. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Spokane Falls Community College: Magnuson Building Remodel (08-2-415)

Appropriation:

State Building Construction Account—State .....	\$941,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$941,000

**NEW SECTION. Sec. 5270. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Spokane Falls Community College: Music Building 15 Renovation (08-1-320)

Appropriation:

State Building Construction Account—State .....	\$1,142,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$13,094,000
TOTAL .....	\$14,236,000

**NEW SECTION. Sec. 5271. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Tacoma Community College: Early Childhood Education/Childcare Center (08-2-418)

Appropriation:

State Building Construction Account—State . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 5272. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Tacoma Community College: Health Careers Center (08-2-701)

Appropriation:

State Building Construction Account—State . . . . .	\$255,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$36,514,000
TOTAL . . . . .	\$36,769,000

**NEW SECTION. Sec. 5273. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Walla Walla Community College: Culinary Arts/Student Development Center (08-2-419)

Appropriation:

State Building Construction Account—State . . . . .	\$1,000,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$1,000,000

**NEW SECTION. Sec. 5274. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Yakima Valley Community College: Brown Dental Hygiene Building (08-1-317)

Appropriation:

State Building Construction Account—State . . . . .	\$5,675,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$5,675,000

**NEW SECTION. Sec. 5275. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Higher Education Cost Escalation (08-2-850)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the state board for community and technical colleges to assist public community and technical colleges in managing unanticipated cost escalation for projects bid during the 2007-2009 biennium. Not more than \$750,000 shall be made available to any single project and amounts provided for this purpose must be matched equally from other resources. The board shall manage the distribution of funds to ensure that the requesting college has managed its project within the current appropriation through preparation of bid documents and that the scope of the

project is no greater than was originally specified in the design. Prior to the office of financial management approving use of a minor works appropriation as a match, and its transfer to the project with unanticipated cost escalation, the board shall require the college to describe what it has done to identify and develop alternative resources for a match, and the specific minor works projects that would be deferred as a result of the transfer. The board will report to the office of financial management and the appropriate fiscal committees of the legislature on the use of these funds.

Appropriation:

State Building Construction Account—State . . . . .	\$3,238,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$3,238,000

**PART 6  
MISCELLANEOUS AND SUPPLEMENTAL PROVISIONS**

NEW SECTION. Sec. 6001. (1) Allotments for appropriations in this act shall be provided in accordance with the capital project review requirements adopted by the office of financial management. The office of financial management shall notify the house of representatives capital budget committee and the senate ways and means committee of allotment releases based on review by the office of financial management. No expenditure may be incurred or obligation entered into for appropriations in this act until the office of financial management has given final approval to the allotment of the funds to be expended or encumbered. For allotments under this act, the allotment process includes, in addition to the statement of proposed expenditures for the current biennium, a category or categories for any reserve amounts and amounts expected to be expended in future biennia. Projects that will be employing alternative public works construction procedures under chapter 39.10 RCW are subject to the allotment procedures defined in this section and RCW 43.88.110. Contracts shall not be executed that call for expenditures in excess of the approved allotment, and the total amount shown in such contracts for the cost of future work that has not been appropriated shall not exceed the amount identified for such work in the level of funding approved by the office of financial management at the completion of predesign.

(2) The legislature intends that each project be defined as proposed to the legislature in the governor's budget document, unless it clearly appears from the legislative history that the legislature intended to define the scope of a project in a different way.

NEW SECTION. Sec. 6002. To ensure that major construction projects are carried out in accordance with legislative and executive intent, appropriations in this act in excess of \$5,000,000 shall not be expended or encumbered until the office of financial management has reviewed and approved the agency's predesign. The predesign document shall include but not be limited to program, site, and cost analysis in accordance with the predesign manual adopted by the office of financial management. To improve monitoring of major construction projects, progress reports shall be submitted by the agency administering the

project to the office of financial management and to the fiscal committees of the house of representatives and senate. Reports will be submitted on July 1st and December 31st each year in a format to be developed by the office of financial management.

**NEW SECTION. Sec. 6003.** (1) To ensure minor works appropriations are carried out in accordance with legislative intent, funds appropriated in this act shall not be allotted until project lists are on file at the office of financial management, the house of representatives capital budget committee, and the senate ways and means committee. All projects must meet the criteria included in subsection (2)(a) of this section. Revisions to the lists must be filed with the office of financial management, the house of representatives capital budget committee, and the senate ways and means committee and include an explanation of variances from the prior lists before funds may be expended on the revisions.

(2)(a) Minor works projects are single line appropriations that include multiple projects of a similar nature and that are valued between \$25,000 and \$1,000,000 each, with the exception of higher education minor works projects that may be valued up to \$2,000,000. These projects can generally be completed within two years of the appropriation with the funding provided. Agencies are prohibited from including projects on their minor works lists that are a phase of a larger project, and that if combined over a continuous period of time, would exceed \$1,000,000, or \$2,000,000 for higher education minor works projects. Improvements for accessibility in compliance with the Americans with disabilities act may be included in any of the above minor works categories.

(b) Minor works appropriations shall not be used for, among other things: Studies, except for technical or engineering reviews or designs that lead directly to and support a project on the same minor works list; planning; design outside the scope of work on a minor works list; moveable, temporary, and traditionally funded operating equipment not in compliance with the equipment criteria established by the office of financial management; software not dedicated to control of a specialized system; moving expenses; land or facility acquisition; or to supplement funding for projects with funding shortfalls unless expressly authorized elsewhere in this act. The office of financial management may make an exception to the limitations described in this subsection (2)(b) for exigent circumstances after notifying the legislative fiscal committees and waiting ten days for comments by the legislature regarding the proposed exception.

(3) It is generally not the intent of the legislature to make future appropriations for capital expenditures or for maintenance and operating expenses for an acquisition project or a significant expansion project that is initiated through the minor works process and therefore does not receive a policy and fiscal analysis by the legislature. Minor works projects are intended to be one-time expenditures that do not require future state resources to complete.

**NEW SECTION. Sec. 6004.** (1) The office of financial management may authorize a transfer of appropriation authority provided for a capital project that is in excess of the amount required for the completion of such project to another capital project for which the appropriation is insufficient. No such transfer may be used to expand the capacity of any facility beyond that intended by the legislature in making the appropriation. Such transfers may be effected only



between capital appropriations to a specific department, commission, agency, or institution of higher education and only between capital projects that are funded from the same fund or account. No transfers may occur between projects to local government agencies except where the grants are provided within a single omnibus appropriation and where such transfers are specifically authorized by the implementing statutes that govern the grants.

(2) The office of financial management may find that an amount is in excess of the amount required for the completion of a project only if: (a) The project as defined in the notes to the budget document is substantially complete and there are funds remaining; or (b) bids have been let on a project and it appears to a substantial certainty that the project as defined in the notes to the budget document can be completed within the biennium for less than the amount appropriated in this act.

(3) For the purposes of this section, the intent is that each project be defined as proposed to the legislature in the governor's budget document, unless it clearly appears from the legislative history that the legislature intended to define the scope of a project in a different way.

(4) Transfers of funds to an agency's infrastructure savings appropriation are subject to review and approval by the office of financial management. Expenditures from an infrastructure savings appropriation are limited to projects that have a primary purpose to correct infrastructure deficiencies or conditions that: (a) Adversely affect the ability to utilize the infrastructure for its current programmatic use; (b) reduce the life expectancy of the infrastructure; or (c) increase the operating costs of the infrastructure for its current programmatic use. Eligible infrastructure projects may include structures and surface improvements, site amenities, utility systems outside building footprints and natural environmental changes or requirements as part of an environmental regulation, a declaration of emergency for an infrastructure issue in conformance with RCW 43.88.250, or infrastructure planning as part of a facility master plan.

(5) A report of any transfer effected under this section, except emergency projects or any transfer under \$250,000, shall be filed with the legislative fiscal committees of the senate and house of representatives by the office of financial management at least thirty days before the date the transfer is effected. The office of financial management shall report all emergency or smaller transfers within thirty days from the date of transfer.

**NEW SECTION. Sec. 6005.** (1) It is expected that projects be ready to proceed in a timely manner depending on the type or phase of the project or program that is the subject of the appropriation in this act. Except for major projects that customarily may take more than two biennia to complete from predesign to the end of construction, or large infrastructure grant or loan programs supporting projects that often take more than two biennia to complete, the legislature generally does not intend to reappropriate funds more than once, particularly for smaller grant programs, local/community projects, and minor works.

(2) Agencies shall expedite the expenditure of reappropriations and appropriations in this act in order to: (a) Rehabilitate infrastructure resources; (b) accelerate environmental rehabilitation and restoration projects for the improvement of the state's natural environment; (c) reduce additional costs associated with acquisition and construction inflationary pressures; and (d)

provide additional employment opportunities associated with capital expenditures.

(3) To the extent feasible, agencies are directed to accelerate expenditure rates at their current level of permanent employees and shall use contracted design and construction services wherever necessary to meet the goals of this section.

**NEW SECTION. Sec. 6006.** The legislature finds that the state's public four-year institutions and the higher education coordinating board have made substantial progress in developing a process to create a single prioritized list of capital project requests as required under RCW 28B.76.220. The legislature also recognizes that continuing work by the institutions and the board is needed to refine the methodology for determining the ranking of project requests, and that this work will benefit from additional legislative guidance. Therefore, the higher education coordinating board and the public four-year institutions, in developing and submitting the single prioritized project list of capital project requests under RCW 28B.76.220, shall use the following guidelines:

(1) Representatives of the board shall participate in the process of scoring projects using the criteria in the board's biennial budget guidelines. Representatives of the board shall also review the preliminary project list to verify the scoring and ranking of projects. As required under RCW 28B.76.210, institutions must submit the preliminary project list to the board by August 1st of each even-numbered year to enable this review. Any disagreements over project scorings or rankings shall be resolved as provided under RCW 28B.76.220(4).

(2) The higher education coordinating board's biennial budget guidelines and the prioritization process shall place greater emphasis on:

(a) Early critical review of project proposals at the predesign phase, rather than deferring critical review and prioritization to the design or construction phases of a project; and

(b) The capital budget bow wave for a six-year period, beginning with the 2009-2011 biennium through the 2013-2015 biennium.

(3) When projects are aggregated into single line-item requests, each project must meet the definition of minor works according to section 6003(2)(a) of this act. All major projects must be listed and ranked as individual line-item requests.

(4) The scoring and ranking of projects shall not be based on assigning an equal number of overall points to each public four-year institution, but shall reflect an assignment of points to individual projects based on the priorities and criteria in this section and in the board's biennial budget guidelines.

(5) Projects shall not be ranked on the basis of a project funding source.

(6) In consultation with the appropriate fiscal and policy committees of the legislature, the board shall identify statewide priorities for higher education capital investments and incorporate those priorities into its biennial budget guidelines. The statewide priorities shall address the need for higher education capital projects to:

(a) Implement a specific legislatively authorized program or planning priority;

(b) Reduce the backlog of deferred building or system preservation, renewal, or replacement;

(c) Provide additional capacity or adaptation of space for high demand instructional or research programs;

(d) Provide additional instructional program capacity for under-served geographic regions or populations; and

(e) Reflect institutional planning priorities and areas of emphasis.

(7) The higher education coordinating board's biennial budget guidelines shall include a quantitative method for scoring projects on the identified priorities. The quantitative method shall include use of the facility condition index developed by the joint legislative audit and review committee for assessing building or system condition, and use of the board's space utilization and allocation standards for assessing the need for additional capacity.

(8) The council of presidents, in consultation with the board, shall report by September 1, 2007, to the appropriate legislative fiscal committees on the use of a proportionality factor in the scoring and ranking of projects. The report shall include:

(a) A definition of proportionality as it has been used in the scoring and ranking of projects for funding in the 2007-2009 biennium and may be used for subsequent biennia;

(b) A method for measuring proportionality in a valid and consistent manner; and

(c) An explanation of how proportionality relates to the statewide priorities established in subsection (6) of this section, including an assessment of the extent to which it promotes the achievement of these statewide priorities.

**NEW SECTION. Sec. 6007.** The Washington state auditor shall perform an audit of the Seattle public library and the secretary of state with regard to expenditures related to the facility located at 2021 9th Avenue, Seattle, Washington that houses the Washington talking book and braille library and city of Seattle functions. The audit shall be completed and results available to the legislature by September 1, 2007.

**NEW SECTION. Sec. 6008.** Eastern Washington University is authorized to sell its Spokane center. Proceeds from the sale must be deposited into the higher education construction account. Proceeds may be used to acquire or design a facility on or adjacent to the Riverpoint higher education campus for the university's Spokane-based program offerings. Eastern Washington University must report to the office of financial management and the appropriate fiscal committees of the legislature upon the sale of the center and with regard to expenditure of the proceeds.

**NEW SECTION. Sec. 6009.** The office of financial management, in consultation with the department of general administration, shall identify capital projects that may benefit from an energy analysis to determine whether there are alternate, more economical, and energy efficient means of completing the work. The office of financial management shall hold appropriations in allotment reserve on the following types of capital projects until this analysis can be completed: Heating, ventilation, and air conditioning modifications, chiller plants, steam plants, boilers, chilled water or steam lines, building control systems, lighting improvements, or other major energy using systems that may warrant additional analysis. Agencies receiving appropriations for such projects are encouraged to utilize energy performance contracts or alternative financing

for equipment in lieu of state appropriated funds. The office of financial management may transfer funds remaining in allotment reserve to infrastructure savings projects within the agency that has realized savings from energy efficiency alternatives.

NEW SECTION. Sec. 6010. State agencies, including institutions of higher education, shall allot and report full-time equivalent staff for capital projects in a manner comparable to staff reporting for operating expenditures.

NEW SECTION. Sec. 6011. Due to the intended replacement of the building adjoining Capital Way and 11th avenue, the department of general administration shall not charge the facility depreciation component of lease charges for nonprofit tenants in that facility during the 2007-2009 biennium.

NEW SECTION. Sec. 6012. Executive Order No. 05-05, archaeological and cultural resources, was issued effective November 10, 2005. Agencies and higher education institutions shall comply with the requirements set forth in this executive order.

NEW SECTION. Sec. 6013. ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS. The following agencies may enter into financial contracts, paid from any funds of an agency, appropriated or nonappropriated, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. When securing properties under this section, agencies shall use the most economical financial contract option available, including long-term leases, lease-purchase agreements, lease-development with option to purchase agreements or financial contracts using certificates of participation. Expenditures made by an agency for one of the indicated purposes before the issue date of the authorized financial contract and any certificates of participation therein are intended to be reimbursed from proceeds of the financial contract and any certificates of participation therein to the extent provided in the agency's financing plan approved by the state finance committee.

State agencies may enter into agreements with the department of general administration and the state treasurer's office to develop requests to the legislature for acquisition of properties and facilities through financial contracts. The agreements may include charges for services rendered.

Those noninstructional facilities of higher education institutions authorized in this section to enter into financial contracts are not eligible for state funded maintenance and operations. Instructional space that is available for regularly scheduled classes for academic transfer, basic skills, and workforce training programs may be eligible for state funded maintenance and operations.

(1) Washington state patrol: Enter into a financing contract for up to \$1,360,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to replace the dormitory facility at the Washington state patrol fire training academy in North Bend, Washington.

(2) Department of general administration: Enter into a financing contract for up to \$685,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the preservation of the transportation building.

(3) Department of corrections: Enter into a financing contract for up to \$17,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to provide additional work release beds.

(4) Parks and recreation commission: Enter into a financing contract in an amount not to exceed \$2,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to develop Cama Beach state park.

(5) Community and technical colleges:

(a) Enter into a financing contract on behalf of Green River Community College for up to \$20,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase Kent Station phase 2.

(b) Enter into a financing contract on behalf of Tacoma Community College for up to \$3,600,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct an early childhood education and learning center.

(c) Enter into a financing contract on behalf of Walla Walla Community College for up to \$1,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase up to 40 acres of land.

(d) Enter into a financing contract on behalf of Columbia Basin College for up to \$300,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to develop an academic support and achievement center.

(6) Evergreen State College: Enter into a financing contract for up to \$16,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the college activities building renovation.

(7) Washington state convention and trade center: Enter into a financing contract for up to \$58,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase and renovate the museum condominium unit located adjacent to the state convention center. The purchase price shall not exceed fair market value. A purchase agreement with the owner of the unit on the effective date of this section shall include the following requirements: (a) Upon completion of the purchase of the property, the seller shall retain \$5,750,000 of the sale proceeds in a restricted investment account, reserving such funds for capital costs associated with development of its principal heritage center to be located within the city of Seattle. Principal and accrued earnings in such an account shall be available for expenditure by the seller when the seller or the city of Seattle has executed a construction contract for either a new facility or improvements to an existing structure to serve as the principal heritage center to be operated by the seller within the city; and (b) in the event that the conditions of (a) of this subsection are not met by June 30, 2017, the entire amount in the restricted account shall be transferred to the state general fund and shall represent a recovery of the state's contribution towards the development of the museum. In the event of such a transfer, the rightful ownership of the property by the Washington state convention and trade center shall not be impaired.

(8) Department of information services: Enter into a financing contract for an amount approved by the office of financial management for costs and financing expenses and required reserves pursuant to chapter 39.94 RCW to lease develop or lease purchase a state general office building and facilities for the department of information services on the state-owned property called "the Wheeler block" in Olympia. The office buildings shall be constructed and financed so that agencies occupancy costs per gross square foot or per employee will not exceed 110 percent of comparable private market rental rates per gross square foot or per employee. The comparable general office space rate shall be

calculated based on recent Thurston county leases of new space of at least 100,000 rentable square feet adjusted for known escalation clauses, expected inflation, and differences in the level of service provided by the comparable leases as determined by the department in consultation with the department of general administration. In addition to the department of information services, state agency tenants shall include the consolidation of state patrol offices and general office facilities for small agencies and offices. The department of information services shall design and operate the general office facilities for small agencies and offices as a demonstration of the efficiencies gained from the integration of office space and telecommunications and computer technology. The demonstration project shall provide office space, furniture, telecommunications, and computer technology as a single package. The facility shall be designed so that small agencies and offices can move in and out of the facility without the typical moving expenses that result from individual agency ownership of furniture and technology. The facility for small agencies and offices shall also provide for staffing and space efficiencies resulting from central reception, support services, and spaces. The office of financial management shall certify to the state treasurer: (a) The project description and dollar amount; and (b) that all requirements of this subsection (8) have been met. Should the department of information services choose to use a financing contract that does not provide for the issuance of certificates of participation, the financing contract shall be subject to approval by the state finance committee as required by RCW 39.94.010. In approving a financing contract not providing for the use of certificates of participation, the state finance committee should be reasonably certain that the contract is excluded from the computation of indebtedness, particularly that the contract is not backed by the full faith and credit of the state and the legislature is expressly not obligated to appropriate funds to make payments. For purposes of this section, "financing contract" includes but is not limited to a certificate of participation and tax exempt financing similar to that authorized in RCW 47.79.140.

(9) Office of the secretary of state: Enter into a financing contract for up to \$112,942,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct the heritage center. The heritage center is one part of a combined facility of the heritage center and executive office building, authorized in subsection (10) of this section. The authorization for financing under this subsection (9) shall lapse unless chapter ... (Substitute Senate Bill No. 5882, providing funding for the heritage building project), Laws of 2007 is enacted by June 30, 2007.

(10) Department of general administration: Enter into a financing contract for up to \$75,863,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct the executive office building. The executive office building is one part of a combined facility of the executive office building and the heritage center authorized in subsection (9) of this section. The authorization for financing under this subsection (10) shall lapse unless chapter ... (Substitute Senate Bill No. 5882, providing funding for the heritage building project), Laws of 2007 is enacted by June 30, 2007.

**Sec. 6014.** RCW 43.19.125 and 1965 c 8 s 43.19.125 are each amended to read as follows:

(1) The director of general administration, through the division of capitol buildings, shall have custody and control of the capitol buildings and grounds, supervise and direct proper care, heating, lighting and repairing thereof, and designate rooms in the capitol buildings to be occupied by various state officials.

(2) During the 2007-2009 biennium, responsibility for development of the "Wheeler block" on the capitol campus as authorized in section 6013 of this act shall be transferred from the department of general administration to the department of information services. The department of general administration and the department of information services shall develop a joint operating agreement for the new facilities on the "Wheeler block" and provide copies of that agreement to the appropriate committees of the legislature by December 30, 2008.

(3) During the 2007-2009 biennium, responsibility for development of the Pritchard building rehabilitation on the capitol campus as authorized in section 1090 of this act shall be transferred from the department of general administration to the statute law committee.

NEW SECTION. Sec. 6015. FOR THE ARTS COMMISSION—ART WORK ALLOWANCE POOLING. (1) One-half of one percent of moneys appropriated in this act for original construction of school plant facilities is provided solely for the purposes of RCW 28A.335.210. The Washington state arts commission may combine the proceeds from individual projects in order to fund larger works of art or mobile art displays in consultation with the superintendent of public instruction and representatives of school district boards.

(2) One-half of one percent of moneys appropriated in this act for original construction or any major renovation or remodel work exceeding two hundred thousand dollars by colleges or universities is provided solely for the purposes of RCW 28B.10.027. The Washington state arts commission may combine the proceeds from individual projects in order to fund larger works of art or mobile art displays in consultation with the board of regents or trustees.

(3) One-half of one percent of moneys appropriated in this act for original construction of any public building by a state agency as defined in RCW 43.17.020 is provided solely for the purposes of RCW 43.17.200. The Washington state arts commission may combine the proceeds from individual projects in order to fund larger works of art or mobile art displays in consultation with the state agency.

(4) At least eighty-five percent of the moneys spent by the Washington state arts commission during the 2007-2009 biennium for the purposes of RCW 28A.335.210, 28B.10.027, and 43.17.200 must be expended solely for direct acquisition of works of art. The commission may use up to \$100,000 of this amount to conserve or maintain existing pieces in the state art collection pursuant to chapter 36, Laws of 2005.

NEW SECTION. Sec. 6016. (1) A joint legislative task force on school construction funding is established to review the following:

(a) The statutory provisions regarding the funding of school construction projects;

(b) Eligibility requirements and distribution formulas for the state's school construction assistance grant program;

(c) Flexibility needed in the system to address diverse district and geographic needs including, but not limited to, the construction needs unique to high growth areas, as well as the needs of school districts that have experienced consecutive school levy failures; and

(d) Potential revenue sources and alternative funding mechanisms for school construction including, but not limited to, funding mechanisms that may: (i) Phase out and replace revenue collected under RCW 82.02.050 through 82.02.100 for school facilities; and (ii) encourage cooperative partnerships with early learning providers, skill centers, community and technical colleges, or public baccalaureate institutions through the use of a supermatch concept.

(2) The office of the superintendent of public instruction shall provide progress updates to the task force on the development of the pilot inventory of school district facility information and the design of a process for developing a ten-year projection of the facility needs of school districts as provided for in section 5014 of this act for review and comment by the task force.

(3)(a) The joint legislative task force on school construction funding shall consist of eight members, two members each, one from each major caucus, from the house of representatives committees on capital budget and education, appointed by the speaker of the house of representatives, and two members each, one from each major caucus, from the senate committees on ways and means and early learning and K-12 education, appointed by the president of the senate.

(b) The president of the senate and the speaker of the house of representatives jointly shall appoint two members representing school districts.

(c) The office of the superintendent of public instruction and the office of financial management shall cooperate with the task force and maintain liaison representatives.

(d) The task force shall coordinate with the appropriate standing committees of the legislature and may consult with other interested parties, as may be appropriate, for technical advice and assistance.

(e) The task force shall select a chair from among its legislative membership.

(4) Staff support for the task force must be provided by the house of representatives office of program research and the senate committee services.

(5) Legislative members of the task force must be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members, except those representing an employer or organization, are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(6) The expenses of the task force must be paid jointly by the senate and the house of representatives. Task force expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

(7) The task force must report its findings and recommendations to the appropriate committees of the legislature by December 1, 2007.

**NEW SECTION. Sec. 6017.** The amounts shown under the headings "Prior Biennia," "Future Biennia," and "Total" in this act are for informational purposes only and do not constitute legislative approval of these amounts. "Prior biennia" typically refers to the immediate prior biennium for reappropriations, but may refer to multiple biennia in the case of specific projects. A "future biennia" amount is an estimate of what may be appropriated for the project or



program in the 2009-2011 biennium and the following three biennia; an amount of zero does not necessarily constitute legislative intent to not provide funding for the project or program in the future.

**NEW SECTION. Sec. 6018.** (1) "Reappropriations" in this act are appropriations and, unless the context clearly provides otherwise, are subject to the relevant conditions and limitations applicable to appropriations. Reappropriations shall be limited to the unexpended balances remaining on June 30, 2007, from the 2005-2007 biennial appropriations for each project.

(2) "Reappropriations" from the water quality capital account in this act shall be limited to the unexpended balance remaining as of the end of fiscal year 2007 from the water quality account in the 2005-2007 biennial appropriations for each project in this act.

(3) "Reappropriations" in sections 5001, 5002, 5003, and 5005 of this act shall be reduced in this act to the unexpended balances remaining as of the end of fiscal year 2007 for the 2005-2007 biennial appropriation in sections 602, 604, and 607, chapter 488, Laws of 2005, and section 194, chapter 371, Laws of 2006.

**NEW SECTION. Sec. 6019.** The water quality capital account is created in the state treasury pursuant to chapter . . . (House Bill No. 1137), Laws of 2007. In this act, appropriations from the water quality capital account are defined as appropriations from that account. If chapter . . . (House Bill No. 1137), Laws of 2007 is not enacted by June 30, 2007, appropriations in this act either from that account or into that account shall lapse.

**NEW SECTION. Sec. 6020.** To carry out the provisions of this act, the governor may assign responsibility for predesign, design, construction, and other related activities to any appropriate agency.

**NEW SECTION. Sec. 6021.** If any federal moneys appropriated by this act for capital projects are not received by the state, the department or agency to which the moneys were appropriated may replace the federal moneys with funds available from private or local sources. No replacement may occur under this section without the prior approval of the director of financial management in consultation with the senate ways and means committee and the house of representatives capital budget committee.

**NEW SECTION. Sec. 6022.** (1) Unless otherwise stated, for all appropriations under this act that require a match of nonstate money or in-kind contributions, the following requirement, consistent with RCW 43.88.150, shall apply: Expenditures of state money shall be timed so that the state share of project expenditures never exceeds the intended state share of total project costs.

(2) Provision of the full amount of required matching funds is not required to permit the expenditure of capital budget appropriations for phased projects if a proportional amount of the required matching funds is provided for each distinct, identifiable phase of the project.

**\*NEW SECTION. Sec. 6023.** *Any capital improvements or capital projects involving construction or major expansion of a state office facility, including, but not limited to, district headquarters, detachment offices, and off-campus faculty offices, must be reviewed by the department of general administration for possible consolidation, colocation, and compliance with*

*state office standards before allotment of funds. The intent of the requirement imposed by this section is to eliminate duplication and reduce total office space requirements where feasible, while ensuring proper service to the public.*

\*Sec. 6023 is vetoed. See message at end of chapter.

**\*NEW SECTION.** *Sec. 6024. The department of general administration shall not sell or otherwise dispose of the Tacoma Rhodes center until after June 30, 2009, except that the department of general administration may sell the building to another state agency, a state institution, or political subdivision of the state, including a municipal corporation before June 30, 2009. The department shall use its statutory authority to maximize state occupancy of the facility by directing agencies to move into the Tacoma Rhodes center when leases of nonstate-owned facilities expire and when the Tacoma Rhodes center space can reasonably accommodate those agencies.*

\*Sec. 6024 is vetoed. See message at end of chapter.

**NEW SECTION.** **Sec. 6025.** NONTAXABLE AND TAXABLE BOND PROCEEDS. Portions of the appropriation authority granted by this act from the state building construction account, or any other account receiving bond proceeds, may be transferred to the state taxable building construction account as deemed necessary by the state finance committee to comply with the federal internal revenue service rules and regulations pertaining to the use of nontaxable bond proceeds. Portions of the general obligation bond proceeds authorized by chapter . . . (Substitute House Bill No. 1138), Laws of 2007 for deposit into the state taxable building construction account that are in excess of amounts required to comply with the federal internal revenue service rules and regulations shall be deposited into the state building construction account. The state treasurer shall submit written notification to the director of financial management if it is determined that a shift of appropriation authority between the state building construction account, or any other account receiving bond proceeds, and the state taxable building construction account is necessary.

**NEW SECTION.** **Sec. 6026.** (1) A study committee on public infrastructure programs and funding structures is established. The study committee shall consist of ten members, as follows:

(a) Two members from each of the two largest caucuses of the house of representatives, appointed by the speaker of the house of representatives;

(b) Two members from each of the two largest caucuses of the senate, appointed by the president of the senate;

(c) One member from the office of financial management, appointed by the governor; and

(d) One member from the department of community, trade, and economic development, appointed by the director of the department of community, trade, and economic development.

(2) The study committee members shall, by an affirmative vote of at least five members, select a chair from among its membership.

(3) The study committee may seek assistance from members of the senate and the house of representatives and other interested parties to provide advice and technical assistance, and may request the participation of such persons in subcommittees, advisory committees, or work groups that report to the study committee.

(4) The study committee shall make recommendations regarding a comprehensive funding structure and systematic approach to support the integration, consolidation, and standardization of processes and procedures, for community and economic development-related infrastructure programs. In order to make recommendations, the study committee shall:

(a) Review state public community and economic development-related infrastructure programs, funds, and the purposes each serve using the November 29, 2006, inventory of state infrastructure programs compiled by the joint legislative audit and review committee.

(b) Review community and economic development infrastructure-related program, fund implementation, or subscription rates; and

(c) Identify overlaps or gaps in types of public community and economic development-related infrastructure projects supported through state programs or funds.

(5) The study committee shall use staff from the house of representatives office of program research and senate committee services, in consultation with the department of community, trade, and economic development and the office of financial management.

(6) Legislative members of the study committee must be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members, except those representing an employer or organization, are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(7) The expenses of the study committee must be paid jointly by the senate and the house of representatives. Study committee expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

(8) The study committee shall report its findings and recommendations to the appropriate committees of the house of representatives and the senate by January 1, 2008.

(9) The study committee expires January 1, 2008.

**NEW SECTION. Sec. 6027.** The Washington state historical society shall review its competitive process to solicit proposals for heritage capital projects for potential funding in the state capital budget. The Washington state historical society shall submit a report to the office of financial management with recommendations on how to reduce its reappropriations by June 30, 2008.

**NEW SECTION. Sec. 6028.** The interagency committee for outdoor recreation shall review its competitive process to solicit proposals for the wildlife and recreation grant program for potential funding in the state capital budget. The interagency committee for outdoor recreation shall submit a report to the office of financial management with recommendations on how to reduce its reappropriations by June 30, 2008.

**NEW SECTION. Sec. 6029.** The office of financial management may authorize a value engineering study of a project's predesign report prior to beginning the design phase for the project. The allotment of the design phase may be delayed to accommodate the study.

**\*NEW SECTION. Sec. 6030. FOR THE STATE TREASURER—TRANSFERS.** *The transfer in this section is subject to the following*

*conditions and limitations: The amount transferred shall be added to the irreducible principal of the common school permanent fund. The state treasurer shall transfer half of the amount on July 1, 2008, or as close to that date as practical, and the balance of the amount on December 30, 2008, or as close to that date as practical.*

**Natural Resources Real Property Replacement**

*Account: For transfer to the Common School*

*Permanent Fund . . . . . \$20,000,000*

\*Sec. 6030 is vetoed. See message at end of chapter.

*\*Sec. 6031. RCW 79.17.210 and 2003 c 334 s 118 are each amended to read as follows:*

*(1) The legislature finds that the department has a need to maintain the real property asset base it manages and needs an accounting mechanism to complete transactions without reducing the real property asset base.*

*(2) The natural resources real property replacement account is created in the state treasury. This account shall consist of funds transferred or paid for the disposal or transfer of real property by the department under RCW 79.17.200. The funds in this account shall be used solely for the acquisition of replacement real property and may be spent only when, and as, authorized by legislative appropriation. During the 2007-2009 biennium, balances in the account may be transferred to the appropriate permanent funds as directed in the capital budget appropriations act.*

\*Sec. 6031 is vetoed. See message at end of chapter.

**NEW SECTION. Sec. 6032. FOR THE STATE TREASURER—  
TRANSFERS**

Education Construction Account: For transfer to the Common School Construction, an amount not to exceed . . . . . \$138,200,000

Education Savings Account: For transfer to the Common School Construction Account, an amount not to exceed . . . . . \$43,400,000

**Sec. 6033.** RCW 70.105D.070 and 2005 c 488 s 926 are each amended to read as follows:

(1) The state toxics control account and the local toxics control account are hereby created in the state treasury.

(2) The following moneys shall be deposited into the state toxics control account: (a) Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-three one-hundredths of one percent; (b) the costs of remedial actions recovered under this chapter or chapter 70.105A RCW; (c) penalties collected or recovered under this chapter; and (d) any other money appropriated or transferred to the account by the legislature. Moneys in the account may be used only to carry out the purposes of this chapter, including but not limited to the following activities:

(i) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;

(ii) The state's responsibility for solid waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.95 RCW;

(iii) The hazardous waste cleanup program required under this chapter;

(iv) State matching funds required under the federal cleanup law;

(v) Financial assistance for local programs in accordance with chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(vi) State government programs for the safe reduction, recycling, or disposal of hazardous wastes from households, small businesses, and agriculture;

(vii) Hazardous materials emergency response training;

(viii) Water and environmental health protection and monitoring programs;

(ix) Programs authorized under chapter 70.146 RCW;

(x) A public participation program, including regional citizen advisory committees;

(xi) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with cleanup standards under RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW 70.105D.040(4) and when the director has found that the funding will achieve both (A) a substantially more expeditious or enhanced cleanup than would otherwise occur, and (B) the prevention or mitigation of unfair economic hardship; and

(xii) Development and demonstration of alternative management technologies designed to carry out the top two hazardous waste management priorities of RCW 70.105.150.

(3) The following moneys shall be deposited into the local toxics control account: Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.

(a) Moneys deposited in the local toxics control account shall be used by the department for grants or loans to local governments for the following purposes in descending order of priority: (i) Remedial actions; (ii) hazardous waste plans and programs under chapter 70.105 RCW; (iii) solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW; (iv) funds for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and (v) cleanup and disposal of hazardous substances from abandoned or derelict vessels that pose a threat to human health or the environment. For purposes of this subsection (3)(a)(v), "abandoned or derelict vessels" means vessels that have little or no value and either have no identified owner or have an identified owner lacking financial resources to clean up and dispose of the vessel. Funds for plans and programs shall be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. During the 1999-2001 fiscal biennium, moneys in the account may also be used for the following activities: Conducting a study of whether dioxins occur in fertilizers, soil amendments, and soils; reviewing applications for registration of fertilizers; and conducting a study of plant uptake of metals. During the 2005-2007 fiscal biennium, the legislature may transfer from the local toxics control account to the state toxics control account such amounts as specified in the omnibus capital

budget bill. During the ~~((2005-2007))~~ 2007-2009 fiscal biennium, moneys in the account may also be used for grants to local governments to retrofit public sector diesel equipment and for storm water planning and implementation activities.

(b) Funds may also be appropriated to the department of health to implement programs to reduce testing requirements under the federal safe drinking water act for public water systems. The department of health shall reimburse the account from fees assessed under RCW 70.119A.115 by June 30, 1995.

(4) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.

(5) One percent of the moneys deposited into the state and local toxics control accounts shall be allocated only for public participation grants to persons who may be adversely affected by a release or threatened release of a hazardous substance and to not-for-profit public interest organizations. The primary purpose of these grants is to facilitate the participation by persons and organizations in the investigation and remedying of releases or threatened releases of hazardous substances and to implement the state's solid and hazardous waste management priorities. However, during the 1999-2001 fiscal biennium, funding may not be granted to entities engaged in lobbying activities, and applicants may not be awarded grants if their cumulative grant awards under this section exceed two hundred thousand dollars. No grant may exceed sixty thousand dollars. Grants may be renewed annually. Moneys appropriated for public participation from either account which are not expended at the close of any biennium shall revert to the state toxics control account.

(6) No moneys deposited into either the state or local toxics control account may be used for solid waste incinerator feasibility studies, construction, maintenance, or operation.

(7) The department shall adopt rules for grant or loan issuance and performance.

~~((8) During the 2005-2007 fiscal biennium, the legislature may transfer from the state toxics control account to the water quality account such amounts as reflect the excess fund balance of the fund.))~~

**Sec. 6034.** RCW 43.43.944 and 2005 c 518 s 929 are each amended to read as follows:

(1) The fire service training account is hereby established in the state treasury. The fund shall consist of:

(a) All fees received by the Washington state patrol for fire service training;

(b) All grants and bequests accepted by the Washington state patrol under RCW 43.43.940; and

(c) Twenty percent of all moneys received by the state on fire insurance premiums.

(2) Moneys in the account may be appropriated only for fire service training. ~~((During the 2005-2007 fiscal biennium, the legislature may appropriate funds from this account for school fire prevention activities within the Washington state patrol.))~~ During the 2007-2009 fiscal biennium, the legislature may appropriate funds from this account for school fire prevention activities within the Washington state patrol and additional sanitary wastewater treatment capacity at the state fire service training center.

**Sec. 6035.** RCW 43.135.045 and 2005 c 518 s 931, 2005 c 314 s 401, and 2005 c 72 s 6 are each reenacted and amended to read as follows:

(1) The emergency reserve fund is established in the state treasury. During each fiscal year, the state treasurer shall transfer an amount from the state general fund to the emergency reserve fund. The amount transferred shall equal the amount by which total state revenue for the general fund and related funds exceeds the state expenditure limit, multiplied by the percentage that general fund expenditures are of total expenditures from the general fund and related funds. Transfers shall be made at the end of each fiscal quarter based on projections of state revenues, expenditures, and the state expenditure limit. The treasurer shall make transfers between these accounts as necessary to reconcile actual annual revenues and the expenditure limit for fiscal year 2000 and thereafter.

(2) The legislature may appropriate moneys from the emergency reserve fund only with approval of at least two-thirds of the members of each house of the legislature, and then only if the appropriation does not cause total expenditures to exceed the state expenditure limit under this chapter.

(3) The emergency reserve fund balance shall not exceed five percent of annual general fund—state revenues as projected by the official state revenue forecast. Any balance in excess of five percent shall be transferred on a quarterly basis by the state treasurer as follows: Seventy-five percent to the student achievement fund hereby created in the state treasury and twenty-five percent to the general fund balance. The treasurer shall make transfers between these accounts as necessary to reconcile actual annual revenues for fiscal year 2000 and thereafter. When per-student state funding for the maintenance and operation of K-12 education meets a level of no less than ninety percent of the national average of total funding from all sources per student as determined by the most recent published data from the national center for education statistics of the United States department of education, as calculated by the office of financial management, further deposits to the student achievement fund shall be required only to the extent necessary to maintain the ninety-percent level. Remaining funds are part of the general fund balance and these funds are subject to the expenditure limits of this chapter.

(4) The education construction fund is hereby created in the state treasury.

(a) Funds may be appropriated from the education construction fund exclusively for common school construction or higher education construction. During the 2007-2009 fiscal biennium, funds may also be used for higher education facilities preservation and maintenance.

(b) Funds may be appropriated for any other purpose only if approved by a two-thirds vote of each house of the legislature and if approved by a vote of the people at the next general election. An appropriation approved by the people under this subsection shall result in an adjustment to the state expenditure limit only for the fiscal period for which the appropriation is made and shall not affect any subsequent fiscal period.

(5) Funds from the student achievement fund shall be appropriated to the superintendent of public instruction strictly for distribution to school districts to meet the provisions set out in the student achievement act. Allocations shall be made on an equal per full-time equivalent student basis to each school district.

**Sec. 6036.** RCW 43.155.050 and 2005 c 488 s 925 and 2005 c 425 s 4 are each reenacted and amended to read as follows:

(1) The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated to provide for state match requirements under federal law for projects and activities conducted and financed by the board under the drinking water assistance account. Not more than fifteen percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans, emergency loans, or loans for capital facility planning under this chapter; of this amount, not more than ten percent of the biennial capital budget appropriation may be expended for emergency loans and not more than one percent of the biennial capital budget appropriation may be expended for capital facility planning loans. For the ~~((2005-2007))~~ 2007-2009 biennium, moneys in the account may be used for grants for projects identified in section 138, chapter 488, Laws of 2005.

(2) The job development fund is hereby established in the state treasury. Up to fifty million dollars each biennium from the public works assistance account may be transferred into the job development fund. Money in the job development fund may be used solely for job development fund program grants, administrative expenses related to the administration of the job development fund program created in RCW 43.160.230, and for the report prepared by the joint legislative audit and review committee pursuant to RCW 44.28.801(2). Moneys in the job development fund may be spent only after appropriation. The board shall prepare a prioritized list of proposed projects of up to fifty million dollars as part of the department's 2007-09 biennial budget request. The board may provide an additional alternate job development fund project list of up to ten million dollars. The legislature may remove projects from the list recommended by the board. The legislature may not change the prioritization of projects recommended for funding by the board, but may add projects from the alternate list in order of priority, as long as the total funding does not exceed fifty million dollars.

**Sec. 6037.** RCW 43.155.050 and 2005 c 488 s 925 are each amended to read as follows:

The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated to provide for state match requirements under federal law for projects and activities conducted and financed by the board under the drinking water assistance account. Not more than fifteen percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans, emergency loans, or loans for capital facility planning under this chapter; of this amount, not more than ten percent of the biennial capital budget



appropriation may be expended for emergency loans and not more than one percent of the biennial capital budget appropriation may be expended for capital facility planning loans. For the ~~((2005-2007))~~ 2007-2009 biennium, moneys in the account may be used for grants for projects identified in section 138, chapter 488, Laws of 2005 and section 1033 of this act.

NEW SECTION. Sec. 6038. For appropriations under this act that contribute to Puget Sound protection and recovery, the department of ecology, the department of fish and wildlife, the department of natural resources, the state conservation commission, the state parks and recreation commission, the department of health, and the interagency committee for outdoor recreation shall sign performance agreements with the Puget Sound partnership as described in chapter . . . , (Engrossed Substitute Senate Bill No. 5372, Puget Sound partnership), Laws of 2007.

NEW SECTION. Sec. 6039. Section 6036 of this act expires June 30, 2011.

Sec. 6040. 2005 c 488 s 955 (uncodified) is amended to read as follows:  
~~((Sections))~~ (1) Section 920 ((and 921)) of this act expires June 30, 2007.  
(2) Section 921 of this act expires June 30, 2009.

NEW SECTION. Sec. 6041. A new section is added to 2006 c 371 (uncodified) to read as follows:

**FOR THE OFFICE OF THE SECRETARY OF STATE**

Acquisition of Fredericks Collection (08-2-950)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the acquisition of the Fredericks collection.

Appropriation:

Archives and Records Account—State . . . . .	\$100,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$100,000

Sec. 6042. 2006 c 371 s 106 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Local/Community Projects (06-4-008)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The projects must comply with RCW 43.63A.125(2)(c) and other requirements for community projects administered by the department.
- (2) Funding for the Inland Northwest Science and Technology Center shall be held in reserve until the balance of phase I funding has been secured or committed from local government and community sources.
- (3) The Washington state arts commission shall design a plaque that shall be affixed to buildings or displayed as part of a project receiving any appropriation from this section. The plaque shall provide information to the public that the building or project has been made possible by the tax dollars of Washington

citizens. The commission may contact the secretary of state to obtain approval for use of the Washington seal in the design of the plaque. The final design shall be approved by the chairs and ranking members of the house of representatives capital budget committee and the senate ways and means committee.

(4) The appropriation is provided solely for the following list of projects:

<b>Projects</b>	<b>Recommendation</b>
7th street theatre	\$600,000
Alder creek pioneer association carousel museum	\$450,000
Asian counseling and referral service	\$2,000,000
Auburn veterans' memorial park improvements	\$50,000
Bailey Gatzert children's play area	\$75,000
Bridge for kids	\$850,000
Brookside school ADA playground equipment	\$25,000
Buena library	\$50,000
Camp prime time repairs—families with terminally ill children	\$100,000
Cannon house	\$250,000
Central area motivation program (CAMP)	\$250,000
Cesar Chavez park	\$150,000
Chambers creek footbridge	\$177,000
Childhaven	\$150,000
Clark Lake park and retreat center	\$500,000
Colman school preconstruction activities	\$1,200,000
Colored women's association meeting house <u>preconstruction activities</u>	\$60,000
Columbia breaks fire interpretive center	\$150,000
Community center at Greenbridge	\$400,000
Covington aquatics center (( <del>phase 1</del> )) <u>HVAC systems</u>	\$350,000
Crossroads community center and park	\$250,000
Cutter theater	\$71,000
Deming library <u>preconstruction activities</u>	\$85,000
Des Moines beach park historic buildings	\$300,000
Discovery park	\$1,000,000
East Whatcom regional resource center	\$1,750,000
Eatonville family park	\$50,000
El Centro de la Raza	\$900,000
Filipino community center	\$200,000
Financial assistance to the town of Hamilton	\$150,000

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Food bank refrigeration projects	\$365,000
Foster creek	\$150,000
Fox theater	\$2,398,000
Garfield county agricultural museum	\$150,000
GC health clinic	\$12,000
Grand Army of the Republic cemetery	\$5,000
Granite Falls museum expansion	\$50,000
Greenbridge plaza in White Center	\$200,000
Habitat park south hill	\$400,000
<del>((Hanford reach interpretive center</del>	<del>\$2,000,000))</del>
Hidden river environmental education center	\$50,000
ICL education center	\$200,000
Japanese cultural and community center	\$200,000
Joel Pritchard park	\$2,500,000
Joe's creek project	\$856,000
Juanita creek channel and riparian restoration	\$500,000
Juanita highlands	\$275,000
Julia Butler Hansen home restoration	\$10,000
Kettle falls park	\$100,000
Kirkland nonmotorized facilities	\$200,000
LeRoi smelter smokestack monument	\$3,000
Lewis and Clark confluence project	\$2,000,000
McCaw hall	\$2,000,000
Meridian habitat park	\$400,000
Miners' memorial	\$36,500
Miracle league handicapped baseball	\$57,000
MOBIUS/Inland Northwest science and technology center	\$1,500,000
Mt. Baker theater	\$200,000
Mt. Vernon Jasper Gates statue	\$12,000
Multicultural center of Kitsap county	\$250,000
Nathaniel Orr home site museum interpretive center	\$29,000
Neighborhood house rainier vista	\$200,000
New Lakewood clinic	\$350,000
Northeast community center expansion	\$250,000
Northshore performing arts center	\$1,000,000
Northwest communities education center	\$1,000,000

Oak Harbor multi-purpose community and sports facility	\$50,000
Omak grandstand	\$250,000
Orting fire station	\$250,000
Pacific Northwest salmon center	\$1,000,000
Pacific science center	\$900,000
Performing arts center (PACE)	\$500,000
Pike Place Market health center emergency repairs	\$1,000,000
Port of Quincy	\$400,000
Puget Sound freight building warehouse—Thea Foss waterway	\$2,000,000
Puyallup river walking trail	\$200,000
Rainier historical heating system	\$75,000
Red mountain	\$200,000
Relocation of Sieke Japanese gardens	\$250,000
River walk and Sammamish river restoration	\$200,000
Roslyn city hall	\$150,000
Ruth Dykeman children's center	\$27,000
Sandman historical tug restoration	\$10,000
Seattle Aquarium	\$2,000,000
Seattle community center (1115 E. Pike street)	\$13,000
Seattle mental health emerald house	\$28,000
Seward park environmental and audubon center	\$400,000
Snohomish senior center	\$150,000
Sno-Valley senior activity center kitchen	\$50,000
Sound way property preservation	\$500,000
Spokane river whitewater course	\$400,000
Sumas ballpark	\$250,000
Synthetic sportsfield partnership at Robinswood park	\$400,000
Tall ships moorage	\$300,000
Tukwila kayak and canoe launching facility	\$20,000
Undeveloped woodlands linked to interurban nature trail	\$150,000
Vancouver museum	\$125,000
Vancouver national historical reserve west barracks	\$1,000,000
Veterans memorial museum	\$100,000
Wapato Lake renovations and water quality	\$250,000

West Seattle community resource center	\$500,000
West central community center	\$500,000
West Hylebos wetlands boardwalk	\$100,000
Wilson playfield land acquisition	\$200,000
Wing Luke Asian art museum	\$2,000,000
Youth housing/drop-in center	\$400,000
<b>Total</b>	<b><u>(\$49,949,500)</u></b>
	<b><u>\$47,799,500</u></b>

Appropriation:

State Building Construction Account—State	<u>(\$49,949,500)</u>
	<u>\$47,799,500</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	<u>(\$49,949,500)</u>
	<u>\$47,799,500</u>

**Sec. 6043.** 2005 c 488 s 165 (uncodified) is amended to read as follows:

**FOR THE MILITARY DEPARTMENT**

Construct Spokane Readiness Center (04-2-003)

Reappropriation:

General Fund—Federal	\$7,800,000
State Building Construction Account—State	<u>(\$3,300,000)</u>
	<u>\$2,250,000</u>
Subtotal Reappropriation	<u>(\$11,100,000)</u>
	<u>\$10,050,000</u>
Prior Biennia (Expenditures)	\$2,468,000
Future Biennia (Projected Costs)	\$0
TOTAL	<u>(\$13,568,000)</u>
	<u>\$12,518,000</u>

NEW SECTION. **Sec. 6044.** A new section is added to 2006 c 371 (uncodified) to read as follows:

**FOR THE MILITARY DEPARTMENT**

Modular Building Reutilization (08-2-001)

Appropriation:

State Building Construction Account—State	\$1,850,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,850,000

**Sec. 6045.** 2005 c 488 s 347 (uncodified) is amended to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**

Cama Beach - New Destinations (06-2-011)

Appropriation:

State Building Construction Account—State	.....	(\$2,820,000)
		<u>\$4,320,000</u>
Prior Biennia (Expenditures)	.....	\$0
Future Biennia (Projected Costs)	.....	\$1,700,000
TOTAL	.....	(\$4,520,000)
		<u>\$6,020,000</u>

Sec. 6046. 2005 c 488 s 357 (uncodified) is amended to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**

Ice Age Floods - Cherished Resources (06-2-014)

The appropriation in this section is subject to the following conditions and limitations: \$2,000,000 of the appropriation is provided solely for a grant for the Hanford Reach national monument heritage and visitor center. The funds may be used for preconstruction activities.

Appropriation:

State Building Construction Account—State	.....	(\$300,000)
		<u>\$2,300,000</u>
Prior Biennia (Expenditures)	.....	\$0
Future Biennia (Projected Costs)	.....	\$1,000,000
TOTAL	.....	(\$1,300,000)
		<u>\$3,300,000</u>

NEW SECTION. Sec. 6047. A new section is added to 2006 c 371 (uncodified) to read as follows:

**FOR THE STATE CONSERVATION COMMISSION**

Land Restoration (07-1-001)

Appropriation:

State Building Construction Account—State	.....	\$587,000
Prior Biennia (Expenditures)	.....	\$0
Future Biennia (Projected Costs)	.....	\$0
TOTAL	.....	\$587,000

NEW SECTION. Sec. 6048. A new section is added to 2006 c 371 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Sinlahekin Creek Dams - Floods Damage Repair (2007-1-004)

Appropriation:

State Building Construction Account—State	.....	\$70,000
Prior Biennia (Expenditures)	.....	\$0
Future Biennia (Projected Costs)	.....	\$0
TOTAL	.....	\$70,000

NEW SECTION. Sec. 6049. A new section is added to 2006 c 371 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Region 1 Office - Complete Phase 1 (2007-2-009)

Appropriation:

State Building Construction Account—State . . . . .	\$588,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$588,000

NEW SECTION. Sec. 6050. A new section is added to 2006 c 371 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF NATURAL RESOURCES**

Loomis Natural Resources Conservation Area Restoration (2007-1-004)

Appropriation:

State Building Construction Account—State . . . . .	\$271,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$271,000

NEW SECTION. Sec. 6051. A new section is added to 2006 c 371 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF NATURAL RESOURCES**

Storm Damage (07-1-850)

Appropriation:

State Building Construction Account—State . . . . .	\$282,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$282,000

NEW SECTION. Sec. 6052. A new section is added to 2006 c 371 (uncodified) to read as follows:

**FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Grays Harbor College: Riverview Education Center (07-1-850)

Appropriation:

State Building Construction Account—State . . . . .	\$498,000
Prior Biennia (Expenditures) . . . . .	\$0
Future Biennia (Projected Costs) . . . . .	\$0
TOTAL . . . . .	\$498,000

**Sec. 6053.** 2006 c 371 s 192 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF AGRICULTURE**

Energy Freedom Program (06-2-851)

The appropriation in this section is subject to the following conditions and limitations:

(1)(a) The appropriation is provided solely for low-interest loans to political subdivisions for renewable energy projects including the development of biofuel oilseed crushers, supporting infrastructure, and facilities. The political subdivision may negotiate an appropriate agreement with the bioenergy industry for the use of the oilseed crushers, supporting infrastructure, and facilities.

(b) For purposes of this section, political subdivision means any port district, county, city, town, special purpose district, and any other municipal corporations or quasi-municipal corporations in the state.

(2) The appropriation is provided solely for the following list of projects:

<b>Project</b>	<b>Recommendation</b>
Spokane Conservation district	<del>((2,000,000))</del> <u>\$1,779,000</u>
Port of Warden	\$2,500,000
Odessa public development authority	<del>((2,500,000))</del> <u>\$3,500,000</u>
<del>((Port of Columbia county</del>	<del>\$2,500,000))</del> <u>\$0</u>
Port of Sunnyside	\$750,000
<u>A political subdivision working with the DeRuyter Farms anaerobic digester project</u>	<u>\$1,973,000</u>
Total	<del>((10,250,000))</del> <u>\$10,502,000</u>

(3) All agreements negotiated between the political subdivision and the bioenergy industry for use of the oilseed crushers, supporting infrastructure, or facilities funded in this section must provide for at least a fifty percent match by the industry partner. The industry match may include, but is not limited to, investments in rail, buildings, refining capacity, or seed stock.

(4) All other project funds must be disbursed prior to energy freedom loans, except where required on a matching basis by other federal or state programs.

(5) The department shall disburse loans to the political subdivision on a reimbursement basis only.

(6) The department may defer loan repayment for up to twenty-four months or until the projects start to receive revenue from operations, whichever is sooner.

(7) Upon written notice to the political subdivision, the department may suspend or cancel its loans if any of the following occur:

(a) The political subdivision fails to make satisfactory and reasonable progress to complete the project, or the department concludes the political subdivision will be unable to complete the project or any portion of it; or

(b) The political subdivision or bioenergy industry partners have made misrepresentations in any information furnished to the department or the legislature in connection with the project.

(8) In the event that any portion of the loan has been paid to the political subdivision under this section at the time of breach, or failure of the political subdivision to satisfactorily perform, the department may require that the full amount of the loan, or a portion thereof, be repaid within a period specified by the department.

(9) Future loan repayments shall be deposited into the energy freedom account created in section 6, chapter . . . (Engrossed Third Substitute House Bill No. 2939), Laws of 2006.



(10) It is the intent of the legislature to provide loans for the development of a Washington state biodiesel industry based on Washington grown oilseed. The legislature is aware that in the development of this industry, the start-up process may necessitate the use of other oilseeds until Washington state growers plant sufficient crops to support this industry. The legislature also understands the realities of weather and market conditions in this process. The conversion to maximum Washington grown oilseed must be accomplished as quickly as possible. The political subdivision shall: (a) Develop a plan for outreach to local growers and an estimate of when maximum Washington state oilseed-based production will be reached; (b) develop a goal for the political subdivision to return a portion of the biofuel to local oilseed producers; and (c) report this information to the department of agriculture by December 1, 2006. The department shall report on the implementation of this section by January 1, 2007, to the appropriate committees of the legislature.

(11) If legislation is enacted by June 30, 2009, that moves the energy freedom program to the department of community, trade, and economic development, then the amounts in this section are appropriated to the department of community, trade, and economic development.

Appropriation:

Energy Freedom Account—State .....	(\$10,250,000)
	<u>\$10,502,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	(\$10,250,000)
	<u>\$10,502,000</u>

**Sec. 6054.** 2006 c 371 s 191 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF AGRICULTURE**

Energy Freedom Program (E3SHB No. 2939) (06-2-850)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely to implement the energy freedom program created in chapter . . . (Engrossed Third Substitute House Bill No. 2939), Laws of 2006. If the bill is not enacted by June 30, 2006, the appropriation shall lapse.

(2) The department shall not expend more than \$202,000 of the appropriation on administrative costs.

(3) If legislation is enacted by June 30, 2009, that moves the energy freedom program to the department of community, trade, and economic development, then the amounts in this section are appropriated to the department of community, trade, and economic development.

Appropriation:

Energy Freedom Account—State .....	(\$6,750,000)
	<u>\$3,998,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0

TOTAL .....((~~\$6,750,000~~))  
\$3,998,000

NEW SECTION. Sec. 6055. Part headings in this act are not any part of the law.

NEW SECTION. Sec. 6056. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 6057. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately, except for section 6035 of this act which takes effect July 1, 2007, and section 6037 of this act which takes effect June 30, 2011.

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Passed by the House April 22, 2007.

Passed by the Senate April 21, 2007.

Approved by the Governor May 15, 2007, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 16, 2007.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Sections 1032(2); 1068, page 42, lines 8 through 12; 3181, page 143, lines 22 through 33 and page 144, lines 1 through 22; and (1), (2), and (3); 3204(2); 6023; 6024; 6030; and 6031 of Engrossed Substitute House Bill 1092 entitled:

"AN ACT Relating to the capital budget."

**Section 1032(2), page 19, Department of Community, Trade and Economic Development, Job Development Fund Grants**

This proviso prohibits the Department of Community, Trade and Economic Development from proceeding with a competitive process for the 2009-2011 Biennium. I believe a competitive grant selection process is appropriate for these projects. Therefore, I am vetoing Section 1032(2).

Because I am concerned that the current process does not put enough emphasis on the creation of family wage jobs, I am directing my staff to work with the Department and the Community Economic Revitalization Board to establish weighted criteria for the next group of projects and to develop legislation to make creation of jobs the top priority for the grant selection process.

**Section 1068, page 42, lines 8 through 12, Department of General Administration, Signage Near Capitol Lake**

This proviso directs the Department of General Administration to post signs on 5th Avenue at Capitol Lake dam in the City of Olympia concerning bicycle lanes. I am vetoing this proviso because it directs a state agency to install traffic control signs on a city street, even though the city's existing signage already complies with standards in the Manual on Uniform Traffic Control Devices. I am directing the Department of General Administration to work with the City of Olympia to look at how to provide additional appropriate warnings that would enhance the safety of bicyclists crossing Capitol Lake dam.

**Section 3181, page 143, lines 22 through 33 and page 144, lines 1 through 22, Department of Fish and Wildlife, Wiley Slough Restoration**

This proviso prohibits the Department of Fish and Wildlife from spending funds until July 1, 2008, so that a report can be developed regarding the loss of recreation opportunities in upland habitat areas. The Wiley Slough Restoration project already has broad support from many in the community and should move ahead so that critical juvenile Chinook salmon habitat in the Skagit River basin can be restored. Rather than delay the project further, I expect the Department of Fish and Wildlife to work in good faith with legislators, waterfowl hunters and other community members to develop off-site hunting and recreation opportunities. For this reason, I have vetoed the specific restrictions in Section 3181, page 143, lines 22 through 33 and page 144, lines 1 through 22.

**Section 3204 (2), page 151, Department of Natural Resources, Trust Land Transfer**

This section requires that the funds from transferred properties be used exclusively for the acquisition of forest lands. Existing statute for the Natural Resource Real Property Replacement Account allows purchases of commercial property, agriculture property and forest lands. I am vetoing Section 3204(2), because placing limits on the type of land that can be purchased should be more fully considered as a policy issue with separate legislation.

**Section 6023, page 264, Department of General Administration, Consolidation Review**

This section restates the Department of General Administration's statutory authority to review any capital improvement or capital project for possible consolidation, co-location, and compliance with

state standards before allotment of funds. In addition, the passage of SHB 2366 creates new, broad authority for the Office of Financial Management to oversee facility issues of this type. Because existing statutes for General Administration and the new authority for the Office of Financial Management already require these actions, I am vetoing Section 6023.

**Section 6024, page 264, Department of General Administration, Tacoma Rhodes**

This section prevents the Department of General Administration from selling the Tacoma Rhodes building until after June 30, 2009, except to another state agency, state institution, or political subdivision of the state. I am vetoing this proviso because decisions regarding Tacoma Rhodes are within the authority and responsibilities of the Department of General Administration as an executive agency responsible for housing state government, and acquiring and disposing of property. This existing authority includes managing and making appropriate decisions on the future of facilities, based on sound business principles. Current law allows public agencies and local governments the first right of refusal on purchasing surplus property such as the Tacoma Rhodes building. I expect General Administration to follow this process.

**Section 6030, page 267, For the State Treasurer—Transfers**

This section requires a transfer of \$20 million from the Natural Resources Real Property Replacement Account to the Common School Permanent Fund. The amount transferred is to be added to the irreducible principal of the common school permanent fund and invested by the State Investment Board rather than to purchase replacement timber land. I believe this is a policy issue that is better addressed in substantive legislation. Therefore, I am vetoing Section 6030.

**Section 6031, page 267, Natural Resources Real Property Replacement Account**

This section amends RCW 79.17.210 so that during the 2007-2009 Biennium balances in the Natural Resources Real Property Replacement Account may be transferred to the appropriate permanent funds as directed in the capital budget appropriations act. I believe this is a policy issue that is better addressed in substantive legislation. Therefore, I am vetoing Section 6031.

For these reasons, I have vetoed Sections 1032(2); 1068, page 42, lines 8 through 12; 3181, page 143, lines 22 through 33 and page 144, lines 1 through 22; 3204(2); 6023; 6024; 6030; and 6031 of Engrossed Substitute House Bill 1092.

With the exception of Sections 1032(2); 1068, page 42, lines 8 through 12; 3181, page 143, lines 22 through 33 and page 144, lines 1 through 22; 3204(2); 6023; 6024; 6030; and 6031, Engrossed Substitute House Bill 1092 is approved."

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## CHAPTER 521

[Substitute House Bill 1138]

### GENERAL OBLIGATION BONDS

AN ACT Relating to state general obligation bonds and related accounts; adding a new chapter to Title 43 RCW; and declaring an emergency.

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

**NEW SECTION. Sec. 1.** For the purpose of providing funds to finance the projects described and authorized by the legislature in the capital and operating appropriations acts for the 2005-2007 and 2007-2009 fiscal bienniums, and all costs incidental thereto, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of one billion nine hundred seventy-two million dollars, or as much thereof as may be required, to finance these projects and all costs incidental thereto. Bonds authorized in this section may be sold at such price as the state finance committee shall determine. No bonds authorized in this section may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds.

**NEW SECTION. Sec. 2.** The proceeds from the sale of the bonds authorized in section 1 of this act shall be deposited in the state building construction account created by RCW 43.83.020. The proceeds shall be transferred as follows:

(1) One billion six hundred ninety-three million dollars to remain in the state building construction account created by RCW 43.83.020;

(2) Thirty-six million dollars to the outdoor recreation account created by RCW 79A.25.060;

(3) Thirty-six million dollars to the habitat conservation account created by RCW 79A.15.020;

(4) Nineteen million dollars to the riparian protection account created by RCW 79A.15.120;

(5) Nine million dollars to the farmlands preservation account created by RCW 79A.15.130;

(6) One hundred forty million dollars to the state taxable building construction account. All receipts from taxable bond issues are to be deposited into the account. If the state finance committee deems it necessary to issue more than the amount specified in this subsection (6) as taxable bonds in order to comply with federal internal revenue service rules and regulations pertaining to the use of nontaxable bond proceeds, the proceeds of such additional taxable bonds shall be transferred to the state taxable building construction account in lieu of any transfer otherwise provided by this section. The state treasurer shall submit written notice to the director of financial management if it is determined that any such additional transfer to the state taxable building construction account is necessary. Moneys in the account may be spent only after appropriation.

These proceeds shall be used exclusively for the purposes specified in this section and for the payment of expenses incurred in the issuance and sale of the bonds issued for the purposes of this section, and shall be administered by the office of financial management subject to legislative appropriation.

**NEW SECTION. Sec. 3.** (1) The debt-limit general fund bond retirement account shall be used for the payment of the principal of and interest on the bonds authorized in section 2 (1), (2), (3), (4), (5), and (6) of this act.

(2) The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount needed in the ensuing twelve months to meet the bond retirement and interest requirements on the bonds authorized in section 2 (1), (2), (3), (4), (5), and (6) of this act.

(3) On each date on which any interest or principal and interest payment is due on bonds issued for the purposes of section 2 (1), (2), (3), (4), (5), and (6) of this act the state treasurer shall withdraw from any general state revenues received in the state treasury and deposit in the debt-limit general fund bond retirement account an amount equal to the amount certified by the state finance committee to be due on the payment date.

**NEW SECTION. Sec. 4.** (1) Bonds issued under sections 1 through 3 of this act shall state that they are a general obligation of the state of Washington, shall pledge the full faith and credit of the state to the payment of the principal thereof and the interest thereon, and shall contain an unconditional promise to pay the principal and interest as the same shall become due.

(2) The owner and holder of each of the bonds or the trustee for the owner and holder of any of the bonds may by mandamus or other appropriate proceeding require the transfer and payment of funds as directed in this section.

NEW SECTION. Sec. 5. The legislature may provide additional means for raising moneys for the payment of the principal of and interest on the bonds authorized in section 1 of this act, and sections 2 and 3 of this act shall not be deemed to provide an exclusive method for the payment.

NEW SECTION. Sec. 6. Sections 1 through 5 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION. Sec. 7. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 8. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House March 26, 2007.

Passed by the Senate March 31, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 522

[Substitute House Bill 1128]

### FISCAL MATTERS

AN ACT Relating to fiscal matters; amending RCW 15.64.050, 28B.15.910, 41.05.065, 43.10.180, 43.60A.165, 46.09.170, 70.105D.070, 70.146.080, 74.08A.340, and 79.64.040; reenacting and amending RCW 43.08.250 and 70.146.030; amending 2006 c 372 ss 108, 111, 112, 114, 118, 122, 124, 126, 127, 128, 129, 135, 137, 138, 147, 150, 152, 154, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 216, 217, 219, 221, 222, 225, 302, 303, 306, 307, 308, 309, 402, 501, 502, 504, 505, 506, 507, 509, 510, 511, 512, 513, 514, 515, 516, 518, 603, 604, 606, 616, 701, 703, 704, 705, 706, 707, 708, 712, 715, 801, 802, 803, 804, and 805 (uncodified); amending 2005 c 518 ss 707 and 729 (uncodified); adding a new section to chapter 28A.630 RCW; adding a new section to 2006 c 372 (uncodified); adding new sections to 2005 c 518 (uncodified); creating new sections; making appropriations; providing expiration dates; and declaring an emergency.

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

NEW SECTION. Sec. 1. (1) A budget is hereby adopted and, subject to the provisions set forth in the following sections, the several amounts specified in parts I through IX of this act, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for salaries, wages, and other expenses of the agencies and offices of the state and for other specified purposes for the fiscal biennium beginning July 1, 2007, and ending June 30, 2009, except as otherwise provided, out of the several funds of the state hereinafter named.

(2) Unless the context clearly requires otherwise, the definitions in this section apply throughout this act.

(a) "Fiscal year 2008" or "FY 2008" means the fiscal year ending June 30, 2008.

(b) "Fiscal year 2009" or "FY 2009" means the fiscal year ending June 30, 2009.

(c) "FTE" means full time equivalent.

(d) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(e) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose which is not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.

**PART I  
GENERAL GOVERNMENT**

**NEW SECTION. Sec. 101. FOR THE HOUSE OF REPRESENTATIVES**

General Fund—State Appropriation (FY 2008) . . . . .	\$34,522,000
General Fund—State Appropriation (FY 2009) . . . . .	\$35,598,000
Pension Funding Stabilization Account	
Appropriation . . . . .	\$560,000
TOTAL APPROPRIATION . . . . .	\$70,680,000

The appropriations in this section are subject to the following conditions and limitations: \$56,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to implement Senate Bill No. 5926 (construction industry). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 102. FOR THE SENATE**

General Fund—State Appropriation (FY 2008) . . . . .	\$26,483,000
General Fund—State Appropriation (FY 2009) . . . . .	\$29,196,000
Pension Funding Stabilization Account	
Appropriation . . . . .	\$467,000
TOTAL APPROPRIATION . . . . .	\$56,146,000

The appropriations in this section are subject to the following conditions and limitations: \$56,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to implement Senate Bill No. 5926 (construction industry). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**

General Fund—State Appropriation (FY 2008) . . . . .	\$3,377,000
General Fund—State Appropriation (FY 2009) . . . . .	\$3,155,000
Pension Funding Stabilization Account	
Appropriation . . . . .	\$36,000
TOTAL APPROPRIATION . . . . .	\$6,568,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Notwithstanding the provisions in this section, the committee may adjust the due dates for projects included on the committee's 2007-09 work plan as necessary to efficiently manage workload.

(2) \$100,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the joint legislative audit and review committee to conduct a review of the method used to determine lease rates for state-owned aquatic lands. The review shall include classification of current lease base and lease rates by category of use such as marinas; a review of previous studies of formulas for state-owned aquatic land leases; and identification of pros and cons of alternative approaches to calculating aquatic lands lease rates. The committee shall complete the review by June 2008.

(3) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the joint legislative audit and review committee to conduct an evaluation and comparison of the cost efficiency of rental housing voucher programs versus other housing projects intended to assist low-income households, including construction and rehabilitation of housing units. The study will consider factors including administrative costs, capital costs, and other operating costs involved in operating voucher and other housing programs. The study will compare the number of households that can be served by voucher and other housing programs, given a set amount of available funds. The department of community, trade, and economic development, the housing finance commission, housing authorities, community action agencies, and local governments shall provide the joint legislative audit and review committee with information necessary for the study. The joint legislative audit and review committee shall solicit input regarding the study from interested parties, including representatives from the affordable housing advisory board, the department of community, trade, and economic development, the housing finance commission, representatives from the private rental housing industry, housing authorities, community action agencies, county and city governments, and nonprofit and for-profit housing developers. The joint legislative audit and review committee shall present the results of the study to the legislature by December 31, 2008.

(4) \$100,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for a cost analysis of the programs and activities administered by the department of fish and wildlife. In conducting the study, the committee shall specifically identify the total costs that support both hunting and fishing programs as well as nongame programs, including appropriate shares of the agency's administrative and indirect costs. The committee shall compare the cost analysis to revenues that currently support the programs, including the level of support received from game licenses and fees. The committee shall base its analysis on available management information and shall provide the results of its analysis to the legislature by January 2008.

(5) \$164,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the joint legislative audit and review committee to analyze gaps throughout the state in the availability and accessibility of services identified in the federal adoption and safe families act as directed by Substitute House Bill No. 1333 (child welfare). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.



(6) Within the amounts appropriated in this section, the joint legislative audit and review committee shall conduct an analysis of the qualifications required to become a social worker I, II, III, or IV within the department of social and health services children's administration. The committee shall conduct an analysis of the qualifications used by other states for equivalent categories of social workers. The committee shall analyze the strengths and weaknesses of Washington's qualifications relative to the other states. The findings shall be reported to the legislature by December 1, 2007.

(7) Within amounts provided in this section, the committee shall conduct a review of the eligibility requirements and eligibility review processes that apply to any state program that offers individual health care coverage for qualified recipients.

(8) \$75,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(9) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$25,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Second Substitute House Bill No. 1488 (oil spill program). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(10) Within the amounts provided in this section, the committee shall review the constitutional, case law, and statutory objectives and obligations of the department of natural resources' management of state-owned aquatic lands. The review will include an assessment of the degree to which the management practices of the department and other agencies are meeting these objectives and complying with legal obligations.

**NEW SECTION. Sec. 104. FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**

General Fund—State Appropriation (FY 2008) . . . . .	\$1,843,000
General Fund—State Appropriation (FY 2009) . . . . .	\$2,068,000
Pension Funding Stabilization Account	
Appropriation . . . . .	\$41,000
TOTAL APPROPRIATION . . . . .	\$3,952,000

**NEW SECTION. Sec. 105. FOR THE OFFICE OF THE STATE ACTUARY**

Department of Retirement Systems Expense Account—	
State Appropriation . . . . .	\$3,517,000

**NEW SECTION. Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

General Fund—State Appropriation (FY 2008) . . . . .	\$9,023,000
General Fund—State Appropriation (FY 2009) . . . . .	\$9,198,000
Pension Funding Stabilization Account	
Appropriation . . . . .	\$92,000
TOTAL APPROPRIATION . . . . .	\$18,313,000

**NEW SECTION. Sec. 107. FOR THE STATUTE LAW COMMITTEE**

General Fund—State Appropriation (FY 2008) . . . . .	\$4,810,000
General Fund—State Appropriation (FY 2009) . . . . .	\$5,301,000

## Pension Funding Stabilization Account

Appropriation . . . . .	\$75,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$10,186,000</b>

**NEW SECTION. Sec. 108. LEGISLATIVE AGENCIES.** In order to achieve operating efficiencies within the financial resources available to the legislative branch, the executive rules committee of the house of representatives and the facilities and operations committee of the senate by joint action may transfer funds among the house of representatives, senate, joint legislative audit and review committee, legislative evaluation and accountability program committee, legislative transportation committee, office of the state actuary, joint legislative systems committee, and statute law committee.

**NEW SECTION. Sec. 109. FOR THE SUPREME COURT**

General Fund—State Appropriation (FY 2008) . . . . .	\$7,255,000
General Fund—State Appropriation (FY 2009) . . . . .	\$7,510,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$14,765,000</b>

The appropriations in this section are subject to the following conditions and limitations: \$150,000 of the general fund—state appropriation for fiscal year 2008 and \$55,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement the task force on domestic violence as requested by section 306 of Second Substitute Senate Bill No. 5470 (dissolution proceedings). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

**NEW SECTION. Sec. 110. FOR THE LAW LIBRARY**

General Fund—State Appropriation (FY 2008) . . . . .	\$2,231,000
General Fund—State Appropriation (FY 2009) . . . . .	\$2,259,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$4,490,000</b>

**NEW SECTION. Sec. 111. FOR THE COURT OF APPEALS**

General Fund—State Appropriation (FY 2008) . . . . .	\$15,779,000
General Fund—State Appropriation (FY 2009) . . . . .	\$16,819,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$32,598,000</b>

The appropriations in this section are subject to the following conditions and limitations: \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for chapter 34, Laws of 2007 (Senate Bill No. 5351, court of appeals judges' travel).

**NEW SECTION. Sec. 112. FOR THE COMMISSION ON JUDICIAL CONDUCT**

General Fund—State Appropriation (FY 2008) . . . . .	\$1,117,000
General Fund—State Appropriation (FY 2009) . . . . .	\$1,148,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$2,265,000</b>

**\*NEW SECTION. Sec. 113. FOR THE ADMINISTRATOR FOR THE COURTS**

General Fund—State Appropriation (FY 2008) . . . . .	\$29,011,000
General Fund—State Appropriation (FY 2009) . . . . .	\$30,148,000
Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$24,071,000

Public Safety and Education Account—State	
Appropriation (FY 2009) . . . . .	\$24,223,000
Equal Justice Subaccount of the Public Safety and	
Education Account—State Appropriation (FY 2008) . . . . .	\$3,175,000
Equal Justice Subaccount of the Public Safety and	
Education Account—State Appropriation (FY 2009) . . . . .	\$3,175,000
Judicial Information Systems Account—State	
Appropriation . . . . .	\$39,437,000
TOTAL APPROPRIATION . . . . .	\$153,240,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,900,000 of the general fund—state appropriation for fiscal year 2008 and \$3,900,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for court-appointed special advocates in dependency matters. The administrator for the courts, after consulting with the association of juvenile court administrators and the association of court-appointed special advocate/guardian ad litem programs, shall distribute the funds to volunteer court-appointed special advocate/guardian ad litem programs. The distribution of funding shall be based on the number of children who need volunteer court-appointed special advocate representation and shall be equally accessible to all volunteer court-appointed special advocate/guardian ad litem programs. The administrator for the courts shall not retain more than six percent of total funding to cover administrative or any other agency costs. Funding distributed in this subsection shall not be used to supplant existing local funding for the court-appointed special advocates program.

(2) \$300,000 of the general fund—state appropriation for fiscal year 2008, \$300,000 of the general fund—state appropriation for fiscal year 2009, \$1,500,000 of the public safety and education account—state appropriation for fiscal year 2008, and \$1,500,000 of the public safety and education account—state appropriation for fiscal year 2009 are provided solely for school districts for petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. The office of the administrator for the courts shall develop an interagency agreement with the superintendent of public instruction to allocate the funding provided in this subsection. Allocation of this money to school districts shall be based on the number of petitions filed. This funding includes amounts school districts may expend on the cost of serving petitions filed under RCW 28A.225.030 by certified mail or by personal service or for the performance of service of process for any hearing associated with RCW 28A.225.030.

(3)(a) \$1,640,000 of the general fund—state appropriation for fiscal year 2008, \$1,641,000 of the general fund—state appropriation for fiscal year 2009, \$6,612,000 of the public safety and education account—state appropriation for fiscal year 2008, and \$6,612,000 of the public safety and education account—state appropriation for fiscal year 2009 are provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The administrator for the courts, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward

counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

(b) Each fiscal year during the 2007-09 fiscal biennium, each county shall report the number of petitions processed and the total actual costs of processing truancy, children in need of services, and at-risk youth petitions. Counties shall submit the reports to the administrator for the courts no later than 45 days after the end of the fiscal year. The administrator for the courts shall electronically transmit this information to the chairs and ranking minority members of the house of representatives appropriations committee and the senate ways and means committee no later than 60 days after a fiscal year ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

(4) The distributions made under this subsection and distributions from the county criminal justice assistance account made pursuant to section 801 of this act constitute appropriate reimbursement for costs for any new programs or increased level of service for purposes of RCW 43.135.060.

(5) \$325,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the completion of the juror pay pilot and research project.

(6) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 and \$1,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for improving interpreter services at the trial court level.

(a) Of these amounts, \$340,000 for fiscal year 2008 is provided solely to assist trial courts in developing and implementing language assistance plans. The administrator of the courts, in consultation with the interpreter commission, shall adopt language assistance plan standards consistent with chapters 2.42 and 2.43 RCW. The standards shall include guidelines on local community input, provisions on notifying court users on the right and methods to obtain an interpreter, information on training for judges and court personnel, procedures for identifying and appointing an interpreter, access to translations of commonly used forms, and processes to evaluate the development and implementation of the plan.

(b) Of these amounts, \$610,000 for fiscal year 2008 and \$950,000 for fiscal year 2009 are provided solely to assist trial courts with interpreter services. In order to be eligible for assistance, a trial court must have completed a language assistance plan consistent with the standards established in (a) of this subsection that is approved by the administrator of the courts and submit the amounts spent annually on interpreter services for fiscal years 2005, 2006, and 2007. The funding in this subsection (b) shall not be used to supplant existing funding and cannot be used for any purpose other than assisting trial courts with interpreter services. At the end of the fiscal year, recipients shall report to the administrator of the court the amount the trial court spent on interpreter services.

(c) \$50,000 for fiscal year 2008 and \$50,000 for fiscal year 2009 are provided solely to the administrator of the courts for administration of this subsection. By December 1, 2009, the administrator of the courts shall report to the appropriate policy and fiscal committees of the legislature: (i) The number of trial courts in the state that have completed a language assistance plan; (ii) the number of trial courts in the state that have not completed a language assistance plan; (iii) the number of trial courts in the state that received assistance under this subsection, the amount of the assistance, and the amount each trial court

spent on interpreter services for fiscal years 2005 through 2008 and fiscal year 2009 to date.

(7) \$443,000 of the general fund—state appropriation for fiscal year 2008 and \$543,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute Senate Bill No. 5470 (dissolution proceedings). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. Within the amounts provided:

(a) \$100,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for developing training materials for the family court liaisons.

(b) \$43,000 of the general fund—state appropriation for fiscal year 2008 and \$43,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for reimbursement costs related to the family law handbook;

(c) \$350,000 of the general fund—state appropriation for fiscal year 2008 and \$350,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for distribution to counties to provide guardian ad litem services for the indigent for a reduced or waived fee;

(d) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementing the data tracking provisions specified in sections 701 and 702 of Second Substitute Senate Bill No. 5470 (dissolution).

(8)(a) \$20,458,000 of the judicial information systems account—state appropriation is provided solely for the development and implementation of the core case management system. In expending the funds provided within this subsection, the following conditions must first be satisfied before any subsequent funds may be expended:

(i) Completion of feasibility studies detailing linkages between the objectives of the core case management system and the following: The technology efforts required and the impacts of the new investments on existing infrastructure and business functions, including the estimated fiscal impacts to the judicial information systems account and the near general fund accounts; the alignment of critical system requirements of varying size courts at the municipal, district, and superior court level with their respective proposed business processes resulting from business process engineering, and detail on the costs and other impacts to the courts for providing critical business requirements not addressed by new common business processes; the specific requirements and business process needs of state agencies dependent on data exchange with the judicial information system; and the results from a proof of implementation phase; and

(ii) Discussion with and presentation to the department of information systems and the information services board regarding the impact on the state agencies dependent on successful data exchange with the judicial information system and the results of the feasibility studies.

(b) The judicial information systems committee shall provide quarterly updates to the appropriate committees of the legislature and the department of information systems on the status of implementation of the core case management system.

(c) The legislature respectfully requests the judicial information systems committee invite representatives from the state agencies dependent on successful data exchange to their regular meetings for consultation as nonvoting members.

**(9) Funding within this section is sufficient to cover costs associated with implementation of Substitute House Bill No. 1141 (diversion records).**

(10) \$534,000 of the general fund—state appropriation for fiscal year 2008 and \$949,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for Substitute Senate Bill No. 5320 (public guardianship office). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

\*Sec. 113 was partially vetoed. See message at end of chapter.

**NEW SECTION. Sec. 114. FOR THE OFFICE OF PUBLIC DEFENSE**

General Fund—State Appropriation (FY 2008) . . . . .	\$18,014,000
General Fund—State Appropriation (FY 2009) . . . . .	\$18,016,000
Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$7,066,000
Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$7,025,000
Equal Justice Subaccount of the Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$2,250,000
Equal Justice Subaccount of the Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$2,251,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$54,622,000</b>

The appropriations in this section are subject to the following conditions and limitations: The amounts provided from the public safety and education account appropriations include funding for expert and investigative services in death penalty personal restraint petitions.

**NEW SECTION. Sec. 115. FOR THE OFFICE OF CIVIL LEGAL AID**

General Fund—State Appropriation (FY 2008) . . . . .	\$5,923,000
General Fund—State Appropriation (FY 2009) . . . . .	\$7,009,000
Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$2,326,000
Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$2,378,000
Equal Justice Subaccount of the Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$927,000
Equal Justice Subaccount of the Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$927,000
Violence Reduction and Drug Enforcement Account— State Appropriation (FY 2008) . . . . .	\$1,494,000
Violence Reduction and Drug Enforcement Account— State Appropriation (FY 2009) . . . . .	\$1,493,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$22,477,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$120,000 of the general fund—state appropriation for fiscal year 2008 and \$120,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to continue support for the existing agricultural dispute

resolution system funded through the office of civil legal aid for disputes between farmers and farm workers. The office of civil legal aid shall report to the appropriate legislative committees on the effectiveness of this program by December 31, 2008.

(2) An amount not to exceed \$40,000 of the general fund—state appropriation for fiscal year 2008 and an amount not to exceed \$40,000 of the general fund—state appropriation for fiscal year 2009 may be used to provide telephonic legal advice and assistance to otherwise eligible persons who are sixty years of age or older on matters authorized by RCW 2.53.030(2)(a) through (k) regardless of household income or asset level.

**NEW SECTION. Sec. 116. FOR THE OFFICE OF THE GOVERNOR**

General Fund—State Appropriation (FY 2008) . . . . .	\$6,614,000
General Fund—State Appropriation (FY 2009) . . . . .	\$6,758,000
General Fund—Federal Appropriation . . . . .	\$35,000
Economic Development Strategic Reserve Account—State Appropriation . . . . .	\$4,000,000
Oil Spill Prevention Account—State Appropriation . . . . .	\$715,000
TOTAL APPROPRIATION . . . . .	\$18,122,000

The appropriations in this section are subject to the following conditions and limitations: \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5224 (salmon office). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

**NEW SECTION. Sec. 117. FOR THE LIEUTENANT GOVERNOR**

General Fund—State Appropriation (FY 2008) . . . . .	\$798,000
General Fund—State Appropriation (FY 2009) . . . . .	\$837,000
General Fund—Private/Local Appropriation . . . . .	\$90,000
TOTAL APPROPRIATION . . . . .	\$1,725,000

**NEW SECTION. Sec. 118. FOR THE PUBLIC DISCLOSURE COMMISSION**

General Fund—State Appropriation (FY 2008) . . . . .	\$2,546,000
General Fund—State Appropriation (FY 2009) . . . . .	\$2,499,000
TOTAL APPROPRIATION . . . . .	\$5,045,000

The appropriations in this section are subject to the following conditions and limitations: \$100,000 of the general fund—state appropriation for fiscal year 2008 is for a feasibility study to determine the cost of designing, developing, implementing, and maintaining: (a) Software or other applications to accommodate electronic filing by lobbyists reporting under RCW 42.17.150 and 42.17.170, by lobbyist employers reporting under RCW 42.17.180, and by public agencies reporting under RCW 42.17.190; (b) a database and query system that results in data that is readily available to the public for review and analysis and that is compatible with current computer architecture, technology, and operating systems, including but not limited to Windows and Apple operating systems. The commission shall contract for the feasibility study and consult with the department of information services. The study may include other elements, as determined by the commission, that promote public access to

information about lobbying activity reportable under chapter 42.17 RCW. The study shall be provided to the legislature by January 2008.

**NEW SECTION. Sec. 119. FOR THE SECRETARY OF STATE**

General Fund—State Appropriation (FY 2008) . . . . .	\$32,941,000
General Fund—State Appropriation (FY 2009) . . . . .	\$21,774,000
General Fund—Federal Appropriation . . . . .	\$7,312,000
General Fund—Private/Local Appropriation . . . . .	\$134,000
Archives and Records Management Account—State Appropriation. . . . .	\$8,390,000
Department of Personnel Service Account—State Appropriation. . . . .	\$768,000
Local Government Archives Account—State Appropriation. . . . .	\$13,791,000
Election Account—Federal Appropriation . . . . .	\$39,103,000
Charitable Organization Education Account—State Appropriation. . . . .	\$122,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$124,335,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$13,104,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2) \$2,421,000 of the general fund—state appropriation for fiscal year 2008 and \$3,893,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the verification of initiative and referendum petitions, maintenance of related voter registration records, and the publication and distribution of the voters and candidates pamphlet.

(3) \$125,000 of the general fund—state appropriation for fiscal year 2008 and \$118,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for legal advertising of state measures under RCW 29A.52.330.

(4)(a) \$2,465,000 of the general fund—state appropriation for fiscal year 2008 and \$2,501,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2007-09 biennium. The funding level for each year of the contract shall be based on the amount provided in this subsection. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in this subsection have been satisfactorily documented.

(b) The legislature finds that the commitment of on-going funding is necessary to ensure continuous, autonomous, and independent coverage of public affairs. For that purpose, the secretary of state shall enter into a contract with the nonprofit organization to provide public affairs coverage.



(c) The nonprofit organization shall prepare an annual independent audit, an annual financial statement, and an annual report, including benchmarks that measure the success of the nonprofit organization in meeting the intent of the program.

(d) No portion of any amounts disbursed pursuant to this subsection may be used, directly or indirectly, for any of the following purposes:

(i) Attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, by any county, city, town, or other political subdivision of the state of Washington, or by the congress, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency;

(ii) Making contributions reportable under chapter 42.17 RCW; or

(iii) Providing any: (A) Gift; (B) honoraria; or (C) travel, lodging, meals, or entertainment to a public officer or employee.

(5) \$45,000 of the general fund—state appropriation for fiscal year 2008 and \$45,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for humanities Washington's "we the people" community conversations program.

(6) \$122,000 of the charitable organization education account—state appropriation is provided solely for implementation of Substitute House Bill No. 1777 (charitable organizations). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 120. FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS**

General Fund—State Appropriation (FY 2008) . . . . .	\$348,000
General Fund—State Appropriation (FY 2009) . . . . .	\$317,000
TOTAL APPROPRIATION . . . . .	\$665,000

The appropriations in this section are subject to the following conditions and limitations: The office shall assist the department of personnel on providing the government-to-government training sessions for federal, state, local, and tribal government employees. The training sessions shall cover tribal historical perspectives, legal issues, tribal sovereignty, and tribal governments. Costs of the training sessions shall be recouped through a fee charged to the participants of each session. The department of personnel shall be responsible for all of the administrative aspects of the training, including the billing and collection of the fees for the training.

**NEW SECTION. Sec. 121. FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS**

General Fund—State Appropriation (FY 2008) . . . . .	\$257,000
General Fund—State Appropriation (FY 2009) . . . . .	\$252,000
TOTAL APPROPRIATION . . . . .	\$509,000

**NEW SECTION. Sec. 122. FOR THE STATE TREASURER**

State Treasurer's Service Account—State	
Appropriation . . . . .	\$15,687,000

The appropriation in this section is subject to the following conditions and limitations: \$183,000 of the state treasurer's service account—state appropriation is provided solely for implementation of Engrossed Substitute

House Bill No. 1512 (linked deposit program). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 123. FOR THE STATE AUDITOR**

General Fund—State Appropriation (FY 2008)	\$794,000
General Fund—State Appropriation (FY 2009)	\$829,000
State Auditing Services Revolving Account—State	
Appropriation	\$15,188,000
TOTAL APPROPRIATION	\$16,811,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Audits of school districts by the division of municipal corporations shall include findings regarding the accuracy of: (a) Student enrollment data; and (b) the experience and education of the district's certified instructional staff, as reported to the superintendent of public instruction for allocation of state funding.

(2) \$752,000 of the general fund—state appropriation for fiscal year 2008 and \$762,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for staff and related costs to verify the accuracy of reported school district data submitted for state funding purposes; conduct school district program audits of state funded public school programs; establish the specific amount of state funding adjustments whenever audit exceptions occur and the amount is not firmly established in the course of regular public school audits; and to assist the state special education safety net committee when requested.

(3) \$1,000 of the appropriation from the auditing services revolving account—state is provided solely for an adjustment to the agency lease rate for space occupied and parking in the Tacoma Rhodes Center. The department of general administration shall increase lease rates to meet the cash gain/loss break-even point for the Tacoma Rhodes Center effective July 1, 2007.

**NEW SECTION. Sec. 124. FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS**

General Fund—State Appropriation (FY 2008)	\$159,000
General Fund—State Appropriation (FY 2009)	\$229,000
TOTAL APPROPRIATION	\$388,000

**NEW SECTION. Sec. 125. FOR THE ATTORNEY GENERAL**

General Fund—State Appropriation (FY 2008)	\$6,250,000
General Fund—State Appropriation (FY 2009)	\$6,656,000
General Fund—Federal Appropriation	\$3,951,000
Public Safety and Education Account—State	
Appropriation (FY 2008)	\$1,143,000
Public Safety and Education Account—State	
Appropriation (FY 2009)	\$1,199,000
New Motor Vehicle Arbitration Account—State	
Appropriation	\$1,323,000
Legal Services Revolving Account—State	
Appropriation	\$224,635,000
Tobacco Prevention and Control Account—State	
Appropriation	\$270,000
TOTAL APPROPRIATION	\$245,427,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The attorney general shall report each fiscal year on actual legal services expenditures and actual attorney staffing levels for each agency receiving legal services. The report shall be submitted to the office of financial management and the fiscal committees of the senate and house of representatives no later than ninety days after the end of each fiscal year.

(2) Prior to entering into any negotiated settlement of a claim against the state that exceeds five million dollars, the attorney general shall notify the director of financial management and the chairs of the senate committee on ways and means and the house of representatives committee on appropriations.

(3) \$9,446,000 of the legal services revolving account—state appropriation is provided solely for increases in salaries and benefits of assistant attorneys general effective July 1, 2007. This funding is provided solely for increases to address critical recruitment and retention problems, and shall not be used for the performance management program or to fund general administration. The attorney general shall report to the office of financial management and the fiscal committees of the senate and house of representatives by October 1, 2008, and provide detailed demographic information regarding assistant attorneys general who received increased salaries and benefits as a result of the appropriation. The report shall include at a minimum information regarding the years of service, division assignment within the attorney general's office, and client agencies represented by assistant attorneys general receiving increased salaries and benefits as a result of the amount provided in this subsection. The report shall include a proposed salary schedule for all assistant attorneys general using the same factors used to determine increased salaries under this section. The report shall also provide initial findings regarding the effect of the increases on recruitment and retention of assistant attorneys general.

(4) \$69,000 of the legal services revolving fund—state appropriation is provided solely for Engrossed Substitute Senate Bill No. 6001 (climate change). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) \$44,000 of the legal services revolving fund—state appropriation is provided solely for Substitute Senate Bill No. 5972 (surface mining reclamation). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 126. FOR THE CASELOAD FORECAST COUNCIL**

General Fund—State Appropriation (FY 2008) . . . . .	\$756,000
General Fund—State Appropriation (FY 2009) . . . . .	\$781,000
TOTAL APPROPRIATION . . . . .	\$1,537,000

**\*NEW SECTION. Sec. 127. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

General Fund—State Appropriation (FY 2008) . . . . .	\$66,652,000
General Fund—State Appropriation (FY 2009) . . . . .	\$67,867,000
General Fund—Federal Appropriation . . . . .	\$251,537,000
General Fund—Private/Local Appropriation . . . . .	\$14,680,000

Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$2,775,000
Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$2,735,000
Public Works Assistance Account—State Appropriation . . . . .	\$2,977,000
Tourism Promotion and Development Account—State Appropriation . . . . .	\$1,000,000
Drinking Water Assistance Administrative Account— State Appropriation . . . . .	\$415,000
Lead Paint Account—State Appropriation . . . . .	\$6,000
Building Code Council Account—State Appropriation . . . . .	\$1,180,000
Low-Income Weatherization Assistance Account—State Appropriation . . . . .	\$8,385,000
Violence Reduction and Drug Enforcement Account— State Appropriation (FY 2008) . . . . .	\$3,644,000
Violence Reduction and Drug Enforcement Account— State Appropriation (FY 2009) . . . . .	\$3,660,000
Community and Economic Development Fee Account—State Appropriation . . . . .	\$1,840,000
Washington Housing Trust Account—State Appropriation . . . . .	\$32,327,000
Homeless Families Service Account—State Appropriation . . . . .	\$300,000
Public Facility Construction Loan Revolving Account—State Appropriation . . . . .	\$635,000
Affordable Housing Account—State Appropriation . . . . .	\$15,200,000
Community Preservation and Development Authority Account—State Appropriation . . . . .	\$350,000
Home Security Fund Account—State Appropriation . . . . .	\$16,200,000
Independent Youth Housing Account—State Appropriation . . . . .	\$1,000,000
TOTAL APPROPRIATION . . . . .	\$495,365,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,838,000 of the general fund—state appropriation for fiscal year 2008 and \$2,838,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a contract with the Washington technology center for work essential to the mission of the Washington technology center and conducted in partnership with universities. The center shall not pay any increased indirect rate nor increases in other indirect charges above the absolute amount paid during the 1995-97 fiscal biennium.

(2) \$1,658,000 of the general fund—state appropriation for fiscal year 2008 and \$1,658,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for multijurisdictional drug task forces.

(3) \$1,500,000 of the general fund—state appropriation for fiscal year 2008 and \$1,500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to fund domestic violence legal advocacy.

(4) Repayments of outstanding loans granted under RCW 43.63A.600, the mortgage and rental assistance program, shall be remitted to the department,

including any current revolving account balances. The department shall contract with a lender or contract collection agent to act as a collection agent of the state. The lender or contract collection agent shall collect payments on outstanding loans, and deposit them into an interest-bearing account. The funds collected shall be remitted to the department quarterly. Interest earned in the account may be retained by the lender or contract collection agent, and shall be considered a fee for processing payments on behalf of the state. Repayments of loans granted under this chapter shall be made to the lender or contract collection agent as long as the loan is outstanding, notwithstanding the repeal of the chapter.

(5) \$145,000 of the general fund—state appropriation for fiscal year 2008 and \$144,000 of the general fund—state appropriation for fiscal year 2009 are provided to support a task force on human trafficking.

(6) \$2,500,000 of the general fund—state appropriation for fiscal year 2008 and \$2,500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for Second Substitute Senate Bill No. 5092 (associate development organizations). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(7) \$1,500,000 of the general fund—state appropriation for fiscal year 2008 and \$1,500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the community services block grant program.

(8) \$70,000 of the general fund—state appropriation for fiscal year 2008 and \$65,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the department to implement the innovation partnership zone program.

(a) The director shall designate innovation partnership zones on the basis of the following criteria:

(i) Innovation partnership zones must have three types of institutions operating within their boundaries, or show evidence of planning and local partnerships that will lead to dense concentrations of these institutions:

(A) Research capacity in the form of a university or community college fostering commercially valuable research, nonprofit institutions creating commercially applicable innovations, or a national laboratory;

(B) Dense proximity of globally competitive firms in a research-based industry or industries or of individual firms with innovation strategies linked to (a)(i) of this subsection. A globally competitive firm may be signified through international organization for standardization 9000 or 1400 certification, or other recognized evidence of international success; and

(C) Training capacity either within the zone or readily accessible to the zone. The training capacity requirement may be met by the same institution as the research capacity requirement, to the extent both are associated with an educational institution in the proposed zone;

(ii) The support of a local jurisdiction, a research institution, an educational institution, an industry or cluster association, a workforce development council, and an associate development organization, port, or chamber of commerce;

(iii) Identifiable boundaries for the zone within which the applicant will concentrate efforts to connect innovative researchers, entrepreneurs, investors, industry associations or clusters, and training providers. The geographic area defined should lend itself to a distinct identity and have the capacity to accommodate firm growth;

(iv) The innovation partnership zone shall designate a zone administrator, which must be an economic development council, port, workforce development council, city, or county.

(b) By October 1, 2007, and October 1, 2008, the director shall designate innovation partnership zones on the basis of applications that meet the criteria in this subsection, estimated economic impact of the zone, and evidence of forward planning for the zone.

(c) If the innovation partnership zone meets the other requirements of the fund sources, then the innovation partnership zone is encouraged to use the local infrastructure financing tool program, the sales and use tax for public facilities in rural counties, the job skills program and other state and local resources to promote zone development.

(d) The department shall convene at least one information sharing event for innovation partnership zone administrators and other interested parties.

(e) An innovation partnership zone shall provide performance measures as required by the director, including but not limited to private investment measures, job creation measures, and measures of innovation such as licensing of ideas in research institutions, patents, or other recognized measures of innovation.

(9) \$430,000 of the general fund—state appropriation for fiscal year 2008 and \$1,935,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the economic development commission to work with the higher education coordinating board and research institutions to: (a) Develop a plan for recruitment of ten significant entrepreneurial researchers over the next ten years to lead innovation research teams, which plan shall be implemented by the higher education coordinating board; and (b) develop comprehensive entrepreneurial programs at research institutions to accelerate the commercialization process.

(10) \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a grant to the cascade land conservancy to develop and demonstrate one or more transfer of development rights programs. These programs shall involve the purchase or lease of development rights or conservation easements from family forest landowners facing pressure to convert their lands and who desire to keep their land in active forest management. The grant shall require the conservancy to work in collaboration with family forest landowners and affected local governments, and to submit an interim written progress report to the department by September 15, 2008, and a final report by June 30, 2009. The department shall transmit the reports to the governor and the appropriate committees of the legislature.

(11) \$155,000 of the general fund—state appropriation for fiscal year 2008 and \$150,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for Engrossed Second Substitute House Bill No. 1422 (addressing children and families of incarcerated parents). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) \$180,000 of the general fund—state appropriation for fiscal year 2008 and \$180,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for KCTS public television to support programming in the Spanish language. These funds are intended to support the addition of a

bilingual outreach coordinator to serve Latino adults, families and children in western and central Washington; multimedia promotion on Spanish-language media and website integration; the production of targeted public affairs programs that seek to improve education and the quality of life for Latinos; and to establish partnerships with city and county library systems to provide alternative access to the v-me Spanish language channel via the internet.

(13) \$1,000,000 of the tourism and promotion account—state appropriation is provided for Substitute House Bill No. 1276 (creating a public/private tourism partnership). Of this amount, \$280,000 is for the department of fish and wildlife's nature tourism infrastructure program; \$450,000 is for marketing the 2010 Olympic games; and \$50,000 is for the Washington state games.

***(14) The department shall distribute 125,000 copies per year of the Washington state visitors' guide for the 2007-09 fiscal biennium.***

(15) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the African chamber of commerce of the Pacific Northwest to support the formation of trade alliances between Washington businesses and African businesses and governments.

(16) \$750,000 of the general fund—state appropriation for fiscal year 2008 and \$750,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the emergency food assistance program.

(17) \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the department's individual development account program.

(18) \$80,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the energy facility site evaluation council to contract for a review of the status of pipeline utility corridor capacity and distribution for natural gas, petroleum and biofuels in southwest Washington. The council shall submit its findings and recommendations to the legislature by December 1, 2007.

(19) \$1,813,000 of the general fund—state appropriation for fiscal year 2008 and \$1,813,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a pilot program to provide transitional housing assistance to offenders who are reentering the community and are in need of housing as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism). The department shall operate the program through grants to eligible organizations as described in RCW 43.185.060. A minimum of two programs shall be established in two counties in which community justice centers are located. The pilot programs shall be selected through a request for proposal process in consultation with the department of corrections. The department shall select the pilot sites by January 1, 2008.

(a) The pilot program shall:

(i) Be operated in collaboration with the community justice center existing in the location of the pilot site;

(ii) Offer transitional supportive housing that includes individual support and mentoring available on an ongoing basis, life skills training, and close working relationships with community justice centers and community corrections officers. Supportive housing services can be provided directly by the housing operator, or in partnership with community-based organizations;

(iii) In providing assistance, give priority to offenders who are designated as high risk or high needs as well as those determined not to have a viable release plan by the department of corrections; and

(iv) Provide housing assistance for a period of up to twelve months for a participating offender.

(b) The department may also use up to twenty percent of the funds in this subsection to support the development of additional supportive housing resources for offenders who are reentering the community.

(c) The department shall collaborate with the department of corrections in the design of the program and development of criteria to determine who will qualify for housing assistance, and shall report to the legislature by November 1, 2008, on the number of offenders seeking housing, the number of offenders eligible for housing, the number of offenders who receive the housing, and the number of offenders who commit new crimes while residing in the housing.

(20) \$288,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for community transition coordination networks and county service inventories as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism). Funds are provided for: (a) Grants to counties to inventory services and resources available to assist offenders reentering the community; (b) a grant to the Washington institute for public policy to develop criteria for conducting the inventory; and (c) the department of community, trade, and economic development to assist with the inventory and implement a community transition coordination network pilot program.

(21) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a grant to the center for advanced manufacturing to assist domestic businesses to compete globally.

(22) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a grant to the developmental disabilities council to contract for legal services for individuals with developmental disabilities entering or currently residing in the department of social and health services division of developmental disabilities community protection program.

(23) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a grant to Safe Havens to provide supervised visitation for families affected by domestic violence and abuse.

(24) \$408,000 of the general fund—state appropriation for fiscal year 2008 and \$623,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for grants to county juvenile courts to expand the number of participants in juvenile drug courts consistent with the conclusions of the Washington state institute for public policy evaluation of effective programs to reduce future prison populations.

(25) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Second Substitute Senate Bill No. 5652 (microenterprise development), including grants to microenterprise organizations for organizational capacity building and provision of training and



technical assistance. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(26) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to establish the state economic development commission as an independent state agency consistent with Second Substitute Senate Bill No. 5995 (economic development commission). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(27) \$150,000 of the general fund—state appropriation for fiscal year 2008 and \$150,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to support international trade fairs.

(28) \$50,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for a study to survey best practices for smart meters/smart grid/smart appliance technology and the range of applications for smart meters around the country. The survey shall include, but is not limited to, utilities using smart meters to: (a) Meter responses to time-of-use pricing, (b) meter savings from direct load control programs, (c) manage operations costs, (d) identify power outages, (e) meter voluntary interruptible power programs, (f) facilitate pay-as-you-go programs, and (g) enhance billing operations. The study will compare the survey results with Washington's electric utility power system including considerations of electricity price variations between peak and off-peak prices, seasonal price variations, forecast demand, conservation goals, seasonal or daily distribution or transmission constraints, etc., to identify the applications where smart meters may provide particular value to either individual consumers, individual Washington electric utility power systems, or the overall electric power grid in Washington, and to meeting state conservation and energy goals. The department shall complete the study and provide a report to the governor and the legislature by December 1, 2007.

***(29) \$12,000 of the general fund—state appropriation for fiscal year 2008 and \$13,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a grant to the Synergy Group to coordinate the resources of Lake Stevens area nonprofit organizations to prevent redundancy in charitable efforts.***

(30)(a) \$500,000 of the general fund—state appropriation for fiscal year 2008 is provided for a pilot program to provide assistance for three jurisdictions to enforce financial fraud and identity theft laws. Three pilot enforcement areas shall be established on January 1, 2008, two in the two largest counties by population west of the crest of the Cascade mountains and one in the largest county by population east of the crest of the Cascade mountains. Funding received for the purpose of this subsection through appropriations, gifts, and grants shall be divided equally between the three pilot enforcement areas. This funding is intended to provide for additional deputy prosecutors, law enforcement, clerical staff, and other support for the prosecution of financial fraud and identity theft crimes. The funding shall not be used to supplant existing funding and cannot be used for any purpose other than enforcement of financial fraud and identity theft laws. Appropriated state funds must be used to match gifts and grants of private-sector funds for the purposes of this subsection, and expenditure of appropriated state funds may not exceed expenditure of private funds.

(b) The department shall appoint a task force in each county with a pilot enforcement area. Each task force shall include the following members:

- (i) Two members from financial institutions;
- (ii) One member of the Washington association of county prosecutors;
- (iii) One member of the Washington association of sheriffs and police chiefs;
- (iv) One member of the Washington state association of municipal attorneys; and
- (v) One law enforcement officer.

(c) The task force in each county shall provide advice and expertise in order to facilitate the prosecutor's efforts to prosecute and reduce the incidence of financial fraud and identity theft crimes, including check fraud, chronic unlawful issuance of bank checks, embezzlement, credit/debit card fraud, identity theft, forgery, counterfeit instruments, organized counterfeit check rings, and organized identity theft rings.

(31) \$125,000 of the general fund—state appropriation for fiscal year 2008 and \$125,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a grant to Grays Harbor county for activities associated with southwest Washington coastal erosion investigations and demonstrations.

(32) \$112,000 of the general fund—state appropriation for fiscal year 2008 and \$113,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a grant to the retired senior volunteer program.

(33) \$200,000 of the general fund—state appropriation for fiscal year 2008 and \$200,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a grant to the Benton and Franklin county juvenile and drug courts. The grant is contingent upon the counties providing equivalent matching funds.

(34) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a grant to the Seattle aquarium for a scholarship program for transportation and admission costs for classrooms with lower incomes, English as second language or special needs.

(35) \$256,000 of the general fund—state appropriation for fiscal year 2008 and \$256,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the long-term care ombudsman program.

(36) \$425,000 of the general fund—state appropriation for fiscal year 2008 and \$425,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the Washington state association of counties for the county training program.

(37) \$495,000 of the general fund—state appropriation for fiscal year 2008 and \$495,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the northwest agriculture business center.

(38) \$200,000 of the general fund appropriation for fiscal year 2008 is provided solely for a program to build capacity and promote the development of nonprofit community land trust organizations in the state. Funds shall be granted through a competitive process to community land trusts with assets under one million dollars, and these funds shall be used for operating costs, technical assistance, and other eligible capacity building expenses to be determined by the department.

(39) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to centro latino to provide adult basic education that includes but is not limited to: English as a second language, Spanish literacy training, work-readiness training, citizenship classes, programs to promote school readiness, community education, and entrepreneurial services.

(40) \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to resolution Washington to build statewide capacity for alternative dispute resolution centers and dispute resolution programs that guarantee that all citizens have access to a low-cost resolution process as an alternative to litigation.

(41) \$2,000,000 of the general fund—state appropriation for fiscal year 2008 and \$2,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Second Substitute House Bill No. 1303 (cleaner energy). The department shall retain \$1,500,000 for expenditures related to the operations of the energy freedom authority, and the support of the vehicle workgroup and the carbon market stakeholder workgroup. The department shall enter into interagency agreements with other agencies to implement the bill in the following amounts: (a) \$1,500,000 shall be provided to the climate impacts group at the University of Washington for climate assessments; (b) \$200,000 shall be provided to the University of Washington college of forest resources for identification of barriers to using the state's forest resources for fuel production; and (c) \$800,000 shall be provided to the Washington State University for analyzing options for market incentives to encourage biofuels production. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(42) \$347,000 of the general fund—state appropriation for fiscal year 2008 and \$348,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to Western Washington University to support small business development centers and underserved economic development councils with secondary research services. Of the amounts in this subsection, \$500,000 is intended for research services and shall be divided evenly between 25-50 small business development centers and underserved economic development councils and \$195,000 shall be used to develop infrastructure, training programs, and marketing materials.

(43) \$100,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for a study on improving the effectiveness of the growth management act. Topics may include but are not limited to: How best to meet and finance infrastructure and service needs of growing communities; how to provide incentives to accommodate projected growth and protect resource lands and critical areas; and how local governments are prepared to address land use changes associated with climate change.

(44) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the Poulsbo marine science center.

(45) \$1,625,000 of the general fund—state appropriation for fiscal year 2008 and \$1,625,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for operating and capital equipment and facility grants

to the following public television and radio stations: KPBX/KSFC, \$863,525; KPLU, \$733,525; KVTI, \$108,550; KDNA, \$29,205; KSER, \$338,325; KNHC, \$146,620; KSPS, \$568,750; and KBTC, \$461,500.

(46) \$200,000 of the general fund—state appropriation for fiscal year 2008 and \$200,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the safe and drug free schools and communities program.

(47) \$102,000 of the general fund—state appropriation for fiscal year 2008 and \$103,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the University of Washington's college of forest resources center for international trade in forest products.

(48) \$471,000 of the general fund—state appropriation for fiscal year 2008 and \$471,000 of the general fund—state appropriation for fiscal year 2009 are provided solely as pass-through funding to Walla Walla community college for its water and environmental center.

(49) \$65,000 of the general fund—state appropriation for fiscal year 2008 and \$65,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a contract with a food distribution program for communities in the southwestern portion of the state and for workers impacted by timber and salmon fishing closures and reductions. The department may not charge administrative overhead or expenses to the funds provided in this subsection.

(50)(a) \$200,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for a study to examine the fiscal health of counties. The study shall address spending and revenues, as well as the demographic, geographic, social, economic, and other factors contributing to or causing financial distress. The study shall also examine the financial efficiencies, cost savings, and improved levels of service that may be gained by authorizing noncharter counties greater flexibility in altering their forms of governance, including consolidating or merging constitutional or statutory functions or structures.

(b) The department of community, trade, and economic development may contract or consult with any agency, organization, or other public or private entity as it deems necessary in order to complete the study required under this section. The study may contain options and actions for consideration by the governor and the legislature, but at minimum shall recommend the changes to constitutional and statutory law necessary to provide counties with the legal authority required to implement the changes in governmental structures and functions needed to promote optimum financial efficiency and improved services. The study shall be transmitted to the appropriate committees of the legislature and the governor by December 1, 2007.

(51) \$2,136,000 of the general fund—state appropriation for fiscal year 2008 and \$2,136,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the operation and expense of the "closing the achievement gap-flight program" of the Seattle public schools during the 2007-09 biennium. The funds will be used in support of a collaboration model between the Seattle public schools and the community. The primary intent for this program is to close the academic achievement gap for students of color and students in poverty by promoting parent and family involvement and enhancing the social-emotional and the academic support for students. By June 30, 2009, the Seattle public schools will provide and evaluation of the impact of the

activities funded on class size, graduation rates, student attendance, student achievement, and closing the achievement gap.

(52) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 and \$1,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for crime victim service centers.

(53) \$41,000 of the general fund—state appropriation for fiscal year 2008 and \$36,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for House Bill No. 1038 (electric transmission lines). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(54) \$1,000,000 of the independent youth housing account is provided for Second Substitute House Bill No. 1922 (youth housing program). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(55) \$227,000 of the general fund—state appropriation for fiscal year 2008 and \$127,000 of the general fund—state appropriation for fiscal year 2008 are provided solely for Second Substitute House Bill No. 1636 (development rights). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(56) \$35,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for Substitute House Bill No. 1037 (electrical transmission). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(57) \$131,000 of the general fund—state appropriation for fiscal year 2008 and \$62,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for Engrossed Second Substitute House Bill No. 1705 (health sciences and services). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(58) \$881,000 of the general fund—state appropriation for fiscal year 2008 and \$882,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department to: (a) Work with a statewide asset building coalition to design, implement, and fund a public education and outreach campaign; and (b) initiate, expand, and strengthen community-based asset building coalitions by providing them with technical assistance and grants. The department shall conduct an application process and select at least twelve sites by October 31, 2007. Of the amounts provided in this subsection, no more than 10 percent may be used by the department to administer the technical assistance and grant program. The department shall report to the appropriate committees of the legislature on the status of the grant and technical assistance program by December 1, 2008.

(59) \$15,200,000 of the affordable housing account—state appropriation and \$16,200,000 of the home security fund account—state appropriation are provided solely for Engrossed Second Substitute House Bill No. 1359 (affordable housing). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(60) \$350,000 of the community preservation and development account—state appropriation is provided solely for Substitute Senate Bill No. 6156 (development authorities). If this bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

\*Sec. 127 was partially vetoed. See message at end of chapter.

**NEW SECTION. Sec. 128. FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL**

General Fund—State Appropriation (FY 2008) . . . . .	\$608,000
General Fund—State Appropriation (FY 2009) . . . . .	\$631,000
TOTAL APPROPRIATION . . . . .	\$1,239,000

**\*NEW SECTION. Sec. 129. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

General Fund—State Appropriation (FY 2008) . . . . .	\$24,175,000
General Fund—State Appropriation (FY 2009) . . . . .	\$23,323,000
General Fund—Federal Appropriation . . . . .	\$23,588,000
General Fund—Private/Local Appropriation . . . . .	\$1,270,000
State Auditing Services Revolving Account—State Appropriation . . . . .	\$25,000
Violence Reduction and Drug Enforcement Account— State Appropriation (FY 2008) . . . . .	\$123,000
Violence Reduction and Drug Enforcement Account— State Appropriation (FY 2009) . . . . .	\$123,000
TOTAL APPROPRIATION . . . . .	\$72,627,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided for a contract with the Ruckelshaus center to continue the agricultural pilot programs that identify projects to enhance farm income and improve natural resource protection. Specific work will include project outreach and refinement, stakeholder support, staffing the oversight committee, seeking federal and private match funding, and further refining the list of projects to be recommended for funding.

(2) \$175,000 of the general fund—state appropriation for fiscal year 2008 and \$175,000 of the general fund—state appropriation for fiscal year 2009 are provided for a contract with the Ruckelshaus center to fund "proof-of-concept" model and projects recommended by the oversight committee, as provided in subsection (1) of this section.

(3) \$580,000 of the general fund—state appropriation for fiscal year 2008 and \$580,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the association of Washington cities and the Washington state association of counties for improving project permitting and mitigation processes.

(4) \$320,000 of the general fund—state appropriation for fiscal year 2008 and \$320,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the office of regulatory assistance to develop statewide multiagency permits for transportation infrastructure and other projects that integrate local, state, and federal permit requirements and mitigation standards.

(5) \$1,050,000 of the general fund—state appropriation for fiscal year 2008 and \$1,050,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Second Substitute Senate Bill No. 5122 (regulatory assistance programs). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(6) \$165,000 of the general fund—state appropriation for fiscal year 2008 and \$115,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a study to develop options for a new K-12 pupil transportation funding formula. The office of financial management shall contract with consultants with expertise in both pupil transportation and K-12 finance formulas. The office of financial management and the contractors shall consult with the legislative fiscal committees and the office of the superintendent of public instruction. The office of financial management shall submit a final report to the governor, the house of representatives appropriations committee, and senate ways and means committee by November 15, 2008.

(7) \$175,000 of the general fund—state appropriation for fiscal year 2008 and \$175,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for financial assistance to local government agencies in counties representing populations of fewer than 350,000 residents for the acquisition and development of streamlined permitting technology infrastructure through an integrated business portal approach. Grant awards may not exceed \$100,000 per local government agency per fiscal year. The funding must be used to acquire and implement permit tracking systems that can support and are compatible with a multijurisdictional, integrated approach. Prior to granting funds, the office of regulatory assistance shall ensure that the proposed systems and technology are based on open-industry standards, allow for future integration of processes and sharing of data, and are extendable.

(8) \$810,000 of the general fund—state appropriation for fiscal year 2008 and \$495,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of sections 50 through 57 (health resources strategy) of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). If the bill is not enacted by June 2007, the amounts provided in this subsection shall lapse.

(9) \$300,000 of the general fund—state appropriation for fiscal year 2008 and \$54,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement section 3 of Substitute Senate Bill No. 5248 (preserving the viability of agricultural lands). Funds are provided for a contract with the Ruckelshaus center to examine conflicts between agriculture activities and critical areas ordinances. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(10) The education data center within the office of financial management may convene a work group to assess the feasibility, costs, and benefits of a higher education data system that uses privacy-protected student-level data.

***(11) Within amounts appropriated in this section, the office of financial management shall enter into an interagency agreement with the department of social and health services to establish a program of technical assistance to pharmacies providing services under chapter 74.09 RCW that offers information to pharmacies regarding compliance with payment requirements and that offers technical assistance to pharmacies that request such assistance or who, as identified in a prepayment or other preaudit review, would benefit from such assistance. Additionally, the office of financial management shall oversee the technical assistance program and review the department of social and health services' pharmacy audit practices and determine whether it is desirable, in instances when fraud is not suspected, to extend the time from***

*when a pharmacy is notified of an upcoming audit, to when an audit begins. The office of financial management shall report its findings and recommendations to the governor and to the appropriate legislative fiscal and policy committees by December 1, 2007.*

\*Sec. 129 was partially vetoed. See message at end of chapter.

**NEW SECTION. Sec. 130. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

Administrative Hearings Revolving Account—State  
 Appropriation . . . . . \$33,037,000

**NEW SECTION. Sec. 131. FOR THE DEPARTMENT OF PERSONNEL**

Department of Personnel Service Account—State  
 Appropriation . . . . . \$30,106,000

Higher Education Personnel Services Account—State  
 Appropriation . . . . . \$1,794,000

**TOTAL APPROPRIATION . . . . . \$31,900,000**

The appropriations in this section are subject to the following conditions and limitations: The department shall coordinate with the governor's office of Indian affairs on providing the government-to-government training sessions for federal, state, local, and tribal government employees. The training sessions shall cover tribal historical perspectives, legal issues, tribal sovereignty, and tribal governments. Costs of the training sessions shall be recouped through a fee charged to the participants of each session. The department shall be responsible for all of the administrative aspects of the training, including the billing and collection of the fees for the training.

**NEW SECTION. Sec. 132. FOR THE WASHINGTON STATE LOTTERY**

Lottery Administrative Account—State Appropriation . . . . . \$26,382,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section may not be expended by the Washington state lottery for any purpose associated with a lottery game offered through any interactive electronic device, including the internet.

**NEW SECTION. Sec. 133. FOR THE COMMISSION ON HISPANIC AFFAIRS**

General Fund—State Appropriation (FY 2008) . . . . . \$261,000  
 General Fund—State Appropriation (FY 2009) . . . . . \$276,000

**TOTAL APPROPRIATION . . . . . \$537,000**

**NEW SECTION. Sec. 134. FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS**

General Fund—State Appropriation (FY 2008) . . . . . \$257,000  
 General Fund—State Appropriation (FY 2009) . . . . . \$266,000

**TOTAL APPROPRIATION . . . . . \$523,000**

**NEW SECTION. Sec. 135.**

**FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—OPERATIONS**

General Fund—State Appropriation (FY 2008) . . . . . \$200,000



General Fund—State Appropriation (FY 2009) . . . . .	\$250,000
Dependent Care Administrative Account—State Appropriation . . . . .	\$448,000
Department of Retirement Systems Expense Account— State Appropriation . . . . .	\$48,885,000
TOTAL APPROPRIATION . . . . .	\$49,783,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$15,000 of the department of retirement systems expense account appropriation is provided solely to implement Substitute House Bill No. 1261 (duty disability service credit). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(2) \$43,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1680 (emergency medical technician service credit). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(3) \$72,000 of the department of retirement systems expense account appropriation is provided solely to implement Engrossed Substitute House Bill No. 1649 (judges' past service credit purchases). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(4) \$33,000 of the department of retirement systems expense account appropriation is provided solely to implement Substitute House Bill No. 1262 (plan 1 post retirement employment). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) \$315,000 of the department of retirement systems expense account appropriation is provided solely to implement Engrossed House Bill No. 2391 (gainsharing revisions). If neither bill is enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(6) \$12,000 of the department of retirement systems expense account—state appropriation is provided solely to implement Senate Bill No. 5014 (contribution rates). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(7) \$17,000 of the department of retirement systems expense account—state appropriation is provided solely to implement Senate Bill No. 5175 (retirement annual increases). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) \$200,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to design a plan for the operation of a universal voluntary retirement accounts program, and then seek approval from the federal internal revenue service to offer the plan to workers and employers in Washington on a tax qualified basis. Features of Washington voluntary retirement accounts plan include a defined contribution plan with a limited pre-selected menu of investment options, administration by the department of retirement systems, investment oversight by the state investment board, tax-deferred payroll deductions, retirement account portability between jobs, and a two-tier system with workplace based individual retirement accounts open to all workers, and a deferred compensation 401(k)-type program or SIMPLE IRA-type program

open to all employers who choose to participate for their employees. As part of this process, the director shall consult with the department of financial institutions, the state investment board, private sector retirement plan administrators and providers and other relevant sectors of the financial services industry, organizations promoting increased economic opportunities for individuals, employers, workers, and any other individuals or entities that the director determines relevant to the development of an effective and efficient method for implementing and operating the program. As part of this process, the director shall evaluate the most efficient methods for providing this service and ways to avoid competition with existing private sector vehicles. The director shall undertake the legal and development work to determine how to implement a universal voluntary retirement accounts program, managed through the department of retirement systems directly or by contract. By December 1, 2008, the director shall report to the legislature on the program's design and any required changes to state law that are necessary to implement the program.

**NEW SECTION. Sec. 136. FOR THE DEPARTMENT OF REVENUE**

General Fund—State Appropriation (FY 2008) . . . . .	\$97,793,000
General Fund—State Appropriation (FY 2009) . . . . .	\$101,158,000
Timber Tax Distribution Account—State Appropriation . . . . .	\$5,846,000
Waste Reduction/Recycling/Litter Control—State Appropriation . . . . .	\$130,000
Waste Tire Removal Account—State Appropriation . . . . .	\$2,000
Real Estate Excise Tax Grant Account—State Appropriation . . . . .	\$3,900,000
State Toxics Control Account—State Appropriation . . . . .	\$88,000
Oil Spill Prevention Account—State Appropriation . . . . .	\$16,000
Pension Funding Stabilization Account Appropriation . . . . .	\$2,370,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$211,303,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$95,000 of the general fund—state appropriation for fiscal year 2008 and \$71,000 of the general fund—state appropriation for fiscal year 2009 are for the implementation of Substitute House Bill No. 1002 (taxation of vessels). If the bill is not enacted by June 30, 2007, the amounts in this subsection shall lapse.

(2) \$31,000 of the general fund—state appropriation for fiscal year 2008 is for the implementation of Substitute House Bill No. 1891 (prescription drugs). If the bill is not enacted by June 30, 2007, the amount in this subsection shall lapse.

(3)(a) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$25,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to conduct a study of the taxation of electronically delivered products. The legislature recognizes that chapter . . . (Engrossed Substitute House Bill No. 1981), Laws of 2007, relates to specific types of electronically delivered products and does not address the taxation of numerous other types of electronically delivered products. Therefore, a policy question remains concerning the sales and use taxation of other electronically delivered products.

(b)(i) To perform the study, the department of revenue shall be assisted by a committee. The committee shall include four legislative members appointed as follows:

(A) The president of the senate shall appoint one member from each of the two largest caucuses of the senate; and

(B) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives.

(ii) The department of revenue shall appoint additional members with balanced representation from different segments of government and industry, and shall consider representation from the following areas: Small and large businesses that generate, deliver, or use electronically delivered products; financial institutions; insurers; persons with expertise in tax law in an academic or private sector setting; and persons experienced in working with computers and electronically delivered products. The department of revenue shall appoint additional members from the department with expertise in the excise taxation of electronically delivered products.

(iii) The committee shall choose its chair from among its membership.

(iv) The department and committee shall review the following issues: The provision of explicit statutory definitions for electronically delivered products; the current excise tax treatment of electronically delivered products in the state of Washington and other states as well as the tax treatment of these products under the streamlined sales and use tax agreement; the administration, costs, and potential recipients of the tax exemptions provided in chapter . . . (Engrossed Substitute House Bill No. 1981), Laws of 2007; and alternatives to the excise taxation of electronically delivered products.

(v) Legislative members of the committee are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members of the committee, except those representing an employer or organization, are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(c) The department shall report its preliminary findings and recommendations to the appropriate fiscal committees of the legislature by November 30, 2007. The department shall provide the final report of its findings and recommendations to the appropriate fiscal committees of the legislature by September 1, 2008.

**NEW SECTION. Sec. 137. FOR THE STATE INVESTMENT BOARD**

State Investment Board Expense Account—State  
Appropriation . . . . . \$19,266,000

**NEW SECTION. Sec. 138. FOR THE BOARD OF TAX APPEALS**

General Fund—State Appropriation (FY 2008) . . . . . \$1,502,000  
General Fund—State Appropriation (FY 2009) . . . . . \$1,380,000  
TOTAL APPROPRIATION . . . . . \$2,882,000

**NEW SECTION. Sec. 139. FOR THE MUNICIPAL RESEARCH COUNCIL**

County Research Services Account—State Appropriation . . . . . \$847,000  
City and Town Research Services—State Appropriation . . . . . \$4,458,000  
General Fund—State Appropriation (FY 2008) . . . . . \$200,000  
General Fund—State Appropriation (FY 2009) . . . . . \$200,000

TOTAL APPROPRIATION . . . . . \$5,705,000

**NEW SECTION. Sec. 140. FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

OMWBE Enterprises Account—State Appropriation . . . . . \$3,650,000

The appropriations in this section are subject to the following conditions and limitations: \$19,000 of the OMWBE enterprise account—state appropriation is provided solely to implement Engrossed Substitute House Bill No. 1512 (linked deposit program). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**\*NEW SECTION. Sec. 141. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

General Fund—State Appropriation (FY 2008) . . . . . \$577,000

General Fund—State Appropriation (FY 2009) . . . . . \$580,000

General Fund—Federal Appropriation . . . . . \$3,655,000

General Administration Service Account—State

Appropriation . . . . . \$34,951,000

TOTAL APPROPRIATION . . . . . \$39,763,000

The appropriations in this section are subject to the following conditions and limitations:

*(1) Funding within the amounts provided in this section is sufficient to fully pay for the costs associated with relocating the office of minority and women's business enterprises. This includes the cost of cancelling the office's current lease, securing a new suitable location, and physically moving the office into the new location. The office shall not be charged for any of the costs associated with the relocation.*

*(2) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the temporary emergency food assistance program.*

*\*Sec. 141 was partially vetoed. See message at end of chapter.*

**NEW SECTION. Sec. 142. FOR THE DEPARTMENT OF INFORMATION SERVICES**

General Fund—State Appropriation (FY 2008) . . . . . \$5,102,000

General Fund—State Appropriation (FY 2009) . . . . . \$2,088,000

General Fund—Federal Appropriation . . . . . \$700,000

Health Services Account—State Appropriation (FY 2008) . . . . . \$1,000,000

Health Services Account—State Appropriation (FY 2009) . . . . . \$1,000,000

Public Safety and Education Account—State

Appropriation (FY 2008) . . . . . \$695,000

Public Safety and Education Account—State

Appropriation (FY 2009) . . . . . \$705,000

Data Processing Revolving Account—State

Appropriation . . . . . \$6,400,000

TOTAL APPROPRIATION . . . . . \$17,690,000

The appropriations in this section are subject to the following conditions and limitations:

*(1) \$2,340,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to connect eastern state hospital to the integrated hospital*

information system, which is intended to improve operations and allow greater interactions between the hospital and community clinics, including electronic transmission of inpatient data to outpatient clinics that will provide care following discharge. Connection to this network will allow consultation with specialists and provide access to training for staff. Prior to any purchase of goods or services, a feasibility plan must be approved by the information services board.

(2) \$1,250,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to support the operations of the digital learning commons.

(3) \$1,000,000 of the health services account appropriation for fiscal year 2008 and \$1,000,000 of the health services account appropriation for fiscal year 2009 are provided solely to conduct a pilot project to develop an emergency medical response health management record system. The department shall contract to provide health management record services, such as those developed with patients in Whatcom county, to provide integrated care management that are web-services enabled. The record system developed by the pilot project will begin to provide services to emergency medical personnel within two years in at least King, Snohomish, Thurston, and Whatcom counties. The requirements of the pilot project contract shall require the initial development of specific evaluation criteria and a report on the performance of the system according to those criteria no later than June 30, 2009.

(4) \$1,012,000 of the general fund—state appropriation for fiscal year 2008 and \$338,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for an evaluation of the information technology infrastructure capacity for institutions operated by the department of social and health services, department of veterans affairs, and department of corrections. The evaluation will detail the status of the participating institutions' infrastructure and recommend an improvement strategy that includes the use of electronic medical records. The department shall report back to the appropriate committees of the legislature on its findings by January 1, 2009.

(5) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for deposit into the data processing revolving account.

**NEW SECTION. Sec. 143. FOR THE INSURANCE COMMISSIONER**

General Fund—Federal Appropriation . . . . .	\$1,574,000
Insurance Commissioners Regulatory Account—State	
Appropriation . . . . .	\$45,340,000
TOTAL APPROPRIATION . . . . .	\$46,914,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$464,000 of the insurance commissioners regulatory account—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5717 (market conduct oversight). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(2) \$71,000 of the insurance commissioners regulatory account—state appropriation is provided solely for the implementation of section 17 (reduce health care administrative costs) in accordance with Senate Bill No. 5930 (blue

ribbon commission on health care). If the section is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 144. FOR THE BOARD OF ACCOUNTANCY**

Certified Public Accountants' Account—State

Appropriation . . . . . \$2,596,000

**NEW SECTION. Sec. 145. FOR THE FORENSIC INVESTIGATION COUNCIL**

Death Investigations Account—State Appropriation . . . . . \$276,000

The appropriation in this section is subject to the following conditions and limitations: \$250,000 of the death investigation account appropriation is provided solely for providing financial assistance to local jurisdictions in multiple death investigations. The forensic investigation council shall develop criteria for awarding these funds for multiple death investigations involving an unanticipated, extraordinary, and catastrophic event or those involving multiple jurisdictions.

**NEW SECTION. Sec. 146. FOR THE HORSE RACING COMMISSION**

Horse Racing Commission Operating Account—State

Appropriation . . . . . \$5,499,000

The appropriation in this section is subject to the following conditions and limitations: During the 2007-2009 fiscal biennium, the commission may increase license fees in excess of the fiscal growth factor as provided in RCW 43.135.055.

**NEW SECTION. Sec. 147. FOR THE LIQUOR CONTROL BOARD**

General Fund—State Appropriation (FY 2008) . . . . . \$1,910,000

General Fund—State Appropriation (FY 2009) . . . . . \$1,953,000

Liquor Control Board Construction and Maintenance

Account—State Appropriation . . . . . \$8,517,000

Liquor Revolving Account—State Appropriation . . . . . \$195,858,000

TOTAL APPROPRIATION . . . . . \$208,238,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$91,000 of the liquor revolving account—state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5859 (retail liquor licenses). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(2) \$2,070,000 of the liquor revolving account—state appropriation is provided solely for the liquor control board to operate an additional 29 state stores on Sundays by September 1, 2007. The board shall determine the impacts on sales as a result of operating the additional stores on Sunday. In doing so, the liquor control board shall also examine the sales of state and contract liquor stores in proximity to those stores opened on Sundays to determine whether Sunday openings have reduced the sales of other state and contract liquor stores that are not open on Sundays. The board shall present this information to the appropriate policy and fiscal committees of the legislature by January 31, 2009.

**NEW SECTION. Sec. 148. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

Volunteer Firefighters' and Reserve Officers'

Administrative Account—State Appropriation . . . . . \$1,051,000

The appropriation in this section is subject to the following conditions and limitations: \$9,000 of the volunteer firefighters' and reserve officers' administrative account appropriation is provided solely to implement House Bill No. 1475 (additional board members). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 149. FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

General Fund—State Appropriation (FY 2008) . . . . . \$160,000

Public Service Revolving Account—State

Appropriation . . . . . \$31,403,000

Pipeline Safety Account—State Appropriation . . . . . \$3,195,000

Pipeline Safety Account—Federal Appropriation . . . . . \$1,535,000

TOTAL APPROPRIATION . . . . . \$36,293,000

The appropriations in this section are subject to the following conditions and limitations:

(1) In accordance with RCW 81.66.030, it is the policy of the state of Washington that the costs of regulating the companies transporting persons with special needs shall be borne by those companies. For each company or class of companies covered by RCW 81.66.030, the commission shall set fees at levels sufficient to fully cover the cost of supervising and regulating the companies or classes of companies. Pursuant to RCW 43.135.055, during the 2007-2009 fiscal biennium, the commission may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the cost of supervision and regulation.

(2) In accordance with RCW 81.70.350, it is the policy of the state of Washington that the cost of regulating charter party carrier and excursion service carriers shall be borne by those entities. For each charter party carrier and excursion service carrier covered by RCW 81.70.350, the commission shall set fees at levels sufficient to fully cover the cost of supervising and regulating such carriers. Pursuant to RCW 43.135.055, during the 2007-2009 fiscal biennium, the commission may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the cost of the program's supervision and regulation.

(3) The general fund—state appropriation for fiscal year 2008 is provided solely to conduct a survey to identify factors preventing the widespread availability and use of broadband technologies. The survey must collect and interpret reliable geographic, demographic, cultural, and telecommunications technology information to identify broadband disparities in the state. The commission shall consult appropriate stakeholders in designing the survey. The names and identification data of any person, household, or business participating in the survey are exempt from public disclosure under chapter 42.56 RCW. The commission shall report its finding to the appropriate legislative committees by December 31, 2007.

**NEW SECTION. Sec. 150. FOR THE MILITARY DEPARTMENT**

General Fund—State Appropriation (FY 2008) . . . . .	\$11,439,000
General Fund—State Appropriation (FY 2009) . . . . .	\$11,812,000
General Fund—Federal Appropriation . . . . .	\$107,611,000
General Fund—Private/Local Appropriation . . . . .	\$2,000
Enhanced 911 Account—State Appropriation . . . . .	\$42,114,000
Disaster Response Account—State Appropriation . . . . .	\$12,852,000
Disaster Response Account—Federal Appropriation . . . . .	\$55,553,000
Military Department Rent and Lease Account—State Appropriation . . . . .	\$374,000
Worker and Community Right-to-Know Account—State Appropriation . . . . .	\$341,000
Nisqually Earthquake Account—State Appropriation . . . . .	\$556,000
Nisqually Earthquake Account—Federal Appropriation . . . . .	\$1,269,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$243,923,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$12,924,000 of the disaster response account—state appropriation and \$55,769,000 of the disaster response account—federal appropriation may be spent only on disasters declared by the governor and with the approval of the office of financial management. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2007-2009 biennium based on current revenue and expenditure patterns.

(2) \$556,000 of the Nisqually earthquake account—state appropriation and \$1,269,000 of the Nisqually earthquake account—federal appropriation are provided solely for response and recovery costs associated with the February 28, 2001, earthquake. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing earthquake recovery costs, including: (a) Estimates of total costs; (b) incremental changes from the previous estimate; (c) actual expenditures; (d) estimates of total remaining costs to be paid; and (e) estimates of future payments by biennium. This information shall be displayed by fund, by type of assistance, and by amount paid on behalf of state agencies or local organizations. The military department shall also submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the Nisqually earthquake account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2007-2009 biennium based on current revenue and expenditure patterns.

(3) \$61,000,000 of the general fund—federal appropriation is provided solely for homeland security, subject to the following conditions:

(a) Any communications equipment purchased by local jurisdictions or state agencies shall be consistent with standards set by the Washington state interoperability executive committee;



(b) This amount shall not be allotted until a spending plan is reviewed by the governor's domestic security advisory group and approved by the office of financial management;

(c) The department shall submit a quarterly report to the office of financial management and the legislative fiscal committees detailing the governor's domestic security advisory group recommendations; homeland security revenues and expenditures, including estimates of total federal funding for the state; incremental changes from the previous estimate, planned and actual homeland security expenditures by the state and local governments with this federal funding; and matching or accompanying state or local expenditures; and

(d) The department shall submit a report by December 1st of each year to the office of financial management and the legislative fiscal committees detailing homeland security revenues and expenditures for the previous fiscal year by county and legislative district.

(4) Within the funds appropriated in this section, the department shall implement Substitute House Bill No. 1507 (uniformed service shared leave).

(5) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 and \$1,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the military department to contract with the Washington information network 2-1-1 to operate a statewide 2-1-1 system. The department shall provide the entire amount for 2-1-1 and shall not take any of the funds for administrative purposes.

**NEW SECTION. Sec. 151. FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

General Fund—State Appropriation (FY 2008) . . . . .	\$3,246,000
General Fund—State Appropriation (FY 2009) . . . . .	\$3,353,000
Department of Personnel Service Account—State	
Appropriation . . . . .	\$3,315,000
TOTAL APPROPRIATION . . . . .	\$9,914,000

The appropriations in this section are subject to the following conditions and limitations: \$112,000 of the general fund—state appropriation for fiscal year 2008 and \$107,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Substitute House Bill No. 2361 (higher education exempt employees). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

**NEW SECTION. Sec. 152. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

General Fund—State Appropriation (FY 2008) . . . . .	\$1,087,000
General Fund—State Appropriation (FY 2009) . . . . .	\$1,033,000
General Fund—Federal Appropriation . . . . .	\$1,651,000
General Fund—Private/Local Appropriation . . . . .	\$14,000
TOTAL APPROPRIATION . . . . .	\$3,785,000

The appropriations in this section are subject to the following conditions and limitations: \$30,000 of the general fund—state appropriation for fiscal year 2008 and \$30,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Substitute House Bill No. 2115 (heritage barn

preservation). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

**NEW SECTION. Sec. 153. FOR THE GROWTH MANAGEMENT HEARINGS BOARD**

General Fund—State Appropriation (FY 2008) . . . . .	\$1,890,000
General Fund—State Appropriation (FY 2009) . . . . .	\$1,942,000
TOTAL APPROPRIATION . . . . .	\$3,832,000

**NEW SECTION. Sec. 154. FOR THE STATE CONVENTION AND TRADE CENTER**

State Convention and Trade Center Account—State Appropriation . . . . .	\$36,910,000
State Convention and Trade Center Operating Account—State Appropriation . . . . .	\$53,750,000
TOTAL APPROPRIATION . . . . .	\$90,660,000

**PART II  
HUMAN SERVICES**

**NEW SECTION. Sec. 201. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES.** (1) Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act.

(4) The department is authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership (WMIP), the department may combine and transfer such medicaid funds appropriated under sections 204, 206, 208, and 209 of this act as may be necessary to finance a unified health care plan for the WMIP program enrollment. The WMIP pilot projects shall not exceed a daily enrollment of 13,000 persons during the 2007-2009 biennium. The

amount of funding assigned to the pilot projects from each program may not exceed the average per capita cost assumed in this act for individuals covered by that program, actuarially adjusted for the health condition of persons enrolled in the pilot project, times the number of clients enrolled in the pilot project. In implementing the WMIP pilot projects, the department may: (a) Withhold from calculations of "available resources" as set forth in RCW 71.24.025 a sum equal to the capitated rate for individuals enrolled in the pilots; and (b) employ capitation financing and risk-sharing arrangements in collaboration with health care service contractors licensed by the office of the insurance commissioner and qualified to participate in both the medicaid and medicare programs. The department shall conduct an evaluation of the WMIP, measuring changes in participant health outcomes, changes in patterns of service utilization, participant satisfaction, participant access to services, and the state fiscal impact.

**NEW SECTION. Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—CHILDREN AND FAMILY SERVICES PROGRAM**

General Fund—State Appropriation (FY 2008) . . . . .	\$313,898,000
General Fund—State Appropriation (FY 2009) . . . . .	\$327,462,000
General Fund—Federal Appropriation . . . . .	\$468,668,000
General Fund—Private/Local Appropriation . . . . .	\$500,000
Domestic Violence Prevention Account—State Appropriation . . . . .	\$1,000,000
Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$3,251,000
Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$3,254,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2008) . . . . .	\$2,934,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2009) . . . . .	\$2,934,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$2,298,000
TOTAL APPROPRIATION . . . . .	\$1,126,199,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,063,000 of the general fund—state appropriation for fiscal year 2008 and \$3,063,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the category of services titled "intensive family preservation services."

(2) \$945,000 of the general fund—state appropriation for fiscal year 2008 and \$993,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to seventeen children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility shall also provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and support to parents accepting placement of children from the facility. The facility

may recruit new and current foster and adoptive parents for infants served by the facility. The department shall not require case management as a condition of the contract.

(3) \$375,000 of the general fund—state appropriation for fiscal year 2008, \$375,000 of the general fund—state appropriation for fiscal year 2009, and \$322,000 of the general fund—federal appropriation are provided solely for up to three nonfacility-based programs for the training, consultation, support, and recruitment of biological, foster, and adoptive parents of children through age three in need of special care as a result of substance abuse by their mothers, except that each program may serve up to three medically fragile nonsubstance-abuse-affected children. In selecting nonfacility-based programs, preference shall be given to programs whose federal or private funding sources have expired or that have successfully performed under the existing pediatric interim care program.

(4) \$125,000 of the general fund—state appropriation for fiscal year 2008 and \$125,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a foster parent retention program. This program is directed at foster parents caring for children who act out sexually.

(5) The providers for the 31 HOPE beds shall be paid a \$1,000 base payment per bed per month, and reimbursed for the remainder of the bed cost only when the beds are occupied.

(6) Within amounts provided for the foster care and adoption support programs, the department shall control reimbursement decisions for foster care and adoption support cases such that the aggregate average cost per case for foster care and for adoption support does not exceed the amounts assumed in the projected caseload expenditures.

(7) Within amounts appropriated in this section, priority shall be given to proven intervention models, including evidence-based prevention and early intervention programs identified by the Washington state institute for public policy and the department. The department shall include information on the number, type, and outcomes of the evidence-based programs being implemented in its reports on child welfare reform efforts.

(8) \$500,000 of the general fund—state appropriation for fiscal year 2008, \$500,000 of the general fund—state appropriation for fiscal year 2009, and \$429,000 of the general fund—federal appropriation are provided solely to increase services provided through children's advocacy centers.

(9) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a street youth program in Spokane.

(10) \$41,000 of the general fund—state appropriation for fiscal year 2008, \$49,000 of the general fund—state appropriation for fiscal year 2009, and \$41,000 of the general fund—federal appropriation are provided solely for the implementation of Substitute House Bill No. 1472 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) \$858,000 of the general fund—state appropriation for fiscal year 2008, \$809,000 of the general fund—state appropriation for fiscal year 2009, and \$715,000 of the general fund—federal appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 5774 (background checks),

including sections 6 and 7. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) \$4,962,000 of the general fund—state appropriation for fiscal year 2008, \$4,586,000 of the general fund—state appropriation for fiscal year 2009, and \$9,548,000 of the general fund—federal appropriation are provided solely for development and implementation of a statewide automated child welfare information system.

(13) \$126,000 of the general fund—state appropriation for fiscal year 2009 and \$55,000 of the general fund—federal appropriation are provided solely to implement Substitute Senate Bill No. 5321 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(14) \$707,000 of the general fund—state appropriation for fiscal year 2008, \$680,000 of the general fund—state appropriation for fiscal year 2009, and \$594,000 of the general fund—federal appropriation are provided solely for the implementation of Second Substitute House Bill No. 1334 (child welfare proceedings). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(15) \$2,237,000 of the general fund—state appropriation for fiscal year 2008, \$2,238,000 of the general fund—state appropriation for fiscal year 2009, and \$1,918,000 of the general fund—federal appropriation are provided solely for the implementation of Substitute House Bill No. 1333 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(16) \$137,000 of the general fund—state appropriation for fiscal year 2008, \$137,000 of the general fund—state appropriation for fiscal year 2009, and \$118,000 of the general fund—federal appropriation are provided solely for implementation of Substitute House Bill No. 1287 (foster children). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(17) \$50,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the department to contract with the Washington state institute for public policy to study evidence-based, cost-effective programs and policies to reduce the likelihood of children entering and remaining in the child welfare system, including both prevention and intervention programs. If the department does not receive \$100,000 in matching funds from a private organization for the purpose of conducting this study, the amount provided in this subsection shall lapse. The study shall be completed by April 30, 2008. The department shall cooperate with the institute in facilitating access to data in their administrative systems. The board of the Washington state institute for public policy may adjust the due date for this project as necessary to efficiently manage workload.

(18) \$103,000 of the general fund—state appropriation for fiscal year 2008, \$98,000 of the general fund—state appropriation for fiscal year 2009, and \$201,000 of the general fund—federal appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 1131 (passport to college). This includes funding to develop, implement, and administer a program of educational transition planning for youth in foster care as specified in the bill. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(19) The department shall continue spending levels for continuum of care in region one at the same level allotted during the 2005-2007 biennium.

(20) Within the amounts provided, the department shall develop and implement a two-tiered reimbursement rate schedule for children from birth through twenty-four months of age and children twenty-five months of age through age five served by the medicaid treatment child care program. The department shall work in collaboration with contracted providers of the program to develop the rate schedule, taking into consideration such factors as higher staff level and small group size requirements for each age group. The department shall implement the rate schedule no later than January 1, 2008, and neither reimbursement rate in the two-tiered schedule shall be lower than the reimbursement rate level from the 2007 fiscal year.

(21) \$60,000 of the general fund—state appropriation for fiscal year 2008, \$20,000 of the general fund—state appropriation for fiscal year 2009, and \$35,000 of the general fund—federal appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 1624 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

**NEW SECTION. Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—JUVENILE REHABILITATION PROGRAM**

General Fund—State Appropriation (FY 2008) . . . . .	\$87,795,000
General Fund—State Appropriation (FY 2009) . . . . .	\$91,182,000
General Fund—Federal Appropriation . . . . .	\$5,799,000
General Fund—Private/Local Appropriation . . . . .	\$1,098,000
Reinvesting in Youth—State Appropriation . . . . .	\$1,414,000
Washington Auto Theft Prevention Authority Account—	
State Appropriation . . . . .	\$171,000
Violence Reduction and Drug Enforcement Account—State	
Appropriation (FY 2008) . . . . .	\$21,458,000
Violence Reduction and Drug Enforcement Account—State	
Appropriation (FY 2009) . . . . .	\$21,568,000
Juvenile Accountability Incentive Account—Federal	
Appropriation . . . . .	\$2,510,000
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$2,200,000
TOTAL APPROPRIATION . . . . .	\$235,195,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$353,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2008 and \$353,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2009 are provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(2) \$3,078,000 of the violence reduction and drug enforcement account appropriation and \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$3,078,000 of the violence reduction and drug enforcement account appropriation and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(3) \$1,030,000 of the general fund—state appropriation and \$2,686,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2008 and \$1,030,000 of the general fund—state appropriation and \$2,686,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2009 are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(4) \$1,506,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2008 and \$1,506,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2009 are provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that submitted a plan for the provision of services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(5) \$2,669,000 of the general fund—state appropriation for fiscal year 2008 and \$3,066,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for grants to county juvenile courts for the following programs identified by the Washington state institute for public policy (institute) in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Functional family therapy, multi-systemic therapy, aggression replacement training and interagency coordination programs or other programs with a positive benefit-cost finding in the institute's report. County juvenile courts shall apply to the juvenile rehabilitation administration for funding for program-specific participation and the administration shall provide grants to the courts consistent with the per-participant treatment costs identified by the institute.

(6) \$1,287,000 of the general fund—state appropriation for fiscal year 2008 and \$1,287,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for expansion of the following treatments and therapies in juvenile rehabilitation administration programs identified by the Washington state institute for public policy in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Multidimensional treatment foster care, family integrated transitions and aggression replacement training. The administration

may concentrate delivery of these treatments and therapies at a limited number of programs to deliver the treatments in a cost-effective manner.

(7) The juvenile rehabilitation administration shall provide a block grant, rather than categorical funding, of consolidated juvenile services funds, community juvenile accountability act grants, the chemically dependent disposition alternative, and the special sex offender disposition to county juvenile courts, or groups of courts, including the Pierce county juvenile court. The juvenile rehabilitation administration and the family policy council shall jointly write criteria for awarding and administering block grants to county juvenile courts. In developing the criteria, the juvenile rehabilitation administration and the family policy council shall seek the advice of the Washington state institute for public policy. The criteria shall address, but not be limited to:

(a) The selection of courts for participation in the block grant;

(b) The types of evidence-based programs and practices to which the funds will be applied. The evidence-based programs and practices shall either be consistent with those cost-beneficial options identified by the Washington state institute for public policy in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates," or be new approaches that have the potential to demonstrate positive returns for the taxpayer; and

(c) The protocols for participating courts to collect information on the effectiveness of programs funded under the block grant, including: (i) Developing intermediate client outcomes based on the risk assessment tool currently used by juvenile courts and in coordination with the juvenile rehabilitation administration; (ii) reporting treatment outcomes including a process evaluation to the juvenile rehabilitation administration and the family policy council by June 20, 2008, and an outcome evaluation of recidivism and benefit-cost results submitted within eighteen months of the initiation of the treatment, when follow-up data are available. The courts shall develop these evaluations in consultation with the juvenile rehabilitation administration, the family policy council, and the Washington state institute for public policy; and (iii) documenting the process for managing block grant funds on a quarterly basis and provide this report to the juvenile rehabilitation administration and the family policy council.

(8) \$73,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2008 and \$98,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Third Substitute House Bill No. 1001 (auto theft). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

**NEW SECTION. Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MENTAL HEALTH PROGRAM**

**(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS**

General Fund—State Appropriation (FY 2008) . . . . .	\$302,674,000
General Fund—State Appropriation (FY 2009) . . . . .	\$312,997,000
General Fund—Federal Appropriation . . . . .	\$380,003,000
General Fund—Private/Local Appropriation . . . . .	\$11,948,000



TOTAL APPROPRIATION . . . . . \$1,007,622,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$103,989,000 of the general fund—state appropriation for fiscal year 2008 and \$104,080,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for persons and services not covered by the medicaid program. These funds shall be distributed proportionally to each regional support network's percentage of the total state population.

(b) \$16,900,000 of the general fund—state appropriation for fiscal year 2008 and \$16,900,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department and regional support networks to contract for development and initial implementation of high-intensity program for active community treatment (PACT) teams, and other proven program approaches that the department concurs will enable the regional support network to achieve significant reductions during fiscal year 2008 and thereafter in the number of beds the regional support network would otherwise need to use at the state hospitals.

(c) The number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 222 per day throughout fiscal year 2008. Beginning January 1, 2009, the number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 192 per day. The number of nonforensic beds allocated for use by regional support networks at western state hospital shall be 777 per day during the first and second quarters of fiscal year 2008, and 677 per day from January 2008 through August 2008. Beginning September 2008, the number of nonforensic beds allocated for use by regional support networks at western state hospital shall be 647 per day until May 2009, at which time the bed allocation shall be 617 beds per day. Beginning January 2008, beds in the program for adaptive living skills (PALS) are not included in the preceding bed allocations. Beginning that month, the department shall separately charge regional support networks for persons served in the PALS program and for use of state hospital beds for short-term commitments.

(d) From the general fund—state appropriations in this subsection, the secretary of social and health services shall assure that regional support networks reimburse the aging and disability services administration for the general fund—state cost of medicaid personal care services that enrolled regional support network consumers use because of their psychiatric disability.

(e) Within amounts appropriated in this subsection, the department shall contract with the Clark county regional support network for development and operation of a project demonstrating collaborative methods for providing intensive mental health services in the school setting for severely emotionally disturbed children who are medicaid eligible. Project services shall be delivered by teachers and teaching assistants who qualify as, or who are under the supervision of, mental health professionals meeting the requirements of chapter 275-57 WAC. The department shall increase medicaid payments to the regional support network by the amount necessary to cover the necessary and allowable costs of the demonstration, not to exceed the upper payment limit specified for the regional support network in the department's medicaid waiver agreement

with the federal government after meeting all other medicaid spending requirements assumed in this subsection. The regional support network shall provide the required nonfederal share of the increased medicaid payment provided for operation of this project.

(f) At least \$902,000 of the federal block grant funding appropriated in this subsection shall be used for the continued operation of the mentally ill offender pilot program.

(g) \$5,000,000 of the general fund—state appropriation for fiscal year 2008 and \$5,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for mental health services for mentally ill offenders while confined in a county or city jail and for facilitating access to programs that offer mental health services upon release from confinement. The department is authorized to transfer up to \$418,000 of these amounts each fiscal year to the economic services program for purposes of facilitating prompt access after their release from confinement to medical and income assistance services for which defendants and offenders may be eligible.

(h) \$1,500,000 of the general fund—state appropriation for fiscal year 2008 and \$1,500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for grants for innovative mental health service delivery projects. Such projects may include, but are not limited to, clubhouse programs and projects for integrated health care and behavioral health services for general assistance recipients. These amounts shall supplement, and not supplant, local or other funding currently being used for activities funded under the projects authorized in this subsection.

(i) The department is authorized to continue to expend federal block grant funds and special purpose federal grants through direct contracts, rather than through contracts with regional support networks, and to allocate such funds through such formulas as it shall adopt.

(j) The department is authorized to continue to contract directly, rather than through contracts with regional support networks, for children's long-term inpatient facility services.

(k) \$2,250,000 of the general fund—state appropriation for fiscal year 2008, \$2,250,000 of the general fund—state appropriation for fiscal year 2009, and \$4,500,000 of the general fund—federal appropriation are provided solely for the continued operation of community residential and support services for persons who are older adults or who have co-occurring medical and behavioral disorders and who have been discharged or diverted from a state psychiatric hospital. These funds shall be used to serve individuals whose treatment needs constitute substantial barriers to community placement, who no longer require active psychiatric treatment at an inpatient hospital level of care, and who no longer meet the criteria for inpatient involuntary commitment. Coordination of these services will be done in partnership between the mental health program and the aging and disability services administration.

(l) \$750,000 of the general fund—state appropriation for fiscal year 2008 and \$750,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to continue performance-based incentive contracts to provide appropriate community support services for individuals with severe mental illness who were discharged from the state hospitals as part of the expanding community services initiative. These funds will be used to enhance community

residential and support services provided by regional support networks through other state and federal funding.

(m) \$2,979,000 of the general fund—state appropriation for fiscal year 2008, \$3,249,000 of the general fund—state appropriation for fiscal year 2009, and \$2,040,000 of the general fund—federal appropriation are provided solely to modify the department's proposed new payment rates for medicaid inpatient psychiatric services. Under the department's proposed rate system, effective August 1, 2007, each hospital's inpatient psychiatric payment rate would have been set at a percentage of that hospital's estimated per diem cost for psychiatric inpatient care during the most recent rebasing year. Within the amount provided in this subsection (1)(m), beginning August 1, 2007, each hospital's inpatient psychiatric payment rate shall instead be set at the greater of a percentage of: (i) The hospital's estimated per diem cost for psychiatric inpatient care during the most recent rebasing year; or (ii) the statewide average per diem cost for psychiatric inpatient care during the most recent rebasing year, adjusted for regional wage differences and for differences in medical education costs. At least thirty days prior to implementing adjustments to regional support network medicaid capitation rates and nonmedicaid allocations to account for changes in psychiatric inpatient payment rates, the department shall report on the proposed adjustments to the appropriations committee of the house of representatives and the ways and means committee of the senate.

(n) \$6,267,000 of the general fund—state appropriation for fiscal year 2008 and \$6,462,000 of the general fund—federal appropriation for fiscal year 2009 are provided solely to increase nonmedicaid psychiatric inpatient payment rates over fiscal year 2005 levels. It is expected that nonmedicaid rates will be set at approximately 85 percent of each hospital's medicaid psychiatric inpatient rate. At least thirty days prior to implementing adjustments to regional support network medicaid capitation rates and nonmedicaid allocations to account for changes in psychiatric inpatient payment rates, the department shall report on the proposed adjustments to the appropriations committee of the house of representatives and the ways and means committee of the senate.

(o) \$7,363,000 of the general fund—state appropriation for fiscal year 2008, \$15,028,000 of the general fund—state appropriation for fiscal year 2009, and \$13,927,000 of the general fund—federal appropriation are provided solely to increase regional support network medicaid capitation rates and nonmedicaid allocations by 3.0 percent effective July 1, 2007, and by an additional 3.0 percent effective July 1, 2008. The federal portion of these rate increases is contingent upon federal approval. (i) The legislature intends and expects that regional support networks and community mental health agencies will use at least 67 percent of the amounts provided in this subsection(1)(o) to increase compensation for direct care personnel above and beyond usual and customary wage increases. To this end, regional support networks shall report to the department by October 15, 2007, on planned uses of the rate increases within their network area. The report shall describe the direct care job classifications to which increases are to be provided; the number of full-time equivalent personnel employed in each classification; the annualized dollar and percentage increases to be provided each classification; the annualized dollar value of the direct care compensation increases provided, in total and as a percentage of the total rate increase; and the number of personnel in each job classification covered by a

collective bargaining agreement. The department shall summarize and analyze the regional plans, and report findings, options, and recommendations to the legislature by December 1, 2007. (ii) Regional support networks shall maintain documentation of how the rate increases have been applied. Such documentation shall be subject to audit by the department. (iii) For purposes of this subsection (1)(o), "direct care staff" means persons employed by community mental health agencies whose primary responsibility is providing direct treatment and support to people with mental illness, or whose primary responsibility is providing direct support to such staff in areas such as client scheduling, client intake, client reception, client records-keeping, and facilities maintenance.

(p) \$2,021,000 of the general fund—state appropriation for fiscal year 2008 and \$1,683,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1456 (mental health professionals). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. For purposes of organizing and delivering training as required by the bill, the department may retain up to fifteen percent of the amount appropriated for fiscal year 2008, and up to ten percent of the amount appropriated for fiscal year 2009. The remainders shall be distributed to regional support networks proportional to each network's percentage of the total state population.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2008) . . . . .	\$142,545,000
General Fund—State Appropriation (FY 2009) . . . . .	\$139,286,000
General Fund—Federal Appropriation . . . . .	\$146,401,000
General Fund—Private/Local Appropriation . . . . .	\$57,064,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$7,058,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$492,354,000</b>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The state mental hospitals may use funds appropriated in this subsection to purchase goods and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(b) \$45,000 of the general fund—state appropriation for fiscal year 2008 and \$45,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for payment to the city of Lakewood for police services provided by the city at western state hospital and adjacent areas.

(c) \$18,575,000 of the general fund—state appropriation for fiscal year 2008 and \$9,675,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to operate on a temporary basis five additional adult civil commitment wards at the state psychiatric hospitals. The legislature intends for these wards to close, on a phased basis, during the 2007-09 biennium as a result of targeted investments in community services for persons who would otherwise need care in the hospitals.

(d) \$125,000 of the general fund—state appropriation for fiscal year 2008 and \$125,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for safety training and for protective equipment for staff at

eastern and western state hospitals. Protective equipment shall include shields, helmets, gloves, and body protection.

(e) \$304,000 of the general fund—state appropriation for fiscal year 2008 and \$231,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a community partnership between western state hospital and the city of Lakewood to support community policing efforts in the Lakewood community surrounding western state hospital. The amounts provided in this subsection (2)(e) are for the salaries, benefits, supplies, and equipment for one full-time investigator, one full-time police officer, and one full-time community service officer at the city of Lakewood.

(3) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2008) . . . . .	\$1,892,000
General Fund—State Appropriation (FY 2009) . . . . .	\$2,192,000
General Fund—Federal Appropriation . . . . .	\$3,195,000
TOTAL APPROPRIATION . . . . .	\$7,279,000

The appropriations in this subsection are subject to the following conditions and limitations: \$877,000 of the general fund—state appropriation for fiscal year 2008, \$1,189,000 of the general fund—state appropriation for fiscal year 2009, and \$140,000 of the general fund—federal appropriation are provided solely for implementation of sections 4, 7, 10, and other provisions of Second Substitute House Bill No. 1088 (children's mental health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. Funds are also appropriated in sections 207 and 209 of this act for implementation of 5, 8, and 11 of Second Substitute House Bill No. 1088.

(4) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2008) . . . . .	\$4,966,000
General Fund—State Appropriation (FY 2009) . . . . .	\$5,060,000
General Fund—Federal Appropriation . . . . .	\$7,604,000
TOTAL APPROPRIATION . . . . .	\$17,630,000

The appropriations in this subsection are subject to the following conditions and limitations: \$125,000 of the general fund—state appropriation for fiscal year 2008, \$125,000 of the general fund—state appropriation for fiscal year 2009, and \$164,000 of the general fund—federal appropriation are provided solely for the institute for public policy to continue the longitudinal analysis directed in chapter 334, Laws of 2001 (mental health performance audit), to build upon the evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill offenders), and to assess program outcomes and cost effectiveness of the children's mental health pilot projects as required by chapter 372, Laws of 2006.

**NEW SECTION. Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—DEVELOPMENTAL DISABILITIES PROGRAM**

(1) COMMUNITY SERVICES

General Fund—State Appropriation (FY 2008) . . . . .	\$346,600,000
General Fund—State Appropriation (FY 2009) . . . . .	\$373,776,000
General Fund—Federal Appropriation . . . . .	\$633,258,000
Health Services Account—State Appropriation (FY 2008) . . . . .	\$452,000

Health Services Account—State Appropriation (FY 2009) . . . . .	\$452,000
TOTAL APPROPRIATION . . . . .	\$1,354,538,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The entire health services account appropriation, \$615,000 of the general fund—state appropriation for fiscal year 2008, \$892,000 of the general fund—state appropriation for fiscal year 2009, and \$2,546,011 of the general fund—federal appropriation are provided solely for health care benefits for agency home care workers who are employed through state contracts for at least twenty hours a week. The state contribution to the cost of health care benefits per participating worker per month shall be no greater than \$532.00 in fiscal year 2008 and \$585.00 in fiscal year 2009.

(b) Individuals receiving family support or high school transition payments as supplemental security income (SSI) state supplemental payments shall not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(c) \$4,903,000 of the general fund—state appropriation for fiscal year 2008, \$9,295,000 of the general fund—state appropriation for fiscal year 2009, and \$15,016,000 of the general fund—federal appropriation are provided solely for community residential and support services. Funding in this subsection shall be prioritized for (i) residents of residential habilitation centers who are able to be adequately cared for in community settings and who choose to live in those community settings; (ii) clients without residential services who are at immediate risk of institutionalization or in crisis; (iii) children who are at risk of institutionalization or who are aging out of other state services; and (iv) current home and community-based waiver program clients who have been assessed as having an immediate need for increased services. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed \$300. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds, provided the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(d) \$2,799,000 of the general fund—state appropriation for fiscal year 2008, \$5,961,000 of the general fund—state appropriation for fiscal year 2009, and \$9,268,000 of the general fund—federal appropriation are provided solely for expanded community services for persons with developmental disabilities who also have community protection issues. Funding in this subsection shall be prioritized for (i) clients being diverted or discharged from the state psychiatric hospitals; (ii) clients participating in the dangerous mentally ill offender program; (iii) clients participating in the community protection program; and (iv) mental health crisis diversion outplacements. The department shall ensure

that the average cost per day for all program services other than start-up costs shall not exceed \$349 in fiscal year 2008 and \$356 in fiscal year 2009. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds if the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall implement the four new waiver programs such that decisions about enrollment levels and the amount, duration, and scope of services maintain expenditures within appropriations. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(e) \$13,598,000 of the general fund—state appropriation for fiscal year 2008, \$16,354,000 of the general fund—state appropriation for fiscal year 2009, and \$8,579,000 of the general fund—federal appropriation are provided solely for family support programs for individuals with developmental disabilities. Of the amounts provided in this subsection (e), \$1,096,000 of the general fund—state appropriation for fiscal year 2008 and \$3,852,000 of the general fund—state appropriation for fiscal year 2009 are for state-only services for individuals with developmental disabilities, as described in Second Substitute Senate Bill No. 5467 (developmental disabilities). By January 1, 2008, and by November 1, 2008, the department shall provide a status report to the appropriate policy and fiscal committees of the legislature on the individual and family services program for people with developmental disabilities, which shall include the following information: The number of applicants for funding; the total number of awards; the number and amount of both annual and one-time awards, broken down by household income levels; and the purpose of the awards.

(f) \$1,577,000 of the general fund—state appropriation for fiscal year 2008, \$3,480,000 of the general fund—state appropriation for fiscal year 2009, and \$2,105,000 of the general fund—federal appropriation are provided solely for employment and day services. Priority consideration for this new funding shall be young adults with developmental disabilities living with their family who need employment opportunities and assistance after high school graduation. Services shall be provided for both waiver and nonwaiver clients. In order to maximize the number of clients served, the department may serve additional nonwaiver clients with unspent funds for waiver clients, provided the total projected carry-forward expenditures do not exceed the amounts estimated.

(g) \$160,000 of the general fund—state appropriation for fiscal year 2008 and \$140,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute Senate Bill No. 5467 (developmental disabilities). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(h) The department shall collect data from the counties related to employment services. This data shall include, but not necessarily be limited to, information pertaining to: (i) The average length of time clients utilize job coaching services, (ii) the percentage of clients utilizing job coaching services

from zero to three months, four to six months, seven to nine months, ten to twelve months, and twelve months or more, (iii) within the monthly grouping, the percentage of clients utilizing job coaching services from zero to five hours per week, five to ten hours per week, ten to twenty hours per week, and twenty or more hours per week. This data shall be provided to the appropriate policy committees of the legislature by December 1, 2007.

(i) Amounts appropriated in this subsection are sufficient to increase provider payment rates by 6.0 percent, effective July 1, 2007, and by an additional 2.0 percent, effective July 1, 2008, for boarding homes, including those currently receiving exceptional care rates; and by 3.2 percent, effective July 1, 2007, and by an additional 2.0 percent, effective July 1, 2008, for adult family homes, including those currently receiving exceptional care rates.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2008) . . . . .	\$78,765,000
General Fund—State Appropriation (FY 2009) . . . . .	\$80,873,000
General Fund—Federal Appropriation . . . . .	\$171,836,000
General Fund—Private/Local Appropriation . . . . .	\$21,613,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$5,614,000
TOTAL APPROPRIATION . . . . .	\$358,701,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The developmental disabilities program is authorized to use funds appropriated in this section to purchase goods and supplies through direct contracting with vendors when the program determines it is cost-effective to do so.

(b) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for services provided to community clients provided by licensed professionals at the state rehabilitation centers. The division shall submit claims for reimbursement for services provided to clients living in the community to medical assistance or third-party health care coverage, as appropriate, and shall implement a system for billing clients without coverage.

(3) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2008) . . . . .	\$2,273,000
General Fund—State Appropriation (FY 2009) . . . . .	\$2,377,000
General Fund—Federal Appropriation . . . . .	\$2,821,000
TOTAL APPROPRIATION . . . . .	\$7,471,000

The appropriations in this subsection are subject to the following conditions and limitations: As part of the needs assessment instrument, the department shall collect data on family income for minor children with developmental disabilities and all individuals who are receiving state-only funded services. The department shall ensure that this information is collected as part of the client assessment process.

(4) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2008) . . . . .	\$17,000
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General Fund—State Appropriation (FY 2009) . . . . .	\$15,000
General Fund—Federal Appropriation . . . . .	\$16,843,000
TOTAL APPROPRIATION . . . . .	\$16,875,000

**NEW SECTION. Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—AGING AND ADULT SERVICES PROGRAM**

General Fund—State Appropriation (FY 2008) . . . . .	\$699,089,000
General Fund—State Appropriation (FY 2009) . . . . .	\$741,478,000
General Fund—Federal Appropriation . . . . .	\$1,539,010,000
General Fund—Private/Local Appropriation . . . . .	\$19,563,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$1,448,000
Health Services Account—State Appropriation (FY 2008) . . . . .	\$2,444,000
Health Services Account—State Appropriation (FY 2009) . . . . .	\$2,444,000
Traumatic Brain Injury Account—State Appropriation . . . . .	\$440,000
TOTAL APPROPRIATION . . . . .	\$3,005,916,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire health services account appropriation, \$10,456,000 of the general fund—state appropriation for fiscal year 2008, \$11,370,000 of the general fund—state appropriation for fiscal year 2009, and \$26,778,000 of the general fund—federal appropriation are provided solely for health care benefits for agency home care workers who are employed through state contracts for at least twenty hours a week. The state contribution to the cost of health care benefits per eligible participating worker per month shall be no greater than \$532.00 in fiscal year 2008 and \$585.00 per month in fiscal year 2009.

(2) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed \$158.11 for fiscal year 2008 and shall not exceed \$164.18 for fiscal year 2009. For all nursing facilities, the direct care, therapy care, support services, and operations component rates established in accordance with chapter 74.46 RCW shall be adjusted for economic trends and conditions by 3.2 percent effective July 1, 2007.

(3) In accordance with chapter 74.46 RCW, the department shall issue certificates of capital authorization that result in up to \$16,000,000 of increased asset value completed and ready for occupancy in fiscal year 2008; up to \$16,000,000 of increased asset value completed and ready for occupancy in fiscal year 2009; and up to \$16,000,000 of increased asset value completed and ready for occupancy in fiscal year 2010.

(4) Adult day health services shall not be considered a duplication of services for persons receiving care in long-term care settings licensed under chapter 18.20, 72.36, or 70.128 RCW.

(5) In accordance with chapter 74.39 RCW, the department may implement two medicaid waiver programs for persons who do not qualify for such services as categorically needy, subject to federal approval and the following conditions and limitations:

(a) One waiver program shall include coverage of care in community residential facilities. Enrollment in the waiver shall not exceed 600 persons at any time.

(b) The second waiver program shall include coverage of in-home care. Enrollment in this second waiver shall not exceed 200 persons at any time.

(c) The department shall identify the number of medically needy nursing home residents, and enrollment and expenditures on each of the two medically needy waivers, on monthly management reports.

(d) If it is necessary to establish a waiting list for either waiver because the budgeted number of enrollment opportunities has been reached, the department shall track how the long-term care needs of applicants assigned to the waiting list are met.

(6) \$1,840,000 of the general fund—state appropriation for fiscal year 2008 and \$1,877,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for operation of the volunteer chore services program.

(7) The department shall establish waiting lists to the extent necessary to assure that annual expenditures on the community options program entry systems (COPEs) program do not exceed appropriated levels. In establishing and managing any such waiting list, the department shall assure priority access to persons with the greatest unmet needs, as determined by department assessment processes.

(8) \$125,000 of the general fund—state appropriation for fiscal year 2008, \$125,000 of the general fund—state appropriation for fiscal year 2009, and \$250,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(9)(a) \$8,755,000 of the general fund—state appropriation for fiscal year 2009 and \$9,348,000 of the general fund—federal appropriation are provided solely to increase nursing facility payment rates.

(b) \$125,000 of the general fund—state appropriation for fiscal year 2008 and \$125,000 of the general fund—federal appropriation are provided solely for the department to contract with an outside entity to review the current medicaid payment methodology for nursing facilities and make recommendations for revisions to, restructuring of, or replacement of the existing payment methodology no later than October 1, 2007, to the governor and the appropriate fiscal and policy committees of the legislature.

(c) A joint legislative task force on long-term care residential facility payment systems shall review and develop recommendations related to payment methodologies for the care of medicaid-eligible residents of nursing homes, boarding homes, and adult family homes in Washington state.

(i) Membership of the task force shall consist of eight legislators. The president of the senate shall appoint two members from each of the two largest caucuses of the senate. The speaker of the house of representatives shall appoint two members of each of the two largest caucuses of the house of representatives. Each body shall select representatives from committees with jurisdiction over health and long-term care and fiscal matters.

(ii) The task force shall give strong consideration to the following principles in the course of its deliberations:

(A) A continuum of residential care settings should be available to medicaid-eligible vulnerable adults so as to honor consumer choice;

(B) Payment methodologies for care provided in adult family homes, boarding homes, and nursing homes should be based upon resident acuity, with payment rates that recognize the impact of differing state and federal regulatory requirements upon facility costs, but also address current disparities in payments to facilities serving residents with similar nursing or personal care needs;

(C) Payment methodologies should be designed to support retention of qualified direct care staff through training, wages, and benefits offered to direct care staff, with special consideration given to nursing homes, boarding homes, and adult family homes that care for a disproportionate number of medicaid-eligible residents relative to their peer facilities;

(D) Performance measures related to critical issues such as staff retention and resident outcomes should be developed, with payment linked to facility performance on the measures; and

(E) Payment methodologies should be simplified, with greater predictability and stability in payments.

(iii) The task force shall:

(A) Review and consider the recommendations submitted in accordance with (b) of this subsection;

(B) Consider input from long-term care stakeholders with respect to the principles in (c)(ii) of this subsection;

(C) Review the current payment methodologies for nursing homes, boarding homes, and adult family homes, giving strong consideration to the principles in (c)(ii) of this subsection, and make recommendations for revisions to, restructuring of, or replacement of existing payment methodologies. The recommendations related to payments made in fiscal year 2009 shall be consistent with the amounts appropriated in this subsection.

(iv) The task force shall complete its review and submit its recommendations to the appropriate policy and fiscal committees of the legislature by December 31, 2007.

(v) Staff support for the task force shall be provided by senate committee services and the house of representatives office of program research.

(vi) Legislative members of the task force shall be reimbursed for travel expenses in accordance with RCW 44.04.120.

(vii) The expenses of the task force shall be paid jointly by the senate and the house of representatives. Task force expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committees, or their successor committees.

(viii) The task force expires December 31, 2007.

(10) Within amounts appropriated in this section, the department is authorized to expand the number of boarding homes and adult family homes that receive exceptional care rates for persons with Alzheimer's disease and related dementias who might otherwise require nursing home care. The department may expand the number of licensed boarding home facilities that specialize in caring for such conditions by up to 100 beds. Effective July 1, 2008, the department shall be authorized to provide adult family homes that specialize in caring for such conditions with exceptional care rates for up to 50 beds. The department will develop standards for adult family homes to qualify for such exceptional care rates in order to enhance consumer choice.

(11) \$500,000 of the general fund—state appropriation for fiscal year 2008, \$500,000 of the general fund—state appropriation for fiscal year 2009, and \$816,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Substitute House Bill No. 2111 (adult family homes). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) \$440,000 of the traumatic brain injury account—state appropriation is provided solely for the implementation of Second Substitute House Bill No. 2055 (traumatic brain injury). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(13) Within amounts appropriated in this section and in section 205 of this act, the department of social and health services shall:

(a) Determine how geographic differences in community residential provider payments affect provider and workforce turnover;

(b) Examine alternative community residential provider payment systems that account for differences in direct care labor costs in various areas of the state, including alternative peer groupings in its payment systems that take such factors into account; and

(c) Submit a report of its findings and recommendations to the office of financial management and to the appropriate fiscal committees of the legislature by June 30, 2008.

(14) Amounts appropriated in this section are sufficient to increase provider payment rates by 6.0 percent, effective July 1, 2007, and by an additional 2.0 percent, effective July 1, 2008, for boarding homes, including those currently receiving exceptional care rates; and by 3.2 percent, effective July 1, 2007, and by an additional 2.0 percent, effective July 1, 2008, for adult family homes, including those currently receiving exceptional care rates.

(15) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—federal appropriation are provided solely for the department contract for an evaluation of training requirements for long-term care workers as generally described in Second Substitute House Bill No. 2284 (training of care providers).

**NEW SECTION. Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ECONOMIC SERVICES PROGRAM**

General Fund—State Appropriation (FY 2008) . . . . .	\$592,774,000
General Fund—State Appropriation (FY 2009) . . . . .	\$627,148,000
General Fund—Federal Appropriation . . . . .	\$1,053,264,000
General Fund—Private/Local Appropriation . . . . .	\$27,920,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$4,592,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$2,305,698,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$334,377,000 of the general fund—state appropriation for fiscal year 2008, \$347,597,000 of the general fund—state appropriation for fiscal year 2009, and \$827,774,000 of the general fund—federal appropriation are provided solely for all components of the WorkFirst program. Within the amounts provided for the WorkFirst program, the department may provide assistance

using state-only funds for families eligible for temporary assistance for needy families. Within the amounts provided for the WorkFirst program, the department shall:

(a) Establish a post-TANF work transition program;

(b) Continue to implement WorkFirst program improvements that are designed to achieve progress against outcome measures specified in RCW 74.08A.410. Outcome data regarding job retention and wage progression shall be reported quarterly to appropriate fiscal and policy committees of the legislature for families who leave assistance, measured after 12 months, 24 months, and 36 months. The department shall also report the percentage of families who have returned to temporary assistance for needy families after 12 months, 24 months, and 36 months;

(c) Submit a report by October 1, 2007, to the fiscal committees of the legislature containing a spending plan for the WorkFirst program. The plan shall identify how spending levels in the 2007-2009 biennium will be adjusted to stay within available federal grant levels and the appropriated state-fund levels;

(d) Provide quarterly fiscal reports to the office of financial management and the legislative fiscal committees detailing information on the amount expended from general fund—state and general fund—federal by activity;

(2) Up to \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 of the amounts in subsection (1) of this section are for the WorkFirst pathway to engagement program. The department shall collaborate with community partners and represented staff to identify additional services needed for WorkFirst clients in sanction status. The department shall contract with qualified community-based organizations to deliver such services, provided that such services are complimentary to the work of the department and are not intended to supplant existing staff or services. The department shall also contract with community-based organizations for the provision of services for WorkFirst clients who have been terminated after six months of sanction. Contracts established pursuant to this subsection shall have a performance-based component and shall include both presanction termination and postsanction termination services. Clients shall be able to choose whether or not to accept the services. The department shall develop outcome measures for the program related to outreach and reengagement, reduction of barriers to employment, and client feedback and satisfaction. Nothing in this subsection is intended to modify a collective bargaining agreement under chapter 41.80 RCW or to change the state's responsibility under chapter 41.80 RCW. The department shall report to the appropriate policy and fiscal committees of the legislature by December 1, 2007, on program implementation and outcomes. The department also shall report on implementation of specialized caseloads for clients in sanction status, including average caseload size, referral process and criteria, and expected outcomes for specialized caseloads.

(3) \$210,000 of the general fund—state appropriation for fiscal year 2008, \$187,000 of the general fund—state appropriation for fiscal year 2009, and \$396,000 of the general fund—federal appropriation are provided solely for implementation of section 8 of Second Substitute House Bill No. 1088 (children's mental health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(4) \$152,000 of the general fund—state appropriation for fiscal year 2008, \$96,000 of the general fund—state appropriation for fiscal year 2009, and \$482,000 of the general fund—federal appropriation are provided solely for implementation of Second Substitute House Bill No. 1009 (child support schedule). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(5) \$750,000 of the general fund—state appropriation for fiscal year 2008 and \$750,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to increase naturalization services. These amounts shall supplement and not supplant state and federal resources currently provided by the department for this purpose.

(6) \$1,500,000 of the general fund—state appropriation for fiscal year 2008 and \$1,500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to increase limited English proficiency pathway services. These amounts shall supplement and not supplant state and federal resources currently provided by the department for this purpose.

(7) \$250,000 of the general fund—state appropriation for fiscal year 2008, \$5,782,000 of the general fund—state appropriation for fiscal year 2009, and \$6,431,000 of the general fund—federal appropriation are provided solely for implementation of Substitute Senate Bill No. 5244 (deficit reduction act). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(8) Within amounts appropriated in this section, the department shall: (a) Increase the state supplemental payment by \$1.77 per month beginning July 1, 2007, and by an additional \$1.83 per month beginning July 1, 2008, for SSI clients who reside in nursing facilities, residential habilitation centers, or state hospitals and who receive a personal needs allowance; and (b) decrease other state supplemental payments.

(9) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the department for the data tracking provisions specified in sections 701 and 702 of Second Substitute Senate Bill No. 5470 (dissolution proceedings). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(10) \$1,552,000 of the general fund—state appropriation for fiscal year 2008 and \$1,552,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Second Substitute Senate Bill No. 6016 (workfirst program). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the department to award grants to small mutual assistance associations or small community-based organizations that contract with the department for immigrant and refugee assistance services. The funds shall be awarded to demonstrate the impact of providing funding for a case worker in the community organization on the refugees' economic self-sufficiency through the effective use of social services, and financial and medical assistance.

**NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

General Fund—State Appropriation (FY 2008) . . . . .	\$69,445,000
General Fund—State Appropriation (FY 2009) . . . . .	\$69,663,000
General Fund—Federal Appropriation . . . . .	\$138,942,000
General Fund—Private/Local Appropriation . . . . .	\$632,000
Criminal Justice Treatment Account—State Appropriation . . . . .	\$17,752,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2008) . . . . .	\$24,538,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2009) . . . . .	\$24,538,000
Problem Gambling Account—State Appropriation . . . . .	\$1,567,000
Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$1,044,000
Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$1,043,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$146,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$349,310,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,786,000 of the general fund—state appropriation for fiscal year 2008 and \$2,785,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the parent child assistance program. The department shall contract with the University of Washington and community-based providers for the provision of this program. For all contractors, indirect charges for administering the program shall not exceed ten percent of the total contract amount.

(2) \$11,113,000 of the general fund—state appropriation for fiscal year 2008, \$14,490,000 of the general fund—state appropriation for fiscal year 2009, and \$14,269,000 of the general fund—federal appropriation are provided solely for the expansion of chemical dependency treatment services for adult medicaid eligible and general assistance-unemployable patients authorized under the 2005-07 biennial appropriations act. By September 30, 2007, the department shall submit an expenditure and program report relating to the patients receiving treatment and other services pursuant to the funding provided in this subsection (2), as well as to other patients receiving treatment funded by the department. The report shall be submitted to the office of financial management and the appropriate policy and fiscal committees of the legislature. Subsequent updates to this report shall be provided by January 31 and July 31 of each fiscal year of the 2007-09 biennium. The reports shall include, but not necessarily be limited to, the following information: (a) The number and demographics (including categories) of patients served; (b) geographic distribution; (c) modality of treatment services provided (i.e. residential or out-patient); (d) treatment completion rates; (e) funds spent; and (f) where applicable, the estimated cost offsets in medical assistance on a total and per patient basis.

(3) \$698,000 of the general fund—state appropriation for fiscal year 2008, \$698,000 of the general fund—state appropriation for fiscal year 2009, and \$154,000 of the general fund—federal appropriation are provided solely for the expansion authorized under the 2005-07 biennial appropriations act of chemical dependency treatment services for minors who are under 200 percent of the federal poverty level. The department shall monitor the number and type of clients entering treatment, for purposes of determining potential cost offsets.

(4) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department to contract for the following: (a) A pilot program in Pierce county for family therapeutic court services that include chemical dependency treatment with use of the prometa protocol; and (b) an independent evaluator to evaluate the efficacy of the treatment with the prometa protocol under the pilot program as compared to other drug treatment and to no treatment.

**NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MEDICAL ASSISTANCE PROGRAM**

General Fund—State Appropriation (FY 2008) . . . . .	\$1,589,266,000
General Fund—State Appropriation (FY 2009) . . . . .	\$1,665,304,000
General Fund—Federal Appropriation . . . . .	\$4,305,197,000
General Fund—Private/Local Appropriation . . . . .	\$2,000,000
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation . . . . .	\$15,076,000
Health Services Account—State Appropriation (FY 2008) . . . . .	\$350,259,000
Health Services Account—State Appropriation (FY 2009) . . . . .	\$385,215,000
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$646,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$8,312,963,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) Based on quarterly expenditure reports and caseload forecasts, if the department estimates that expenditures for the medical assistance program will exceed the appropriations, the department shall take steps including but not limited to reduction of rates or elimination of optional services to reduce expenditures so that total program costs do not exceed the annual appropriation authority.

(2) In determining financial eligibility for medicaid-funded services, the department is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.

(3) Sufficient amounts are appropriated in this section for the department to continue podiatry services for medicaid-eligible adults.

(4) Sufficient amounts are appropriated in this section for the department to provide an adult dental benefit that is at least equivalent to the benefit provided in the 2003-05 biennium.

(5) In accordance with RCW 74.46.625, \$6,000,000 of the general fund—federal appropriation is provided solely for supplemental payments to nursing homes operated by public hospital districts. The public hospital district shall be responsible for providing the required nonfederal match for the supplemental



payment, and the payments shall not exceed the maximum allowable under federal rules. It is the legislature's intent that the payments shall be supplemental to and shall not in any way offset or reduce the payments calculated and provided in accordance with part E of chapter 74.46 RCW. It is the legislature's further intent that costs otherwise allowable for rate-setting and settlement against payments under chapter 74.46 RCW shall not be disallowed solely because such costs have been paid by revenues retained by the nursing home from these supplemental payments.

(6) \$1,111,000 of the health services account appropriation for fiscal year 2008, \$1,110,000 of the health services account appropriation for fiscal year 2009, \$5,402,000 of the general fund—federal appropriation, \$1,590,000 of the general fund—state appropriation for fiscal year 2008, and \$1,591,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for grants to rural hospitals. The department shall distribute the funds under a formula that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.

(7) \$10,546,000 of the health services account appropriation for fiscal year 2008, \$10,546,000 of the health services account—state appropriation for fiscal year 2009, and \$19,725,000 of the general fund—federal appropriation are provided solely for grants to nonrural hospitals. The department shall distribute the funds under a formula that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.

(8) The department shall continue the inpatient hospital certified public expenditures program for the 2007-2009 biennium. The program shall apply to all public hospitals, including those owned or operated by the state, except those classified as critical access hospitals or state psychiatric institutions. The department shall submit a report to the governor and legislature by November 1, 2007, that evaluates whether savings continue to exceed costs for this program. If the certified public expenditures program in its current form is no longer cost-effective to maintain, the department shall submit a report to the governor and legislature detailing cost-effective alternative uses of local, state, and federal resources as a replacement for this program. During fiscal year 2008 and fiscal year 2009, hospitals in the program shall be paid and shall retain (a) one hundred percent of the federal portion of the allowable hospital cost for each medicaid inpatient fee-for-service claim payable by medical assistance; and (b) one hundred percent of the federal portion of the maximum disproportionate share hospital payment allowable under federal regulations. Inpatient medicaid payments shall be established using an allowable methodology that approximates the cost of claims submitted by the hospitals. Payments made to each hospital in the program in each fiscal year of the biennium shall be compared to a baseline amount that is the total of (a) the total payment for claims for services rendered during the fiscal year calculated according to the methodology employed by the legislature in the omnibus appropriations act for implementation in fiscal year 2008 and (b) disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005

that pertain to fiscal year 2005. If payments during the fiscal year exceed the hospital's baseline amount, no additional payments will be made to the hospital except the federal portion of allowable disproportionate share hospital payments for which the hospital can certify allowable match. If payments during the fiscal year are less than the baseline amount, the hospital will be paid a state grant equal to the difference between payments during the fiscal year and the applicable baseline amount. Payment of the state grant shall be made in the applicable fiscal year and is subject to an interim cost settlement within eleven months after the end of the fiscal year. A final cost settlement shall be performed within two years after the end of the related fiscal year. To the extent that a final cost settlement determines that a hospital has received funds in excess of what it would have received under the methodology in place in fiscal year 2008 as described in this subsection, the hospital must repay these amounts to the state when requested. \$74,066,000 of the general fund—state appropriation for fiscal year 2008, of which \$6,570,000 is appropriated in section 204(1) of this act and the balance in this section, and \$59,776,000 of the general fund—state appropriation for fiscal year 2009, of which \$6,570,000 is appropriated in section 204(1) of this act and the balance in this section, are provided solely for state grants for the participating hospitals.

(9) \$7,314,000 of the general fund—state appropriation for fiscal year 2008, \$7,800,000 of the general fund—state appropriation for fiscal year 2009, and \$48,995,000 of the general fund—federal appropriation are provided solely for development and implementation of a replacement system for the existing medicaid management information system. The amounts are conditioned on the department satisfying the requirements of section 902 of this act.

(10) When a person is ineligible for medicaid solely by reason of residence in an institution for mental diseases, the department shall provide the person with the same benefits as he or she would receive if eligible for medicaid, using state-only funds to the extent necessary.

(11) The department is authorized to use funds appropriated in this section to purchase goods and supplies through direct contracting with vendors when the department determines it is cost-effective to do so.

(12) The legislature affirms that it is in the state's interest for Harborview medical center to remain an economically viable component of the state's health care system.

(13) The department shall, within available resources, continue operation of the medical care services care management pilot project for clients receiving general assistance benefits in King and Pierce counties. The project may use a full or partial capitation model that includes a mechanism for shared savings.

(14) \$1,688,000 of the general fund—state appropriation for fiscal year 2008 and \$1,689,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to incorporate a mental health service component to the pilot project established pursuant to subsection (13) of this section. Addition of the mental health service component authorized in this subsection is contingent upon the managed care contractor or the participating counties providing, alone or in combination, matching funds in cash or in kind, in an amount equal to one-ninth of the amounts appropriated in this subsection. The mental health service component may include care coordination, mental health services, and integrated medical and mental health service delivery for general assistance clients with

mental health disorders, as well as primary care provider training and education. The department shall provide a report to the appropriate committees of the legislature by January 1, 2009, on costs, savings, and any outcomes or quality measures associated with the pilot projects during calendar year 2007 and 2008. To the extent possible, the report shall address any impact that the mental health services component has had upon clients' use of medical services, including but not limited to primary care physician's visits, emergency room utilization, and prescription drug utilization.

(15) \$341,000 of the health services account appropriation for fiscal year 2008, \$1,054,000 of the health services account appropriation for fiscal year 2009, and \$1,461,000 of the general fund—federal appropriation are provided solely to implement Second Substitute House Bill No. 1201 (foster care youth medical). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(16) \$6,529,000 of the general fund—state appropriation for fiscal year 2008 and \$6,651,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to provide full benefit dual eligible beneficiaries with medicare part D prescription drug copayment coverage in accordance with chapter 3, Laws of 2007 (part D copayment drug program).

(17) The department shall conduct a study to determine the financial impact associated with continuing to cover brand name medications versus the same medication in its generic form. The study shall account for all rebates paid to the state on each product studied up until the point where the generic form is less expensive, net of federally required rebates. The department shall submit its report to the legislative fiscal committees by December 1, 2007.

(18) \$198,000 of the general fund—state appropriation for fiscal year 2008 and \$268,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the first two years of a four-year project by the Seattle-King county health department to improve management of symptoms and reduce complications related to asthma among medicaid eligible children. The department shall contract with the Seattle-King county health department to have trained community health workers visit medicaid eligible children in their homes to identify and reduce exposure to asthma triggers, improve clients' self-management skills, and coordinate clients' care with their primary care and specialty providers. The contract shall include an evaluation of the impact of the services provided under the contract on urgent physician's visits, emergency room utilization, and inpatient hospitalization.

(19) \$2,450,000 of the general fund—state appropriation for fiscal year 2008 and \$1,950,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for development and implementation of an outreach program as provided in chapter 5, Laws of 2007 (Second Substitute Senate Bill No. 5093, health services for children). By December 15, 2007, the department shall provide a report to the appropriate committees of the legislature on the progress of implementing the following activities:

(a) Feasibility study and implementation plan to develop online application capability that is integrated with the department's automated client eligibility system;

(b) Development of data linkages with the office of superintendent of public instruction for free and reduced-price lunch enrollment information and the

department of early learning for child care subsidy program enrollment information;

(c) Informing insurers and providers when their enrollees' eligibility is going to expire so insurers and providers can help families reenroll;

(d) Outreach contracts with local governmental entities, community based organizations, and tribes;

(e) Results of data sharing with outreach contractors, and other contracted entities such as local governments, community-based organizations, tribes, health care providers, and insurers to engage, enroll, and reenroll identified children;

(f) Results of efforts to maximize federal matching funds, wherever possible; and

(g) Plans for sustaining outreach programs proven to be successful.

(20) \$640,000 of the general fund—state appropriation for fiscal year 2008 and \$616,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to:

(a) Pay the premiums associated with enrollment in a medicare advantage plan for those full benefit dual eligible beneficiaries, as defined in RCW 74.09.010, who were enrolled on or before November 14, 2006 in a medicare advantage plan sponsored by an entity accredited by the national committee for quality assurance and for whom the department had been paying Part C premium as of November 2006; and

(b) Undertake, directly or by contract, a study to determine the cost-effectiveness of paying premiums for enrollment of full benefit dual eligible beneficiaries in medicare advantage plans in lieu of paying full benefit dual eligible beneficiaries' medicare cost-sharing. The study shall compare the cost and health outcomes experience, including rates of nursing home placement and costs for groups of full benefit dual eligible beneficiaries who are enrolled in medicare advantage plans, in medicare special needs plan or in medicare fee-for-service. The study shall compare the health status and utilization of health and long-term care services for the three groups, and the impact of access to a medical home and specialty care, over a period of two years to determine any differences in health status, health outcomes, and state expenditures that result. The department shall submit the results of the study to the governor and the legislature by June 30, 2009. The department is authorized to accept private cash and in-kind donations and grants to support the study and evaluation.

(c) Track enrollment and expenditures for this population on department monthly management reports.

(21) \$756,000 of the general fund—state appropriation for fiscal year 2008, \$1,193,000 of the general fund—state appropriation for fiscal year 2009, \$1,261,000 of the health services account—state appropriation for fiscal year 2009, and \$2,448,000 of the general fund—federal appropriation are provided solely to implement sections 5, 7, 8, and 11 of Second Substitute House Bill No. 1088 (children's mental health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(22) \$288,000 of the general fund—state appropriation for fiscal year 2008, \$277,000 of the general fund—state appropriation for fiscal year 2009, and \$566,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5930 (blue

ribbon comm/health care). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(23) \$150,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the department of social and health services, in consultation with the health care authority and the employment security department, to prepare and submit a report and recommendations to the governor and the legislature related to coverage of low-wage workers enrolled on state plans who are employed by employers with more than fifty employees. The report shall address multiple approaches, including but not limited to the proposal included in House Bill No. 2094 (taxpayer health care fairness act). The discussion of each approach included in the report should identify how the approach would further the goal of shared responsibility for coverage of low-wage workers, obstacles to implementation and options to address them, and estimated implementation costs. The report shall be submitted on or before November 15, 2007. The agencies shall establish a workgroup, which shall be closely involved and consulted in the development of the report and recommendations under this subsection. The workgroup shall include the following participants: Persons or organizations representing large employers in the retail, agricultural and grocery trades, other large employers, organizations representing employees of large employers, organizations representing low-wage employees of large employers, state and local governmental entities as employers, and organizations representing employees of state and local governmental entities. In addition, the workgroup shall include three members from each of the two largest caucuses of the house of representatives, appointed by the speaker, and three members from each of the two largest caucuses of the senate, appointed by the president of the senate.

**NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—VOCATIONAL REHABILITATION PROGRAM**

General Fund—State Appropriation (FY 2008) . . . . .	\$12,986,000
General Fund—State Appropriation (FY 2009) . . . . .	\$14,336,000
General Fund—Federal Appropriation . . . . .	\$90,886,000
Telecommunications Devices for the Hearing and Speech Impaired—State Appropriation . . . . .	\$1,793,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$116,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$120,117,000</b>

**NEW SECTION. Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—SPECIAL COMMITMENT PROGRAM**

General Fund—State Appropriation (FY 2008) . . . . .	\$51,103,000
General Fund—State Appropriation (FY 2009) . . . . .	\$54,219,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$105,322,000</b>

**NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

General Fund—State Appropriation (FY 2008) . . . . .	\$35,438,000
General Fund—State Appropriation (FY 2009) . . . . .	\$36,504,000
General Fund—Federal Appropriation . . . . .	\$64,730,000

General Fund—Private/Local Appropriation . . . . .	\$810,000
Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$1,226,000
Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$1,226,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$1,408,000
Violence Reduction and Drug Enforcement Account— State Appropriation (FY 2008) . . . . .	\$913,000
Violence Reduction and Drug Enforcement Account— State Appropriation (FY 2009) . . . . .	\$926,000
TOTAL APPROPRIATION . . . . .	\$143,181,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the expansion of the Washington state mentors program, which provides technical assistance and training to mentoring programs that serve at-risk youth.

(2) \$1,750,000 of the general fund—state appropriation for fiscal year 2008 and \$1,750,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the Washington council for prevention of child abuse and neglect to expand its home visitation program.

(3) \$150,000 of the general fund—state appropriation for fiscal year 2008 and \$150,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the family policy council for distribution as grants to community networks in counties with county juvenile courts participating in decategorization of funding through the juvenile rehabilitation administration. The council shall provide grants of up to \$50,000 per fiscal year to the Pierce County-Tacoma urban community network and additional community networks supporting counties or groups of counties in evaluating programs funded through a block grant by the juvenile rehabilitation administration. Funds not used for grants to community networks supporting counties or groups of counties participating in the decategorization block grants shall lapse.

(4) \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for funding of the teamchild project through the governor's juvenile justice advisory committee.

(5) \$85,000 of the general fund—state appropriation for fiscal year 2008 and \$85,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the continuation of the postpartum depression campaign, including the design and production of brochures in various languages, a radio public service announcement, and other outreach and training efforts.

(6) \$200,000 of the general fund—state appropriation for fiscal year 2008 and \$200,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to expand and enhance the juvenile detention alternatives initiative. This funding is intended to add three new program sites, support the

addition of a data analyst, and to provide resources for the state to participate in annual national conferences.

(7) \$144,000 of the general fund—state appropriation for fiscal year 2008, \$111,000 of the general fund—state appropriation for fiscal year 2009, and \$136,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1422 (incarcerated parents). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

**NEW SECTION. Sec. 213. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—PAYMENTS TO OTHER AGENCIES PROGRAM**

General Fund—State Appropriation (FY 2008) . . . . .	\$59,460,000
General Fund—State Appropriation (FY 2009) . . . . .	\$59,497,000
General Fund—Federal Appropriation . . . . .	\$57,255,000
TOTAL APPROPRIATION . . . . .	\$176,212,000

**\*NEW SECTION. Sec. 214. FOR THE STATE HEALTH CARE AUTHORITY**

General Fund—State Appropriation (FY 2008) . . . . .	\$500,000
General Fund—State Appropriation (FY 2009) . . . . .	\$500,000
General Fund—Federal Appropriation . . . . .	\$4,885,000
State Health Care Authority Administrative Account—	
State Appropriation . . . . .	\$56,074,000
Medical Aid Account—State Appropriation . . . . .	\$529,000
Health Services Account—State Appropriation (FY 2008) . . . . .	\$274,666,000
Health Services Account—State Appropriation (FY 2009) . . . . .	\$300,580,000
TOTAL APPROPRIATION . . . . .	\$637,734,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Within amounts appropriated in this section and sections 205 and 206 of this act, the health care authority shall continue to provide an enhanced basic health plan subsidy for foster parents licensed under chapter 74.15 RCW and workers in state-funded home care programs. Under this enhanced subsidy option, foster parents eligible to participate in the basic health plan as subsidized enrollees and home care workers with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at the minimum premium amount charged to enrollees with incomes below sixty-five percent of the federal poverty level.

(2) The health care authority shall require organizations and individuals that are paid to deliver basic health plan services and that choose to sponsor enrollment in the subsidized basic health plan to pay 133 percent of the premium amount which would otherwise be due from the sponsored enrollees.

(3) The administrator shall take at least the following actions to assure that persons participating in the basic health plan are eligible for the level of assistance they receive: (a) Require submission of (i) income tax returns, and recent pay history, from all applicants, or (ii) other verifiable evidence of earned and unearned income from those persons not required to file income tax returns; (b) check employment security payroll records at least once every twelve months on all enrollees; (c) require enrollees whose income as indicated by payroll

records exceeds that upon which their subsidy is based to document their current income as a condition of continued eligibility; (d) require enrollees for whom employment security payroll records cannot be obtained to document their current income at least once every six months; (e) not reduce gross family income for self-employed persons by noncash-flow expenses such as, but not limited to, depreciation, amortization, and home office deductions, as defined by the United States internal revenue service; and (f) pursue repayment and civil penalties from persons who have received excessive subsidies, as provided in RCW 70.47.060(9).

(4) \$1,984,000 of the health services account—state appropriation for fiscal year 2008 and \$6,315,000 of the health services account—state appropriation for fiscal year 2009 are provided solely for additional enrollment in the basic health plan. If available basic health plan slots are exceeded, the authority shall maintain a waiting list and provide for notification when slots become available.

(5) Appropriations in this act include specific funding for health records banking under section 10 of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission).

(6) \$11,934,000 of the health services account—state appropriation for fiscal year 2008 and \$11,834,000 of the health services account—state appropriation for fiscal year 2009 are provided solely for funding for health care services provided through local community clinics.

(7) \$784,000 of the health services account—state appropriation for fiscal year 2008, \$1,676,000 of the health service account—state appropriation for fiscal year 2009, \$540,000 of the general fund—federal appropriation, and \$22,480,000 of the state health care authority administrative account—state appropriation are provided for the development of a new benefits administration and insurance accounting system.

(8) \$2,137,000 of the health services account—state appropriation for fiscal year 2008 and \$1,000,000 of the health services account—state appropriation for fiscal year 2009 are provided solely for section 5 of Engrossed Second Substitute House Bill No. 1569 (health insurance partnership board) and related provisions of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care).

(9) \$664,000 of the health services account—state appropriation for fiscal year 2008 and \$664,000 of the health services account—state appropriation for fiscal year 2009 are provided solely for the implementation of the Washington quality forum, pursuant to section 9 of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission). If the section is not enacted by June 2007, the amounts provided in this subsection shall lapse.

(10) \$600,000 of the state health care authority administrative account—state appropriation is provided solely for the implementation of the state employee health pilot, pursuant to section 41 of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission). If the section is not enacted by June 2007, the amounts provided in this subsection shall lapse.

(11) \$250,000 of the health services account—state appropriation for fiscal year 2008 and \$250,000 of the health services account—state appropriation for fiscal year 2009 are provided solely for continuation of the community health collaborative grant program in accordance with chapter 67, Laws of 2006 (E2SSB 6459). The applicant organizations must assure measurable



improvements in health access within their service region, demonstrate active collaboration with key community partners, and provide two dollars in matching funds for each grant dollar awarded.

(12) \$731,000 of the health services account—state appropriation for fiscal year 2008 and \$977,000 of the health services account—state appropriation for fiscal year 2009 are provided solely for the dental residency program, including maintenance of the existing residency positions and the establishment of six additional resident positions in fiscal year 2008 (four in eastern Washington and two in the Seattle area), and five additional positions in fiscal year 2009.

*(13) \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the establishment of a family practice residency in southeastern Washington. The program will provide residency experience in rural communities and support at least five family practice medicine residents per year.*

(14) Appropriations in this act include funding for sections 14 (reducing unnecessary emergency room use) and 40 (state employee health program) of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission).

\*Sec. 214 was partially vetoed. See message at end of chapter.

**NEW SECTION. Sec. 215. FOR THE HUMAN RIGHTS COMMISSION**

General Fund—State Appropriation (FY 2008) . . . . .	\$3,444,000
General Fund—State Appropriation (FY 2009) . . . . .	\$3,350,000
General Fund—Federal Appropriation . . . . .	\$1,345,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$8,139,000</b>

**NEW SECTION. Sec. 216. FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

Worker and Community Right-to-Know Account—State Appropriation . . . . .	\$20,000
Accident Account—State Appropriation . . . . .	\$18,123,000
Medical Aid Account—State Appropriation . . . . .	\$18,124,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$36,267,000</b>

**NEW SECTION. Sec. 217. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$15,537,000
Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$14,340,000
Death Investigations Account—State Appropriation . . . . .	\$148,000
Municipal Criminal Justice Assistance Account— State Appropriation . . . . .	\$460,000
Washington Auto Theft Prevention Authority Account— State Appropriation . . . . .	\$12,322,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$42,807,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) During the 2007-2009 biennium, the criminal justice training commission is authorized to raise existing fees charged for firearms certification

for security guards in excess of the fiscal growth factor established pursuant to RCW 43.135.055, if necessary, to meet the actual costs of conducting the certification programs and the appropriation levels in this section.

(2) \$2,390,000 of the public safety and education account—state appropriation for fiscal year 2008 and \$956,000 of the public safety and education account—state appropriation for fiscal year 2009 are provided solely for ten additional basic law enforcement academies in fiscal year 2008 and four additional basic law enforcement academies in fiscal year 2009. Continued funding for these additional academies is contingent upon the result of an office of financial management forecast for future student demand for basic law enforcement academies at the criminal justice training centers in Burien and Spokane.

(3) \$1,044,000 of the public safety and education account—state appropriation for fiscal year 2008 and \$1,191,000 of the public safety and education account—state appropriation for fiscal year 2009 are provided solely for the Washington association of sheriffs and police chiefs to continue to develop, maintain, and operate the jail booking and reporting system (JBRS) and the statewide automated victim information and notification system (SAVIN).

(4) \$28,000 of the public safety and education account—state appropriation for fiscal year 2008 is provided solely for the implementation of chapter 10, Laws of 2007 (SSB 5191, missing persons).

(5) \$5,400,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2008 and \$6,922,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Third Substitute House Bill No. 1001 (auto theft). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(6) \$150,000 of the public safety and education account—state appropriation for fiscal year 2008 and \$150,000 of the public safety and education account—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1333 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(7) \$25,000 of the public safety and education account—state appropriation for fiscal year 2008 is provided solely for the implementation of Substitute Senate Bill No. 5987 (gang-related offenses). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) \$50,000 of the public safety and education account—state appropriation for fiscal year 2008 and \$50,000 of the public safety and education account—state appropriation for fiscal year 2009 are provided solely for support of the coalition of small police agencies major crimes task force. The purpose of this task force is to pool its resources and to establish an efficient and cooperative approach in addressing major violent crimes.

(9) \$20,000 of the public safety and education account—state appropriation for fiscal year 2008 is provided solely for the implementation of Substitute Senate Bill No. 5315 (forest fires/property access). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

General Fund—State Appropriation (FY 2008) . . . . .	\$8,711,000
General Fund—State Appropriation (FY 2009) . . . . .	\$8,879,000
General Fund—Federal Appropriation . . . . .	\$100,000
Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$15,386,000
Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$16,607,000
Public Safety and Education Account—Federal Appropriation . . . . .	\$10,000,000
Asbestos Account—State Appropriation . . . . .	\$923,000
Electrical License Account—State Appropriation . . . . .	\$40,718,000
Farm Labor Revolving Account—Private/Local Appropriation . . . . .	\$28,000
Worker and Community Right-to-Know Account—State Appropriation . . . . .	\$1,961,000
Public Works Administration Account—State Appropriation . . . . .	\$3,996,000
Manufactured Home Installation Training Account— State Appropriation . . . . .	\$192,000
Accident Account—State Appropriation . . . . .	\$228,998,000
Accident Account—Federal Appropriation . . . . .	\$13,622,000
Medical Aid Account—State Appropriation . . . . .	\$239,248,000
Medical Aid Account—Federal Appropriation . . . . .	\$3,186,000
Plumbing Certificate Account—State Appropriation . . . . .	\$1,653,000
Pressure Systems Safety Account—State Appropriation . . . . .	\$3,667,000
TOTAL APPROPRIATION . . . . .	\$597,875,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$2,413,000 of the medical aid account—state appropriation is provided solely for conducting utilization reviews of physical and occupational therapy cases at the 24th visit and the associated administrative costs, including those of entering data into the claimant's file. The department shall develop and report performance measures and targets for these reviews to the office of financial management. The reports are due September 30th for the prior fiscal year and must include the amount spent and the estimated savings per fiscal year.
- (2) \$2,247,000 of the medical aid account—state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5920 (vocational rehabilitation). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.
- (3) \$822,000 of the medical aid account—state appropriation is provided solely for vocational services professional staff salary adjustments necessary to recruit and retain positions required for anticipated changes in work duties as a result of Engrossed Substitute Senate Bill No. 5920 (vocational rehabilitation). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse. Compensation for anticipated changes to work duties is subject to review and approval by the director of the department of personnel and is subject to collective bargaining.

(4) \$8,000,000 of the medical aid account—state appropriation is provided solely to establish a program of safety and health as authorized by RCW 49.17.210 to be administered under rules adopted pursuant to chapter 34.05 RCW, provided that projects funded involve workplaces insured by the medical aid fund, and that priority is given to projects fostering accident prevention through cooperation between employers and employees or their representatives.

(5) \$600,000 of the medical aid account—state appropriation is provided solely for the department to contract with one or more independent experts to evaluate and recommend improvements to the rating plan under chapter 51.18 RCW, including analyzing how risks are pooled, the effect of including worker premium contributions in adjustment calculations, incentives for accident and illness prevention, return-to-work practices, and other sound risk-management strategies that are consistent with recognized insurance principles.

(6) \$181,000 of the accident account—state appropriation and \$181,000 of the medical aid account—state appropriation are provided solely to implement Substitute Senate Bill No. 5443 (workers' compensation claims). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(7) \$558,000 of the medical aid account—state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5290 (workers' compensation advisory committees). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) \$104,000 of the public safety and education account—state appropriation for fiscal year 2008, \$104,000 of the public safety and education account—state appropriation for fiscal year 2009, \$361,000 of the accident account—state appropriation, and \$361,000 of the medical aid account—state appropriation are provided solely for implementation of Engrossed Substitute Senate Bill No. 5675 (workers' compensation benefits). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(9) \$730,000 of the medical aid account—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(10) \$437,000 of the accident account—state appropriation and \$437,000 of the medical aid account—state appropriation are provided solely for implementation of Substitute Senate Bill No. 5053 (industrial insurance ombudsman). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) \$74,000 of the accident account—state appropriation and \$74,000 of the medical aid—state appropriation are provided solely for implementation of Engrossed Substitute Senate Bill No. 5915 (notices to employers). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) \$605,000 of the accident account—state appropriation for fiscal year 2008 is provided solely for a study of the incidence of permanent total disability pensions in the state's workers' compensation system. To conduct the study, the department shall contract with an independent researcher that has demonstrated expertise in workers' compensation systems. When selecting the independent researcher, the department shall consult the labor and business members of the

workers' compensation advisory committee and, if the labor and business members of the workers' compensation advisory committee agree on a particular independent researcher, the department shall select that independent researcher. The study must consider causes of the recent increase in permanent total disability cases, future anticipated permanent total disability trends, a comparison of Washington's permanent total disability claims experience and injured workers with other states and jurisdictions, the impact of the standard for finding workers employable on the incidence of permanent total disability pensions, and the impact of vocational rehabilitation under RCW 51.32.095 on the incidence of permanent total disability pensions. The department shall report to the workers' compensation advisory committee, the house of representatives commerce and labor committee, and the senate labor, commerce, research and development committee on the results of the study on or before July 1, 2008.

(13) \$1,089,000 of the accident account—state appropriation and \$192,000 of the medical aid account—state appropriation are provided solely for implementation of chapter 27, Laws of 2007 (ESHB 2171, crane safety).

(14) \$100,000 of the general fund—federal appropriation and \$192,000 of the manufactured home installation training account—state appropriation are provided solely for Substitute House Bill No. 2118 (mobile/manufactured homes). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

**NEW SECTION. Sec. 219. FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

General Fund—State Appropriation (FY 2008) . . . . .	\$1,876,000
General Fund—State Appropriation (FY 2009) . . . . .	\$1,907,000
TOTAL APPROPRIATION . . . . .	\$3,783,000

The appropriations in this subsection are subject to the following conditions and limitations: \$224,000 of the general fund—state appropriation for fiscal year 2008 and \$210,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of House Bill No. 1220 (sentence review board). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

**NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

**(1) HEADQUARTERS**

General Fund—State Appropriation (FY 2008) . . . . .	\$2,124,000
General Fund—State Appropriation (FY 2009) . . . . .	\$2,183,000
Charitable, Educational, Penal, and Reformatory Institutions Account—State Appropriation . . . . .	\$10,000
Veterans Innovations Program Account Appropriation . . . . .	\$1,437,000
TOTAL APPROPRIATION . . . . .	\$5,754,000

**(2) FIELD SERVICES**

General Fund—State Appropriation (FY 2008) . . . . .	\$5,126,000
General Fund—State Appropriation (FY 2009) . . . . .	\$5,249,000
General Fund—Federal Appropriation . . . . .	\$972,000
General Fund—Private/Local Appropriation . . . . .	\$2,987,000

Veteran Estate Management Account—Private/Local	
Appropriation . . . . .	\$1,062,000
TOTAL APPROPRIATION . . . . .	\$15,396,000

The appropriations in this subsection are subject to the following conditions and limitations: \$440,000 of the general fund—state appropriation for fiscal year 2008 and \$560,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Second Substitute Senate Bill No. 5164 (veterans' conservation corps). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(3) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2008) . . . . .	\$8,340,000
General Fund—State Appropriation (FY 2009) . . . . .	\$8,894,000
General Fund—Federal Appropriation . . . . .	\$41,333,000
General Fund—Private/Local Appropriation . . . . .	\$30,197,000
TOTAL APPROPRIATION . . . . .	\$88,764,000

**NEW SECTION. Sec. 221. FOR THE HOME CARE QUALITY AUTHORITY**

General Fund—State Appropriation (FY 2008) . . . . .	\$1,721,000
General Fund—State Appropriation (FY 2009) . . . . .	\$1,740,000
TOTAL APPROPRIATION . . . . .	\$3,461,000

**\*NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF HEALTH**

General Fund—State Appropriation (FY 2008) . . . . .	\$81,288,000
General Fund—State Appropriation (FY 2009) . . . . .	\$78,032,000
General Fund—Federal Appropriation . . . . .	\$480,735,000
General Fund—Private/Local Appropriation . . . . .	\$111,257,000
Hospital Commission Account—State Appropriation . . . . .	\$1,247,000
Health Professions Account—State Appropriation . . . . .	\$62,419,000
Aquatic Lands Enhancement Account—State	
Appropriation . . . . .	\$600,000
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation . . . . .	\$12,610,000
Safe Drinking Water Account—State Appropriation . . . . .	\$3,064,000
Drinking Water Assistance Account—Federal	
Appropriation . . . . .	\$16,991,000
Waterworks Operator Certification—State	
Appropriation . . . . .	\$1,518,000
Drinking Water Assistance Administrative Account—	
State Appropriation . . . . .	\$326,000
Water Quality Account—State Appropriation (FY 2008) . . . . .	\$1,975,000
Water Quality Account—State Appropriation (FY 2009) . . . . .	\$2,013,000
State Toxics Control Account—State Appropriation . . . . .	\$3,415,000
Medical Test Site Licensure Account—State	
Appropriation . . . . .	\$2,068,000
Youth Tobacco Prevention Account—State Appropriation . . . . .	\$1,512,000
Public Health Supplemental Account—Private/Local	
Appropriation . . . . .	\$2,482,000
Accident Account—State Appropriation . . . . .	\$294,000

Medical Aid Account—State Appropriation . . . . .	\$48,000
Health Services Account—State Appropriation (FY 2008) . . . . .	\$42,122,000
Health Services Account—State Appropriation (FY 2009) . . . . .	\$46,663,000
Tobacco Prevention and Control Account—State Appropriation . . . . .	\$52,870,000
<b><i>Oyster Reserve Land Account—State Appropriation . . . . .</i></b>	<b><i>\$224,000</i></b>
TOTAL APPROPRIATION . . . . .	\$1,005,773,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The department is authorized to raise existing fees charged for its fee-supported programs in excess of the fiscal growth factor pursuant to RCW 43.135.055, if necessary, to meet the actual costs of conducting business and the appropriation levels in this section.

(2) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation that provides appropriation authority, and an equal amount of appropriated state moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3) \$877,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1099 (dental professions). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(4) \$198,000 of the general fund—state appropriation for fiscal year 2008 and \$24,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 2304 (cardiac care services). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(5) \$138,000 of the general fund—state appropriation for fiscal year 2008 and \$220,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for an evaluation of chronic care provider training.

(6) \$51,000 of the general fund—state appropriation for fiscal year 2008 and \$24,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5297 (sex education). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(7) \$103,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the implementation of Substitute House Bill No. 1837

(nonambulatory persons). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) \$201,000 of the general fund—private/local appropriation is provided solely for the implementation of Substitute House Bill No. 2087 (health care facilities). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(9) \$293,000 of the general fund—state appropriation for fiscal year 2008 and \$287,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for public service announcements regarding childhood lead poisoning, information pamphlets, rule development, and for early identification of persons at risk of having elevated blood-lead levels, which includes systematically screening children under six years of age and other target populations identified by the department.

(10) \$101,000 of the general fund—state appropriation for fiscal year 2008, \$81,000 of the general fund—state appropriation for fiscal year 2009, and \$6,000 of the general fund—private/local appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1414 (ambulatory surgical facilities). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) \$55,000 of the health professions account appropriation is provided solely for the implementation of Substitute House Bill No. 1397 (massage therapy). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(12) \$58,000 of the general fund—private/local appropriation is provided solely for the implementation of Senate Bill No. 5398 (specialty hospitals). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(13) \$34,000 of the general fund—state appropriation for fiscal year 2008, \$44,000 of the general fund—state appropriation for fiscal year 2009, and \$224,000 of the oyster reserve land account—state appropriation are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(14) \$571,000 of the general fund—state appropriation for fiscal year 2008 and \$458,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute House Bill No. 1106 (hospital acquired infections). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(15) \$4,000,000 of the general fund—state appropriation for fiscal year 2008 and \$1,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for department of health-funded family planning clinics to increase the capacity of the clinics to provide family planning and reproductive health services to low-income men and women who are not otherwise eligible for services through the department of social and health services medical assistance program and for clinical or other health services associated with sexually transmitted disease testing through the infertility prevention project. Of these amounts, the department is authorized to expend up to \$1,000,000 of its general fund—state appropriation for fiscal year 2009 for



services provided in fiscal year 2008, if necessary, to offset reductions in federal funding.

(16) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 is for one-time funding to purchase and store antiviral medications to be used in accordance with the state pandemic influenza response plan. These drugs are to be purchased through the United States department of health and human services to take advantage of federal subsidies.

(17) \$147,000 of the general fund—state appropriation for fiscal year 2008 and \$32,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department of health to provide relevant information on measures taken to facilitate expanded use of reclaimed water pursuant to Engrossed Second Substitute Senate Bill No. 6117 (reclaimed water). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(18) \$550,000 of the general fund—state appropriation for fiscal year 2008 and \$550,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the lifelong AIDS alliance to restore lost federal funding.

(19) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for medical nutritional therapy for people with HIV/AIDS and other low-income residents in King county with chronic illnesses.

(20) \$645,000 of the general fund—state appropriation for fiscal year 2008 and \$645,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the neurodevelopmental center system, which provides therapy and medical services for young, low-income children with developmental disabilities.

(21) \$100,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to continue the autism task force established by chapter 259, Laws of 2005, through June 30, 2008. The task force shall:

(a) Review and continue to refine criteria for regional autism centers throughout Washington state based on community needs in each area, and address the role of autism centers within the larger context of developmental disabilities;

(b) Prioritize its December 2006 recommendations and develop an implementation plan for the highest priorities. The plan should detail how systems will coordinate to improve service and avoid duplication between state agencies including the department of social and health services, department of health, office of superintendent of public instruction, as well as school districts, autism centers, and local partners and providers. The plan shall also estimate the costs of the highest priority recommendations and report to the legislature and governor by December 1, 2007;

(c) Compile information for and draft the "Washington Service Guidelines for Individuals with Autism - Birth Through Lifespan" book described in the task force's recommendations. Funding to print and distribute the book is expected to come from federal or private sources; and

(d) Monitor the federal combating autism act and its funding availability and make recommendations on applying for grants to assist in implementation of the 2006 task force recommendations. The department of health shall be the lead agency in providing staff for the task force. The department may seek

additional staff assistance from the office of the superintendent of public instruction and the committee staff of the legislature. Nonlegislative members, except those representing an employer or organization, are entitled to be reimbursed for travel expenses.

(22) \$200,000 of the general fund—state appropriation for fiscal year 2008 and \$200,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of the Washington state hepatitis C strategic plan.

(23) \$142,000 of the health professions account appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5403 (animal massage practitioners). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(24) \$174,000 of the health professions account appropriation is provided solely for the implementation of Substitute Senate Bill No. 5503 (athletic trainers). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(25) \$75,000 of the health professions account appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5292 (physical therapist assistants). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(26) \$94,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to implement Engrossed Second Substitute Senate Bill No. 6032 (medical use of marijuana). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(27) \$386,000 of the general fund—state appropriation for fiscal year 2008 and \$384,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5894 (large on-site sewage systems). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(28) \$1,721,000 of the health professions account appropriation is provided solely for the implementation of sections 11 and 12 (medical information) of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). If the sections are not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(29) \$10,000,000 of the health services account—state appropriation for fiscal year 2008 and \$10,000,000 of the health services account—state appropriation for fiscal year 2009 are provided solely for distribution to local health jurisdictions and for the costs of administering the public health related sections of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care), subject to the following conditions and limitations:

(a) During the month of January 2008, and January 2009, the department of health shall distribute funds appropriated in this section to local health jurisdictions, less an amount not to exceed five percent for the costs of administering the public health related sections of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). The amount of funding for distribution to a jurisdiction before the administrative deduction shall be the greater of: (i) One hundred thousand dollars; or (ii) (A) a base level of funding of seventy-five thousand dollars plus the per capita amount, for a jurisdiction with a population of four hundred thousand persons or fewer; or (B)

a base level of funding of twenty-five thousand dollars plus the per capita amount, for a jurisdiction with a population greater than four hundred thousand persons. Amounts distributed under this subsection must be used to fund core public health functions of statewide significance as defined in Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care).

(b) For the purposes of this subsection:

(i) "Per capita amount" means an amount equal to seven million five hundred thousand dollars multiplied by the proportion of the population of the jurisdiction in the previous calendar year to the population of the state in the previous calendar year.

(ii) "Population" means the number of persons as last determined by the office of financial management. If the jurisdiction comprises a single county, "population" means the number of persons in the county. For a jurisdiction comprising two or more counties, "population" means the number of persons in all counties comprising the jurisdiction.

(iii) "Local health jurisdiction" or "jurisdiction" means a county board of health organized under chapter 70.05 RCW, a health district organized under chapter 70.46 RCW, or a combined city and county health department organized under chapter 70.08 RCW.

(c) The department may adopt rules necessary to administer this subsection.

(30) \$15,000 of the general fund—state appropriation for fiscal year 2008 and \$35,000 of the health professions account—state appropriation are provided solely for an evaluation of the economic benefits to the state's health care system of the midwifery licensure and regulatory program under chapter 18.50 RCW. In particular, the department shall contract with a consultant to conduct a review of existing research literature on whether these economic benefits exceed the state expenditures to subsidize the cost of the midwifery licensing and regulatory program under RCW 43.70.250. The evaluation shall include an assessment of the economic benefits to consumers who elect to have out-of-hospital births with midwives, including any reduced use of procedures that increase the costs of childbirth. The department shall submit the report to the appropriate policy and fiscal committees of the legislature by January 1, 2008. If Engrossed House Bill No. 1667 (health professions licensing fees) is enacted by June 30, 2007, the amounts provided in this subsection are provided solely for the purposes of that bill.

(31) \$147,000 of the health professions account—state appropriation is provided solely for the department of health to convene a work group to develop recommendations regarding the need to regulate those individuals currently registered with the department of health as counselors. The department of health shall submit recommendations of the work group to the legislature and governor by November 15, 2007. Based on the recommendations of the work group, the department of health shall draft credentialing guidelines for all registered counselors by January 1, 2008. Guidelines shall include education in risk assessment, ethics, professional standards, and deadlines for compliance.

\*Sec. 222 was partially vetoed. See message at end of chapter.

**NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF CORRECTIONS**

**(1) ADMINISTRATION AND SUPPORT SERVICES**

General Fund—State Appropriation (FY 2008) . . . . . \$57,968,000

General Fund—State Appropriation (FY 2009) . . . . .	\$52,911,000
Washington Auto Theft Prevention Authority Account— State Appropriation . . . . .	\$169,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2008) . . . . .	\$13,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2009) . . . . .	\$13,000
Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$1,467,000
Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$1,504,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$1,280,000
TOTAL APPROPRIATION . . . . .	\$115,325,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$9,389,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the completion of phase three of the department's offender-based tracking system replacement project. This amount is conditioned on the department satisfying the requirements of section 902 of this act.

(b) \$35,000 of the general fund—state appropriation for fiscal year 2008 and \$35,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the establishment and support of a statewide council on mentally ill offenders that includes as its members representatives of community-based mental health treatment programs, current or former judicial officers, and directors and commanders of city and county jails and state prison facilities. The council will begin to investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental disorders who have a history of offending or who are at-risk of offending, including their mental health, physiological, housing, employment, and job training needs.

(c) \$169,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2008 is provided solely for the implementation of Engrossed Third Substitute House Bill No. 1001 (auto theft). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(d) \$102,000 of the general fund—state appropriation for fiscal year 2008 and \$95,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1422 (incarcerated parents). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(e) Within funds appropriated in this section, the department shall seek contracts for chemical dependency vendors to provide chemical dependency treatment of offenders in corrections facilities, including corrections centers and community supervision facilities, which have demonstrated effectiveness in treatment of offenders and are able to provide data to show a successful treatment rate.

(f) \$314,000 of the general fund—state appropriation for fiscal year 2008 and \$294,000 of the general fund—state appropriation for fiscal year 2009 are

provided solely for four additional staff to collect and analyze data for programs funded through the offender reentry initiative and collect, analyze, and disseminate information required by the GMAP process, performance audits, data requests, and quality assessments and assurances.

(2) CORRECTIONAL OPERATIONS

General Fund—State Appropriation (FY 2008) . . . . .	\$617,042,000
General Fund—State Appropriation (FY 2009) . . . . .	\$664,710,000
General Fund—Federal Appropriation . . . . .	\$3,490,000
Washington Auto Theft Prevention Authority Account— State Appropriation . . . . .	\$1,338,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2008) . . . . .	\$1,492,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2009) . . . . .	\$1,492,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$11,800,000
TOTAL APPROPRIATION . . . . .	\$1,301,364,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department may expend funds generated by contractual agreements entered into for mitigation of severe overcrowding in local jails. Any funds generated in excess of actual costs shall be deposited in the state general fund. Expenditures shall not exceed revenue generated by such agreements and shall be treated as a recovery of costs.

(b) The department shall provide funding for the pet partnership program at the Washington corrections center for women at a level at least equal to that provided in the 1995-97 biennium.

(c) The department shall accomplish personnel reductions with the least possible impact on correctional custody staff, community custody staff, and correctional industries. For the purposes of this subsection, correctional custody staff means employees responsible for the direct supervision of offenders.

(d) During the 2007-09 biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account.

(e) The Harborview medical center shall provide inpatient and outpatient hospital services to offenders confined in department of corrections facilities at a rate no greater than the average rate that the department has negotiated with other community hospitals in Washington state.

(f) \$358,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2008 and \$980,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Third Substitute House Bill

No. 1001 (auto theft). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(g) \$22,000 of the general fund—state appropriation for fiscal year 2008 and \$22,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1097 (vulnerable adults). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(h) \$22,000 of the general fund—state appropriation for fiscal year 2008 and \$22,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1319 (correctional agency employee). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(i) \$87,000 of the general fund—state appropriation for fiscal year 2008 and \$87,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of House Bill No. 1592 (sentence review board). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(j) \$544,000 of the general fund—state appropriation for fiscal year 2008 and \$496,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for development of individual reentry plans to prepare offenders for release into the community as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism). Individual reentry plans shall be based on an assessment of the offender using a standardized and comprehensive tool. The individual reentry plan may be one document, or may be a series of individual plans that combine to meet the requirements. The individual reentry plan shall, at a minimum, include:

(i) A plan to maintain contact with the inmate's children and family, if appropriate. The plan should determine whether parenting classes, or other services, are appropriate;

(ii) A description of the offender's education, certifications, work experience, skills, and training; and

(iii) A plan for the offender during the period of incarceration through reentry into the community that addresses the needs of the offender including education, employment, substance abuse treatment, mental health treatment, and family reunification. The individual reentry plan shall be updated as appropriate during the period of incarceration, and prior to the inmate's release to address public safety concerns, consistency with the offender risk management level assigned by the department, housing, and connecting with a community justice center in the area in which the offender will be residing, if a community justice center is located in that area.

(iv) If the appropriation in this subsection is not sufficient for this program, the department shall prioritize the use of available funds.

(3) COMMUNITY SUPERVISION

General Fund—State Appropriation (FY 2008) . . . . .	\$129,063,000
General Fund—State Appropriation (FY 2009) . . . . .	\$140,462,000
Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$9,317,000

Public Safety and Education Account—State	
Appropriation (FY 2009) . . . . .	\$9,680,000
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$2,800,000
TOTAL APPROPRIATION . . . . .	\$291,322,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department shall accomplish personnel reductions with the least possible impact on correctional custody staff, community custody staff, and correctional industries. For the purposes of this subsection, correctional custody staff means employees responsible for the direct supervision of offenders.

(b) For the acquisition of properties and facilities, the department of corrections is authorized to enter into financial contracts, paid for from operating resources, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. This authority applies to the following: Lease-develop with the option to purchase or lease-purchase work release beds in facilities throughout the state for \$8,561,000.

(c) \$1,167,000 of the general fund—state appropriation for fiscal year 2008 and \$2,295,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the establishment and operation of community justice centers by the department as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism). At a minimum, a community justice center shall include:

(i) A violator program to allow the department to utilize a range of available sanctions for offenders who violate conditions of their supervision;

(ii) An employment opportunity program to assist an offender in finding employment;

(iii) On-site services or resources for connecting offenders with services such as mental health and substance abuse treatment, transportation, training, family reunification, and community services; and

(iv) The services of a transition coordinator to facilitate connections between the former offender and the community. The transition coordinator shall provide information to former offenders regarding services available to them in the community including, but not limited to housing assistance, employment assistance, education, vocational training, parent education, financial literacy, treatment for substance abuse, mental health, anger management, and shall assist offenders in their efforts to access needed services.

(v) If the appropriation in this subsection is not sufficient for this program, the department shall prioritize the use of available funds.

(4) CORRECTIONAL INDUSTRIES

General Fund—State Appropriation (FY 2008) . . . . .	\$987,000
General Fund—State Appropriation (FY 2009) . . . . .	\$2,347,000
TOTAL APPROPRIATION . . . . .	\$3,334,000

The appropriations in this subsection are subject to the following conditions and limitations: \$110,000 of the general fund—state appropriation for fiscal year 2008 and \$110,000 of the general fund—state appropriation for fiscal year

2009 are provided solely for transfer to the jail industries board. The board shall use the amounts provided only for administrative expenses, equipment purchases, and technical assistance associated with advising cities and counties in developing, promoting, and implementing consistent, safe, and efficient offender work programs.

(5) INTERAGENCY PAYMENTS

General Fund—State Appropriation (FY 2008) . . . . .	\$35,026,000
General Fund—State Appropriation (FY 2009) . . . . .	\$35,175,000
TOTAL APPROPRIATION . . . . .	\$70,201,000

The appropriations in this subsection are subject to the following conditions and limitations: \$35,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for expenditures related to the *Farrakhan v. Locke* litigation.

**NEW SECTION. Sec. 224. FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

General Fund—State Appropriation (FY 2008) . . . . .	\$2,566,000
General Fund—State Appropriation (FY 2009) . . . . .	\$2,636,000
General Fund—Federal Appropriation . . . . .	\$17,702,000
General Fund—Private/Local Appropriation . . . . .	\$20,000
TOTAL APPROPRIATION . . . . .	\$22,924,000

The appropriations in this subsection are subject to the following conditions and limitations: \$4,000 of the general fund—state appropriation for fiscal year 2008 and \$4,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for an adjustment to the agency lease rate for space occupied and parking in the Tacoma Rhodes center. The department of general administration shall increase lease rates to meet the cash gain/loss break-even point for the Tacoma Rhodes center effective July 1, 2007.

**NEW SECTION. Sec. 225. FOR THE SENTENCING GUIDELINES COMMISSION**

General Fund—State Appropriation (FY 2008) . . . . .	\$937,000
General Fund—State Appropriation (FY 2009) . . . . .	\$959,000
TOTAL APPROPRIATION . . . . .	\$1,896,000

**NEW SECTION. Sec. 226. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

General Fund—State Appropriation (FY 2008) . . . . .	\$60,000
General Fund—State Appropriation (FY 2009) . . . . .	\$60,000
General Fund—Federal Appropriation . . . . .	\$265,906,000
General Fund—Private/Local Appropriation . . . . .	\$33,877,000
Unemployment Compensation Administration Account—	
Federal Appropriation . . . . .	\$253,644,000
Administrative Contingency Account—State	
Appropriation . . . . .	\$31,273,000
Employment Service Administrative Account—State	
Appropriation . . . . .	\$32,055,000
TOTAL APPROPRIATION . . . . .	\$616,875,000



The appropriations in this subsection are subject to the following conditions and limitations:

(1) \$4,578,000 of the unemployment compensation administration account—federal appropriation is provided from funds made available to the state by section 903(d) of the social security act (Reed Act). These funds are authorized to provide direct services to unemployment insurance claimants and providing job search review.

(2) \$2,300,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized to continue implementation of chapter 4, Laws of 2003 2nd sp. sess. and for implementation costs relating to chapter 133, Laws of 2005 (unemployment insurance).

(3) \$12,348,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized to continue current unemployment insurance functions.

(4) \$372,000 of the administrative contingency account—state appropriation is provided solely to implement Substitute Senate Bill No. 5653 (self-employment). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) \$12,054,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed act). This amount is authorized to fund the unemployment insurance tax information system (TAXIS) technology initiative for the employment security department.

(6) \$430,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed act). This amount is authorized to replace high-risk servers used by the unemployment security department.

(7) \$503,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed act). This amount is authorized to provide a system to track computer upgrades and changes for the unemployment security department.

(8) \$183,000 of the unemployment compensation administration account—federal appropriation is provided from the amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized to conduct a feasibility study to integrate job search data systems.

**PART III  
NATURAL RESOURCES**

**NEW SECTION. Sec. 301. FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund—State Appropriation (FY 2008) . . . . .	\$524,000
General Fund—State Appropriation (FY 2009) . . . . .	\$548,000
General Fund—Federal Appropriation . . . . .	\$9,000
General Fund—Private/Local Appropriation . . . . .	\$1,056,000

TOTAL APPROPRIATION .....	\$2,137,000
<b>NEW SECTION. Sec. 302. FOR THE DEPARTMENT OF ECOLOGY</b>	
General Fund—State Appropriation (FY 2008) .....	\$50,030,000
General Fund—State Appropriation (FY 2009) .....	\$49,941,000
General Fund—Federal Appropriation .....	\$83,365,000
General Fund—Private/Local Appropriation .....	\$13,648,000
Special Grass Seed Burning Research	
Account—State Appropriation .....	\$14,000
Reclamation Account—State Appropriation .....	\$4,073,000
Flood Control Assistance Account—State Appropriation .....	\$3,961,000
State Emergency Water Projects Revolving	
Account—State Appropriation .....	\$390,000
Waste Reduction/Recycling/Litter	
Control—State Appropriation .....	\$19,701,000
State Drought Preparedness—State Appropriation .....	\$117,000
State and Local Improvements Revolving Account	
(Water Supply Facilities)—State Appropriation .....	\$425,000
Vessel Response Account—State Appropriation .....	\$1,438,000
Freshwater Aquatic Algae Control Account—State	
Appropriation .....	\$509,000
Site Closure Account—State Appropriation .....	\$702,000
Water Quality Account—State Appropriation	
(FY 2008) .....	\$16,490,000
Water Quality Account—State Appropriation	
(FY 2009) .....	\$15,894,000
Wood Stove Education and Enforcement Account—State	
Appropriation .....	\$373,000
Worker and Community Right-to-Know Account—State	
Appropriation .....	\$2,269,000
State Toxics Control Account—State Appropriation .....	\$98,184,000
State Toxics Control Account—Private/Local	
Appropriation .....	\$381,000
Local Toxics Control Account—State Appropriation .....	\$19,154,000
Water Quality Permit Account—State Appropriation .....	\$38,900,000
Underground Storage Tank Account—State Appropriation .....	\$3,777,000
Environmental Excellence Account—State Appropriation .....	\$504,000
Biosolids Permit Account—State Appropriation .....	\$1,410,000
Hazardous Waste Assistance Account—State	
Appropriation .....	\$5,902,000
Air Pollution Control Account—State Appropriation .....	\$6,328,000
Oil Spill Prevention Account—State Appropriation .....	\$12,614,000
Air Operating Permit Account—State Appropriation .....	\$3,266,000
Freshwater Aquatic Weeds Account—State Appropriation .....	\$1,697,000
Oil Spill Response Account—State Appropriation .....	\$7,078,000
Metals Mining Account—State Appropriation .....	\$14,000
Water Pollution Control Revolving Account—State	
Appropriation .....	\$469,000
Water Pollution Control Revolving Account—Federal	
Appropriation .....	\$2,297,000

TOTAL APPROPRIATION . . . . . \$465,315,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$170,000 of the oil spill prevention account—state appropriation is provided solely for a contract with the University of Washington's sea grant program to continue an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

(2) \$256,000 of the general fund—state appropriation for fiscal year 2008, \$209,000 of the general fund—state appropriation for fiscal year 2009, and \$200,000 of the general fund—private local appropriation are provided solely to implement activities associated with a regional haze program. Funds shall be collected and expended in accordance with the terms of the contract entered into with affected businesses and the department of ecology.

(3) \$2,000,000 of the local toxics control account—state appropriation is provided solely to local governments outside of Puget Sound for municipal storm water programs, including but not limited to, implementation of phase II municipal storm water permits, source control for toxics in association with cleanup of contaminated sediment sites, and source control programs for shellfish protection districts where storm water is a significant contributor.

(4) Fees approved by the department of ecology in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(5) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 and \$927,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to improve the performance of wetland mitigation. Of this amount, \$55,000 of the general fund—state appropriation for fiscal year 2008 and \$55,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to support a wetland in Whatcom county. The program will engage local, state, and federal agencies, private investors, property owners, and others in the creation of one or more wetland banks and other measures to protect habitat functions and values while accommodating urban growth in the region. Priority shall be given to state and local government partnerships for wetland characterization. The department shall issue a report of its findings and recommendations on how wetland mitigation success can be improved to the office of financial management and the appropriate policy committees of the legislature.

(6) \$260,000 of the state toxics control account—state appropriation is provided solely to support pesticide container recycling activities in Washington.

(7) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a pilot project to provide grants to two local government jurisdictions located in the Puget Sound area to improve compliance with existing environmental laws. Grant funds shall be used for providing information on existing requirements, providing technical assistance necessary to comply on a voluntary basis, and taking enforcement action.

(8) \$1,257,000 of the reclamation account—state appropriation is provided solely to implement Substitute Senate Bill No. 5881 (water power license fees). If the bill is not enacted by June 30, 2007, the amount provided in this section shall lapse.

(9) \$694,000 of the underground storage tank account—state appropriation is provided solely to implement Substitute Senate Bill No. 5475 (underground storage tanks). If the bill is not enacted by June 30, 2007, the amount provided in this section shall lapse.

(10) \$2,026,000 of the local toxics control account—state appropriation is provided solely for local governments located near hazardous waste clean-up sites, including Duwamish Waterway, Commencement Bay, and Bellingham Bay, to work with small businesses and citizens to safely manage hazardous and solid wastes to prevent the contamination.

(11) \$876,000 of the state toxics control account and \$876,000 of the local toxics control account are provided solely for public participation grants related to toxic cleanup sites within and around Puget Sound.

(12) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 and \$1,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement watershed plans. Of this amount, \$110,000 of the general fund—state appropriation for fiscal year 2008 and \$160,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to study the feasibility of a public utility district pipeline in the Bertrand watershed and \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$350,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to study water storage and augmentation in the Bertrand watershed and \$90,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for plan preparation and development in the Fishtrap watershed.

(13) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Second Substitute House Bill No. 2220 (shellfish). The department shall develop, by rule, guidelines for the appropriate siting and operation of geoduck aquaculture operations to be included in any master program under the shorelines management act. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(14) \$15,000 of the general fund—state appropriation for fiscal year 2008 and \$15,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for convening a stakeholder group to recommend establishing a sustainable statewide regional CBRNE/Hazmat response capability.

(15) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement key recommendations and actions identified in the "Washington's Ocean Action Plan: Enhancing Management of Washington State's Ocean and Outer Coast". The department shall provide a progress report on implementing this plan to the appropriate policy committees of the legislature by December 31, 2008.

(16) \$300,000 of the general fund—state appropriation for fiscal year 2008 and \$300,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Engrossed Substitute Senate Bill No. 6001 (climate change). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(17) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are

provided solely for the department to oversee beach seaweed removal in the west Seattle Fauntleroy community. The department may spend up to \$25,000 of this amount for its cost of administration.

(18) \$405,000 of the state toxics control account is provided solely for implementation of Senate Bill No. 5421 (environmental covenants). If the bill is not enacted by June 30, 2007, the amount provided in this section shall lapse.

(19) \$99,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a marshland study of key areas of salmon habitat along the Snohomish river estuary.

(20) \$196,000 of the general fund—state appropriation for fiscal year 2008, \$132,000 of the general fund—state appropriation for fiscal year 2009, and \$19,000 of the oil spill prevention account appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(21) \$150,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the department to contract with the U.S. institute for environmental conflict resolution, a federal agency, to develop a pilot water management process with three federally recognized treaty Indian tribes. \$50,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the northwest Indian fisheries commission to help establish the pathway for the process in federal agencies.

(22) \$319,000 of the general fund—state appropriation for fiscal year 2008 and \$241,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6117 (reclaimed water). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(23) \$53,000 of the oil spill prevention account—state appropriation is provided solely for the implementation of Senate Bill No. 5552 (penalties for oil spills). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(24) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the department to convene a shellfish aquaculture regulatory committee, composed of a balanced representation from interested state regulatory agencies, Native American tribes, local governments and the environmental and shellfish farming communities. The group will be facilitated by the office of regulatory assistance and will address federal, state, and local regulatory issues related to shellfish farming.

**NEW SECTION. Sec. 303. FOR THE STATE PARKS AND RECREATION COMMISSION**

General Fund—State Appropriation (FY 2008) . . . . .	\$48,365,000
General Fund—State Appropriation (FY 2009) . . . . .	\$50,166,000
General Fund—Federal Appropriation . . . . .	\$4,545,000
General Fund—Private/Local Appropriation . . . . .	\$73,000
Winter Recreation Program Account—State Appropriation . . . . .	\$1,116,000

Off-Road Vehicle Account—State Appropriation . . . . .	\$238,000
Snowmobile Account—State Appropriation . . . . .	\$4,839,000
Aquatic Lands Enhancement Account—State Appropriation . . . . .	\$365,000
Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$23,000
Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$24,000
Parks Renewal and Stewardship Account—State Appropriation . . . . .	\$36,606,000
Parks Renewal and Stewardship Account—Private/Local Appropriation . . . . .	\$300,000
TOTAL APPROPRIATION . . . . .	\$146,660,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Fees approved by the state parks and recreation commission in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(2) \$79,000 of the general fund—state appropriation for fiscal year 2008 and \$79,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a grant for the operation of the Northwest avalanche center.

(3) \$300,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for project scoping and cost estimating for the agency's 2009-11 capital budget submittal.

(4) \$2,255,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for costs associated with relocating the commission's Tumwater headquarters office.

(5) \$272,000 of the general fund—state appropriation for fiscal year 2008 and \$271,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for costs associated with relocating the commission's eastern Washington regional headquarters office.

(6) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 and \$1,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for replacing vehicles and equipment.

(7) \$1,611,000 of the general fund—state appropriation for fiscal year 2008 and \$1,428,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for planned and emergency maintenance of park facilities.

(8) \$1,700,000 of the general fund—federal appropriation for fiscal year 2009 is provided solely for the recreational boating safety program.

(9) \$954,000 of the general fund—state appropriation for fiscal year 2008 and \$1,007,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the operations of Cama Beach state park.

(10) \$25,000 of the general fund—state appropriation for fiscal year 2008 and \$25,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Substitute Senate Bill No. 5219 (weather and avalanche center). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) \$9,000 of the general fund—state appropriation for fiscal year 2008 and \$9,000 of the general fund—state appropriation for fiscal year 2009 are

provided solely for implementation of Substitute Senate Bill No. 5463 (forest fire protection). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) \$42,000 of the general fund—state appropriation for fiscal year 2008 and \$42,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Substitute Senate Bill No. 5236 (public lands management). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(13) \$264,000 of the general fund—state appropriation for fiscal year 2008 and \$217,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to establish a pilot lifeguard program at Lake Sammamish and Nolte state parks. The department shall complete a comprehensive risk analysis to determine if expansion of the lifeguard program or other drowning risk reduction measures should be implemented. The department shall report its findings to the office of financial management and the appropriate committees of the legislature by July 1, 2009.

(14) \$232,000 of the general fund—state appropriation for fiscal year 2008 and \$233,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the development of a long-range plan for Fort Worden state park, including architectural and site design guidelines, business and operations implementation, site and facilities use plan, and for the department to convene a task force to recommend alternative governance structures for the park.

(15) \$1,600,000 of the parks renewal stewardship account—state appropriation is provided solely for operating state parks, developing and renovating park facilities, undertaking deferred maintenance, enhancing park stewardship and other state park purposes, pursuant to Substitute House Bill No. 2275 (raising funds for state parks). Expenditures from the amount provided in this subsection shall not exceed actual revenues received under Substitute House Bill No. 2275. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

**NEW SECTION. Sec. 304. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

General Fund—State Appropriation (FY 2008) . . . . .	\$1,557,000
General Fund—State Appropriation (FY 2009) . . . . .	\$1,600,000
General Fund—Federal Appropriation . . . . .	\$18,409,000
General Fund—Private/Local Appropriation . . . . .	\$250,000
Aquatic Lands Enhancement Account—State Appropriation . . . . .	\$277,000
Water Quality Account—State Appropriation (FY 2008) . . . . .	\$100,000
Water Quality Account—State Appropriation (FY 2009) . . . . .	\$100,000
Firearms Range Account—State Appropriation . . . . .	\$37,000
Recreation Resources Account—State Appropriation . . . . .	\$2,819,000
Nonhighway and Off-Road Vehicles Activities Program	
Account—State Appropriation . . . . .	\$1,004,000
Boating Activities Account—State Appropriation . . . . .	\$2,000,000
TOTAL APPROPRIATION . . . . .	\$28,153,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$16,025,000 of the general fund—federal appropriation is provided solely for implementation of the forest and fish agreement rules. These funds shall be allocated to the department of natural resources and the department of fish and wildlife.

(2) \$22,000 of the general fund—state appropriation for fiscal year 2008 and \$22,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(3) \$2,000,000 of the boating activities account—state appropriation is provided solely to implement Substitute House Bill No. 1651 (boating activities). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 305. FOR THE ENVIRONMENTAL HEARINGS OFFICE**

General Fund—State Appropriation (FY 2008) . . . . .	\$1,134,000
General Fund—State Appropriation (FY 2009) . . . . .	\$1,161,000
TOTAL APPROPRIATION . . . . .	\$2,295,000

**NEW SECTION. Sec. 306. FOR THE CONSERVATION COMMISSION**

General Fund—State Appropriation (FY 2008) . . . . .	\$2,889,000
General Fund—State Appropriation (FY 2009) . . . . .	\$2,913,000
General Fund—Federal Appropriation . . . . .	\$1,178,000
Water Quality Account—State Appropriation (FY 2008) . . . . .	\$7,301,000
Water Quality Account—State Appropriation (FY 2009) . . . . .	\$7,326,000
TOTAL APPROPRIATION . . . . .	\$21,607,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for supplementary basic funding grants to the state's lowest-income conservation districts. The supplementary grant process shall be structured to aid recipients in becoming financially self-sufficient in the future.

(2) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Substitute Senate Bill No. 5108 (office of farmland preservation). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(3) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the pioneers in conservation program to provide grants through a competitive process to agricultural landowners for projects that benefit fish and wildlife restoration and farm operations. Grants must be matched by an equal amount or more from nonstate sources with priority for projects identified in the Puget Sound Chinook salmon recovery plan and the Puget Sound partnership strategy.



(4) \$78,000 of the general fund—state appropriation for fiscal year 2008 and \$72,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Engrossed Second Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

**\*NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

General Fund—State Appropriation (FY 2008) . . . . .	\$55,453,000
General Fund—State Appropriation (FY 2009) . . . . .	\$52,743,000
General Fund—Federal Appropriation . . . . .	\$52,666,000
General Fund—Private/Local Appropriation . . . . .	\$37,447,000
Off-Road Vehicle Account—State Appropriation . . . . .	\$416,000
Aquatic Lands Enhancement Account—State Appropriation . . . . .	\$6,070,000
Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$268,000
Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$325,000
Recreational Fisheries Enhancement—State Appropriation . . . . .	\$3,628,000
Warm Water Game Fish Account—State Appropriation . . . . .	\$3,024,000
Eastern Washington Pheasant Enhancement Account—State Appropriation . . . . .	\$754,000
Aquatic Invasive Species Enforcement Account—State Appropriation . . . . .	\$204,000
Aquatic Invasive Species Prevention Account—State Appropriation . . . . .	\$842,000
Wildlife Account—State Appropriation . . . . .	\$66,508,000
Wildlife Account—Federal Appropriation . . . . .	\$34,552,000
Wildlife Account—Private/Local Appropriation . . . . .	\$13,288,000
Game Special Wildlife Account—State Appropriation . . . . .	\$1,991,000
Game Special Wildlife Account—Federal Appropriation . . . . .	\$8,923,000
Game Special Wildlife Account—Private/Local Appropriation . . . . .	\$486,000
Water Quality Account—State Appropriation (FY 2008) . . . . .	\$160,000
Water Quality Account—State Appropriation (FY 2009) . . . . .	\$160,000
Environmental Excellence Account—State Appropriation . . . . .	\$15,000
Regional Fisheries Salmonid Recovery Account—Federal Appropriation . . . . .	\$2,751,000
Oil Spill Prevention Account—State Appropriation . . . . .	\$1,104,000
Oyster Reserve Land Account—State Appropriation . . . . .	\$417,000
Wildlife Rehabilitation Account—State Appropriation . . . . .	\$352,000
TOTAL APPROPRIATION . . . . .	\$344,547,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall use the department of printing for printing needs. Funds provided in this section may not be used to staff or fund a stand-alone printing operation.

(2) \$175,000 of the general fund—state appropriation for fiscal year 2008 and \$175,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of hatchery reform recommendations defined by the hatchery scientific review group.

(3) The department shall support the activities of the aquatic nuisance species coordination committee to foster state, federal, tribal, and private cooperation on aquatic nuisance species issues. The committee shall strive to prevent the introduction of nonnative aquatic species and to minimize the spread of species that are introduced.

(4) The department shall emphasize enforcement of laws related to protection of fish habitat and the illegal harvest of salmon and steelhead. Within the amount provided for the agency, the department shall provide support to the department of health to enforce state shellfish harvest laws.

(5) \$400,000 of the general fund—state appropriation for fiscal year 2008 and \$400,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the U.S. army corps of engineers.

(6) The department shall assist the office of regulatory assistance in implementing activities consistent with the governor's regulatory improvement program. The department shall support and provide expertise to facilitate, coordinate, and simplify citizen and business interactions so as to improve state regulatory processes involving state, local, and federal stakeholders.

(7) \$634,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for operations and fish production costs at department-operated Mitchell act hatchery facilities.

(8) Within the amount provided for the agency, the department shall implement a joint management and collaborative enforcement agreement with the confederated tribes of the Colville and the Spokane tribe.

(9) \$182,000 of the general fund—state appropriation for fiscal year 2008 and \$182,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to continue the ballast water management program in Puget Sound and expand the program to include the Columbia river and coastal ports.

(10) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for hatchery facility maintenance improvements.

(11) \$440,000 of the general fund—state appropriation for fiscal year 2008 and \$409,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for estimates of juvenile abundance of federally listed salmon and steelhead populations. The department shall report to the office of financial management and the appropriate fiscal committees of the legislature with a letter stating the use and measurable results of activities that are supported by these funds.

(12) \$125,000 of the general fund—state appropriation for fiscal year 2008 and \$125,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the strategic budget and accountability program.

(13) \$113,000 of the general fund—state appropriation for fiscal year 2008 and \$113,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(14) Prior to submitting its 2009-11 biennial operating and capital budget request related to state fish hatcheries to the office of financial management, the department shall contract with the hatchery scientific review group (HSRG) to review this request. This review shall: (a) Determine if the proposed requests are consistent with HSRG recommendations; (b) prioritize the components of the requests based on their contributions to protecting wild salmonid stocks and meeting the recommendations of the HSRG; and (c) evaluate whether the proposed requests are being made in the most cost effective manner. The department shall provide a copy of the HSRG review to the office of financial management and the appropriate legislative committees by October 1, 2008.

(15) \$43,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the implementation of Substitute Senate Bill No. 5447 (coastal Dungeness crab). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(16) \$4,000 of the general fund—state appropriation for fiscal year 2008 and \$4,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5463 (forest fire protection). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(17) \$89,000 of the general fund—state appropriation for fiscal year 2008 and \$89,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 6141 (forest health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(18) \$204,000 of the aquatic invasive species enforcement account—state appropriation is provided solely for the implementation of Substitute Senate Bill No. 5923 (aquatic invasive species). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(19) \$42,000 of the general fund—state appropriation for fiscal year 2008 and \$42,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5236 (public lands management). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(20) \$352,000 of the wildlife rehabilitation account is provided solely for the implementation of Senate Bill No. 5188 (wildlife rehabilitation). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(21) \$77,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department of fish and wildlife to participate in the upper Columbia salmon recovery plan implementation, habitat conservation plan hatchery committees, and the priest rapids salmon and steelhead agreement hatchery technical committee.

(22) Within existing funds, the department of fish and wildlife shall sell the upper 20-acre parcel of the Beebe springs property. Proceeds from the sale are to be used to develop the Beebe springs natural interpretive site.

*(23) Within existing funds, the department of fish and wildlife in coordination with department of ecology shall evaluate environmental impacts of proposed sinking vessels in Puget Sound for dive attractions.*

*(24) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Engrossed Substitute House Bill No. 1147 (damage to livestock). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.*

(25) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$49,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Substitute House Bill No. 2049 (marine resource committees). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(26) \$35,000 of the general fund—state appropriation for fiscal year 2008 and \$35,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a study of introducing oxygen to the waters of Hood Canal. The study shall propose a location in a small marine area where a large number of bottom-dwelling fish species exist, and analyze the impact of injected dissolved oxygen on aquatic life. The department shall report to the appropriate committees of the legislature on the results of the study and recommend whether to proceed with a project to inject oxygen into Hood Canal.

(27) \$1,310,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to replace state wildlife account funds for the engineering program and \$1,190,000 of the general fund—state appropriation for fiscal year 2008 are provided solely to replace state wildlife account funds for the hydraulic project permitting program, including the development of a permit fee schedule for the hydraulic project approval program to make the program self supporting. Fees may be based on factors relating to the complexity of the permit issuance. The fees received by the department must be deposited into the state wildlife account and shall be expended exclusively for the purposes of the hydraulic project permitting program. By December 1, 2008, the department shall provide a permit fee schedule for the hydraulic project approval program to the office of financial management and the appropriate committees of the legislature.

(28) \$245,000 of the general fund—state appropriation for fiscal year 2008 and \$245,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the department to work in cooperation with the department of natural resources to assist with the implementation of the wild horse coordinated resource management plan. Implementation may include providing grant funding to other state and nonstate entities as needed.

(29) \$270,000 of the general fund—state appropriation for fiscal year 2008 and \$270,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department to develop siting guidelines for power generation facilities, provide technical assistance for permitting, support voluntary compliance with the guidelines, and to conduct bird and wildlife assessments on state lands most eligible for wind power leases.

*(30) The department may not expend amounts appropriated in this section to enforce RCW 77.15.194 regarding (a) trapping by mole exterminators; or (b) removal of mountain beaver from forest lands.*

(31) \$50,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to implement Second Substitute House Bill No. 2220 (shellfish). The department shall develop and maintain an electronic database for aquatic farmer registration. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

\*Sec. 307 was partially vetoed. See message at end of chapter.

**NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF NATURAL RESOURCES**

General Fund—State Appropriation (FY 2008) . . . . .	\$48,497,000
General Fund—State Appropriation (FY 2009) . . . . .	\$50,818,000
General Fund—Federal Appropriation . . . . .	\$25,235,000
General Fund—Private/Local Appropriation . . . . .	\$1,413,000
Forest Development Account—State Appropriation . . . . .	\$58,165,000
Off-Road Vehicle Account—State Appropriation . . . . .	\$4,318,000
Surveys and Maps Account—State Appropriation . . . . .	\$2,536,000
Aquatic Lands Enhancement Account—State Appropriation . . . . .	\$7,773,000
Resources Management Cost Account—State Appropriation . . . . .	\$96,177,000
Surface Mining Reclamation Account—State Appropriation . . . . .	\$3,295,000
Disaster Response Account—State Appropriation . . . . .	\$5,000,000
Forest and Fish Support Account—State Appropriation . . . . .	\$4,000,000
Water Quality Account—State Appropriation (FY 2008) . . . . .	\$1,348,000
Water Quality Account—State Appropriation (FY 2009) . . . . .	\$1,360,000
Aquatic Land Dredged Material Disposal Site Account—State Appropriation . . . . .	\$1,337,000
Natural Resources Conservation Areas Stewardship Account—State Appropriation . . . . .	\$34,000
State Toxics Control Account—State Appropriation . . . . .	\$80,000
Air Pollution Control Account—State Appropriation . . . . .	\$570,000
Nonhighway and Off-Road Vehicle Activities Program Account—State Appropriation . . . . .	\$982,000
Derelict Vessel Removal Account—State Appropriation . . . . .	\$3,652,000
Agricultural College Trust Management Account—State Appropriation . . . . .	\$2,064,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$318,654,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$122,000 of the general fund—state appropriation for fiscal year 2008 and \$162,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(2) \$11,463,000 of the general fund—state appropriation for fiscal year 2008, \$13,792,000 of the general fund—state appropriation for fiscal year 2009, and \$5,000,000 of the disaster response account—state appropriation are provided solely for emergency fire suppression. None of the general fund and disaster response account amounts provided in this subsection may be used to fund agency indirect and administrative expenses. Agency indirect and administrative costs shall be allocated among the agency's remaining accounts and appropriations.

(3) Fees approved by the department of natural resources and the board of natural resources in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(4) \$198,000 of the general fund—state appropriation for fiscal year 2008 and \$199,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department to work with appropriate stakeholders and state agencies in determining how privately owned lands, in combination with other land ownership such as public and tribal lands, contribute to wildlife habitat. The assessment will also determine how commercial forests, forest lands on the urban fringe, and small privately-owned forest lands that are managed according to Washington's forest and fish prescriptions, in combination with other forest management activities, function as wildlife habitat now and in the future.

(5) \$2,500,000 of the forest and fish support account—state appropriation is provided solely for adaptive management, monitoring, and participation grants to tribes. If federal funding for this purpose is reinstated, the amount provided in this subsection shall lapse.

(6) \$400,000 of the forest and fish support account—state appropriation is provided solely for adaptive management, monitoring, and participation grants to the departments of ecology and fish and wildlife. If federal funding for this purpose is reinstated, this subsection shall lapse.

(7) The department shall prepare a feasibility study that analyzes applicable business processes and develops the scope, requirements, and alternatives for replacement of the department's current suite of payroll-support systems. The department shall use an independent consultant to assist with the study, and shall submit the completed analysis to the office of financial management, the department of personnel, and the department of information services by August 1, 2008.

(8) \$600,000 of the general fund—state appropriation for fiscal year 2008 and \$600,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to continue interagency agreements with the department of fish and wildlife and the department of ecology for forest and fish report field implementation tasks.

(9) All department staff serving as recreation-management trail stewards shall be noncommissioned.

(10) \$112,000 of the aquatic lands enhancement account—state appropriation is provided solely for spartina eradication efforts. The department may enter into agreements with federal agencies to eradicate spartina from private lands that may provide a source of reinfestation to public lands.

(11) \$40,000 of the general fund—state appropriation for fiscal year 2008 and \$40,000 of the general fund—state appropriation for fiscal year 2009 are

provided solely for the department to convene and staff a work group to study issues related to wildfire prevention and protection. The work group shall be composed of members representing rural counties in eastern and western Washington, fire districts, environmental protection organizations, industrial forest landowners, the agricultural community, the beef industry, small forest landowners, the building industry, realtors, the governor or a designee, the insurance commissioner or a designee, the office of financial management, the state fire marshal or a designee, the state building code council, and the commissioner or public lands or a designee. The work group shall issue a report of findings and recommendations to the appropriate committees of the legislature by August 1, 2008.

(12) \$249,000 of the aquatic lands enhancement account—state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(13) \$2,000,000 of the derelict vessel removal account—state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6044 (derelict vessels). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(14) \$42,000 of the general fund—state appropriation for fiscal year 2008 and \$42,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5236 (public lands management). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(15) \$14,000 of the forest development account—state appropriation and \$52,000 of the resources management cost account—state appropriation are provided solely for implementation of Substitute Senate Bill No. 5463 (forest fire protection). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(16) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the removal of one or two large floating dry docks off Lake Washington near the Port Quendall site in north Renton.

(17) \$547,000 of the general fund—state appropriation for fiscal year 2008 and \$726,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 6141 (forest health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(18) \$22,000 of the surface mining reclamation account—state appropriation and \$22,000 of the resources management cost account—state appropriation are provided solely for the implementation of Substitute Senate Bill No. 5972 (surface mining reclamation). If the bill is not enacted by June 30, 2007, the amounts in this subsection shall lapse.

(19) \$125,000 of the general fund—state appropriation for fiscal year 2008, \$125,000 of the general fund—state appropriation for fiscal year 2009, and \$250,000 of the resource management cost account—state appropriation are provided solely to extend the 2005-2007 contract with the University of Washington college of forestry resources for additional research and technical assistance on the future of Washington forests. Reports shall be submitted by

June 30, 2009, to the appropriate committees of the legislature on the following topics:

(a) An exploration of the potential markets for renewable energy from biomass from Washington forests, especially from material removed from eastern Washington forests as part of forest health improvement efforts. This exploration shall assess the feasibility of converting large amounts of underutilized forest biomass into useful products and green energy by providing required analyses needed to efficiently collect and deliver forest biomass to green energy end users. The role of transportation and processing infrastructure in developing markets for such material for both clean energy and value-added products shall be included in the exploration. The college shall coordinate with Washington State University efforts to identify what new biological, chemical, and engineering technologies are emerging for converting forest biomass to clean and efficient energy.

(b) Recommendations for the college's northwest environmental forum for retaining the highest valued working forest lands at risk of conversion to nonforest uses. These recommendations should include an examination of means to enhance biodiversity through strategic retention of certain lands, as well as economic incentives for landowners to retain lands as working forests and provide ecosystem services. The recommendations shall consider the health and value of the forest lands, the rate of loss of working forest lands in the area, the risk to timber processing infrastructure from continued loss of working forest lands, and the multiple benefits derived from retaining working forest lands. The recommendations shall prioritize forest lands in the Cascade foothills, which include the area generally encompassing the nonurbanized lands within the Cascade mountain range and drainages lying between three hundred and three thousand feet above mean sea level, and located within Whatcom, Skagit, Snohomish, King, Pierce, Thurston, and Lewis counties.

(20) \$25,000 of the general fund—state appropriation for fiscal year 2008 and \$25,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for Chelan county, as the chair of the Stemilt partnership, to perform the following:

(a) Work with private and public land management entities to identify and evaluate land ownership possibilities;

(b) Allocate up to \$10,000 to the department of fish and wildlife to perform technical studies, baseline assessments, environmental review, due diligence, and similar real estate evaluations; and

(c) Implement real estate transactions based on the results of the studies.

(21) \$15,000 of the general fund—state appropriation for fiscal year 2008 and \$15,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for health benefits to Washington conservation corps employees.

(22) \$300,000 of the general fund—state appropriation for fiscal year 2008 and \$300,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for staff support for the natural heritage program to integrate, analyze, and provide bird area information, and for state designations and mapping support, among other activities.

(23) \$48,000 of the resource management cost account—state appropriation is provided solely to implement Second Substitute House Bill No. 2220 (shellfish). The department shall participate in a shellfish aquaculture regulatory



committee, convened by the department of ecology. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(24) \$150,000 of the general fund—private/local appropriation is provided solely for the implementation of Substitute Senate Bill No. 5445 (cost-reimbursement agreements). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF AGRICULTURE**

General Fund—State Appropriation (FY 2008) . . . . .	\$14,071,000
General Fund—State Appropriation (FY 2009) . . . . .	\$14,152,000
General Fund—Federal Appropriation . . . . .	\$11,441,000
General Fund—Private/Local Appropriation . . . . .	\$422,000
Aquatic Lands Enhancement Account—State Appropriation . . . . .	\$2,062,000
Energy Freedom Account—State Appropriation . . . . .	\$500,000
Water Quality Account—State Appropriation (FY 2008) . . . . .	\$604,000
Water Quality Account—State Appropriation (FY 2009) . . . . .	\$618,000
State Toxics Control Account—State Appropriation . . . . .	\$4,120,000
Water Quality Permit Account—State Appropriation . . . . .	\$61,000
TOTAL APPROPRIATION . . . . .	\$48,051,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Fees and assessments approved by the department in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(2) Within funds appropriated in this section, the department, in addition to the authority provided in RCW 17.26.007, may enter into agreements with federal agencies to eradicate spartina from private lands that may provide a source of reinfestation to public lands.

(3) \$78,000 of the general fund—state appropriation for fiscal year 2008 and \$72,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(4) \$62,000 of the general fund—state appropriation for fiscal year 2008 and \$63,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a study to evaluate the use of sugar beets for the production of biofuels.

(5) \$275,000 of the general fund—state appropriation for fiscal year 2008 and \$275,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for direct allocation, without deduction, to the Washington tree fruit research commission, established under chapter 15.26 RCW, for development and implementation of a pest management transition program to reduce the use by the tree fruit industry of certain organophosphate insecticides.

(6) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for distribution to counties with weed boards to control invasive

weeds. Of this amount, \$150,000 of the general fund—state appropriation for fiscal year 2008 and \$150,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to control Japanese knotweed in counties with weed boards.

(7) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for pass through funding to the nonprofit opportunities industrialization center to provide training to agricultural workers related to farm skills, English as a second language, and other skills.

**NEW SECTION. Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM**

Pollution Liability Insurance Program Trust

Account—State Appropriation . . . . . \$799,000

**NEW SECTION. Sec. 311. FOR THE PUGET SOUND PARTNERSHIP**

General Fund—State Appropriation (FY 2008) . . . . . \$500,000

General Fund—State Appropriation (FY 2009) . . . . . \$500,000

General Fund—Federal Appropriation . . . . . \$1,155,000

General Fund—Private/Local Appropriation . . . . . \$2,500,000

Aquatic Lands Enhancement Account—State Appropriation . . . . . \$500,000

Water Quality Account—State Appropriation (FY 2008) . . . . . \$3,458,000

Water Quality Account—State Appropriation (FY 2009) . . . . . \$3,459,000

TOTAL APPROPRIATION . . . . . \$12,072,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,000,000 of the water quality account—state appropriation for fiscal year 2008, \$1,000,000 of the water quality account—state appropriation for fiscal year 2009, and \$2,500,000 of the general fund—private/local appropriation are provided solely for the education of citizens through attracting and utilizing volunteers to engage in activities that result in environmental benefits.

(2) \$2,208,000 of the water quality account—state appropriation for fiscal year 2008, \$2,209,000 of the water quality account—state appropriation for fiscal year 2009, \$500,000 of the general fund—state appropriation for fiscal year 2008, \$500,000 of the general fund—state appropriation for fiscal year 2009, and \$1,155,000 of the general fund—federal appropriation are provided solely to implement Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, then \$2,208,000 of the water quality account—state appropriation for fiscal year 2008, \$2,209,000 of the water quality account—state appropriation for fiscal year 2009, \$1,155,000 of the general fund—federal appropriation, \$500,000 of the general fund—state appropriation for fiscal year 2008, and \$500,000 of the general fund—state appropriation for fiscal year 2009 are appropriated to the office of the governor for operation of the Puget Sound action team.

(3) To implement the 2007-09 Puget Sound biennial plan required by Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership), funding is provided solely for Puget Sound recovery activities in the budgets of selected agencies and institutions of higher education, including the department of

agriculture, department of community, trade and economic development, conservation commission, department of ecology, department of fish and wildlife, department of health, interagency committee for outdoor recreation, department of natural resources, state parks and recreation commission, the Puget Sound partnership, University of Washington, and Washington State University. During the 2007-09 biennium, moneys are provided solely for these agencies and institutions of higher education as provided for in LEAP document PSAT-2007.

**PART IV  
TRANSPORTATION**

**NEW SECTION. Sec. 401. FOR THE DEPARTMENT OF LICENSING**

General Fund—State Appropriation (FY 2008) . . . . .	\$1,727,000
General Fund—State Appropriation (FY 2009) . . . . .	\$2,000,000
Architects' License Account—State Appropriation . . . . .	\$762,000
Cemetery Account—State Appropriation . . . . .	\$240,000
Professional Engineers' Account—State Appropriation . . . . .	\$3,484,000
Real Estate Commission Account—State Appropriation . . . . .	\$8,883,000
Master License Account—State Appropriation . . . . .	\$14,072,000
Uniform Commercial Code Account—State Appropriation . . . . .	\$3,086,000
Real Estate Education Account—State Appropriation . . . . .	\$276,000
Real Estate Appraiser Commission Account—State Appropriation . . . . .	\$1,684,000
Business Professions Account—State Appropriation . . . . .	\$10,190,000
Real Estate Research Account—State Appropriation . . . . .	\$320,000
Funeral Directors And Embalmers Account—State Appropriation . . . . .	\$597,000
Geologists' Account—State Appropriation . . . . .	\$57,000
Data Processing Revolving Account—State Appropriation . . . . .	\$29,000
Derelict Vessel Removal Account—State Appropriation . . . . .	\$31,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$47,438,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) In accordance with RCW 43.24.086, it is the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business. For each licensing program covered by RCW 43.24.086, the department shall set fees at levels sufficient to fully cover the cost of administering the licensing program, including any costs associated with policy enhancements funded in the 2007-09 fiscal biennium. Pursuant to RCW 43.135.055, during the 2007-09 fiscal biennium, the department may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the costs of the licensing programs.

(2) \$230,000 of the master license account—state appropriation is provided solely for Engrossed Second Substitute House Bill No. 1461 (manufactured/mobile home dispute resolution). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**\*NEW SECTION. Sec. 402. FOR THE STATE PATROL**

General Fund—State Appropriation (FY 2008) . . . . .	\$38,903,000
General Fund—State Appropriation (FY 2009) . . . . .	\$37,102,000
General Fund—Federal Appropriation . . . . .	\$5,629,000
General Fund—Private/Local Appropriation . . . . .	\$1,223,000
Death Investigations Account—State Appropriation . . . . .	\$5,510,000
Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$1,476,000
Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$1,532,000
Enhanced 911 Account—State Appropriation . . . . .	\$572,000
County Criminal Justice Assistance Account—State Appropriation . . . . .	\$3,155,000
Municipal Criminal Justice Assistance Account—State Appropriation . . . . .	\$1,244,000
Fire Service Trust Account—State Appropriation . . . . .	\$131,000
Disaster Response Account—State Appropriation . . . . .	\$2,000
Fire Service Training Account—State Appropriation . . . . .	\$7,936,000
Aquatic Invasive Species Enforcement Account—State Appropriation . . . . .	\$54,000
State Toxics Control Account—State Appropriation . . . . .	\$502,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2008) . . . . .	\$3,007,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2009) . . . . .	\$4,429,000
Fingerprint Identification Account—State Appropriation . . . . .	\$6,928,000
<b>DNA Data Base Account—State Appropriation . . . . .</b>	<b>\$170,000</b>
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$119,505,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$233,000 of the general fund—state appropriation for fiscal year 2008, \$282,000 of the general fund—state appropriation for fiscal year 2009, and \$357,000 of the fingerprint identification account—state appropriation are provided solely for workload associated with implementation of the federal Adam Walsh Act — the Children's Safety and Violent Crime Reduction Act of 2006.

(2) In accordance with RCW 10.97.100 and chapter 43.43 RCW, the Washington state patrol is authorized to perform and charge fees for criminal history and background checks for state and local agencies, and nonprofit and other private entities and disseminate the records. It is the policy of the state of Washington that the fees cover, as nearly as practicable, the direct and indirect costs of performing criminal history and background checks activities. Pursuant to RCW 43.135.055, during the 2007-2009 fiscal biennium, the Washington state patrol may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the direct and indirect cost of the criminal history and background check activities.

(3) \$200,000 of the fire service training account—state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(4) \$250,000 of the fire service training account—state appropriation is provided solely to implement the provisions of Senate Bill No. 6119 (firefighter apprenticeship training program). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

\*Sec. 402 was partially vetoed. See message at end of chapter.

**PART V  
EDUCATION**

**NEW SECTION. Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

**(1) STATE AGENCY OPERATIONS**

General Fund—State Appropriation (FY 2008) . . . . .	\$21,815,000
General Fund—State Appropriation (FY 2009) . . . . .	\$22,147,000
General Fund—Federal Appropriation . . . . .	\$21,551,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$65,513,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(a) \$11,920,000 of the general fund—state appropriation for fiscal year 2008 and \$12,362,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award. The students selected for the award must demonstrate understanding through completion of at least one of the classroom-based civics assessment models developed by the superintendent of public instruction, and through leadership in the civic life of their communities. The superintendent shall select two students from eastern Washington and two students from western Washington to receive the award, and shall notify the governor and legislature of the names of the recipients.

(b) \$1,080,000 of the general fund—state appropriation for fiscal year 2008 and \$815,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities. Within the amounts provided, the board shall implement the provisions of Second Substitute House Bill No. 1906 (improving mathematics and science education) for which it is responsible, including: (i) Develop a comprehensive set of recommendations for an accountability system; (ii) adopt high school graduation requirements aligned with international performance standards in mathematics and science and, in conjunction with the office of the superintendent of public instruction, identify no more than three curricula that are aligned with these standards; and (iii)

review all requirements related to the high school diploma as directed by section 405, chapter 263, Laws of 2006.

(c) \$4,779,000 of the general fund—state appropriation for fiscal year 2008 and \$6,033,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the professional educator standards board for the following:

(i) \$930,000 in fiscal year 2008 and \$1,070,000 in fiscal year 2009 are for the operation and expenses of the Washington professional educator standards board, including administering the alternative routes to certification program, pipeline for paraeducators conditional scholarship loan program, and the retooling to teach math conditional loan program. Within the amounts provided in this subsection (1)(d)(i), the professional educator standards board shall: (A) Revise the teacher mathematics endorsement competencies and alignment of teacher tests to the updated competencies; (B) review teacher preparation requirements in cultural understanding and make recommendations for strengthening these standards; (C) create a new professional level teacher assessment; (D) expand the alternative routes to teacher certification program for business professionals and instructional assistants who will teach math and science; and (E) revise requirements for college and university teacher preparation programs to match a new knowledge- and skill-based performance system; and

(ii) \$3,269,000 of the general fund—state appropriation for fiscal year 2008 and \$4,289,000 of the general fund—state appropriation for fiscal year 2009 are for conditional scholarship loans and mentor stipends provided through the alternative routes to certification program administered by the professional educator standards board. Of the amounts provided in this subsection (1)(d)(ii):

(A) \$500,000 each year is provided solely for conditional scholarships to candidates seeking an endorsement in special education, math, science, or bilingual education;

(B) \$2,210,000 for fiscal year 2008 and \$3,230,000 for fiscal year 2009 are for the expansion of conditional scholarship loans and mentor stipends for individuals enrolled in alternative route state partnership programs and seeking endorsements in math, science, special education or bilingual education as follows: (I) For route one interns (those currently holding associates of arts degrees), in fiscal year 2008, 120 interns seeking endorsements in the specified subject areas and for fiscal year 2009, an additional 120 interns in the specified subject areas; and (II) for all other routes, funding is provided each year for 140 interns seeking endorsements in the specified subject areas;

(C) Remaining amounts in this subsection (1)(d)(ii) shall be used to continue existing alternative routes to certification programs; and

(D) Candidates seeking math and science endorsements under (A) and (B) of this subsection shall receive priority for funding;

(iii) \$236,000 of the general fund—state appropriation for fiscal year 2008 and \$231,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the recruiting Washington teachers program established in Second Substitute Senate Bill No. 5955 (educator preparation, professional development, and compensation).

(iv) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$200,000 of the general fund—state appropriation for fiscal year 2009 provided in this subsection (1)(d) are for \$4,000 conditional loan stipends for

paraeducators participating in the pipeline for paraeducators established in Second Substitute House Bill No. 1906 (improving mathematics and science education); and

(v) \$244,000 of the general fund—state appropriation for fiscal year 2008 and \$244,000 of the general fund—state appropriation for fiscal year 2009 are for conditional stipends for certificated teachers pursuing a mathematics or science endorsement under the retooling to teach mathematics or science program established in Second Substitute House Bill No. 1906 (improving mathematics and science education). The conditional stipends shall be for endorsement exam fees as well as stipends for teachers who must also complete coursework.

(d) \$555,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for increased attorney general fees related to education litigation.

(e) \$300,000 of the general fund—state appropriation for fiscal year 2008 and \$300,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for replacement of the apportionment system, which includes the processes that collect school district budget and expenditure information, staffing characteristics, and the student enrollments that drive the funding process.

(f) \$78,000 of the general fund—state appropriation for fiscal year 2008 and \$78,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to provide direct services and support to schools around an integrated, interdisciplinary approach to instruction in conservation, natural resources, sustainability, and human adaptation to the environment. Specific integration efforts will focus on science, math, and the social sciences. Integration between basic education and career and technical education, particularly agricultural and natural sciences education, is to be a major element.

(g) \$1,336,000 of the general fund—state appropriation for fiscal year 2008 and \$1,227,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the creation of a statewide data base of longitudinal student information. This amount is conditioned on the department satisfying the requirements in section 902 of this act.

(h) \$325,000 of the general fund—state appropriation for fiscal year 2008 and \$325,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for comprehensive cultural competence and anti-bias education programs for educators and students. The office of superintendent of public instruction shall administer grants to school districts with the assistance and input of groups such as the anti-defamation league and the Jewish federation of Seattle.

(i) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to promote the financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership.

(j) \$204,000 of the general fund—state appropriation for fiscal year 2008 and \$66,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5843 (regarding educational data and data systems). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(k) \$114,000 of the general fund—state appropriation for fiscal year 2008 and \$114,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1052 (legislative youth advisory council). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(l) \$162,000 of the general fund—state appropriation for fiscal year 2008 and \$31,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1422 (children and families of incarcerated parents). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(m) \$28,000 of the general fund—state appropriation for fiscal year 2008 and \$27,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute Senate Bill No. 5098 (Washington college bound scholarship). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(n) \$46,000 of the general fund—state appropriation for fiscal year 2008 and \$3,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5297 (regarding providing medically and scientifically accurate sexual health education in schools). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(o) \$45,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the office of superintendent of public instruction to convene a workgroup to develop school food allergy guidelines and policies for school district implementation. The workgroup shall complete the development of the food allergy guidelines and policies by March 31, 2008, in order to allow for school district implementation in the 2008-2009 school year. The guidelines developed shall incorporate state and federal laws that impact management of food allergies in school settings.

(p) \$42,000 of the general fund—state appropriation for fiscal year 2008 and \$42,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to support a program to recognize the work of outstanding classified staff in school districts throughout the state.

(q) \$96,000 of the general fund—state appropriation for fiscal year 2008 and \$98,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to support a full-time director of skills centers within the office of the superintendent of public instruction.

(r) \$555,000 of the general fund—state appropriation for fiscal year 2008 and \$475,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the office of the superintendent of public instruction to contract with the northwest educational research laboratory (NWREL) to conduct two educational studies. Specifically, NWREL shall:

(i) Conduct a study regarding teacher preparation, training, and coordinated instructional support strategies for English language learners, as outlined in Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). An interim report is due November 1, 2008, and the final report is due December 1, 2009. Both reports shall be delivered to the governor, the office of the superintendent of public instruction, and the



appropriate early learning, education, and fiscal committees of the legislature; and

(ii) Conduct a study of the effectiveness of the K-3 demonstration projects as outlined in Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). An interim report is due November 1, 2008, and the final report is due December 1, 2009. Both reports shall be delivered to the governor, the office of the superintendent of public instruction, and the appropriate early learning, education, and fiscal committees of the legislature.

(s) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the office of the superintendent of public instruction to contract with Washington State University social and economic sciences research center (WSU-SESRC) to conduct to educational research studies. The WSU-SESRC shall:

(i) Conduct a study which reviews chapter 207, Laws of 2002 (bullying in schools), evaluate the outcomes resulting from the legislation, and to make recommendations for continued improvement. The study shall, at a minimum, determine: (A) Whether the policies have been developed and implemented in all elementary, middle, and high schools; (B) whether there has been any measurable improvement in the safety and civility of schools' climate and environment as a result of the legislation; (C) whether there are still issues that need to be addressed in light of the original intent of the legislation; and (D) recommended actions to be taken at the school, district, and state level to address the identified issues. Additionally, WSU-SESRC shall research and identify effective programs and the components of effective programs. A report shall be submitted to the education committees of the legislature and the office of the superintendent of public instruction by September 1, 2008.

(ii) Conduct an evaluation of the mathematics and science instructional coach program as described in Second Substitute House Bill No. 1906 (improving mathematics and science education). Findings shall include an evaluation of the coach development institute, coaching support seminars, and other coach support activities; recommendations with regard to the characteristics required of the coaches; identification of changes in teacher instruction related to coaching activities; and identification of the satisfaction level with coaching activities as experienced by classroom teachers and administrators. An interim report is due November 1, 2008. The final report is due December 1, 2009. Both the interim and final report shall be presented to the governor, the office of the superintendent of public instruction, and the education and fiscal committees of the legislature.

(2) STATEWIDE PROGRAMS

General Fund—State Appropriation (FY 2008) . . . . .	\$14,783,000
General Fund—State Appropriation (FY 2009) . . . . .	\$16,459,000
General Fund—Federal Appropriation . . . . .	\$55,890,000
TOTAL APPROPRIATION . . . . .	\$87,132,000

The appropriations in this subsection are provided solely for the statewide programs specified in this subsection and are subject to the following conditions and limitations:

## (a) HEALTH AND SAFETY

(i) \$2,541,000 of the general fund—state appropriation for fiscal year 2008 and \$2,541,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a corps of nurses located at educational service districts, as determined by the superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(ii) \$96,000 of the general fund—state appropriation for fiscal year 2008 and \$96,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the school safety center in the office of the superintendent of public instruction subject to the following conditions and limitations:

(A) The safety center shall: Disseminate successful models of school safety plans and cooperative efforts; provide assistance to schools to establish a comprehensive safe school plan; select models of cooperative efforts that have been proven successful; act as an information dissemination and resource center when an incident occurs in a school district either in Washington or in another state; coordinate activities relating to school safety; review and approve manuals and curricula used for school safety models and training; and develop and maintain a school safety information web site.

(B) The school safety center advisory committee shall develop a training program, using the best practices in school safety, for all school safety personnel.

(iii) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a school safety training program provided by the criminal justice training commission. The commission, in collaboration with the school safety center advisory committee, shall provide the school safety training for all school administrators and school safety personnel, including school safety personnel hired after the effective date of this section.

(iv) \$40,000 of the general fund—state appropriation for fiscal year 2008 and \$40,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the safety center advisory committee to develop and distribute a pamphlet to promote internet safety for children, particularly in grades seven through twelve. The pamphlet shall be posted on the superintendent of public instruction's web site. To the extent possible, the pamphlet shall be distributed in schools throughout the state and in other areas accessible to youth, including but not limited to libraries and community centers.

(v) \$10,344,000 of the general fund—federal appropriation is provided for safe and drug free schools and communities grants for drug and violence prevention activities and strategies.

(vi) \$271,000 of the general fund—state appropriation for fiscal year 2008 and \$271,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a nonviolence and leadership training program provided by the institute for community leadership. The program shall provide a request for proposal process, with up to 80 percent funding, for nonviolence leadership workshops serving at least 12 school districts with direct programming in 36 elementary, middle, and high schools throughout Washington state.

(vii) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a pilot youth suicide prevention and information program.

The office of superintendent of public instruction will work with selected school districts and community agencies in identifying effective strategies for preventing youth suicide.

(viii) \$800,000 of the general fund—state appropriation for fiscal year 2008 and \$800,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for programs to improve safety and emergency preparedness and planning in public schools, as generally described in Substitute Senate Bill No. 5097. The superintendent of public instruction shall design and implement the grant program in consultation with the educational service districts, the school safety advisory committee, and the Washington association of sheriffs and police chiefs. The funding shall support grants to school districts for the development and updating of comprehensive safe school plans, school safety training, and the conducting of safety-related drills. As a condition of receiving these funds, school districts must ensure that schools (A) conduct at least one lockdown and one shelter in place safety drill each school year, and (B) send updated school mapping database information on an annual basis to the Washington association of sheriffs and police chiefs.

(b) TECHNOLOGY

\$1,939,000 of the general fund—state appropriation for fiscal year 2008 and \$1,939,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(c) GRANTS AND ALLOCATIONS

(i) \$652,000 of the general fund—state appropriation for fiscal year 2008 and \$1,329,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to expand the special services pilot project to include up to seven participating districts. The office of the superintendent of public instruction shall allocate these funds to the district or districts participating in the pilot program according to the provisions of RCW 28A.630.015. Of the amounts provided, \$11,000 of the general fund—state appropriation for fiscal year 2008 and \$11,000 of the general fund—state appropriation for fiscal year 2009 are provided for the office of the superintendent of public instruction to conduct a study of the expanded special services pilot.

(ii) \$31,000 of the general fund—state appropriation for fiscal year 2008 and \$31,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for operation of the Cispus environmental learning center.

(iii) \$97,000 of the general fund—state appropriation for fiscal year 2008 and \$97,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to support vocational student leadership organizations.

(iv) \$146,000 of the general fund—state appropriation for fiscal year 2008 and \$146,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the Washington civil liberties education program.

(v) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 and \$1,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the Washington state achievers scholarship program. The funds shall be used to support community involvement officers that recruit, train,

and match community volunteer mentors with students selected as achievers scholars.

(vi) \$294,000 of the general fund—state appropriation for fiscal year 2008 and \$294,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the Lorraine Wojahn dyslexia pilot reading program in up to five school districts.

(vii) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for developing and disseminating curriculum and other materials documenting women's role in World War II.

(viii) \$175,000 of the general fund—state appropriation for fiscal year 2008 and \$175,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for incentive grants for districts to develop preapprenticeship programs. Grant awards up to \$10,000 each shall be used to support the program's design, school/business/labor agreement negotiations, and recruiting high school students for preapprenticeship programs in the building trades and crafts.

(ix) \$3,220,000 of the general fund—state appropriation for fiscal year 2008 and \$3,220,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the dissemination of the Navigation 101 curriculum to all districts, including disseminating electronic student planning tools and software for analyzing the impact of the implementation of Navigation 101 on student performance, and grants to at least one hundred school districts each year for the implementation of the Navigation 101 program. The implementation grants will be limited to a maximum of two years and the school districts selected shall represent various regions of the state and reflect differences in school district size and enrollment characteristics.

(x) \$36,000 of the general fund—state appropriation for fiscal year 2008 and \$36,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the enhancement of civics education. Of this amount, \$25,000 each year is provided solely for competitive grants to school districts for curriculum alignment, development of innovative civics projects, and other activities that support the civics assessment established in chapter 113, Laws of 2006.

(xi) \$2,500,000 of the general fund—state appropriation for fiscal year 2008 and \$2,500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute House Bill No. 1573 (authorizing a statewide program for comprehensive dropout prevention, intervention, and retrieval). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(xii) \$25,000 of the general fund—state appropriation for fiscal year 2008 and \$25,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the communities in school program in Pierce county.

(xiii) \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the office of superintendent of public instruction to contract with a company to develop and implement a pilot program for providing indigenous learning curriculum and standards specific online learning programs based on the recommended standards in chapter 205, Laws of 2005

(Washington's tribal history). The specific content areas covered by the pilot program will include social studies and science. The contractor selected will have experience in developing and implementing indigenous learning curricula and if possible will be affiliated with a recognized Washington state tribe. The pilot program will be implemented in a minimum of three school districts in collaboration with Washington tribes and school districts. To the extent possible and appropriate, the pilot program will involve organizations including, the University of Washington's mathematics science and engineering achievement, the digital learning commons, the virtual possibilities network, the museum of arts and culture in Spokane, Eastern Washington University, and Washington State University.

(xiv) \$70,000 of the general fund—state appropriation for fiscal year 2008 and \$70,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to support and expand the mentoring advanced placement program in current operation in southwest Washington.

(xv) \$1,000,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to implement House Bill No. 1051 (expanding high school completion programs). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(xvi) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for program initiatives to address the educational needs of Latino students and families. Using the full amounts of the appropriations under this subsection, the office of the superintendent of public instruction shall contract with the Seattle community coalition of compaña quetzal to provide for three initiatives: (A) Early childhood education; (B) parent leadership training; and (C) high school success and college preparation programs. Campana quetzal shall report to the office of the superintendent of public instruction by June 30, 2009, regarding impact of the programs on addressing the academic achievement gap, including high school drop-out rates and college readiness rates, for Latino students.

**NEW SECTION. Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL APPORTIONMENT**

General Fund—State Appropriation (FY 2008) . . . . .	\$4,448,333,000
General Fund—State Appropriation (FY 2009) . . . . .	\$4,474,199,000
Education Legacy Trust Account—State	
Appropriation . . . . .	\$9,387,000
Pension Funding Stabilization Account Appropriation . . . . .	\$341,624,000
TOTAL APPROPRIATION . . . . .	\$9,273,543,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Allocations for certificated staff salaries for the 2007-08 and 2008-09 school years shall be determined using formula-generated staff units calculated pursuant to this subsection. Staff allocations for small school enrollments in (e) through (g) of this subsection shall be reduced for vocational full-time

equivalent enrollments. Staff allocations for small school enrollments in grades K-6 shall be the greater of that generated under (a) of this subsection, or under (d) and (e) of this subsection. Certificated staffing allocations shall be as follows:

(a) On the basis of each 1,000 average annual full-time equivalent enrollments, excluding full-time equivalent enrollment otherwise recognized for certificated staff unit allocations under (d) through (g) of this subsection:

(i) Four certificated administrative staff units per thousand full-time equivalent students in grades K-12;

(ii) Forty-nine certificated instructional staff units per thousand full-time equivalent students in grades K-3;

(iii) Forty-six certificated instructional staff units per thousand full-time equivalent students in grades 4-12; and

(iv) An additional 4.2 certificated instructional staff units for grades K-3 and an additional 7.2 certificated instructional staff units for grade 4. Any funds allocated for the additional certificated units provided in this subsection (iv) shall not be considered as basic education funding;

(A) Funds provided under this subsection (2)(a)(iv) in excess of the amount required to maintain the statutory minimum ratio established under RCW 28A.150.260(2)(b) shall be allocated only if the district documents an actual ratio in grades K-4 equal to or greater than 53.2 certificated instructional staff per thousand full-time equivalent students. For any school district documenting a lower certificated instructional staff ratio, the allocation shall be based on the district's actual grades K-4 certificated instructional staff ratio achieved in that school year, or the statutory minimum ratio established under RCW 28A.150.260(2)(b), if greater;

(B) Districts at or above 51.0 certificated instructional staff per one thousand full-time equivalent students in grades K-4 may dedicate up to 1.3 of the 53.2 funding ratio to employ additional classified instructional assistants assigned to basic education classrooms in grades K-4. For purposes of documenting a district's staff ratio under this section, funds used by the district to employ additional classified instructional assistants shall be converted to a certificated staff equivalent and added to the district's actual certificated instructional staff ratio. Additional classified instructional assistants, for the purposes of this subsection, shall be determined using the 1989-90 school year as the base year;

(C) Any district maintaining a ratio in grades K-4 equal to or greater than 53.2 certificated instructional staff per thousand full-time equivalent students may use allocations generated under this subsection (2)(a)(iv) in excess of that required to maintain the minimum ratio established under RCW 28A.150.260(2)(b) to employ additional basic education certificated instructional staff or classified instructional assistants in grades 5-6. Funds allocated under this subsection (2)(a)(iv) shall only be expended to reduce class size in grades K-6. No more than 1.3 of the certificated instructional funding ratio amount may be expended for provision of classified instructional assistants;

(b) For school districts with a minimum enrollment of 250 full-time equivalent students whose full-time equivalent student enrollment count in a given month exceeds the first of the month full-time equivalent enrollment count by 5 percent, an additional state allocation of 110 percent of the share that such

increased enrollment would have generated had such additional full-time equivalent students been included in the normal enrollment count for that particular month;

(c)(i) On the basis of full-time equivalent enrollment in:

(A) Vocational education programs approved by the superintendent of public instruction, a maximum of 0.92 certificated instructional staff units and 0.08 certificated administrative staff units for each 19.5 full-time equivalent vocational students; and

(B) Skills center programs meeting the standards for skills center funding established in January 1999 by the superintendent of public instruction with a waiver allowed for skills centers in current operation that are not meeting this standard until the 2008-09 school year, 0.92 certificated instructional staff units and 0.08 certificated administrative units for each 16.67 full-time equivalent vocational students;

(ii) Vocational full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported vocational enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support; and

(iii) Indirect cost charges by a school district to vocational-secondary programs shall not exceed 15 percent of the combined basic education and vocational enhancement allocations of state funds;

(d) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the state board of education and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(e) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the state board of education:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;

(f) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in grades K-12, four and one-half certificated instructional staff units and one-quarter of a certificated administrative staff unit;

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full time equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full time equivalent students.

Units calculated under (g)(ii) of this subsection shall be reduced by certificated staff units at the rate of forty-six certificated instructional staff units and four certificated administrative staff units per thousand vocational full-time equivalent students;

(g) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit; and

(i) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit.

(3) Allocations for classified salaries for the 2007-08 and 2008-09 school years shall be calculated using formula-generated classified staff units determined as follows:

(a) For enrollments generating certificated staff unit allocations under subsection (2)(e) through (i) of this section, one classified staff unit for each 2.95 certificated staff units allocated under such subsections;

(b) For all other enrollment in grades K-12, including vocational full-time equivalent enrollments, one classified staff unit for each fifty-nine average annual full-time equivalent students; and

(c) For each nonhigh school district with an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, an additional one-half of a classified staff unit.

(4) Fringe benefit allocations shall be calculated at a rate of 14.13 percent in the 2007-08 school year and 16.69 percent in the 2008-09 school year for certificated salary allocations provided under subsection (2) of this section, and a rate of 17.06 percent in the 2007-08 school year and 18.74 percent in the 2008-09 school year for classified salary allocations provided under subsection (3) of this section.

(5) Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504(2) of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsection (2) of this section; and



(b) The number of classified staff units determined in subsection (3) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(6)(a) For nonemployee-related costs associated with each certificated staff unit allocated under subsection (2)(a), (b), and (d) through (h) of this section, there shall be provided a maximum of \$9,703 per certificated staff unit in the 2007-08 school year and a maximum of \$9,907 per certificated staff unit in the 2008-09 school year.

(b) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(A) of this section, there shall be provided a maximum of \$23,831 per certificated staff unit in the 2007-08 school year and a maximum of \$24,331 per certificated staff unit in the 2008-09 school year.

(c) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(B) of this section, there shall be provided a maximum of \$18,489 per certificated staff unit in the 2007-08 school year and a maximum of \$18,877 per certificated staff unit in the 2008-09 school year.

(7) Allocations for substitute costs for classroom teachers shall be distributed at a maintenance rate of \$555.20 for the 2007-08 and 2008-09 school years per allocated classroom teachers exclusive of salary increase amounts provided in section 504 of this act. Solely for the purposes of this subsection, allocated classroom teachers shall be equal to the number of certificated instructional staff units allocated under subsection (2) of this section, multiplied by the ratio between the number of actual basic education certificated teachers and the number of actual basic education certificated instructional staff reported statewide for the prior school year.

(8) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public instruction shall approve such reduction or delay if it does not impair the district's financial condition. Any delay shall not be for more than two school years. Any reduction or delay shall have no impact on levy authority pursuant to RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

(9) \$1,870,000 of the general fund—state appropriation for fiscal year 2008 and \$2,421,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Engrossed Second Substitute House Bill No. 1432 (granting service credit to educational staff associates for nonschool employment). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(10) The superintendent may distribute a maximum of \$16,622,000 outside the basic education formula during fiscal years 2008 and 2009 as follows:

(a) For fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW, a maximum of \$547,000 may be expended in fiscal year 2008 and a maximum of \$558,000 may be expended in fiscal year 2009;

(b) For summer vocational programs at skills centers, a maximum of \$2,385,000 may be expended for the 2008 fiscal year and a maximum of \$2,385,000 for the 2009 fiscal year. 20 percent of each fiscal year amount may carry over from one year to the next;

(c) A maximum of \$390,000 may be expended for school district emergencies;

(d) A maximum of \$485,000 each fiscal year may be expended for programs providing skills training for secondary students who are enrolled in extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed \$500 per full-time equivalent student enrolled in those programs; and

(e) \$9,387,000 of the education legacy trust account appropriation is provided solely for allocations for equipment replacement in vocational programs and skills centers. Each year of the biennium, the funding shall be allocated based on \$75 per full-time equivalent vocational student and \$125 per full-time equivalent skills center student.

(f) \$2,991,000 of the general fund—state appropriation for fiscal year 2008 and \$4,403,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute Senate Bill No. 5790 (regarding skills centers). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) For purposes of RCW 84.52.0531, the increase per full-time equivalent student is 5.7 percent from the 2006-07 school year to the 2007-08 school year and 5.1 percent from the 2007-08 school year to the 2008-09 school year.

(12) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (2)(b) of this section, the following shall apply:

(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units received by the districts for the school year prior to consolidation and the basic education formula staff units after consolidation pursuant to subsection (2)(a) through (h) of this section shall be reduced in increments of twenty percent per year.

**NEW SECTION. Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—BASIC EDUCATION EMPLOYEE COMPENSATION.** (1) The following calculations determine the salaries used in the general fund allocations for certificated instructional, certificated administrative, and classified staff units under section 502 of this act:

(a) Salary allocations for certificated instructional staff units shall be determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 2 by the district's average staff mix factor for certificated instructional staff in that school year, computed using LEAP Document 1; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district shall be based on the district's certificated

administrative and classified salary allocation amounts shown on LEAP Document 2.

(2) For the purposes of this section:

(a) "LEAP Document 1" means the staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on March 24, 2007, at 07:29 hours; and

(b) "LEAP Document 2" means the school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on April 19, 2007, at 06:03 hours.

(3) Incremental fringe benefit factors shall be applied to salary adjustments at a rate of 14.13 percent for school year 2007-08 and 16.69 percent for school year 2008-09 for certificated staff and for classified staff 17.06 percent for school year 2007-08 and 18.74 percent for the 2008-09 school year.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedules for certificated instructional staff are established for basic education salary allocations:

K-12 Salary Allocation Schedule For Certificated Instructional Staff  
2007-08 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	32,746	33,630	34,547	35,465	38,412	40,310	39,260	42,207	44,107
1	33,187	34,083	35,011	35,970	38,948	40,836	39,696	42,674	44,560
2	33,607	34,512	35,450	36,483	39,452	41,359	40,135	43,104	45,012
3	34,039	34,953	35,901	36,967	39,930	41,884	40,552	43,513	45,468
4	34,464	35,418	36,372	37,474	40,455	42,423	40,988	43,969	45,938
5	34,902	35,861	36,824	37,988	40,958	42,965	41,432	44,403	46,410
6	35,353	36,291	37,287	38,508	41,464	43,482	41,887	44,843	46,860
7	36,145	37,097	38,106	39,394	42,393	44,467	42,739	45,737	47,812
8	37,304	38,308	39,340	40,735	43,775	45,925	44,079	47,120	49,269
9		39,562	40,646	42,091	45,202	47,425	45,434	48,547	50,770
10			41,967	43,516	46,669	48,966	46,861	50,014	52,310
11				44,984	48,204	50,547	48,328	51,550	53,891
12				46,404	49,781	52,194	49,853	53,126	55,540
13					51,397	53,882	51,431	54,741	57,226
14					53,020	55,632	53,056	56,471	58,977
15					54,400	57,080	54,435	57,939	60,511
16 or more					55,487	58,220	55,523	59,097	61,720

K-12 Salary Allocation Schedule For Certificated Instructional Staff  
2008-09 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	33,898	34,814	35,762	36,713	39,763	41,728	40,641	43,691	45,658
1	34,354	35,282	36,243	37,236	40,318	42,272	41,093	44,175	46,128
2	34,789	35,726	36,697	37,766	40,840	42,814	41,547	44,621	46,596
3	35,237	36,183	37,164	38,267	41,335	43,357	41,979	45,044	47,067
4	35,676	36,664	37,651	38,793	41,878	43,915	42,430	45,516	47,554
5	36,130	37,123	38,120	39,324	42,399	44,476	42,890	45,965	48,043
6	36,597	37,567	38,598	39,863	42,923	45,011	43,361	46,421	48,508
7	37,416	38,402	39,446	40,780	43,885	46,031	44,243	47,346	49,494
8	38,616	39,655	40,724	42,168	45,315	47,541	45,630	48,778	51,002
9		40,954	42,076	43,572	46,792	49,093	47,032	50,255	52,556
10			43,443	45,047	48,310	50,688	48,509	51,773	54,150
11				46,566	49,900	52,326	50,028	53,363	55,787
12				48,036	51,533	54,030	51,606	54,995	57,493
13					53,205	55,777	53,240	56,667	59,239
14					54,885	57,589	54,922	58,457	61,052
15					56,313	59,088	56,350	59,977	62,639
16 or more					57,439	60,269	57,476	61,176	63,892

(b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

(c) For credits earned after the baccalaureate degree but before the masters degree, any credits in excess of forty-five credits may be counted after the masters degree. Thus, as used in this subsection, the column headings "MA+(N)" refer to the total of:

(i) Credits earned since receiving the masters degree; and

(ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

(5) For the purposes of this section:

(a) "BA" means a baccalaureate degree.

(b) "MA" means a masters degree.

(c) "PHD" means a doctorate degree.

(d) "Years of service" shall be calculated under the same rules adopted by the superintendent of public instruction.

(e) "Credits" means college quarter hour credits and equivalent in-service credits computed in accordance with RCW 28A.415.020 and 28A.415.023.

(6) No more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in this act, or any replacement schedules and documents, unless:

- (a) The employee has a masters degree; or
- (b) The credits were used in generating state salary allocations before January 1, 1992.

(7) The certificated instructional staff base salary specified for each district in LEAP Document 2 and the salary schedules in subsection (4)(a) of this section include two learning improvement days. A school district is eligible for the learning improvement day funds only if the learning improvement days have been added to the 180-day contract year. If fewer days are added, the additional learning improvement allocation shall be adjusted accordingly. The additional days shall be limited to specific activities identified in the state required school improvement plan related to improving student learning that are consistent with education reform implementation, and shall not be considered part of basic education. The principal in each school shall assure that the days are used to provide the necessary school-wide, all staff professional development that is tied directly to the school improvement plan. The school principal and the district superintendent shall maintain documentation as to their approval of these activities. The length of a learning improvement day shall not be less than the length of a full day under the base contract. The superintendent of public instruction shall ensure that school districts adhere to the intent and purposes of this subsection.

(8) The salary allocation schedules established in this section are for allocation purposes only except as provided in RCW 28A.400.200(2) and subsection (7) of this section.

**NEW SECTION. Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

General Fund—State Appropriation (FY 2008) . . . . .	\$161,665,000
General Fund—State Appropriation (FY 2009) . . . . .	\$348,871,000
General Fund—Federal Appropriation . . . . .	\$243,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$510,779,000</b>

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$444,366,000 is provided solely for the following:
  - (a) A cost of living adjustment of 3.7 percent effective September 1, 2007, and another 2.8 percent effective September 1, 2008, pursuant to Initiative Measure No. 732.

(b) Additional salary increases as necessary to fund the base salaries for certificated instructional staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. Allocations for these salary increases shall be provided to all 262 districts that are not grandfathered to receive salary allocations above the statewide salary allocation schedule, and to certain grandfathered districts to the extent necessary to ensure that salary allocations for districts that are currently grandfathered do not fall below the statewide salary allocation schedule. These additional salary increases will result in a decrease in the number of grandfathered districts from the current thirty-four to twenty-four in the 2007-08 school year and to thirteen in the 2008-09 school year.

(c) Additional salary increases to certain districts as necessary to fund the per full-time-equivalent salary allocations for certificated administrative staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. These additional salary increases shall ensure a minimum salary allocation for certificated administrative staff of \$54,405 in the 2007-08 school year and \$57,097 in the 2008-09 school year.

(d) Additional salary increases to certain districts as necessary to fund the per full-time-equivalent salary allocations for classified staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. These additional salary increases ensure a minimum salary allocation for classified staff of \$30,111 in the 2007-08 school year and \$31,376 in the 2008-09 school year.

(e) The appropriations in this subsection (1) include associated incremental fringe benefit allocations at rates 13.49 percent for the 2007-08 school year and 16.05 percent for the 2008-09 school year for certificated staff and 13.56 percent for the 2007-08 school year and 15.24 percent for the 2008-09 school year for classified staff.

(f) The appropriations in this section include the increased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Increases for general apportionment (basic education) are based on the salary allocation schedules and methodology in sections 502 and 503 of this act. Increases for special education result from increases in each district's basic education allocation per student. Increases for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in sections 502 and 503 of this act.

(g) The appropriations in this section provide cost of living and incremental fringe benefit allocations based on formula adjustments as follows:

	School Year	
	2007-08	2008-09
Pupil Transportation (per weighted pupil mile)	\$1.08	\$2.04
Highly Capable (per formula student)	\$11.13	\$20.98
Transitional Bilingual Education (per eligible bilingual student)	\$29.81	\$56.19
Learning Assistance (per formula student)	\$7.00	\$13.20

(h) The appropriations in this section include \$925,000 for fiscal year 2008 and \$1,940,000 for fiscal year 2009 for salary increase adjustments for substitute teachers.

(2) \$66,415,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is \$682.54 per month for the 2007-08 and 2008-09 school years. The appropriations in this section provide for a rate increase to \$707.00 per month for the 2007-08 school year and \$732.00 per month for the 2008-09 school year. The adjustments to health insurance benefit allocations are at the following rates:

	School Year	
	2007-08	2008-09
Pupil Transportation (per weighted pupil mile)	\$0.22	\$0.45
Highly Capable (per formula student)	\$1.49	\$3.05
Transitional Bilingual Education (per eligible bilingual student)	\$3.97	\$8.01
Learning Assistance (per formula student)	\$0.86	\$1.75

(3) The rates specified in this section are subject to revision each year by the legislature.

**NEW SECTION. Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION**

General Fund—State Appropriation (FY 2008)	\$262,728,000
General Fund—State Appropriation (FY 2009)	\$264,700,000
Education Legacy Trust Account—State Appropriation	\$25,000,000
<b>TOTAL APPROPRIATION</b>	<b>\$552,428,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) A maximum of \$848,000 of this fiscal year 2008 appropriation and a maximum of \$866,000 of the fiscal year 2009 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(3) \$5,000 of the fiscal year 2008 appropriation and \$5,000 of the fiscal year 2009 appropriation are provided solely for the transportation of students enrolled in "choice" programs. Transportation shall be limited to low-income students who are transferring to "choice" programs solely for educational reasons.

(4) Allocations for transportation of students shall be based on reimbursement rates of \$44.84 per weighted mile in the 2007-08 school year and \$45.48 per weighted mile in the 2008-09 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Allocations for transportation of students transported more than one radius mile shall be based on weighted miles as determined by superintendent of public instruction multiplied by the per mile reimbursement rates for the school year pursuant to the formulas adopted by the superintendent of public instruction. Allocations for transportation of students living within one radius mile shall be based on the number of enrolled students in grades kindergarten through five living within one radius mile of their assigned school multiplied by the per mile reimbursement rate for the school year multiplied by 1.29.

(5) \$25,000,000 of the education legacy trust account—state appropriation is provided solely for temporary assistance to school districts for pupil transportation programs. The office of the superintendent of public instruction,

in consultation with the joint legislative audit and review committee, will develop a method of allocating these funds to school districts. The allocation method shall be based primarily on the findings and analysis from the joint legislative and audit review committee's K-12 pupil transportation study completed in December 2006.

(6) The office of the superintendent of public instruction shall provide reimbursement funding to a school district only after the superintendent of public instruction determines that the school bus was purchased from the list established pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195.

(7) The superintendent of public instruction shall base depreciation payments for school district buses on the five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the lowest bid in the appropriate bus category for that school year.

**NEW SECTION. Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL FOOD SERVICE PROGRAMS**

General Fund—State Appropriation (FY 2008) . . . . .	\$3,159,000
General Fund—State Appropriation (FY 2009) . . . . .	\$3,159,000
General Fund—Federal Appropriation . . . . .	\$280,398,000
TOTAL APPROPRIATION . . . . .	\$286,716,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,000,000 of the general fund—state appropriation for fiscal year 2008 and \$3,000,000 of the general fund—state appropriation for fiscal year 2009 are provided for state matching money for federal child nutrition programs.

(2) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the 2009 fiscal year appropriation are provided for summer food programs for children in low-income areas.

(3) \$59,000 of the general fund—state appropriation for fiscal year 2008 and \$59,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to reimburse school districts for school breakfasts served to students enrolled in the free or reduced price meal program pursuant to chapter 287, Laws of 2005 (requiring school breakfast programs in certain schools).

**NEW SECTION. Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS**

General Fund—State Appropriation (FY 2008) . . . . .	\$532,192,000
General Fund—State Appropriation (FY 2009) . . . . .	\$566,174,000
General Fund—Federal Appropriation . . . . .	\$435,735,000
Education Legacy Trust Account—State Appropriation . . . . .	\$14,561,000
TOTAL APPROPRIATION . . . . .	\$1,548,662,000

The appropriations in this section are subject to the following conditions and limitations:



(1) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(2)(a) The superintendent of public instruction shall ensure that:

(i) Special education students are basic education students first;

(ii) As a class, special education students are entitled to the full basic education allocation; and

(iii) Special education students are basic education students for the entire school day.

(b) The superintendent of public instruction shall adopt the full cost method of excess cost accounting, as designed by the committee and recommended by the superintendent, pursuant to section 501(1)(k), chapter 372, Laws of 2006, and ensure that all school districts adopt the method beginning in the 2007-08 school year.

(3) Each fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4) The superintendent of public instruction shall distribute state funds to school districts based on two categories: (a) The first category includes (i) children birth through age two who are eligible for the optional program for special education eligible developmentally delayed infants and toddlers, and (ii) students eligible for the mandatory special education program and who are age three or four, or five and not yet enrolled in kindergarten; and (b) the second category includes students who are eligible for the mandatory special education program and who are age five and enrolled in kindergarten and students age six through 21.

(5)(a) For the 2007-08 and 2008-09 school years, the superintendent shall make allocations to each district based on the sum of:

(i) A district's annual average headcount enrollment of students ages birth through four and those five year olds not yet enrolled in kindergarten, as defined in subsection (4) of this section, multiplied by the district's average basic education allocation per full-time equivalent student, multiplied by 1.15; and

(ii) A district's annual average full-time equivalent basic education enrollment multiplied by the funded enrollment percent determined pursuant to subsection (6)(b) of this section, multiplied by the district's average basic education allocation per full-time equivalent student multiplied by 0.9309.

(b) For purposes of this subsection, "average basic education allocation per full-time equivalent student" for a district shall be based on the staffing ratios required by RCW 28A.150.260 and shall not include enhancements, secondary vocational education, or small schools.

(6) The definitions in this subsection apply throughout this section.

(a) "Annual average full-time equivalent basic education enrollment" means the resident enrollment including students enrolled through choice (RCW 28A.225.225) and students from nonhigh districts (RCW 28A.225.210) and

excluding students residing in another district enrolled as part of an interdistrict cooperative program (RCW 28A.225.250).

(b) "Enrollment percent" means the district's resident special education annual average enrollment, excluding the birth through age four enrollment and those five year olds not yet enrolled in kindergarten, as a percent of the district's annual average full-time equivalent basic education enrollment.

Each district's general fund—state funded special education enrollment shall be the lesser of the district's actual enrollment percent or 12.7 percent.

(7) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be calculated in accordance with subsection (6)(b) of this section, and shall be calculated in the aggregate rather than individual district units. For purposes of this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(8) To the extent necessary, \$30,690,000 of the general fund—state appropriation and \$29,574,000 of the general fund—federal appropriation are provided for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (5) of this section. If safety net awards exceed the amount appropriated in this subsection (8), the superintendent shall expend all available federal discretionary funds necessary to meet this need. Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall consider unmet needs for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. In the determination of need, the committee shall also consider additional available revenues from federal sources. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(b) The committee shall then consider the extraordinary high cost needs of one or more individual special education students. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(c) Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services.

(d) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

(e) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.

(f) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent in accordance with chapter 318, Laws of 1999.

(9) The superintendent of public instruction may adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. Prior to revising any standards, procedures, or rules,

the superintendent shall consult with the office of financial management and the fiscal committees of the legislature.

(10) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff from the office of superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

(11) The office of the superintendent of public instruction shall review and streamline the application process to access safety net funds, provide technical assistance to school districts, and annually survey school districts regarding improvement to the process.

(12) A maximum of \$678,000 may be expended from the general fund—state appropriations to fund 5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center. This amount is in lieu of money provided through the home and hospital allocation and the special education program.

(13) A maximum of \$1,000,000 of the general fund—federal appropriation is provided for projects to provide special education students with appropriate job and independent living skills, including work experience where possible, to facilitate their successful transition out of the public school system. The funds provided by this subsection shall be from federal discretionary grants.

(14) \$50,000 of the general fund—state appropriation for fiscal year 2008, \$50,000 of the general fund—state appropriation for fiscal 2009, and \$100,000 of the general fund—federal appropriation shall be expended to support a special education ombudsman program within the office of superintendent of public instruction. The purpose of the program is to provide support to parents, guardians, educators, and students with disabilities. The program will provide information to help families and educators understand state laws, rules, and regulations, and access training and support, technical information services, and mediation services. The ombudsman program will provide data, information, and appropriate recommendations to the office of superintendent of public instruction, school districts, educational service districts, state need projects, and the parent and teacher information center.

(15) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other purposes, school districts may use increased federal funds for high-cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(16) A maximum of \$1,200,000 of the general fund—federal appropriation may be expended by the superintendent for projects related to use of inclusion strategies by school districts for provision of special education services.

(17) The superintendent, consistent with the new federal IDEA reauthorization, shall continue to educate school districts on how to implement a birth-to-three program and review the cost effectiveness and learning benefits of early intervention.

(18) A school district may carry over from one year to the next year up to 10 percent of the general fund—state funds allocated under this program; however, carryover funds shall be expended in the special education program.

(19) \$262,000 of the general fund—state appropriation for fiscal year 2008 and \$251,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for two additional full-time equivalent staff to support the work of the safety net committee and to provide training and support to districts applying for safety net awards.

**NEW SECTION. Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE DISTRICTS**

General Fund—State Appropriation (FY 2008) . . . . .	\$7,520,000
General Fund—State Appropriation (FY 2009) . . . . .	\$8,527,000
TOTAL APPROPRIATION . . . . .	\$16,047,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).

(2) \$1,662,000 of the general fund—state appropriation in fiscal year 2008 and \$3,355,000 of the general fund—state appropriation in fiscal year 2009 are provided solely for regional professional development related to mathematics and science curriculum and instructional strategies. For each educational service district, \$184,933 is provided in fiscal year 2008 for professional development activities related to mathematics curriculum and instruction and \$372,357 is provided in fiscal year 2009 for professional development activities related to mathematics and science curriculum and instruction. Each educational service district shall use this funding solely for salary and benefits for a certificated instructional staff with expertise in the appropriate subject matter and in professional development delivery, and for travel, materials, and other expenditures related to providing regional professional development support. The office of superintendent of public instruction shall also allocate to each educational service district additional amounts provided in section 504 of this act for compensation increases associated with the salary amounts and staffing provided in this subsection (2).

(3) The educational service districts, at the request of the state board of education pursuant to RCW 28A.310.010 and 28A.310.340, may receive and screen applications for school accreditation, conduct school accreditation site visits pursuant to state board of education rules, and submit to the state board of education post-site visit recommendations for school accreditation. The educational service districts may assess a cooperative service fee to recover actual plus reasonable indirect costs for the purposes of this subsection.

**NEW SECTION. Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE**

General Fund—State Appropriation (FY 2008) . . . . .	\$202,394,000
General Fund—State Appropriation (FY 2009) . . . . .	\$212,310,000
TOTAL APPROPRIATION . . . . .	\$414,704,000

**NEW SECTION. Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL EDUCATION PROGRAMS**

General Fund—State Appropriation (FY 2008) . . . . .	\$18,301,000
General Fund—State Appropriation (FY 2009) . . . . .	\$18,513,000
TOTAL APPROPRIATION . . . . .	\$36,814,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund—state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) \$196,000 of the general fund—state appropriation for fiscal year 2008 and \$196,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, and programs for juveniles under the juvenile rehabilitation administration.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

**NEW SECTION. Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

General Fund—State Appropriation (FY 2008) . . . . .	\$8,396,000
General Fund—State Appropriation (FY 2009) . . . . .	\$8,779,000
TOTAL APPROPRIATION . . . . .	\$17,175,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Allocations for school district programs for highly capable students shall be distributed at a maximum rate of \$372.19 per funded student for the 2007-08 school year and \$378.17 per funded student for the 2008-09 school year,

exclusive of salary and benefit adjustments pursuant to section 504 of this act. The number of funded students shall be a maximum of 2.314 percent of each district's full-time equivalent basic education enrollment.

(3) \$170,000 of the fiscal year 2008 appropriation and \$170,000 of the fiscal year 2009 appropriation are provided for the centrum program at Fort Worden state park.

(4) \$90,000 of the fiscal year 2008 appropriation and \$90,000 of the fiscal year 2009 appropriation are provided for the Washington destination imagination network and future problem-solving programs.

**NEW SECTION. Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR MISCELLANEOUS PURPOSES UNDER THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT AND THE NO CHILD LEFT BEHIND ACT**

General Fund—Federal Appropriation . . . . . \$43,450,000

**NEW SECTION. Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM PROGRAMS**

General Fund—State Appropriation (FY 2008) . . . . . \$66,278,000

General Fund—State Appropriation (FY 2009) . . . . . \$73,567,000

Education Legacy Trust Account—State  
Appropriation . . . . . \$125,325,000

General Fund—Federal Appropriation . . . . . \$152,616,000

TOTAL APPROPRIATION . . . . . \$417,786,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$19,966,000 of the general fund—state appropriation for fiscal year 2008, \$19,946,000 of the general fund—state appropriation for fiscal year 2009, and \$15,870,000 of the general fund—federal appropriation are provided solely for development and implementation of the Washington assessments of student learning (WASL), including development and implementation of retake assessments for high school students who are not successful in one or more content areas of the WASL and development and implementation of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development and implementation of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student WASL results, on or around June 10th of each year.

(2) \$250,000 of the general fund—state appropriation for fiscal year 2008, \$250,000 of the general fund—state appropriation for fiscal year 2009, and \$10,750,000 of the education legacy trust account—state appropriation are provided solely for the implementation of Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments), including section 2 and section 5 of that act. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. Additionally, the funding provided in this subsection is subject to the following conditions and limitations:

(a) The funding may be spent on reviewing, developing, and implementing approved alternative assessments authorized in Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments).

(b) The funding may also be used for reviewing, developing, and implementing end-of-course examinations pursuant to Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments).

(c) The funding may be used for increased costs associated with additional full-time equivalent students directly resulting from additional course-taking requirements specified in Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments).

(d) \$4,900,000 of the funds provided in this subsection are provided solely for allocations for school districts to purchase diagnostic assessments as specified in Engrossed Substitute Senate Bill No. 6023. By September 1, 2007, the office of the superintendent of public instruction shall: (i) Negotiate an agreement with an assessment vendor or vendors to secure competitive pricing for school districts for high quality diagnostic assessment tools, and (ii) provide quality comparison information to school districts regarding various diagnostic assessment tools available. Of the funding provided, a maximum of \$100,000 may be spent by the office of the superintendent of public instruction for administrative support.

(e) Beginning on September 1, 2007, the office of the superintendent of public instruction shall submit quarterly reports to the office of financial management and the appropriate policy and fiscal committees of the legislature detailing the actions taken pursuant to Engrossed Substitute Senate Bill No. 6023 (regarding alternative assessments) and amounts spent of each aspect of the legislation.

(3) \$70,000 of the general fund—state appropriation for fiscal year 2008 and \$70,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the second grade assessments.

(4) \$1,414,000 of the general fund—state appropriation for fiscal year 2008 and \$1,414,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for (a) the tenth grade mathematics assessment tool that: (i) Presents the mathematics essential learnings in segments for assessment; (ii) is comparable in content and rigor to the tenth grade mathematics WASL when all segments are considered together; (iii) is reliable and valid; and (iv) can be used to determine a student's academic performance level; (b) tenth grade mathematics knowledge and skill learning modules to teach middle and high school students specific skills that have been identified as areas of difficulty for tenth grade students; and (c) making the modules available on-line.

(5) \$2,267,000 of the general fund—state appropriation for fiscal year 2009 and \$2,367,000 of the education legacy trust account appropriation are provided solely to develop a system of mathematics and science standards and instructional materials that are internationally competitive and consistent with emerging best practices research. Funding in this subsection shall fund all of the following specific projects:

(a) The office of the superintendent of public instruction shall adopt revised state standards in mathematics as directed by Second Substitute House Bill No. 1906 (improving mathematics and science education). Activities include conducting research at the request of the state board of education, engaging one or more national experts in mathematics selected by the board, and convening education practitioners and community members in an advisory capacity regarding revised standards in mathematics.

(b) The office of the superintendent of public instruction, in consultation with the state board of education, shall research and identify not more than three basic mathematics curricula as well as diagnostic and supplemental instructional materials for elementary, middle, and high school grade spans that align with the revised mathematics standards.

(c) The office of the superintendent of public instruction shall adopt revised state standards in science as directed by Second Substitute House Bill No. 1906 (improving mathematics and science education). Activities include conducting research at the request of the state board of education, engaging one or more national experts in science selected by the board, and convening education practitioners and community members in an advisory capacity regarding revised standards in science.

(d) The office of the superintendent of public instruction, in consultation with the state board of education, shall research and identify not more than three basic science curricula as well as diagnostic and supplemental instructional materials for elementary, middle, and high school grade spans that align with the revised science standards.

(e) The office of the superintendent of public instruction shall evaluate science textbooks, instructional materials, and diagnostic tools to determine the extent to which they are aligned with the revised science standards. Once the evaluations have been conducted, results will be shared with science teachers, other educators, and community members.

(f) Funding is provided for the office of the superintendent of public instruction to develop WASL knowledge and skill learning modules to assist students performing at tenth grade level 1 and level 2 in science.

(g) Of the amounts provided in this subsection, \$300,000 is provided solely to the state board of education to increase capacity to implement the provisions of Second Substitute House Bill No. 1906 (improving mathematics and science education) and Engrossed Second Substitute Senate Bill No. 6023 (regarding alternative assessments).

(6) \$8,950,000 of the education legacy trust account appropriation is provided solely for allocations to districts for salaries and benefits for the equivalent of two additional professional development days each school year for fourth and fifth grade teachers. The allocations shall be made based on the calculations of certificated instructional staff units for fourth and fifth grade provided in section 502 of this act and on the calculations of compensation provided in sections 503 and 504 of this act. Allocations made pursuant to this subsection are intended to be formula-driven, and the office of the superintendent of public instruction shall provide updated projections of the relevant budget drivers by November 20, 2007, and by November 20, 2008. In the 2007-08 school year, the professional development activities funded by this subsection shall be focused on development of mathematics knowledge and instructional skills and on improving instruction in science. In the 2008-09 school year, the additional professional development shall focus on skills related to implementing the new international mathematics and science standards and curriculum. Districts may use the funding to support additional days for professional development as well as job-embedded forms of professional development.



(7) \$13,058,000 of the education legacy trust fund appropriation is provided solely for allocations to districts for salaries and benefits for the equivalent of three additional professional development days for middle and high school math teachers and the equivalent of three additional professional development days for middle and high school science teachers. The office of the superintendent of public instruction shall develop rules to determine the number of math and science teachers in middle and high schools within each district. Allocations made pursuant to this subsection are intended to be formula-driven, and the office of the superintendent of public instruction shall provide updated projections of the relevant budget drivers by November 20, 2007, and by November 20, 2008. Districts may use the funding to support additional days for professional development as well as job-embedded forms of professional development, consistent with the following:

(a) For middle school teachers during the 2007-08 school year the additional math professional development funded in this subsection shall focus on development of basic mathematics knowledge and instructional skills and the additional science professional development shall focus on examination of student science assessment data and identification of science knowledge and skill areas in need of additional instructional attention. For middle school teachers during the 2008-09 school year the additional math professional development shall focus on skills related to implementing the new international mathematics standards and the additional science professional development shall focus on skills related to implementing the new international science standards.

(b) For high school teachers during the 2007-08 school year the additional math professional development funded in this subsection shall focus on skills related to implementing state math learning modules, the segmented math class/assessment program, the collection of evidence alternative assessment, and basic mathematics knowledge and instructional skills, and the additional science professional development shall focus on skills related to examination of student science assessment data and identification of science knowledge and skill areas in need of additional instructional attention. For high school teachers during the 2008-09 school year the additional math professional development shall focus on skills related to implementing the new international mathematics standards and the additional science professional development shall focus on skills related to implementing the new international science standards.

(8) \$17,491,000 of the education legacy trust fund appropriation is provided solely for allocations to districts for specialized professional development in math for one math teacher and one science teacher in each middle school and one math teacher and one science teacher in each high school. The allocations shall be based on five additional professional development days per teacher and an additional allocation per teacher of \$1,500 for training costs. In order to generate an allocation under this subsection, a teacher must participate in specialized professional development that leads to the implementation of mathematics and science courses that add new rigor to the math and science course offerings in the school. Allocations made pursuant to this subsection are intended to be formula-driven, and the office of the superintendent of public instruction shall provide updated projections of the relevant budget drivers by November 20, 2007, and by November 20, 2008.

(9) \$5,376,000 of the education legacy trust account—state appropriation is provided solely for a math and science instructional coaches program pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education). Funding shall be used to provide grants to schools and districts to provide salaries, benefits, and professional development activities to twenty-five instructional coaches in middle and high school math in the 2007-08 and 2008-09 school years and twenty-five instructional coaches in middle and high school science in the 2008-09 school years; and up to \$300,000 may be used by the office of the superintendent of public instruction to administer and coordinate the program. Each instructional coach will receive five days of training at a coaching institute prior to being assigned to serve two schools each. These coaches will attend meetings during the year to further their training and assist with coordinating statewide trainings on math and science.

(10) \$1,500,000 of the general fund—state appropriation for fiscal year 2008 and \$1,500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to allow approved middle and junior high school career and technical education programs to receive enhanced vocational funding pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. The office of the superintendent of public instruction shall provide allocations to districts for middle and junior high school students in accordance with the funding formulas provided in section 502 of this act. Although the allocations are formula-driven, the office of the superintendent shall consider the funding provided in this subsection as a fixed amount, and shall adjust funding to stay within the amounts provided in this subsection.

(11) \$143,000 of the general fund—state appropriation for fiscal year 2008 and \$139,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for (a) staff at the office of the superintendent of public instruction to coordinate and promote efforts to develop integrated math, science, technology, and engineering programs in schools and districts across the state; and (b) grants of \$2,500 to provide twenty middle and high school teachers each year professional development training for implementing integrated math, science, technology, and engineering program in their schools.

(12) \$5,303,000 of the general fund—state appropriation for fiscal year 2008 and \$5,303,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for in-service training and educational programs conducted by the Pacific science center and for the Washington state leadership assistance for science education reform (LASER) regional partnership coordinated at the Pacific science center.

(13) \$675,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to support state college readiness assessment fees for eleventh grade students. The office of the superintendent of public instruction shall allocate funds for this purpose to school districts based on the number of eleventh grade students who complete the college readiness exam. School districts shall use these funds to reimburse institutions of higher education for the assessments students take and report to the office of the superintendent of public instruction on the number of assessments provided.

(14) \$51,236,000 of the education legacy trust account—state appropriation is provided solely for grants for voluntary full-day kindergarten at the highest poverty schools, as provided in Engrossed Second Substitute Senate Bill 5841 (enhancing student learning opportunities and achievement). The office of the superintendent of public instruction shall provide allocations to districts for recipient schools in accordance with the funding formulas provided in section 502 of this act. Each kindergarten student who enrolls for the voluntary full-day program in a recipient school shall count as one-half of one full-time equivalent student for the purpose of making allocations under this subsection. Although the allocations are formula-driven, the office of the superintendent shall consider the funding provided in this subsection as a fixed amount, and shall limit the number of recipient schools so as to stay within the amounts appropriated each fiscal year in this subsection. The funding provided in this subsection is estimated to provide full-day kindergarten programs for 10 percent of kindergarten enrollment in the 2007-08 school year and 20 percent of kindergarten enrollment in the 2008-09 school year. Funding priority shall be given to schools with the highest poverty levels, as measured by prior year free and reduced priced lunch eligibility rates in each school. Additionally, as a condition of funding, school districts must agree to provide the full-day program to the children of parents who request it in each eligible school. For the purposes of calculating a school district levy base, funding provided in this subsection shall be considered a state block grant program under RCW 84.52.0531.

(a) Of the amounts provided in this subsection, a maximum of \$272,000 may be used for administrative support of the full-day kindergarten program within the office of the superintendent of public instruction.

(15) \$65,000 of the general fund—state appropriation for fiscal year 2008 and \$65,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to support a full-day kindergarten "lighthouse" resource program at the Bremerton school district, as provided in Engrossed Second Senate Bill No. 5841 (enhancing student learning opportunities and achievement). The purpose of the program is to provide technical assistance to districts in the initial stages of implementing a high quality full-day kindergarten program.

(16) \$3,047,000 of the education legacy trust account—state appropriation is provided solely for grants for three demonstration projects for kindergarten through grade three. The purpose of the grants is to implement best practices in developmental learning in kindergarten through third grade pursuant to Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement).

(17) \$300,000 of the general fund—state appropriation for fiscal year 2008 and \$1,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the development of a leadership academy for school principals and administrators. The superintendent of public instruction shall contract with an independent organization to design, field test, and implement a state-of-the-art education leadership academy that will be accessible throughout the state. Initial development of the content of the academy activities shall be supported by private funds. Semiannually the independent organization shall report on amounts committed by foundations and others to support the development and implementation of this program. Leadership academy partners, with varying roles, shall include the state level organizations for school

administrators and principals, the superintendent of public instruction, the professional educator standards board, and others as the independent organization shall identify.

(18) \$661,000 of the general fund—state appropriation for fiscal year 2008 and \$684,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for grants to school districts to implement emerging best practices activities in support of classroom teachers' instruction of students, with a first language other than English, who struggle with acquiring academic English skills, as outlined in Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). Best practices shall focus on professional development for classroom teachers and support of instruction for English language learners in regular classrooms. School districts qualifying for these grants shall serve a student population that reflects many different first languages among their students. The Northwest educational research laboratory (NWREL) shall evaluate the effectiveness of the practices supported by the grants as provided in section 501 of this act. Recipients of these grants shall cooperate with NWREL in the collection of program data.

(19) \$548,000 of the fiscal year 2008 general fund—state appropriation and \$548,000 of the fiscal year 2009 general fund—state appropriation are provided solely for training of paraprofessional classroom assistants and certificated staff who work with classroom assistants as provided in RCW 28A.415.310.

(20) \$2,348,000 of the general fund—state appropriation for fiscal year 2008 and \$2,348,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for mentor teacher assistance, including state support activities, under RCW 28A.415.250 and 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in this subsection may be used each fiscal year to operate a mentor academy to help districts provide effective training for peer mentors. Funds for the teacher assistance program shall be allocated to school districts based on the number of first year beginning teachers.

(21) \$705,000 of the general fund—state appropriation for fiscal year 2008 and \$705,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(22) \$98,761,000 of the general fund—federal appropriation is provided for preparing, training, and recruiting high quality teachers and principals under Title II of the no child left behind act.

(23)(a) \$488,000 of the general fund—state appropriation for fiscal year 2008 and \$488,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a principal support program. The office of the superintendent of public instruction may contract with an independent organization to administer the program. The program shall include: (i) Development of an individualized professional growth plan for a new principal or principal candidate; and (ii) participation of a mentor principal who works over a period of between one and three years with the new principal or principal candidate to help him or her build the skills identified as critical to the success of the professional growth plan. Within the amounts provided, \$25,000 per year shall be used to support additional participation of secondary principals.

(b) \$3,046,000 of the general fund—state appropriation for fiscal year 2008 and \$3,046,000 of the general fund—state appropriation for fiscal year 2009 are

provided solely to the office of the superintendent of public instruction for focused assistance. The office of the superintendent of public instruction shall conduct educational audits of low-performing schools and enter into performance agreements between school districts and the office to implement the recommendations of the audit and the community. Each educational audit shall include recommendations for best practices and ways to address identified needs and shall be presented to the community in a public meeting to seek input on ways to implement the audit and its recommendations.

(24) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 and \$1,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a high school and school district improvement program modeled after the office of the superintendent of public instruction's existing focused assistance program in subsection (25)(b) of this section. The state funding for this improvement program will match an equal amount committed by a nonprofit foundation in furtherance of a jointly funded program.

(25) A maximum of \$375,000 of the general fund—state appropriation for fiscal year 2008 and a maximum of \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided for summer accountability institutes offered by the superintendent of public instruction. The institutes shall provide school district staff with training in the analysis of student assessment data, information regarding successful district and school teaching models, research on curriculum and instruction, and planning tools for districts to improve instruction in reading, mathematics, language arts, social studies, including civics, and guidance and counseling. The superintendent of public instruction shall offer at least one institute specifically for improving instruction in mathematics in fiscal years 2008 and 2009 and at least one institute specifically for improving instruction in science in fiscal year 2009.

(26) \$515,000 of the general fund—state appropriation for fiscal year 2008 and \$515,000 of the general fund—state appropriation for fiscal year 2009 are provided for the evaluation of mathematics textbooks, other instructional materials, and diagnostic tools to determine the extent to which they are aligned with the state standards. Once the evaluations have been conducted, results will be shared with math teachers, other educators, and community members for the purposes of validating the conclusions and then selecting up to three curricula, supporting materials, and diagnostic instruments as those best able to assist students to learn and teachers to teach the content of international standards. In addition, the office of the superintendent shall continue to provide support and information on essential components of comprehensive, school-based reading programs.

(27) \$1,764,000 of the general fund—state appropriation for fiscal year 2008 and \$1,764,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the mathematics helping corps subject to the following conditions and limitations:

(a) In order to increase the availability and quality of technical mathematics assistance statewide, the superintendent of public instruction shall employ mathematics school improvement specialists to provide assistance to schools and districts. The specialists shall be hired by and work under the direction of a statewide school improvement coordinator. The mathematics improvement

specialists shall not be permanent employees of the superintendent of public instruction.

(b) The school improvement specialists shall provide the following:

(i) Assistance to schools to disaggregate student performance data and develop improvement plans based on those data;

(ii) Consultation with schools and districts concerning their performance on the Washington assessment of student learning and other assessments emphasizing the performance on the mathematics assessments;

(iii) Consultation concerning curricula that aligns with the essential academic learning requirements emphasizing the academic learning requirements for mathematics, the Washington assessment of student learning, and meets the needs of diverse learners;

(iv) Assistance in the identification and implementation of research-based instructional practices in mathematics;

(v) Staff training that emphasizes effective instructional strategies and classroom-based assessment for mathematics;

(vi) Assistance in developing and implementing family and community involvement programs emphasizing mathematics; and

(vii) Other assistance to schools and school districts intended to improve student mathematics learning.

(28) \$125,000 of the general fund—state appropriation for fiscal year 2008 and \$125,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the improvement of reading achievement and implementation of research-based reading models. The superintendent shall evaluate reading curriculum programs and other instructional materials to determine the extent to which they are aligned with state standards. A report of the analyses shall be made available to school districts. The superintendent shall report to districts the assessments that are available to screen and diagnose reading difficulties, and shall provide training on how to implement a reading assessment system. Resources may also be used to disseminate grade level expectations and develop professional development modules and web-based materials.

(29) \$30,401,000 of the general fund—federal appropriation is provided for the reading first program under Title I of the no child left behind act.

(a) \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the office of the superintendent of public instruction to award five grants to parent, community, and school district partnership programs that will meet the unique needs of different groups of students in closing the achievement gap. The legislature intends that the pilot programs will help students meet state learning standards, achieve the skills and knowledge necessary for college or the workplace, reduce the achievement gap, prevent dropouts, and improve graduation rates.

(b) The pilot programs shall be designed in such a way as to be supplemental to educational services provided in the district and shall utilize a community partnership based approach to helping students and their parents.

(c) The grant recipients shall work in collaboration with the office of the superintendent of public instruction to develop measurable goals and evaluation methodologies for the pilot programs. \$25,000 of this appropriation may be

used by the office of the superintendent of public instruction to hold a statewide meeting to disseminate successful strategies developed by the grantees.

(d) The office of the superintendent of public instruction shall issue a report to the legislature in the 2009 session on the progress of each of the pilot programs.

(30) \$1,500,000 of the general fund—state appropriation for fiscal year 2008 and \$1,500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the office of the superintendent of public instruction to support and award Washington community learning center program grants pursuant to Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(31) \$1,629,000 of the general fund—state appropriation for fiscal year 2008 and \$1,638,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to eliminate the lunch co-pay for students in grades kindergarten through third grade that are eligible for reduced price lunch.

(32) \$400,000 of the education legacy trust account—state appropriation is provided solely for the development of mathematics support activities provided by community organizations in after school programs. Pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education), the office of the superintendent of public instruction shall administer grants to community organizations that partner with school districts to provide these activities and develop a mechanism to report program and student success.

(33) \$5,222,000 of the general fund—state appropriation for fiscal year 2008 and \$5,222,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for: (a) The meals for kids program under RCW 28A.235.145 through 28A.235.155; (b) to eliminate the breakfast co-pay for students eligible for reduced price lunch; and (c) for additional assistance for school districts initiating a summer food service program.

(34) \$1,056,000 of the general fund—state appropriation for fiscal year 2008 and \$1,056,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to low-performing schools and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs. Grants provided under this section may be used by school districts for expenditures from September 2007 through August 31, 2009.

(35) \$3,594,000 of the general fund—state appropriation for fiscal year 2008 and \$3,594,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for grants to school districts to provide a continuum of care for children and families to help children become ready to learn. Grant proposals from school districts shall contain local plans designed collaboratively with community service providers. If a continuum of care program exists in the area in which the school district is located, the local plan shall provide for coordination with existing programs to the greatest extent possible. Grant funds shall be allocated pursuant to RCW 70.190.040.

(36) \$1,959,000 of the general fund—state appropriation for fiscal year 2008 and \$1,959,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for improving technology infrastructure, monitoring

and reporting on school district technology development, promoting standards for school district technology, promoting statewide coordination and planning for technology development, and providing regional educational technology support centers, including state support activities, under chapter 28A.650 RCW. The superintendent of public instruction shall coordinate a process to facilitate the evaluation and provision of online curriculum courses to school districts which includes the following: Creation of a general listing of the types of available online curriculum courses; a survey conducted by each regional educational technology support center of school districts in its region regarding the types of online curriculum courses desired by school districts; a process to evaluate and recommend to school districts the best online courses in terms of curriculum, student performance, and cost; and assistance to school districts in procuring and providing the courses to students.

(37) \$126,000 of the general fund—state appropriation for fiscal year 2008 and \$126,000 of the general fund—state appropriation for fiscal year 2009 are provided for the development and posting of web-based instructional tools, assessment data, and other information that assists schools and teachers implementing higher academic standards.

(38) \$333,000 of the general fund—state appropriation for fiscal year 2008 and \$333,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the operation of the center for the improvement of student learning pursuant to RCW 28A.300.130.

(39) \$12,400,000 of the education legacy trust account—state appropriation is provided solely for one-time allocations for technology upgrades and improvements. The funding shall be allocated based on \$3,000 for each elementary school, \$6,000 for each middle or junior high school, and \$11,000 for each high school. In cases where a particular school's grade span or configuration does not fall into these categories, the office of superintendent of public instruction will develop an allocation to that school that recognizes the unique characteristics but maintains the proportionate allocation identified in this subsection.

(40) \$250,000 of the education legacy trust account—state appropriation is provided solely for costs associated with office of the superintendent of public instruction establishing a statewide director of technology position pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(41)(a) \$9,150,000 of the general fund—state appropriation for fiscal year 2008 and \$12,447,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the following bonuses for teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching in a Washington public school, subject to the following conditions and limitations:

(i) For national board certified teachers, a bonus of \$5,000 per teacher in fiscal year 2008 and adjusted for inflation in fiscal year 2009;

(ii) For national board certified teachers who teach in schools where at least 70 percent of student headcount enrollment is eligible for the federal free or reduced price lunch program, an additional \$5,000 annual bonus to be paid in one lump sum; and



(iii) The superintendent of public instruction shall adopt rules to ensure that national board certified teachers meet the qualifications for bonuses under (a)(ii) of this subsection for less than one full school year receive bonuses in a prorated manner.

(b) Included in the amounts provided in this subsection are amounts for mandatory fringe benefits. The annual bonus shall not be included in the definition of "earnable compensation" under RCW 41.32.010(10).

(c) For purposes of this subsection, "schools where at least 70 percent of the student headcount enrollment is eligible for the federal free or reduced price lunch program" shall be defined as: (i) For the 2007-08 and the 2008-09 school years, schools in which the prior year percentage of students eligible for the federal free and reduced price lunch program was at least 70 percent; and (ii) in the 2008-09 school year, any school that met the criterion in (c)(i) of this subsection in the 2007-08 school year.

(d) Within the amounts appropriated in this subsection, the office of superintendent of public instruction shall revise rules to allow teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching at the Washington school for the deaf or Washington school for the blind, to receive the annual bonus amounts specified in this subsection if they are otherwise eligible.

**NEW SECTION. Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL BILINGUAL PROGRAMS**

General Fund—State Appropriation (FY 2008) . . . . .	\$65,320,000
General Fund—State Appropriation (FY 2009) . . . . .	\$69,217,000
General Fund—Federal Appropriation . . . . .	\$45,243,000
TOTAL APPROPRIATION . . . . .	\$179,780,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) The superintendent shall distribute a maximum of \$824.24 per eligible bilingual student in the 2007-08 school year and \$840.25 in the 2008-09 school year, exclusive of salary and benefit adjustments provided in section 504 of this act.

(3) The superintendent may withhold up to 1.5 percent of the school year allocations to school districts in subsection (2) of this section, and adjust the per eligible pupil rates in subsection (2) of this section accordingly, solely for the central provision of assessments as provided in RCW 28A.180.090 (1) and (2).

(4) \$70,000 of the amounts appropriated in this section are provided solely to track current and former transitional bilingual program students.

(5) The general fund—federal appropriation in this section is provided for migrant education under Title I Part C and English language acquisition, and language enhancement grants under Title III of the elementary and secondary education act.

(6) Pursuant to RCW 28A.150.260, during the 2007-09 biennium, the office of the superintendent of public instruction shall not make exit of the transitional

bilingual program contingent on passing both the Washington language proficiency test and the Washington assessment of student learning without prior legislative approval.

**NEW SECTION. Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING ASSISTANCE PROGRAM**

General Fund—State Appropriation (FY 2008) . . . . .	\$70,792,000
General Fund—State Appropriation (FY 2009) . . . . .	\$73,156,000
General Fund—Federal Appropriation . . . . .	\$360,660,000
Education Legacy Trust Account—State	
Appropriation . . . . .	45,953,000
TOTAL APPROPRIATION . . . . .	\$550,561,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The general fund—state appropriations in this section are subject to the following conditions and limitations:

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b) Funding for school district learning assistance programs shall be allocated at maximum rates of \$220.37 per funded student for the 2007-08 school year and \$224.73 per funded student for the 2008-09 school year exclusive of salary and benefit adjustments provided under section 504 of this act.

(c) A school district's funded students for the learning assistance program shall be the sum of the following as appropriate:

(i) The district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch in the prior school year; and

(ii) If, in the prior school year, the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch exceeded forty percent, subtract forty percent from the district's percentage and multiply the result by the district's K-12 annual average full-time equivalent enrollment for the prior school year.

(d) In addition to amounts allocated in (b) and (c) of this subsection, an additional amount shall be allocated to a school district for each school year in which the district's allocation is less than the amount the district received for the general fund—state learning assistance program allocation in the 2004-05 school year. The amount of the allocation in this section shall be sufficient to maintain the 2004-05 school year allocation.

(2) The general fund—federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.

(3) Small school districts are encouraged to make the most efficient use of the funding provided by using regional educational service district cooperatives to hire staff, provide professional development activities, and implement reading and mathematics programs consistent with research-based guidelines provided by the office of the superintendent of public instruction.

(4) A school district may carry over from one year to the next up to 10 percent of the general fund—state or education legacy trust funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

(5) School districts are encouraged to coordinate the use of these funds with other federal, state, and local sources to serve students who are below grade level and to make efficient use of resources in meeting the needs of students with the greatest academic deficits.

**NEW SECTION. Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—PROMOTING ACADEMIC SUCCESS**

General Fund—State Appropriation (FY 2008) . . . . .	\$23,820,000
General Fund—State Appropriation (FY 2009) . . . . .	\$25,177,000
TOTAL APPROPRIATION . . . . .	\$48,997,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The amounts appropriated in this section are provided solely for remediation for students who have not met standard in one or more content areas of the Washington assessment of student learning in the spring of their tenth grade year or on a subsequent retake. The funds may be used for extended learning activities, including summer school, before and after school, Saturday classes, skill seminars, assessment preparation, and in-school or out-of-school tutoring. Extended learning activities may occur on the school campus, via the internet, or at other locations and times that meet student needs. Funds allocated under this section shall not be considered basic education funding. Amounts allocated under this section shall fund new extended learning opportunities, and shall not supplant funding for existing programs and services.

(2) School district allocations for promoting academic success programs shall be calculated as follows:

(a) Allocations shall be made to districts only for students actually served in a promoting academic success program.

(b) A portion of the district's annual student units shall be the number of content area assessments (reading, writing, and mathematics) on which eleventh and twelfth grade students were more than one standard error of measurement from meeting standard on the WASL in their most recent attempt to pass the WASL.

(c) The other portion of the district's annual student units shall be the number of content area assessments (reading, writing, and mathematics) on which eleventh and twelfth grade students were less than one standard error of measurement from meeting standard but did not meet standard on the WASL in their most recent attempt to pass the WASL.

(d) Districts with at least one but less than 20 student units combining the student units generated from (b) and (c) of this subsection shall be counted as having 20 student units for the purposes of the allocations in (e) and (f)(i) of this subsection.

(e) Allocations for certificated instructional staff salaries and benefits shall be determined using formula-generated staff units calculated pursuant to this subsection. Ninety-four hours of certificated instructional staff units are allocated per 13.0 student units as calculated under (a) of this subsection and

thirty-four hours of certificated instructional staff units are allocated per 13.0 student units as calculated under (b) of this subsection. Allocations for salaries and benefits for the staff units calculated under this subsection shall be calculated in the same manner as provided under section 503 of this act. Salary and benefit increase funding for staff units generated under this section is included in section 504 of this act.

(f) The following additional allocations are provided per student unit, as calculated in (a) and (b) of this subsection:

(i) \$12.80 in school year 2007-08 and \$13.07 in school year 2008-09 for maintenance, operations, and transportation;

(ii) \$12.29 in school year 2007-08 and \$12.55 in school year 2008-09 for pre- and post-remediation assessments;

(iii) \$17.41 in school year 2007-08 and \$17.77 in school year 2008-09 per reading remediation student unit;

(iv) \$8.19 in school year 2007-08 and \$8.36 in school year 2008-09 per mathematics remediation student unit; and

(v) \$8.19 in school year 2007-08 and \$8.36 in school year 2008-09 per writing remediation student unit.

(f) The superintendent of public instruction shall distribute school year allocations according to the monthly apportionment schedule defined in RCW 28A.510.250.

(3) By November 15th of each year, the office of the superintendent of public instruction shall report to the appropriate committees of the legislature and to the office of financial management on the use of these funds in the prior school year, including the types of assistance selected by students, the number of students receiving each type of assistance, and the impact on WASL test scores.

(4) School districts may carry over from one year to the next up to 20 percent of funds allocated under this program; however, carryover funds shall be expended for promoting academic success programs.

**NEW SECTION. Sec. 517. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR STUDENT ACHIEVEMENT PROGRAM**

Student Achievement Account—State Appropriation	
(FY 2008).....	\$423,414,000
Student Achievement Account—State Appropriation	
(FY 2009).....	\$446,357,000
TOTAL APPROPRIATION.....	\$869,771,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding for school district student achievement programs shall be allocated at a maximum rate of \$450.00 per FTE student for the 2007-08 school year and \$459.45 per FTE student for the 2008-09 school year. For the purposes of this section, FTE student refers to the annual average full-time equivalent enrollment of the school district in grades kindergarten through twelve for the prior school year, as reported to the office of the superintendent of public instruction by August 31st of the previous school year.

(2) The appropriation is allocated for the following uses as specified in RCW 28A.505.210:

(a) To reduce class size by hiring certificated elementary classroom teachers in grades K-4 and paying nonemployee-related costs associated with those new teachers;

(b) To make selected reductions in class size in grades 5-12, such as small high school writing classes;

(c) To provide extended learning opportunities to improve student academic achievement in grades K-12, including, but not limited to, extended school year, extended school day, before-and-after-school programs, special tutoring programs, weekend school programs, summer school, and all-day kindergarten;

(d) To provide additional professional development for educators including additional paid time for curriculum and lesson redesign and alignment, training to ensure that instruction is aligned with state standards and student needs, reimbursement for higher education costs related to enhancing teaching skills and knowledge, and mentoring programs to match teachers with skilled, master teachers. The funding shall not be used for salary increases or additional compensation for existing teaching duties, but may be used for extended year and extended day teaching contracts;

(e) To provide early assistance for children who need prekindergarten support in order to be successful in school; or

(f) To provide improvements or additions to school building facilities which are directly related to the class size reductions and extended learning opportunities under (a) through (c) of this subsection (2).

(3) The superintendent of public instruction shall distribute the school year allocation according to the monthly apportionment schedule defined in RCW 28A.510.250.

**NEW SECTION. Sec. 518. K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR ADJUSTMENTS.** State general fund and state student achievement fund appropriations provided to the superintendent of public instruction for state entitlement programs in the public schools in this part V of this act may be expended as needed by the superintendent for adjustments to apportionment for prior fiscal periods. Recoveries of state general fund moneys from school districts and educational service districts for a prior fiscal period shall be made as reductions in apportionment payments for the current fiscal period and shall be shown as prior year adjustments on apportionment reports for the current period. Such recoveries shall not be treated as revenues to the state, but as a reduction in the amount expended against the appropriation for the current fiscal period.

**NEW SECTION. Sec. 519. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION.** Appropriations made in this act to the office of superintendent of public instruction shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act.

## PART VI HIGHER EDUCATION

**NEW SECTION. Sec. 601.** The appropriations in sections 603 through 609 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 603 through 609 of this act.

(2)(a) The salary increases provided or referenced in this subsection and described in section 603 and part IX of this act shall be the only allowable salary increases provided at institutions of higher education, excluding increases associated with normally occurring promotions and increases related to faculty and professional staff retention, and excluding increases associated with employees under the jurisdiction of chapter 41.56 RCW.

(b) For employees under the jurisdiction of chapter 41.56 RCW, salary increases will be in accordance with the applicable collective bargaining agreement. However, an increase shall not be provided to any classified employee whose salary is above the approved salary range maximum for the class to which the employee's position is allocated.

(c) Each institution of higher education receiving appropriations for salary increases under sections 604 through 609 of this act may provide additional salary increases from other sources to instructional and research faculty, exempt professional staff, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015. Any additional salary increase granted under the authority of this subsection (2)(c) shall not be included in an institution's salary base for future state funding. It is the intent of the legislature that general fund—state support for an institution shall not increase during the current or any future biennium as a result of any salary increases authorized under this subsection (2)(c).

(d) The legislature, the office of financial management, and other state agencies need consistent and accurate personnel data from institutions of higher education for policy planning purposes. Institutions of higher education shall report personnel data to the department of personnel for inclusion in the department's data warehouse. Uniform reporting procedures shall be established by the department of personnel for use by the reporting institutions, including provisions for common job classifications and common definitions of full-time equivalent staff. Annual contract amounts, number of contract months, and funding sources shall be consistently reported for employees under contract.

(e) By January 1, 2008, the office of financial management shall work with the institutions of higher education, and with staff from the legislative fiscal committees and the legislative evaluation and accountability program, to identify ways in which the office's "compensation impact model" should be revised or replaced to make the system less costly for institutions to maintain, and more transparent, informative, and useful to the legislature and institutions, while providing information needed to accurately and efficiently negotiate and budget employee compensation changes.

(3) The technical colleges may increase tuition and fees in excess of the fiscal growth factor to conform with the percentage increase in community college operating fees.

(4) The tuition fees, as defined in chapter 28B.15 RCW, charged to full-time students at the state's institutions of higher education for the 2007-08 and 2008-09 academic years, other than the summer term, shall be adjusted by the governing boards of the state universities, regional universities, The Evergreen State College, and the state board for community and technical colleges. Tuition

fees may be increased in excess of the fiscal growth factor under RCW 43.135.055.

For the 2007-08 academic year, the governing boards of the research universities may implement an increase no greater than seven percent over tuition fees charged to full-time resident undergraduate students for the 2006-07 academic year. The regional universities and The Evergreen State College may implement an increase no greater than five percent over tuition fees charged to full-time resident undergraduate students for the 2006-07 academic year. The state board for community and technical colleges may implement an increase no greater than two percent over tuition and fees charged to full-time resident students for the 2006-07 academic year.

For the 2008-09 academic year, the governing boards of the research universities may implement an increase no greater than seven percent over tuition fees charged to full-time resident undergraduate students for the 2007-08 academic year. The regional universities and The Evergreen State College may implement an increase no greater than five percent over tuition fees charged to full-time resident undergraduate students for the 2007-08 academic year. The state board for community and technical colleges may implement an increase no greater than two percent over tuition and fees charged to full-time resident students for the 2007-08 academic year.

In addition to the tuition authorization provided under this subsection, amounts appropriated in this budget provide an amount approximately equal to a one percent tuition increase per academic year for the state board for community and technical colleges.

(5) For the 2007-09 biennium, the governing boards and the state board may adjust full-time operating fees for factors that may include time of day and day of week, as well as delivery method and campus, to encourage full use of the state's educational facilities and resources.

(6) Technical colleges may increase their building fee in excess of the fiscal growth factor until parity is reached with the community colleges.

(7) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of operating fees for any student. State general fund appropriations shall not be provided to replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(8) Pursuant to RCW 43.135.055, institutions of higher education receiving appropriations under sections 603 through 609 of this act are authorized to increase summer term tuition in excess of the fiscal growth factor during the 2007-09 biennium. Tuition levels increased pursuant to this subsection shall not exceed the per credit hour rate calculated from the academic year tuition levels adopted under this act.

(9) Pursuant to RCW 43.135.055, community and technical colleges are authorized to increase services and activities fee charges in excess of the fiscal growth factor during the 2007-09 biennium. The services and activities fee charges increased pursuant to this subsection shall not exceed the maximum level authorized by the state board for community and technical colleges.

(10) From within the appropriations in sections 603 through 609 of this act, institutions of higher education shall increase compensation for nonrepresented employees in accordance with the following:

(a) Across the Board Adjustments.

(i) Appropriations are provided for a 3.2 percent salary increase effective September 1, 2007, for all classified employees, except those represented by a collective bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except the certificated employees of the state schools for the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

(ii) Appropriations are provided for a 2.0 percent salary increase effective September 1, 2008, for all classified employees, except those represented by a collective bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

(b) Salary Survey.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's 2006 salary survey, for job classes more than 25 percent below market rates and affected classes.

(c) Classification Consolidation.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's phase 4 job class consolidation and revisions under chapter 41.80 RCW.

(d) Agency Request Consolidation.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for implementation of the department of personnel's agency request job class consolidation and reclassification plan. This implementation fully satisfies the conditions specified in the settlement agreement of *WPEA v State/Shroll v State*.

(e) Additional Pay Step.

For state employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, funding is provided for a new pay step L for those who have been in step K for at least one year.

(f) Retain Fiscal Year 2007 Pay Increase.

For all classified state employees, except those represented by a bargaining unit under chapter 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732, funding is provided for continuation of the 1.6 percent salary increase that was provided during fiscal year 2007. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

(g) The appropriations are also sufficient for the research and the regional higher education institutions to (i) continue the 1.6 percent salary increase that was provided during fiscal year 2007; and (ii) provide average salary increases



of 3.2 percent effective September 1, 2007, and of 2.0 percent effective September 1, 2008, for faculty, exempt administrative and professional staff, graduate assistants, and for all other nonclassified employees.

NEW SECTION. Sec. 602. (1) The appropriations in sections 603 through 609 of this act provide state support for full-time equivalent student enrollments at each institution of higher education. Listed below are the annual full-time equivalent student enrollments by institutions assumed in this act.

	2007-08 Annual Average	2008-09 Annual Average
University of Washington		
Main campus	33,782	34,197
Bothell campus	1,760	1,980
Tacoma campus	2,109	2,349
Washington State University		
Main campus	19,112	19,272
Tri-Cities campus	800	865
Vancouver campus	1,888	2,113
Central Washington University		
Eastern Washington University	8,952	9,322
The Evergreen State College	8,996	9,184
Western Washington University	4,165	4,213
State Board for Community and Technical Colleges	12,022	12,175
	136,022	138,977

(2) For the state universities, the number of full-time equivalent student enrollments enumerated in this section for the Bothell, Tacoma, Tri-Cities, and Vancouver campuses are the minimum levels at which the universities should seek to enroll students for those campuses. At the start of an academic year, the governing board of a state university may transfer full-time equivalent student enrollments among campuses. Intent notice shall be provided to the office of financial management and reassignment of funded enrollment is contingent upon satisfying data needed by the forecast division for tracking and monitoring state-supported college enrollment.

NEW SECTION. Sec. 603. FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund—State Appropriation (FY 2008) . . . . .	\$638,521,000
General Fund—State Appropriation (FY 2009) . . . . .	\$654,446,000
Education Legacy Trust Account—State Appropriation . . . . .	\$105,432,000

Pension Funding Stabilization Account

Appropriation . . . . .	\$49,800,000
TOTAL APPROPRIATION . . . . .	\$1,448,199,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$5,040,000 of the education legacy trust account—state appropriation and \$10,920,000 of the general fund—state appropriation for fiscal year 2009 are to expand general enrollments by 900 student FTEs in academic year 2008 and by an additional 1,050 student FTEs in academic year 2009.

(2) \$5,720,000 of the education legacy trust account—state appropriation and \$11,440,000 of the general fund—state appropriation for fiscal year 2009 are to expand high-demand enrollments by 650 student FTEs in fiscal year 2008 and by an additional 650 student FTEs in fiscal year 2009. The programs expanded shall include, but are not limited to, mathematics and health sciences. The state board shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in high-demand enrollment programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) \$1,960,000 of the education legacy trust account—state appropriation is to expand early childhood education programs with a focus on early math and science awareness by 100 student FTEs in fiscal year 2008 and by an additional 150 student FTEs in 2009. The board shall provide data to the office of financial management regarding math and science enrollments, graduations, and employment of college graduates related to state investments in math and science programs. Data may be provided through the centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(4) \$28,761,000 of the general fund—state appropriation for fiscal year 2008 and \$28,761,000 of the general fund—state appropriation for fiscal year 2009 are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support up to 6,200 full-time equivalent students in each fiscal year.

(5) \$3,813,000 of the education legacy trust account—state appropriation and \$7,625,000 of the general fund—state appropriation for fiscal year 2009 are for basic skills education enrollments at community and technical colleges. Budgeted enrollment levels shall increase by 625 student FTEs each year.

(6) \$3,750,000 of the general fund—state appropriation for fiscal year 2008 and \$7,500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to increase salaries and related benefits for part-time faculty. It is intended that part-time faculty salaries will increase relative to full-time faculty salaries after all salary increases are collectively bargained.

(7) \$7,350,000 of the education legacy trust account appropriation is to increase enrollment levels in the integrated basic education, skills, and language program (I-BEST) by 250 student FTEs per year. Each student participating on a full-time basis is budgeted and shall be reported as a single FTE for purposes of this expansion.

(8) \$375,000 of the general fund—state appropriation for fiscal year 2008 and \$375,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the transitions math project. This phase of work shall include the establishment of a single math placement test to be used at colleges and universities statewide.

(9) \$2,835,000 of the education legacy trust account appropriation is to increase enrollment in apprenticeship training programs by 150 student FTEs in each fiscal year.

(10) \$4,000,000 of the education legacy trust account—state appropriation is provided solely to expand the number of TRIO eligible students served in the community and technical college system by 1,700 students each year. TRIO eligible students include low-income, first-generation, and college students with disabilities. The state board for community and technical colleges shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 65 percent for TRIO students and other low-income and first-generation students served through this appropriation.

(11)(a) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures and targets in 2006. By July 31, 2007, the state board for community and technical colleges and the higher education coordinating board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

(b) The targets previously agreed by the state board and the higher education coordinating board are enumerated as follows:

(i) Increase the percentage and number of academic students who are eligible to transfer to baccalaureate institutions to 18,700;

(ii) Increase the percentage and number of students prepared for work to 23,490; and

(iii) Increase the percentage and number of basic skills students who demonstrate substantive skill gain by 22,850.

The state board for community and technical colleges shall report their progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(12) \$452,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for start-up and planning funds for two applied baccalaureate degree programs at community and technical colleges, of which one degree program must be at a technical college. The applied baccalaureate degrees shall be specifically designed for individuals who hold associate of applied science degrees, or equivalent, in order to maximize application of their technical course credits toward the applied baccalaureate degree.

(13) \$2,502,000 of the general fund—state appropriation for fiscal year 2008 and \$5,024,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for faculty salary increments and associated benefits and may be used in combination with salary and benefit savings from faculty turnover to provide salary increments and associated benefits for faculty who

qualify through professional development and training. To the extent general salary increase funding is used to pay faculty increments, the general salary increase shall be reduced by the same amount. The state board shall determine the method of allocating to the community and technical colleges the appropriations granted for academic employee increments, provided that the amount of the appropriation attributable to the proportionate share of the part-time faculty salary base shall only be accessible for part-time faculty.

(14) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for higher education student child care matching grants under chapter 28B.135 RCW.

(15) \$2,725,000 of the general fund—state appropriation for fiscal year 2008 and \$2,725,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(16) \$504,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for 80 student FTEs in the existing four applied baccalaureate degree programs at community and technical colleges as authorized in chapter 28B.50 RCW.

(17) \$4,000,000 of the general fund—state appropriation for fiscal year 2008, \$4,000,000 of the general fund—state appropriation for fiscal year 2009, and \$15,000,000 of the education legacy trust account—state appropriation are provided solely for implementation of Second Substitute House Bill No. 1096 (postsecondary opportunities). The state board shall seek additional private sector involvement and support for the opportunity grants program. If the bill is not enacted by June 30, 2007, the education legacy trust account—state appropriation shall lapse. Remaining amounts in this subsection shall be used for an opportunity grant program to provide grants covering community and technical college tuition and fees for up to 45 credits and books or other materials to be awarded to eligible students. Program participants will earn credentials or certificates in industry-defined occupations with a need for skilled employees.

(18) From within the funds appropriated in this section, community and technical colleges shall increase salaries for employees subject to the provisions of Initiative Measure No. 732 by an average of 3.7 percent effective July 1, 2007, and by an average of 2.8 percent effective July 1, 2008.

(19) From within the funds appropriated in this section, community and technical colleges shall increase salaries for exempt professional staff by an average of 3.2 percent effective September 1, 2007, and by an average of 2.0 percent effective September 1, 2008.

**NEW SECTION. Sec. 604. FOR THE UNIVERSITY OF WASHINGTON**

General Fund—State Appropriation (FY 2008) . . . . .	\$373,680,000
General Fund—State Appropriation (FY 2009) . . . . .	\$390,058,000
General Fund—Private/Local Appropriation . . . . .	\$300,000

Education Legacy Trust Account—State	
Appropriation . . . . .	\$43,181,000
Accident Account—State Appropriation . . . . .	\$6,621,000
Medical Aid Account—State Appropriation . . . . .	\$6,448,000
TOTAL APPROPRIATION . . . . .	\$820,288,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$15,744,000 of the education legacy trust account—state appropriation is to expand general enrollments by 625 student FTEs in fiscal year 2008 and by an additional 625 student FTEs in fiscal year 2009. Of these, 165 FTEs in 2008 and 165 FTEs in 2009 are expected to be graduate student FTEs.

(2) \$6,975,000 of the education legacy trust account—state appropriation is to expand math and science undergraduate enrollments by 250 student FTEs in each fiscal year. The programs expanded shall include mathematics, engineering, and the physical sciences. The university shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in math and science programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) \$85,000 of the general fund—state appropriation for fiscal year 2008 and \$85,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for operating support of the Washington state academy of sciences, authorized by chapter 70.220 RCW.

(4) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for operating support of the William D. Ruckelshaus center.

(5) \$500,000 of the education legacy trust account—state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at the University of Washington by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(6) \$84,000 of the general fund—state appropriation for fiscal year 2008 and \$84,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to establish the state climatologist position.

(7) \$25,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the William D. Ruckelshaus center to identify and carry out, or otherwise appropriately support, a process to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict. A report with conclusions and recommendations shall be submitted to the governor and the chairs of the appropriate committees of the legislature by October 31, 2007.

(8) \$3,830,000 of the education legacy trust account—state appropriation is provided solely to expand health sciences capacity at the University of

Washington. Consistent with the medical and dental school extension program appropriations at Washington State University and Eastern Washington University, funding is provided to expand classes at the University of Washington. Medical and dental students shall take the first year of courses for this program at the Riverpoint campus in Spokane and the second year of courses at the University of Washington in Seattle.

(9) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the University of Washington are enumerated as follows:

(a) Increase the combined number of baccalaureate degrees conferred per year at all campuses to 8,850;

(b) Increase the combined number of high-demand baccalaureate degrees conferred at all campuses per year to 1,380;

(c) Increase the combined number of advanced degrees conferred per year at all campuses to 3,610;

(d) Improve the six-year graduation rate for baccalaureate students to 74.7 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 76.0 percent;

(f) Improve the freshman retention rate to 93.0 percent;

(g) Improve time to degree for baccalaureate students to 92 percent at the Seattle campus and 92.5 percent at the Bothell and Tacoma campuses, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this subsection.

The University of Washington shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(10) \$750,000 of the education legacy trust account appropriation is provided solely to increase participation in international learning opportunities, particularly for students with lower incomes who would otherwise not have the chance to study, work, or volunteer outside the United States.

(11) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for forestry research by the Olympic natural resources center.

(12) \$25,000 of the general fund—state appropriation for fiscal year 2008 and \$25,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for coastal marine research by the Olympic natural resources center.

(13) \$95,000 of the general fund—state appropriation for fiscal year 2008 and \$30,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for increased education, training, and support services for the

families of children with autism, and for the production and distribution of digital video discs in both English and Spanish about strategies for working with people with autism.

(14) \$2,900,000 of the general fund—state appropriation for fiscal year 2008 and \$3,400,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for operating support for the department of global health.

(15) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

(16) \$150,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the rural technology initiative (initiative) at the University of Washington and the transportation research group (group) at the Washington State University to conduct an economic analysis of the costs to safely provide log hauling services. The initiative will be the lead investigator and administer the project. Neither the University of Washington nor the Washington State University may make a deduction for administrative costs. The project shall rely upon the Washington state patrol for determination of basic safe characteristics, consistent with applicable state and federal law. The analysis shall include:

(a) An estimate of log haulers' cost to operate and maintain a basic and safe log truck without operator including:

(i) Variable costs such as fuel, etc;

(ii) Quasi-variable costs such as:

(A) Tires, brakes, wrappers, and other safety related equipment;

(B) Vehicle insurance, taxes, fees, etc;

(C) Maintenance costs such as oil, lubrication, and minor repairs; and

(D) Depreciation and replacement costs;

(b) The source of these cost estimates where possible should be independent vendors of equipment and services or already existing studies;

(c) A calculation of costs for safe operation expressed as per mile, hour or load volume including consideration for regional differences as well as off-road vs. on-road;

(d) An evaluation of comparable trucking services; and

(e) A review of log truck safety statistics in Washington state.

In conducting the analysis, the initiative shall consult with the northwest log truckers cooperative, the Washington trucking association, the Washington contract loggers association, the Washington farm forestry association, and the Washington forest protection association. By June 30, 2008, the initiative shall provide a report of its findings to the legislature and governor and distribute the findings to interested industry groups.

(17) \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the Burke museum to support science and social science educational programs including public outreach programs, new educational programs and resources, web-based interactive learning experiences, teacher training, and traveling educational opportunities.

(18) \$150,000 of the general fund—state appropriation for fiscal year 2008 and \$150,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the institute for learning and brain sciences.

(19) \$30,000 of the general fund—state appropriation for fiscal year 2008 and \$30,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the University of Washington to gather data and conduct research associated with preparing the basin-wide assessment and to solicit nominations for review and submittal to the Washington academy of sciences for the creation of the Puget Sound science panel pursuant to Engrossed Second Substitute Senate Bill No. 5372 (Puget Sound partnership).

(20)(a) \$500,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the University of Washington school of law loan repayment assistance program endowment fund. The University of Washington shall conduct fund-raising activities to increase private sector support of the endowment program and \$250,000 of the appropriation in this subsection is contingent on a private sector match. Funds in the law school repayment assistance program endowment fund shall be used to provide graduates who pursue careers in public interest legal positions with payment assistance toward their student loan debt.

(b) The University of Washington law school shall report to the legislature by December 1, 2010, information about the loan repayment assistance program. The report shall contain at least the following information:

- (i) A financial summary of the endowment program;
- (ii) The number of individuals receiving assistance from the program and information related to the positions in which these individuals are working;
- (iii) Any available information regarding the effect of the loan repayment assistance program on student recruitment and enrollment; and
- (iv) Other information the school of law deems relevant to the evaluation of the program.

(c) In its rules for administering the program, the school of law must make provision for cases of hardship or exceptional circumstances, as defined by the school of law. Examples of such circumstances include, but are not limited to, family leave, medical leave, illness or disability, and loss of employment.

(d) The loan repayment assistance program must be available to otherwise eligible graduates of the law school who work in positions with nonprofit organizations or government agencies. Such positions must be located within Washington state. Government agencies shall include the various branches of the military.

(21) \$54,000 of the general fund—state appropriation for fiscal year 2008 and \$54,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the University of Washington geriatric education center to develop a voluntary adult family home certification program. In addition to the minimum qualifications required under RCW 70.128.120, individuals participating in the voluntary adult family home certification program shall complete fifty-two hours of class requirements as established by the University of Washington geriatric education center. Individuals completing the requirements of RCW 70.128.120 and the voluntary adult family home certification program shall be issued a certified adult family home license by the



department of social and health services. The department of social and health services shall adopt rules implementing the provisions of this subsection.

**NEW SECTION. Sec. 605. FOR WASHINGTON STATE UNIVERSITY**

General Fund—State Appropriation (FY 2008) . . . . .	\$231,382,000
General Fund—State Appropriation (FY 2009) . . . . .	\$240,898,000
Education Legacy Trust Account—State Appropriation . . . . .	\$33,884,000
Pension Funding Stabilization Account Appropriation . . . . .	\$2,450,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$508,614,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$5,315,000 of the education legacy trust account—state appropriation is to expand general enrollments by 290 student FTEs in fiscal year 2008 and by an additional 300 student FTEs in fiscal year 2009.

(2) \$3,525,000 of the education legacy trust account—state appropriation is to expand math and science enrollments by 65 student FTEs in fiscal year 2008, and by an additional 90 FTE students in fiscal year 2009, of which 15 FTEs in each fiscal year are expected to be graduate enrollments. The programs expanded shall include mathematics, engineering, and the physical sciences. Fifty student FTEs in each year will be shifted from general enrollments to high-demand, high-cost fields, and thus do not affect the enrollment levels listed in section 602 of this act. The university shall provide data to the office of financial management regarding math and science enrollments, graduations, and the employment of college graduates related to state investments in math and science programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) \$2,356,000 of the education legacy trust account appropriation is to expand bachelors-level, masters-level, and PhD enrollment at the Tri-Cities and Spokane campuses by 45 FTE students in fiscal year 2008, and by an additional 40 FTEs in fiscal year 2009.

(4) \$2,000,000 of the general fund—state appropriation for fiscal year 2008 and \$2,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for research and commercialization in bio-products and bio-fuels. Of this amount, \$2,000,000 shall be targeted at the development of new crops to be used in the bio-products facility at WSU-Tri-Cities. The remainder shall be used for research into new bio-products created from agricultural waste to be conducted in the Tri-Cities in a joint program between Washington State University and Pacific Northwest national laboratories.

(5) \$500,000 of the education legacy trust account—state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at Washington State University by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of

students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(6) \$1,500,000 of the general fund—state appropriation for fiscal year 2008 and \$1,500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to promote the development of the Spokane-based applied sciences laboratory into a strong, self-sustaining research organization. The state funds shall be used to recruit and retain at least three senior research scientists; to employ business development and administrative personnel; and to establish and equip facilities for computational modeling and for materials and optical characterization.

(7) \$85,000 of the general fund—state appropriation for fiscal year 2008 and \$85,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for operating support of the Washington state academy of sciences, under chapter 70.220 RCW.

(8) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for operating support of the William D. Ruckelshaus center.

(9) \$25,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the William D. Ruckelshaus center to identify and carry out, or otherwise appropriately support, a process to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict. A report with conclusions and recommendations shall be submitted to the governor and the chairs of the appropriate committees of the legislature by October 31, 2007.

(10) \$6,360,000 of the education legacy trust account—state appropriation is provided solely to expand health sciences offerings in Spokane. The university shall enroll 20 student FTEs in fiscal year 2009 in a University of Washington medical school extension program at the Riverpoint campus of WSU in Spokane. Students shall take the first year of courses for this program at the Riverpoint campus in Spokane, and shall do their clinical rotations and other upper level training in the inland northwest.

(11) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 and \$1,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for start-up and ongoing operation of the Vancouver campus-based electrical engineering program.

(12) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the Washington State University are enumerated as follows:

(a) Increase the combined number of baccalaureate degrees conferred per year at all campuses to 4,170;

(b) Increase the combined number of high-demand baccalaureate degrees conferred at all campuses per year to 630;

(c) Increase the combined number of advanced degrees conferred per year at all campuses to 1,090;

(d) Improve the six-year graduation rate for baccalaureate students to 63.2 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 65.4 percent;

(f) Improve the freshman retention rate to 84.8 percent;

(g) Improve time to degree for baccalaureate students to 92 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

The Washington State University shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(13) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

(14) \$3,000,000 of the general fund—state appropriation for fiscal year 2008 and \$3,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to support the unified agriculture initiative at Washington State University. Funds are provided for competitive agriculture grant funds, of which \$400,000 is provided for biological intensive and organic agriculture grants; for operating and program support for the university's research and extension centers, of which \$735,000 is for maintenance and operations support for the Mount Vernon research facility; and for positions to fill research gaps in the development of value-added agricultural products and economically and environmentally sustainable food production.

(15) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for support of basic operations and research at the university's grizzly bear study center.

(16) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the energy development center to establish certification standards and to process applications for renewable energy cost recovery incentives, as provided in chapters 300 and 301, Laws of 2005.

(17) \$30,000 of the general fund—state appropriation for fiscal year 2008 and \$30,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for Washington State University to gather data and conduct research associated with preparing the basin-wide assessment and to solicit nominations for review and submittal to the Washington academy of sciences for the creation of the Puget Sound science panel pursuant to Engrossed Second Substitute Senate Bill No. 5372 (Puget Sound partnership).

**NEW SECTION. Sec. 606. FOR EASTERN WASHINGTON UNIVERSITY**

General Fund—State Appropriation (FY 2008) . . . . . \$48,907,000

General Fund—State Appropriation (FY 2009) . . . . .	\$50,736,000
Education Legacy Trust Account—State	
Appropriation . . . . .	\$14,753,000
Pension Funding Stabilization Account	
Appropriation . . . . .	\$4,758,000
TOTAL APPROPRIATION . . . . .	\$119,154,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$930,000 of the education legacy trust account—state appropriation is to expand general enrollments by 130 student FTEs in fiscal year 2009. Of these, 30 FTEs in 2009 are expected to be graduate student FTEs.

(2) \$1,170,000 of the education legacy trust account—state appropriation is to expand high-demand undergraduate enrollments by 50 student FTEs in each fiscal year. The programs expanded shall include, but are not limited to, mathematics, engineering, and health sciences. The university shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in high-demand enrollment programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) \$500,000 of the education legacy trust account—state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at Eastern Washington University by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(4) \$1,021,000 of the education legacy trust account—state appropriation is provided solely for the RIDE program. The program shall enroll eight student FTEs in the University of Washington school of dentistry in fiscal year 2009. Students shall take the first year of courses for this program at the Riverpoint campus in Spokane, and their second and third years at the University of Washington school of dentistry.

(5) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the Eastern Washington University are enumerated as follows:

(a) Increase the number of baccalaureate degrees conferred per year to 2035;

- (b) Increase the number of high-demand baccalaureate degrees conferred per year to 405;
- (c) Increase the number of advanced degrees conferred per year at all campuses to 550;
- (d) Improve the six-year graduation rate for baccalaureate students to 50.0 percent;
- (e) Improve the three-year graduation rate for students who transfer with an associates degree to 61.0 percent;
- (f) Improve the freshman retention rate to 76.0 percent;
- (g) Improve time to degree for baccalaureate students to 81.0 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and
- (h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

Eastern Washington University shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(6) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

**NEW SECTION. Sec. 607. FOR CENTRAL WASHINGTON UNIVERSITY**

General Fund—State Appropriation (FY 2008) . . . . .	\$47,326,000
General Fund—State Appropriation (FY 2009) . . . . .	\$49,539,000
Education Legacy Trust Account—State Appropriation . . . . .	\$16,219,000
Pension Funding Stabilization Account Appropriation . . . . .	\$4,330,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$117,414,000</b>

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$2,474,000 of the education legacy trust account—state appropriation is to increase general enrollments by 70 FTE students in fiscal year 2008 and by an additional 211 FTE enrollments in fiscal year 2009. At least 30 of the additional fiscal year 2009 enrollments are expected to be graduate students.
- (2) \$1,816,000 of the education legacy trust account—state appropriation for fiscal year 2008 is to increase math and science enrollments by 105 FTE students in fiscal year 2008 and by an additional 89 FTE students in fiscal year 2009. The university shall provide data to the office of financial management regarding math and science enrollments, graduations, and employment of college graduates related to state investments in math and science enrollment programs. Data may be provided through the centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.
- (3) \$1,801,000 of the education legacy trust account—state appropriation is to increase high-demand undergraduate enrollments by 85 student FTEs in fiscal

year 2008 and by an additional 70 FTE students in fiscal year 2009. The programs expanded shall include, but are not limited to, bilingual education and information technology. The university shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in high-demand enrollment programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(4) \$500,000 of the education legacy trust account—state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at Central Washington University by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(5) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the Central Washington University are enumerated as follows:

(a) Increase the number of baccalaureate degrees conferred per year to 2,050;

(b) Increase the number of high-demand baccalaureate degrees conferred per year to 49;

(c) Increase the number of advanced degrees conferred per year at all campuses to 196;

(d) Improve the six-year graduation rate for baccalaureate students to 51.1 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 72.3 percent;

(f) Improve the freshman retention rate to 78.2 percent;

(g) Improve time to degree for baccalaureate students to 86.6 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

Central Washington University shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(6) \$500,000 of the education legacy trust account appropriation is provided solely to implement Engrossed Substitute House Bill No. 1497 (Central

Washington University operating fee waivers). If the bill is not enacted by June 30, 2007, this appropriation shall lapse.

(7) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

**NEW SECTION. Sec. 608. FOR THE EVERGREEN STATE COLLEGE**

General Fund—State Appropriation (FY 2008) . . . . .	\$29,744,000
General Fund—State Appropriation (FY 2009) . . . . .	\$30,057,000
Education Legacy Trust Account—State Appropriation . . . . .	\$4,758,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$64,559,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$562,000 of the education legacy trust account—state appropriation is to expand upper division math and science enrollments by 22 student FTEs in fiscal year 2008 and by an additional 28 student FTEs in fiscal year 2009.

(2) \$260,000 of the education legacy trust account—state appropriation for fiscal year 2009 is for 20 student FTE graduate enrollments in the masters in education program.

(3) \$500,000 of the education legacy trust account—state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at The Evergreen State College by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 80 percent for students served in this program, with a goal of reaching a retention rate in excess of 85 percent.

(4) \$614,000 of the education legacy trust account appropriation is provided solely to increase the number and value of tuition waivers awarded to state-supported students.

(5) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the college and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and The Evergreen State College are enumerated as follows:

- (a) Increase the number of baccalaureate degrees conferred per year to 1182;
- (b) Increase the number of advanced degrees conferred per year at all campuses to 92;

(c) Improve the six-year graduation rate for baccalaureate students to 57.0 percent;

(d) Improve the three-year graduation rate for students who transfer with an associates degree to 72.8 percent;

(e) Improve the freshman retention rate to 73.9 percent;

(f) Improve time to degree for baccalaureate students to 97.0 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(g) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

The Evergreen State College shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(6) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

(7) \$435,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the Washington state institute for public policy (WSIPP) to assist the joint task force on basic education finance created pursuant to Engrossed Second Substitute Senate Bill No. 5627 (requiring a review and development of basic education funding). The institute shall assist the joint task force in a review of the definition of basic education and the development of options for a new funding structure for K-12 public schools. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) \$180,000 of the general fund—state appropriation for fiscal year 2008 and \$180,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the Washington state institute for public policy to study the program effectiveness and cost-benefit of state-funded programs that meet the criteria of evidence-based programs and practices, and emerging best practice/promising practice, as defined in RCW 71.24.025 (12) and (13) for adult offenders in the department of corrections, and juvenile offenders under state and local juvenile authority.

(9) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the Washington state institute for public policy to evaluate the effectiveness of current methods for screening and treating depression in women who receive temporary assistance for needy families (TANF), and to make recommendations for their improvement.

(10) \$133,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to implement Substitute House Bill No. 1472 (child welfare). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(11) Notwithstanding other provisions in this section, the Washington state institute for public policy may adjust due dates for projects included on the institute's 2007-09 workplan as necessary to efficiently manage workload.

**NEW SECTION. Sec. 609. FOR WESTERN WASHINGTON UNIVERSITY**



General Fund—State Appropriation (FY 2008) . . . . .	\$66,716,000
General Fund—State Appropriation (FY 2009) . . . . .	\$69,917,000
Education Legacy Trust Account—State Appropriation . . . . .	\$11,845,000
TOTAL APPROPRIATION . . . . .	\$148,478,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$281,000 of the education legacy trust account—state appropriation is to expand math and science enrollments by 8 student FTEs in fiscal year 2008 and by an additional 8 student FTEs in fiscal year 2009. Programs expanded include cell and molecular biology. The university shall provide data to the office of financial management regarding math and science enrollments, graduations, and the employment of college graduates related to state investments in math and science enrollment programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(2) \$4,013,000 of the education legacy trust account—state appropriation is to expand general enrollments by 235 student FTEs in fiscal year 2008 and by an additional 130 student FTEs in fiscal year 2009. Of these, 24 FTEs in each fiscal year are expected to be graduate student FTEs.

(3) \$920,000 of the education legacy trust account—state appropriation is to expand high demand enrollments by 50 FTE students in fiscal year 2008 and by an additional 15 FTE students in fiscal year 2009. Programs expanded include early childhood education and teaching English as a second language. The university shall provide data to the office of financial management regarding high-demand enrollments, graduations, and employment of college graduates related to state investments in high demand enrollment programs. Data may be provided through the centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(4) \$500,000 of the education legacy trust account—state appropriation is provided solely to expand the number of low-income and first-generation students served in the student outreach services program at Western Washington University by 500 students over the biennium. The student outreach services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 80 percent for students served in this program, with a goal of reaching a retention rate in excess of 85 percent.

(5) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the Western Washington University are enumerated as follows:

- (a) Increase the number of baccalaureate degrees conferred per year to 2,968;
- (b) Increase the number of high-demand baccalaureate degrees conferred per year to 371;
- (c) Increase the number of advanced degrees conferred per year at all campuses to 375;
- (d) Improve the six-year graduation rate for baccalaureate students to 62.8 percent;
- (e) Improve the three-year graduation rate for students who transfer with an associates degree to 61.4 percent;
- (f) Improve the freshman retention rate to 85.0 percent;
- (g) Improve time to degree for baccalaureate students to 95.6 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and
- (h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

Western Washington University shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(6) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, the university shall report progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations to the higher education coordinating board by October 1st of each year.

(7) \$1,169,000 of the education legacy trust account appropriation is for the advanced materials science and engineering program. The program shall develop the advanced materials science and engineering center for research, teaching, and development which will offer a minor degree in materials science and engineering beginning in the fall 2009.

(8) \$444,000 of the general fund—state appropriation for fiscal year 2008 and \$611,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for development of the biomedical research activities in neuroscience (BRAIN) program. The program shall link biology and chemistry curriculum to prepare students for biomedical research positions in academia and industry.

**NEW SECTION. Sec. 610. FOR THE HIGHER EDUCATION COORDINATING BOARD—POLICY COORDINATION AND ADMINISTRATION**

General Fund—State Appropriation (FY 2008) . . . . .	\$6,922,000
General Fund—State Appropriation (FY 2009) . . . . .	\$6,954,000
General Fund—Federal Appropriation . . . . .	\$4,342,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$18,218,000</b>

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$87,000 of the general fund—state appropriation for fiscal year 2008 and \$169,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to maintain and update a scholarship clearinghouse that lists every public and private scholarship available to Washington students. The

higher education coordinating board shall develop a web-based interface for students and families as well as a common application for these scholarships.

(2) \$339,000 of the general fund—state appropriation for fiscal year 2008 and \$330,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Second Substitute Senate Bill No. 5098 (the college bound scholarship). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(3) \$200,000 of the general fund—state appropriation for fiscal year 2008 and \$150,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Engrossed Substitute House Bill No. 1131 (the passport to college promise). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(4) \$152,000 of the general fund—state appropriation for fiscal year 2008 and \$191,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for administration of conditional scholarships.

(5) Except for moneys provided in this section for specific purposes, and to the extent that the executive director finds that the agency will not require the full amount appropriated for a fiscal year in this section, the unexpended appropriation shall be transferred to the state education trust account established under RCW 28B.92.140 for purposes of fulfilling unfunded scholarship commitments that the board made under its federal GEAR UP Grant 1.

(6) \$200,000 of the general fund—state appropriation is provided solely to implement a capital facility and technology capacity study which will compare the 10-year enrollment projections with the capital facility requirements and technology application and hardware capacity needed to deliver higher education programs for the period 2009-2019. The joint legislative audit and review committee shall:

(a) Develop the study in collaboration with the state board for community and technical colleges, the higher education coordinating board, four-year universities and the Washington independent colleges;

(b) Determine the 10-year capital facilities and technology application and hardware investment needed by location to deliver higher education programs to additional student FTE;

(c) Estimate operational and capital costs of the additional capacity; and

(d) Report findings to the legislature on October 1, 2008.

**NEW SECTION. Sec. 611. FOR THE HIGHER EDUCATION COORDINATING BOARD—FINANCIAL AID AND GRANT PROGRAMS**

General Fund—State Appropriation (FY 2008) . . . . .	\$163,286,000
General Fund—State Appropriation (FY 2009) . . . . .	\$187,252,000
General Fund—Federal Appropriation . . . . .	\$13,122,000
Education Legacy Trust Account—State	
Appropriation . . . . .	\$108,188,000
TOTAL APPROPRIATION . . . . .	\$471,848,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$154,837,000 of the general fund—state appropriation for fiscal year 2008, \$177,863,000 of the general fund—state appropriation for fiscal year

2009, \$49,902,000 of the education legacy trust account appropriation for fiscal year 2008, \$40,050,000 of the education legacy trust account appropriation for fiscal year 2009, and \$2,886,000 of the general fund—federal appropriation are provided solely for student financial aid payments under the state need grant; the state work study program; the Washington scholars program; and the Washington award for vocational excellence. All four programs shall increase grant awards sufficiently to offset the full cost of the resident undergraduate tuition increases authorized under this act.

(2) Within the funds appropriated in this section, eligibility for the state need grant shall be expanded to include students with family incomes at or below 70 percent of the state median family income, adjusted for family size. Awards for students with incomes between 66 percent and 70 percent of the state median shall be 50 percent of the award amount granted to those with incomes below 51 percent of the median.

(3) To the extent that the executive director determines that the agency will not award the full amount appropriated in subsection (1) of this section for a fiscal year, unexpended funds shall be transferred to the state education trust account established under RCW 28B.92.140 for purposes first of fulfilling the unfunded scholarship commitments that the board made under its federal GEAR UP Grant 1.

(4) \$7,400,000 of the education legacy trust account appropriation is provided solely for investment to fulfill the scholarship commitments that the state incurs in accordance with Second Substitute Senate Bill No. 5098 (the college bound scholarship). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) \$2,500,000 of the education legacy trust account—state appropriation is provided solely to expand the gaining early awareness and readiness for undergraduate programs project to at least 25 additional school districts.

(6) \$1,000,000 of the education legacy trust account—state appropriation is provided solely to encourage more students to teach secondary mathematics and science. \$500,000 of this amount is provided to increase the future teacher scholarship and conditional loan program by at least 35 students per year. \$500,000 of this amount is provided to support state work study positions for students to intern in secondary math and science classrooms.

(7) \$2,336,000 of the education legacy trust account—state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Substitute House Bill No. 1131 (passport to college). Funds are provided for student scholarships, and for incentive payments to the colleges they attend for individualized student support services which may include, but are not limited to, college and career advising, counseling, tutoring, costs incurred for students while school is not in session, personal expenses, health insurance, and emergency services. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) \$246,000 of the general fund—state appropriation for fiscal year 2008 and \$246,000 of the general fund—state appropriation for fiscal year 2009 are for community scholarship matching grants and its administration. To be eligible for the matching grant, nonprofit groups organized under section 501(c)(3) of the federal internal revenue code must demonstrate they have raised at least \$2,000 in new moneys for college scholarships after the effective date of

this section. Groups may receive no more than one \$2,000 matching grant per year and preference shall be given to groups affiliated with scholarship America. Up to a total of \$46,000 per year of the amount appropriated in this section may be awarded to a nonprofit community organization to administer scholarship matching grants, with preference given to an organization affiliated with scholarship America.

(9) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for higher education student child care matching grants under chapter 28B.135 RCW.

(10) \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Engrossed Substitute House Bill No. 1179 (state need grant). State need grants provided to students enrolled in just three to five credit-bearing quarter credits, or the equivalent semester credits, shall not exceed the amounts appropriated in this subsection. By November 1 of each year, the board shall report to the office of financial management and to the operating budget committees of the house of representatives and senate on the number of eligible but unserved students enrolled in just three to five quarterly credits, or the semester equivalent, and the estimated cost of serving them. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) \$5,000,000 of the education legacy trust account appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 1779 (GET ready for math and science). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

**NEW SECTION. Sec. 612. FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

General Fund—State Appropriation (FY 2008) . . . . .	\$1,757,000
General Fund—State Appropriation (FY 2009) . . . . .	\$1,772,000
General Fund—Federal Appropriation . . . . .	\$54,011,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$57,540,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$340,000 of the general fund—state appropriation for fiscal year 2008 and \$340,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the board to:

(a) Allocate grants on a competitive basis to establish and support industry skill panels. Grant recipients shall provide an employer match of at least twenty-five percent, and identify work force strategies to benefit employers and workers across the industry; and

(b) Establish industry skill panel standards that identify the expectations for industry skill panel products and services.

(2) \$53,000 of the general fund—state appropriation for fiscal year 2008 and \$53,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to improve the oversight of private vocational and career schools.

**NEW SECTION. Sec. 613. FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE**

General Fund—State Appropriation (FY 2008) . . . . .	\$1,718,000
General Fund—State Appropriation (FY 2009) . . . . .	\$1,789,000
TOTAL APPROPRIATION . . . . .	\$3,507,000

**NEW SECTION. Sec. 614. FOR THE DEPARTMENT OF EARLY LEARNING**

General Fund—State Appropriation (FY 2008) . . . . .	\$61,780,000
General Fund—State Appropriation (FY 2009) . . . . .	\$72,707,000
General Fund—Federal Appropriation . . . . .	\$192,360,000
General Fund—Private/Local Appropriation . . . . .	\$6,000
TOTAL APPROPRIATION . . . . .	\$326,853,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$47,919,000 of the general fund—state appropriation for fiscal year 2008 and \$56,437,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for early childhood education and assistance program services.

(a) Of these amounts, \$10,284,000 is a portion of the biennial amount of state matching dollars required to receive federal child care and development fund grant dollars.

(b) Within the amounts provided in this subsection (1), the department shall increase the number of children receiving early childhood education and assistance program services by 2,250 slots.

(c) Within the amounts provided in this subsection (1), the department shall increase the minimum provider per slot payment to \$6,500 in fiscal year 2008. Any provider receiving slot payments higher than \$6,500 shall receive a 2.0 percent vendor rate increase in fiscal year 2008. All providers shall receive a 2.0 percent vendor rate increase in fiscal year 2009.

(2) \$775,000 of the general fund—state appropriation for fiscal year 2008 and \$4,225,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to: (a) Develop a quality rating and improvement system; and (b) pilot the quality rating and improvement system in multiple locations. Four of the pilot sites are to be located within the following counties: Spokane, Kitsap, King, and Yakima. The department shall analyze and evaluate the pilot sites and report initial findings to the legislature by December 1, 2008.

(3) \$850,000 of the general fund—state appropriation for fiscal year 2008 and \$850,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department to contract for child care referral services.

(4) \$1,200,000 of the general fund—state appropriation for fiscal year 2008 and \$800,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers. This includes funding for the department to conduct a random sample survey of parents to determine the types of early learning services and materials parents are interested in receiving from the state. The department shall report the findings to the appropriate policy and fiscal committees of the legislature by October 1, 2008.

(5) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a child care consultation pilot program linking child care providers with evidence-based and best practice resources regarding caring for infants and young children who present behavior concerns.

(6) \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to expand the child care career and wage ladder program created by chapter 507, Laws of 2005.

(7) \$172,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the department to purchase licensing capability from the department of social and health services through the statewide automated child welfare information system.

(8) \$1,100,000 of the general fund—state appropriation for fiscal year 2008 and \$1,100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a childcare grant program for public community colleges and public universities. A community college or university that employs collectively bargained staff to operate childcare programs may apply for up to \$25,000 per year from the department per each type of the following programs: Head start, childcare, early childhood assistance and education. The funding shall only be provided for salaries for collectively bargained employees.

(9) Beginning October 1, 2007, the department shall be the lead agency for and recipient of the federal child care and development fund grant. Amounts within this grant shall be used to fund child care licensing, quality initiatives, agency administration, and other costs associated with child care subsidies. The department shall transfer a portion of this grant to the department of social and health services to partially fund the child care subsidies paid by the department of social and health services on behalf of the department of early learning.

(10) Prior to the development of an early learning information system, the department shall submit to the education and fiscal committees of the legislature a completed feasibility study and a proposal approved by the department of information systems and the information services board. The department shall ensure that any proposal for the early learning information system includes the cost for modifying the system as a result of licensing rule changes and implementation of the quality rating and improvement system.

**NEW SECTION. Sec. 615. FOR THE STATE SCHOOL FOR THE BLIND**

General Fund—State Appropriation (FY 2008) . . . . .	\$5,958,000
General Fund—State Appropriation (FY 2009) . . . . .	\$6,186,000
General Fund—Private/Local Appropriation . . . . .	\$1,600,000
TOTAL APPROPRIATION . . . . .	\$13,744,000

**NEW SECTION. Sec. 616. FOR THE STATE SCHOOL FOR THE DEAF**

General Fund—State Appropriation (FY 2008) . . . . .	\$8,731,000
General Fund—State Appropriation (FY 2009) . . . . .	\$9,015,000
General Fund—Private/Local Appropriation . . . . .	\$232,000
TOTAL APPROPRIATION . . . . .	\$17,978,000

**NEW SECTION. Sec. 617. FOR THE WASHINGTON STATE ARTS COMMISSION**

General Fund—State Appropriation (FY 2008)	\$2,548,000
General Fund—State Appropriation (FY 2009)	\$2,578,000
General Fund—Federal Appropriation	\$1,382,000
General Fund—Private/Local Appropriation	\$154,000
<b>TOTAL APPROPRIATION</b>	<b>\$6,662,000</b>

**NEW SECTION. Sec. 618. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

General Fund—State Appropriation (FY 2008)	\$3,558,000
General Fund—State Appropriation (FY 2009)	\$3,609,000
<b>TOTAL APPROPRIATION</b>	<b>\$7,167,000</b>

**NEW SECTION. Sec. 619. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

General Fund—State Appropriation (FY 2008)	\$1,918,000
General Fund—State Appropriation (FY 2009)	\$2,046,000
<b>TOTAL APPROPRIATION</b>	<b>\$3,964,000</b>

**PART VII  
SPECIAL APPROPRIATIONS****NEW SECTION. Sec. 701. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

General Fund—State Appropriation (FY 2008)	\$724,362,000
General Fund—State Appropriation (FY 2009)	\$764,561,000
State Building Construction Account—State Appropriation	\$8,970,000
Columbia River Basin Water Supply Development Account—State Appropriation	\$148,000
Hood Canal Aquatic Rehabilitation Bond Account—State Appropriation	\$23,000
State Taxable Building Construction Account—State Appropriation	\$168,000
Gardner-Evans Higher Education Construction Account—State Appropriation	\$1,790,000
Debt-Limit Reimbursable Bond Retire Account—State Appropriation	\$2,624,000
<b>TOTAL APPROPRIATION</b>	<b>\$1,502,646,000</b>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account.

**NEW SECTION. Sec. 702. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**



State Convention and Trade Center Account—State	
Appropriation . . . . .	\$22,553,000
Accident Account—State Appropriation . . . . .	\$5,204,000
Medical Aid Account—State Appropriation . . . . .	\$5,204,000
TOTAL APPROPRIATION . . . . .	\$32,961,000

**NEW SECTION. Sec. 703. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund—State Appropriation (FY 2008) . . . . .	\$27,068,000
General Fund—State Appropriation (FY 2009) . . . . .	\$27,825,000
Nondebt-Limit Reimbursable Bond Retirement	
Account—State Appropriation . . . . .	\$136,332,000
TOTAL APPROPRIATION . . . . .	\$191,225,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for deposit into the nondebt-limit general fund bond retirement account.

**NEW SECTION. Sec. 704. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

General Fund—State Appropriation (FY 2008) . . . . .	\$1,357,000
General Fund—State Appropriation (FY 2009) . . . . .	\$1,357,000
State Building Construction Account—State	
Appropriation . . . . .	\$1,546,000
Columbia River Basin Water Supply Development	
Account—State Appropriation . . . . .	\$17,000
Hood Canal Aquatic Rehabilitation Bond	
Account—State Appropriation . . . . .	\$3,000
State Taxable Building Construction	
Account—State Appropriation . . . . .	\$122,000
Gardner-Evans Higher Education Construction	
Account—State Appropriation . . . . .	\$452,000
TOTAL APPROPRIATION . . . . .	\$4,854,000

**NEW SECTION. Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT—FIRE CONTINGENCY POOL**

Disaster Response Account—State Appropriation . . . . .	\$4,000,000
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The appropriation in this section is subject to the following conditions and limitations: The entire appropriation is for the purpose of making allocations to the Washington state patrol for fire mobilizations costs or to the department of natural resources for fire suppression costs.

**NEW SECTION. Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT—FIRE CONTINGENCY**

General Fund—State Appropriation (FY 2008) . . . . .	\$2,000,000
General Fund—State Appropriation (FY 2009) . . . . .	\$2,000,000

TOTAL APPROPRIATION . . . . . \$4,000,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the disaster response account for the purposes specified in section 705 of this act.

**NEW SECTION. Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT—DISASTER RESPONSE ACCOUNT**

General Fund—State Appropriation (FY 2008) . . . . . \$6,729,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the disaster response account.

**NEW SECTION. Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT—EMERGENCY FUND**

General Fund—State Appropriation (FY 2008) . . . . . \$850,000

General Fund—State Appropriation (FY 2009) . . . . . \$850,000

TOTAL APPROPRIATION . . . . . \$1,700,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are for the governor's emergency fund for the critically necessary work of any agency.

**NEW SECTION. Sec. 709. FOR THE OFFICE OF FINANCIAL MANAGEMENT—SEX OFFENDER SENTENCING IMPACT**

General Fund—State Appropriation (FY 2008) . . . . . \$1,188,000

General Fund—State Appropriation (FY 2009) . . . . . \$1,509,000

TOTAL APPROPRIATION . . . . . \$2,697,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for distribution to counties to pay for the costs of implementing chapter 176, Laws of 2004, which makes amendments to the special sex offender sentencing alternative.

**NEW SECTION. Sec. 710. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT—COUNTY PUBLIC HEALTH ASSISTANCE**

Health Services Account—State Appropriation (FY 2008) . . . . . \$24,000,000

Health Services Account—State Appropriation (FY 2009) . . . . . \$24,000,000

TOTAL APPROPRIATION . . . . . \$48,000,000

The appropriations in this section are subject to the following conditions and limitations: The director of the department of community, trade, and economic development shall distribute the appropriations to the following counties and health districts in the amounts designated:

Health District	FY 2008	FY 2009	FY 2007-09 Biennium
Adams County Health District	\$30,951	\$30,951	\$61,902
Asotin County Health District	\$67,714	\$67,714	\$135,428
Benton-Franklin Health District	\$1,165,612	\$1,165,612	\$2,331,224
Chelan-Douglas Health District	\$184,761	\$184,761	\$369,522

Clallam County Health and Human Services Department	\$141,752	\$141,752	\$283,504
Southwest Washington Health District	\$1,084,473	\$1,084,473	\$2,168,946
Columbia County Health District	\$40,529	\$40,529	\$81,058
Cowlitz County Health Department	\$278,560	\$278,560	\$557,120
Garfield County Health District	\$15,028	\$15,028	\$30,056
Grant County Health District	\$118,595	\$118,595	\$237,191
Grays Harbor Health Department	\$183,870	183,870	\$367,740
Island County Health Department	\$91,892	\$91,892	\$183,784
Jefferson County Health and Human Services	\$85,782	\$85,782	\$171,564
Seattle-King County Department of Public Health	\$9,531,747	\$9,531,747	\$19,063,494
Bremerton-Kitsap County Health District	\$554,669	\$554,669	\$1,109,338
Kittitas County Health Department	\$92,499	\$92,499	\$184,998
Klickitat County Health Department	\$62,402	\$62,402	\$124,804
Lewis County Health Department	\$105,801	\$105,801	\$211,602
Lincoln County Health Department	\$29,705	\$29,705	\$59,410
Mason County Department of Health Services	\$95,988	\$95,988	\$191,976
Okanogan County Health District	\$63,458	\$63,458	\$126,916
Pacific County Health Department	\$77,427	\$77,427	\$154,854
Tacoma-Pierce County Health Department	\$2,820,590	\$2,820,590	\$5,641,180
San Juan County Health and Community Services	\$37,531	\$37,531	\$75,062
Skagit County Health Department	\$223,927	\$223,927	\$447,854
Snohomish Health District	\$2,258,207	\$2,258,207	\$4,516,414
Spokane County Health District	\$2,101,429	\$2,101,429	\$4,202,858
Northeast Tri-County Health District	\$110,454	\$110,454	\$220,908
Thurston County Health Department	\$600,419	\$600,419	\$1,200,838
Wahkiakum County Health Department	\$13,773	\$13,772	\$27,545
Walla Walla County-City Health Department	\$172,062	\$172,062	\$344,124
Whatcom County Health Department	\$855,863	\$855,863	\$1,711,726
Whitman County Health Department	\$78,733	\$78,733	\$157,466
Yakima Health District	\$623,797	\$623,797	\$1,247,594
<b>TOTAL APPROPRIATIONS</b>	<b>\$24,000,000</b>	<b>\$24,000,000</b>	<b>\$48,000,000</b>

**NEW SECTION. Sec. 711. BELATED CLAIMS.** The agencies and institutions of the state may expend moneys appropriated in this act, upon approval of the office of financial management, for the payment of supplies and services furnished to the agency or institution in prior fiscal biennia.

**NEW SECTION. Sec. 712. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—CONTRIBUTIONS TO RETIREMENT SYSTEMS.** The appropriations in this section are subject to the following

conditions and limitations: The appropriations for the law enforcement officers' and firefighters' retirement system shall be made on a monthly basis beginning July 1, 2007, consistent with chapter 41.45 RCW, and the appropriations for the judges and judicial retirement systems shall be made on a quarterly basis consistent with chapters 2.10 and 2.12 RCW.

(1) There is appropriated for state contributions to the law enforcement officers' and fire fighters' retirement system:

General Fund—State Appropriation (FY 2008) . . . . .	\$46,200,000
General Fund—State Appropriation (FY 2009) . . . . .	\$50,400,000
TOTAL APPROPRIATION . . . . .	\$96,600,000

(2) There is appropriated for contributions to the judicial retirement system:

General Fund—State Appropriation (FY 2008) . . . . .	\$9,600,000
General Fund—State Appropriation (FY 2009) . . . . .	\$10,200,000
TOTAL APPROPRIATION . . . . .	\$19,800,000

**NEW SECTION. Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT—CONTRIBUTIONS TO RETIREMENT SYSTEMS**

General Fund—State Appropriation (FY 2008) . . . . .	\$405,000
General Fund—State Appropriation (FY 2009) . . . . .	\$405,000
Health Services Account—State Appropriation (FY 2008) . . . . .	\$3,000
Health Services Account—State Appropriation (FY 2009) . . . . .	\$3,000
Public Safety and Education Account—State Appropriation (FY 2008) . . . . .	\$6,000
Public Safety and Education Account—State Appropriation (FY 2009) . . . . .	\$6,000
Water Quality Account—State Appropriation (FY 2008) . . . . .	\$1,000
Water Quality Account—State Appropriation (FY 2009) . . . . .	\$1,000
General Fund—Federal Appropriation . . . . .	\$198,000
General Fund—Private/Local Appropriation . . . . .	\$18,000
Special Account Retirement Contribution Increase Revolving Appropriation . . . . .	\$484,000
TOTAL APPROPRIATION . . . . .	\$1,530,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are provided solely to increase agency and institution appropriations to reflect increased employer contributions to the public employees' retirement system, the teachers' retirement system, the school employees' retirement system, and the public safety employees' retirement system as a result of modifications to benefit eligibility pursuant to Senate Bill No. 5175 (annual increases in certain retirement allowances).

(2) To facilitate the transfer of moneys to dedicated funds and accounts, the state treasurer shall transfer sufficient moneys to each dedicated fund or account from the special account retirement contribution increase revolving account in accordance with LEAP document S01-2007 dated April 19, 2007.

**NEW SECTION. Sec. 714. FOR THE OFFICE OF FINANCIAL MANAGEMENT—EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

General Fund—State Appropriation (FY 2008) . . . . .	\$10,097,000
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General Fund—State Appropriation (FY 2009) . . . . .	\$10,098,000
TOTAL APPROPRIATION . . . . .	\$20,195,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for expenditure into the education technology revolving account for the purpose of covering ongoing operational and equipment replacement costs incurred by the K-20 educational network program in providing telecommunication services to network participants.

**NEW SECTION. Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT—READING ACHIEVEMENT ACCOUNT**

General Fund—State Appropriation (FY 2008) . . . . .	\$525,000
General Fund—State Appropriation (FY 2009) . . . . .	\$525,000
TOTAL APPROPRIATION . . . . .	\$1,050,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the reading achievement account.

**NEW SECTION. Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT—WATER QUALITY CAPITAL ACCOUNT**

Water Quality Account—State Appropriation (FY 2008) . . . . .	\$25,135,000
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The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the water quality capital account. If House Bill No. 1137 (water quality capital account) is not enacted by June 30, 2007, the appropriation in this section shall lapse.

**NEW SECTION. Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT—WATER POLLUTION CONTROL REVOLVING ACCOUNT**

Water Quality Account—State Appropriation (FY 2008) . . . . .	\$7,027,000
Water Quality Account—State Appropriation (FY 2009) . . . . .	\$7,027,000
TOTAL APPROPRIATION . . . . .	\$14,054,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the water pollution control revolving account.

**NEW SECTION. Sec. 718. INCENTIVE SAVINGS—FY 2008.** The sum of one hundred million dollars or so much thereof as may be available on June 30, 2008, from the total amount of unspent fiscal year 2008 state general fund appropriations, exclusive of amounts expressly placed into unallotted status by this act, is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

NEW SECTION. Sec. 719. INCENTIVE SAVINGS—FY 2009. The sum of one hundred million dollars or so much thereof as may be available on June 30, 2009, from the total amount of unspent fiscal year 2009 state general fund appropriations, exclusive of amounts expressly placed into unallotted status by this act, is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

NEW SECTION. Sec. 720.

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—EXTRAORDINARY CRIMINAL JUSTICE COSTS**

General Fund—State Appropriation (FY 2008) . . . . . \$908,000

The appropriation in this section is subject to the following conditions and limitations: Of the amount in this section the director of financial management shall distribute \$746,000 to Yakima county and \$162,000 to Grant county for extraordinary criminal justice costs.

NEW SECTION. Sec. 721. FOR THE OFFICE OF FINANCIAL MANAGEMENT—FERRY COUNTY PUBLIC UTILITY DISTRICT

General Fund—State Appropriation (FY 2008) . . . . . \$25,000  
General Fund—State Appropriation (FY 2009) . . . . . \$25,000  
TOTAL APPROPRIATION . . . . . \$50,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for allocation to the Ferry county public utility district to provide a demand-responsive special needs transportation program that is compliant with the federal Americans with disabilities act.

NEW SECTION. Sec. 722. FOR THE OFFICE OF FINANCIAL MANAGEMENT—COUNTY SUBSTANCE ABUSE PROGRAMS

General Fund—State Appropriation (FY 2008) . . . . . \$600,000  
General Fund—State Appropriation (FY 2009) . . . . . \$600,000  
TOTAL APPROPRIATION . . . . . \$1,200,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for allocation to counties that are eligible for funding for chemical dependency or substance abuse treatment programs pursuant to RCW 70.96A.325.

NEW SECTION. Sec. 723. FOR THE OFFICE OF FINANCIAL MANAGEMENT—REINVESTING IN YOUTH ACCOUNT

General Fund—State Appropriation (FY 2008) . . . . . \$707,000  
General Fund—State Appropriation (FY 2009) . . . . . \$707,000  
TOTAL APPROPRIATION . . . . . \$1,414,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the reinvesting in youth account.

NEW SECTION. Sec. 724.

**FOR THE LEGISLATIVE GIFT CENTER ACCOUNT**

General Fund—State Appropriation (FY 2008) . . . . . \$150,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the legislative gift center account. If Second Substitute House Bill No. 1896 (legislative gift center) is not enacted by June 30, 2007, the appropriations in this section shall lapse.

NEW SECTION. Sec. 725.

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—REGIONAL FISHERIES ENHANCEMENT GROUP ACCOUNT**

General Fund—State Appropriation (FY 2008) . . . . . \$500,000

The appropriation in this section is subject to the following condition and limitation: The appropriations are provided solely for expenditure into the regional fisheries enhancement group account.

NEW SECTION. Sec. 726.

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—OUTDOOR EDUCATION AND RECREATION ACCOUNT**

General Fund—State Appropriation (FY 2008) . . . . . \$1,500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the outdoor education and recreation account. If Second Substitute House Bill No. 1677 (outdoor education and recreation program) is not enacted by June 30, 2007, the appropriation in this section shall lapse.

NEW SECTION. Sec. 727.

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—INDEPENDENT YOUTH HOUSING ACCOUNT**

General Fund—State Appropriation (FY 2008) . . . . . \$1,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the independent youth housing account. If Second Substitute House Bill No. 1922 (youth housing program) is not enacted by June 30, 2007, the appropriation in this section shall lapse.

NEW SECTION. Sec. 728.

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—COMMUNITY PRESERVATION ACCOUNT**

General Fund—State Appropriation (FY 2008) . . . . . \$350,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the community preservation account. If Substitute Senate Bill No. 6156

(community preservation authorities) is not enacted by June 30, 2007, the appropriation in this section shall lapse.

**NEW SECTION. Sec. 729. FOR THE OFFICE OF FINANCIAL MANAGEMENT—GEODUCK AQUACULTURE RESEARCH ACCOUNT**

General Fund—State Appropriation (FY 2008) . . . . . \$750,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the geoduck aquaculture research account. If Second Substitute House Bill No. 2220 (shellfish) is not enacted by June 30, 2007, the appropriation in this section shall lapse.

**NEW SECTION. Sec. 730. FOR THE OFFICE OF FINANCIAL MANAGEMENT—JOINT FIREFIGHTER APPRENTICE PROGRAM**

General Fund—State Appropriation (FY 2008) . . . . . \$250,000

The appropriation in this section is subject to the following conditions and limitations. The general fund appropriation is for expenditure into the fire service training account for the purposes of the joint firefighter apprenticeship program.

**NEW SECTION. Sec. 731. FOR THE DEPARTMENT OF NATURAL RESOURCES—DERELICT VESSEL REMOVAL ACCOUNT**

General Fund—State Appropriation (FY 2008) . . . . . \$2,000,000

The appropriation provided in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the derelict vessel removal account. If Engrossed Second Substitute Senate Bill No. 6044 (derelict vessels) is not enacted by June 30, 2007, the appropriation in this section shall lapse.

**NEW SECTION. Sec. 732. FOR THE OFFICE OF FINANCIAL MANAGEMENT—STATE AGENCY GREEN ENERGY**

General Fund—State Appropriation (FY 2008) . . . . . \$1,000,000  
General Fund—State Appropriation (FY 2009) . . . . . \$1,000,000  
TOTAL APPROPRIATION . . . . . \$2,000,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for the office of financial management to provide grants to state agencies to purchase green power.

**PART VIII  
OTHER TRANSFERS AND APPROPRIATIONS**

**NEW SECTION. Sec. 801. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION**

General Fund Appropriation for fire insurance  
premium distributions . . . . . \$7,325,000  
General Fund Appropriation for public utility  
district excise tax distributions . . . . . \$49,656,000



General Fund Appropriation for prosecuting attorney distributions . . . . .	\$3,999,000
General Fund Appropriation for boating safety and education distributions . . . . .	\$4,833,000
General Fund Appropriation for other tax distributions . . . . .	\$42,000
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies . . . . .	\$2,192,000
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution . . . . .	\$148,000
Timber Tax Distribution Account Appropriation for distribution to "timber" counties . . . . .	\$89,346,000
County Criminal Justice Assistance Appropriation . . . . .	\$58,906,000
Municipal Criminal Justice Assistance Appropriation . . . . .	\$23,359,000
Liquor Excise Tax Account Appropriation for liquor excise tax distribution . . . . .	\$45,472,000
Liquor Revolving Account Appropriation for liquor profits distribution . . . . .	\$93,399,000
City-County Assistance Account Appropriation for local government financial assistance distribution . . . . .	\$31,272,000
Streamline Sales and Use Tax Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistribution effect of the sourcing law changes. . . . .	\$31,600,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$441,549,000</b>

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

**NEW SECTION. Sec. 802. FOR THE STATE TREASURER—FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

Impaired Driving Safety Account Appropriation . . . . .	\$2,174,000
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The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2007-09 biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

**NEW SECTION. Sec. 803. FOR THE STATE TREASURER—FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

Impaired Driving Safety Account Appropriation . . . . .	\$1,449,000
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The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2007-09 biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

**NEW SECTION. Sec. 804. FOR THE STATE TREASURER—  
FEDERAL REVENUES FOR DISTRIBUTION**

General Fund Appropriation for federal grazing fees distribution . . . . .	\$2,950,000
General Fund Appropriation for federal flood control funds distribution . . . . .	\$74,000
Forest Reserve Fund Appropriation for federal forest reserve fund distribution . . . . .	\$84,500,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$87,524,000</b>

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

**NEW SECTION. Sec. 805. FOR THE STATE TREASURER—  
TRANSFERS.**

State Treasurer's Service Account: For transfer to the state general fund, \$10,000,000 for fiscal year 2008 and \$10,000,000 for fiscal year 2009 . . . . .	\$20,000,000
General Fund: For transfer to the water quality account, \$12,200,000 for fiscal year 2008 and \$12,201,000 for fiscal year 2009 . . . . .	\$24,401,000
Education Legacy Trust Account: For transfer to the student achievement account for fiscal year 2009 . . . . .	\$90,800,000
Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account, an amount not to exceed . . . . .	\$25,000,000
Public Works Assistance Account: For transfer to the drinking water assistance account, \$3,600,000 for fiscal year 2008 and \$3,600,000 for fiscal year 2009 . . . . .	\$7,200,000

Public Works Assistance Account: For transfer to the job development account, \$25,000,000 for fiscal year 2008 and \$25,000,000 for fiscal year 2009 . . . . .	\$50,000,000
Tobacco Settlement Account: For transfer to the health services account, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account . . . . .	\$165,915,000
Tobacco Settlement Account: For transfer to the life sciences discovery fund, in an amount not to exceed the actual amount of the strategic contribution supplemental payment to the tobacco settlement account . . . . .	\$70,000,000
Health Services Account: For transfer to the water quality account, \$3,942,500 for fiscal year 2008 and \$3,942,500 for fiscal year 2009 . . . . .	\$7,885,000
Health Services Account: For transfer to the violence reduction and drug enforcement account, \$3,466,000 for fiscal year 2008 and \$3,466,000 for fiscal year 2009 . . . . .	\$6,932,000
Health Services Account: For transfer to the tobacco prevention and control account, \$10,226,552 for fiscal year 2008 and \$10,109,109 for fiscal year 2009 . . . . .	\$20,336,000
General Fund: For transfer to the streamline sales and use tax account for fiscal year 2009 . . . . .	\$31,600,000

If Substitute Senate Bill No. 5089 (streamlined sales tax) is not enacted by June 30, 2009, this transfer shall lapse.

**PART IX  
MISCELLANEOUS**

**NEW SECTION. Sec. 901. EXPENDITURE AUTHORIZATIONS.**

The appropriations contained in this act are maximum expenditure authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the treasury on the basis of a formal loan agreement shall be recorded as loans receivable and not as expenditures for accounting purposes. To the extent that moneys are disbursed on a loan basis, the corresponding appropriation shall be reduced by the amount of loan moneys disbursed from the treasury during the 2005-07 biennium.

**NEW SECTION. Sec. 902. INFORMATION SYSTEMS PROJECTS.**

Agencies shall comply with the following requirements regarding information systems projects when specifically directed to do so by this act.

(1) Agency planning and decisions concerning information technology shall be made in the context of its information technology portfolio. "Information technology portfolio" means a strategic management approach in which the relationships between agency missions and information technology investments

can be seen and understood, such that: Technology efforts are linked to agency objectives and business plans; the impact of new investments on existing infrastructure and business functions are assessed and understood before implementation; and agency activities are consistent with the development of an integrated, nonduplicative statewide infrastructure.

(2) Agencies shall use their information technology portfolios in making decisions on matters related to the following:

- (a) System refurbishment, acquisitions, and development efforts;
- (b) Setting goals and objectives for using information technology in meeting legislatively-mandated missions and business needs;
- (c) Assessment of overall information processing performance, resources, and capabilities;
- (d) Ensuring appropriate transfer of technological expertise for the operation of any new systems developed using external resources; and
- (e) Progress toward enabling electronic access to public information.

(3) Each project will be planned and designed to take optimal advantage of Internet technologies and protocols. Agencies shall ensure that the project is in compliance with the architecture, infrastructure, principles, policies, and standards of digital government as maintained by the information services board.

(4) The agency shall produce a feasibility study for information technology projects at the direction of the information services board and in accordance with published department of information services policies and guidelines. At a minimum, such studies shall include a statement of: (a) The purpose or impetus for change; (b) the business value to the agency, including an examination and evaluation of benefits, advantages, and cost; (c) a comprehensive risk assessment based on the proposed project's impact on both citizens and state operations, its visibility, and the consequences of doing nothing; (d) the impact on agency and statewide information infrastructure; and (e) the impact of the proposed enhancements to an agency's information technology capabilities on meeting service delivery demands.

(5) The agency shall produce a comprehensive management plan for each project. The plan or plans shall address all factors critical to successful completion of each project. The plan(s) shall include, but is not limited to, the following elements: A description of the problem or opportunity that the information technology project is intended to address; a statement of project objectives and assumptions; a definition and schedule of phases, tasks, and activities to be accomplished; and the estimated cost of each phase. The planning for the phased approach shall be such that the business case justification for a project needs to demonstrate how the project recovers cost or adds measurable value or positive cost benefit to the agency's business functions within each development cycle.

(6) The agency shall produce quality assurance plans for information technology projects. Consistent with the direction of the information services board and the published policies and guidelines of the department of information services, the quality assurance plan shall address all factors critical to successful completion of the project and successful integration with the agency and state information technology infrastructure. At a minimum, quality assurance plans shall provide time and budget benchmarks against which project progress can be measured, a specification of quality assurance responsibilities, and a statement

of reporting requirements. The quality assurance plans shall set out the functionality requirements for each phase of a project.

(7) A copy of each feasibility study, project management plan, and quality assurance plan shall be provided to the department of information services, the office of financial management, and legislative fiscal committees. The plans and studies shall demonstrate a sound business case that justifies the investment of taxpayer funds on any new project, an assessment of the impact of the proposed system on the existing information technology infrastructure, the disciplined use of preventative measures to mitigate risk, and the leveraging of private-sector expertise as needed. Authority to expend any funds for individual information systems projects is conditioned on the approval of the relevant feasibility study, project management plan, and quality assurance plan by the department of information services and the office of financial management.

(8) Quality assurance status reports shall be submitted to the department of information services, the office of financial management, and legislative fiscal committees at intervals specified in the project's quality assurance plan.

**NEW SECTION. Sec. 903. INFORMATION TECHNOLOGY ENTERPRISE SERVICES.** Agencies may make use of the department of information services when acquiring information technology services, products, and assets.

"Information technology services" means the acquisition, provisioning, or approval of hardware, software, and purchased or personal services provided by the department of information services.

If an information technology enterprise service is provided by the department, or an agency has a specific requirement to acquire hardware, software, or purchased or personal services directly, the agency shall consult with the department of information services.

**NEW SECTION. Sec. 904. VIDEO TELECOMMUNICATIONS.** The department of information services shall act as lead agency in coordinating video telecommunications services for state agencies. As lead agency, the department shall develop standards and common specifications for leased and purchased telecommunications equipment and assist state agencies in developing a video telecommunications expenditure plan. No agency may spend any portion of any appropriation in this act for new video telecommunication equipment, new video telecommunication transmission, or new video telecommunication programming, or for expanding current video telecommunication systems without first complying with chapter 43.105 RCW, including but not limited to, RCW 43.105.041(2), and without first submitting a video telecommunications expenditure plan, in accordance with the policies of the department of information services, for review and assessment by the department of information services under RCW 43.105.052. Prior to any such expenditure by a public school, a video telecommunications expenditure plan shall be approved by the superintendent of public instruction. The office of the superintendent of public instruction shall submit the plans to the department of information services in a form prescribed by the department. The office of the superintendent of public instruction shall coordinate the use of video telecommunications in public schools by providing educational information to local school districts and shall assist local school districts and educational

service districts in telecommunications planning and curriculum development. Prior to any such expenditure by a public institution of postsecondary education, a telecommunications expenditure plan shall be approved by the higher education coordinating board. The higher education coordinating board shall coordinate the use of video telecommunications for instruction and instructional support in postsecondary education, including the review and approval of instructional telecommunications course offerings.

**NEW SECTION. Sec. 905. EMERGENCY FUND ALLOCATIONS.** Whenever allocations are made from the governor's emergency fund appropriation to an agency that is financed in whole or in part by other than general fund moneys, the director of financial management may direct the repayment of such allocated amount to the general fund from any balance in the fund or funds which finance the agency. No appropriation shall be necessary to effect such repayment.

**NEW SECTION. Sec. 906. STATUTORY APPROPRIATIONS.** In addition to the amounts appropriated in this act for revenues for distribution, state contributions to the law enforcement officers' and fire fighters' retirement system plan 2, and bond retirement and interest including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under chapters 39.94 and 39.96 RCW or any proper bond covenant made under law.

**NEW SECTION. Sec. 907. BOND EXPENSES.** In addition to such other appropriations as are made by this act, there is hereby appropriated to the state finance committee from legally available bond proceeds in the applicable construction or building funds and accounts such amounts as are necessary to pay the expenses incurred in the issuance and sale of the subject bonds.

**NEW SECTION. Sec. 908. VOLUNTARY SEPARATION INCENTIVES.** As a management tool to reduce costs and make more effective use of resources, while improving employee productivity and morale, agencies may offer voluntary separation and/or downshifting incentives and options according to procedures and guidelines established by the department of personnel and the department of retirement systems in consultation with the office of financial management. The options may include, but are not limited to, financial incentives for: Voluntary resignation, voluntary leave-without-pay, voluntary workweek or work hour reduction, voluntary downward movement, or temporary separation for development purposes. No employee shall have a contractual right to a financial incentive offered pursuant to this section. Agencies shall report on the outcomes of their plans, and offers shall be reviewed and monitored jointly by the department of personnel and the department of retirement systems, for reporting to the office of financial management by June 30, 2009.

**NEW SECTION. Sec. 909. VOLUNTARY RETIREMENT INCENTIVES.** Agencies may implement a voluntary retirement incentive program that is cost neutral or results in cost savings provided that such a program is approved by the director of retirement systems and the office of financial management. Agencies participating in this authorization are required

to submit a report by June 30, 2009, to the legislature and the office of financial management on the outcome of their approved retirement incentive program. The report should include information on the details of the program including resulting service delivery changes, agency efficiencies, the cost of the retirement incentive per participant, the total cost to the state, and the projected or actual net dollar savings over the 2007-09 biennium.

**NEW SECTION. Sec. 910. COMPENSATION—NONREPRESENTED EMPLOYEES—INSURANCE BENEFITS.** Appropriations for state agencies in this act are sufficient for nonrepresented state employee health benefits for state agencies, including institutions of higher education are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$707 per eligible employee for fiscal year 2008. For fiscal year 2009 the monthly employer funding rate shall not exceed \$732 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065, but in no case to increase the actuarial value of the plans offered as compared to the comparable plans offered to enrollees in calendar year 2007.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. From January 1, 2008, through December 31, 2008, the subsidy shall be \$164.08. Starting January 1, 2009, the subsidy shall be \$182.89 per month.

(3) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, \$57.71 per month beginning September 1, 2007, and \$65.97 beginning September 1, 2008;

(b) For each part-time employee, who at the time of the remittance is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, \$57.71 each month beginning September 1, 2007, and \$65.97 beginning September 1, 2008, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection shall not apply to employees of a

technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

**NEW SECTION. Sec. 911. COMPENSATION—REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION—INSURANCE BENEFITS.** The appropriations for state agencies, including institutions of higher education are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, for represented employees outside the super coalition under chapter 41.80 RCW, shall not exceed \$707 per eligible employee for fiscal year 2008. For fiscal year 2009 the monthly employer funding rate shall not exceed \$732 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065, but in no case to increase the actuarial value of the plans offered as compared to the comparable plans offered to enrollees in calendar year 2007.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. From January 1, 2008, through December 31, 2008, the subsidy shall be \$164.08. Starting January 1, 2009, the subsidy shall be \$182.89 per month.

(3) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, \$57.71 per month beginning September 1, 2007, and \$65.97 beginning September 1, 2008;

(b) For each part-time employee, who at the time of the remittance is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, \$57.71 each month beginning September 1, 2007, and \$65.97 beginning September 1, 2008, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection shall not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

**NEW SECTION. Sec. 912. COMPENSATION—REPRESENTED EMPLOYEES—SUPER COALITION.** Collective bargaining agreements



negotiated as part of the super coalition under chapter 41.80 RCW include employer contributions to health insurance premiums at 88% of the cost. Funding rates at this level are currently \$707 per month for fiscal year 2008 and \$732 per month for fiscal year 2009. The agreements also include a one-time payment of \$756 for each employee who is eligible for insurance for the month of June 2007 and is covered by a 2007-2009 collective bargaining agreement negotiated pursuant to chapter 41.80 RCW, and the continuation of the salary increases that were negotiated for the twelve-month period beginning July 1, 2006, and scheduled to terminate June 30, 2007.

**NEW SECTION. Sec. 913. ACROSS THE BOARD SALARY ADJUSTMENTS.** Appropriations for state agency nonrepresented employee compensation adjustments in this act are sufficient for across the board adjustments.

(1) Appropriations are for a 3.2 percent salary increase effective September 1, 2007, for all classified employees, except those represented by a collective bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except the certificated employees of the state schools for the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel.

The appropriations are also sufficient to fund a 3.2 percent salary increase effective September 1, 2007, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(2) Appropriations are for a 2.0 percent salary increase effective September 1, 2008, for all classified employees, except those represented by a collective bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel. The appropriations are also sufficient to fund a 2.0 percent salary increase effective September 1, 2008, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

**NEW SECTION. Sec. 914. SALARY SURVEY—NONREPRESENTED EMPLOYEES.** For state agency employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, the appropriations in this act are sufficient for implementation of the department of personnel's 2006 salary survey, for job classes more than 25 percent below market rates and affected classes.

**NEW SECTION. Sec. 915. AGENCY REQUEST CONSOLIDATION—NONREPRESENTED EMPLOYEES.** For state agency employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, the appropriations in this act are provided solely for implementation of the department of personnel's agency request job class

consolidation and reclassification plan. This implementation fully satisfies the conditions specified in the settlement agreement of *WPEA v State/Shroll v. State*.

**NEW SECTION. Sec. 916. CLASSIFICATION CONSOLIDATION—NONREPRESENTED EMPLOYEES.** For state agency employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, the appropriations in this act are sufficient for implementation of the department of personnel's phase 4 job class consolidation and revisions under chapter 41.80 RCW.

**NEW SECTION. Sec. 917. ADDITIONAL PAY STEP—NONREPRESENTED EMPLOYEES.** For state agency employees, except those represented by a bargaining unit under chapters 41.80, 41.56, and 47.64 RCW, the appropriations in this act are sufficient for a new pay step L for those who have been in step K for at least one year.

**NEW SECTION. Sec. 918. SHIFT DIFFERENTIAL—NONREPRESENTED EMPLOYEES.** For all classified state agency employees, except those represented by a bargaining unit under chapter 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732, the appropriations in this act are sufficient for shift differential pay.

**NEW SECTION. Sec. 919. RETAIN FISCAL YEAR 2007 PAY INCREASE—NONREPRESENTED EMPLOYEES.** For all classified state agency employees, except those represented by a bargaining unit under chapter 41.80, 41.56, and 47.64 RCW, and except for the certificated employees of the state schools of the deaf and blind and employees of community and technical colleges covered by the provisions of Initiative Measure No. 732, the appropriations in this act are sufficient for continuation of the 1.6 percent salary increase that was provided during fiscal year 2007. Also included are employees in the Washington management service, and exempt employees under the jurisdiction of the director of personnel. The appropriations are also sufficient to continue a 1.6 percent salary increase for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

**NEW SECTION. Sec. 920. COLLECTIVE BARGAINING AGREEMENTS.** (1) Provisions of collective bargaining agreements contained in this act are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreements. The collective bargaining agreements contained in Part IX of this act may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided.

(2) Some contracts contain implementation of the department of personnel's phase 4 classification consolidation. This implementation fully satisfies the conditions specified in the settlement agreement of *WPEA v. State/Shroll v. State*.

**NEW SECTION. Sec. 921. COLLECTIVE BARGAINING AGREEMENT—WFSE.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the Washington

federation of state employees under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to phase four of the department of personnel's class consolidation project, the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates and agency request packages meeting the specified criteria outlined in RCW 41.06.152. These increases will be effective July 1, 2007.

**NEW SECTION. Sec. 922. COLLECTIVE BARGAINING AGREEMENT—WPEA.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the Washington public employees association under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to phase four of the department of personnel's class consolidation project, the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates and agency request packages meeting the specified criteria outlined in RCW 41.06.152. These increases will be effective July 1, 2007.

**NEW SECTION. Sec. 923. COLLECTIVE BARGAINING AGREEMENT—TEAMSTERS.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the brotherhood of teamsters under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 2.9 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to phase four of the department of personnel's class consolidation project, the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates, and agency request packages meeting the specified criteria outlined in RCW 41.06.152. These increases will be effective July 1, 2007.

Also effective July 1, 2007, corrections and custody officers 1s, 2s, and 3s in Franklin, Snohomish, and Walla Walla counties will receive 5 percent geographic pay. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007.

**NEW SECTION. Sec. 924. COLLECTIVE BARGAINING AGREEMENT—UFCW.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the united food and commercial workers under the provisions of chapter 41.80 RCW. For

employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007.

**NEW SECTION. Sec. 925. COLLECTIVE BARGAINING AGREEMENT—IFPTE LOCAL 17.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the international federation of professional and technical engineers under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates. These increases will be effective July 1, 2007. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007.

**NEW SECTION. Sec. 926. COLLECTIVE BARGAINING AGREEMENT—SEIU 1199.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the service employee's international union, local 1199 NW under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to phase four of the department of personnel's class consolidation project and the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates. These increases will be effective July 1, 2007. The office of financial management shall allocate the moneys appropriated in this section in the amounts specified to the state agencies specified in LEAP document number H15 - 2007, and adjust appropriations schedules accordingly.

**NEW SECTION. Sec. 927. COLLECTIVE BARGAINING AGREEMENT—COALITION.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the coalition under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to phase four of the department of personnel's class consolidation project, the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent

below market rates, and agency request packages meeting the specified criteria outlined in RCW 41.06.152. These increases will be effective July 1, 2007. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007. These increases will be effective July 1, 2007.

**NEW SECTION. Sec. 928. COLLECTIVE BARGAINING AGREEMENT—WFSE HIGHER EDUCATION.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the Washington federation of state employees in higher education under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to phase four of the department of personnel's class consolidation project and the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates. These increases will be effective July 1, 2007. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007.

**NEW SECTION. Sec. 929. COLLECTIVE BARGAINING AGREEMENT—WPEA HIGHER EDUCATION.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the Washington public employees association in higher education under the provisions of chapter 41.80 RCW. For employees covered under this agreement, provisions include a 1.6 percent salary increase effective July 1, 2007, which continues the increase that went into effect July 1, 2006, and is set to terminate June 30, 2007. Also included is a 3.2 percent salary increase effective July 1, 2007, and a 2 percent salary increase effective July 1, 2008. Select classifications will receive wage increases due to phase four of the department of personnel's class consolidation project and the implementation of the department of personnel's 2006 salary survey for classes more than 25 percent below market rates. These increases will be effective July 1, 2007. All employees covered under the agreement that have been at the top step of their range for a year or longer will progress to a new step L effective July 1, 2007.

**NEW SECTION. Sec. 930. COLLECTIVE BARGAINING AGREEMENT—WESTERN WASHINGTON UNIVERSITY—WFSE.** Appropriations in this act reflect the collective bargaining agreement reached between the Western Washington University and the Washington federation of state employees bargaining units A, B, and E. For employees covered under this agreement, provisions include a 3.2 percent pay increase effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; implementation of the department of personnel's salary survey for classes more than 25 percent below market rate; a new 2.5 percent step L on the salary grid; and movement of all classified staff at or below pay range 30 to step G of their range, effective July 1, 2007.

**NEW SECTION. Sec. 931. COLLECTIVE BARGAINING AGREEMENT—WESTERN WASHINGTON UNIVERSITY—PSE BARGAINING UNIT PTE.** Appropriations in this act reflect the collective bargaining agreement reached between the Western Washington University and the public school employees bargaining unit PTE. For employees covered under this agreement, the provisions include a 3.2 percent increase effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; implementation of the department of personnel's salary survey for classes more than 25 percent below market rate; a new 2.5 percent step L on the salary grid; and implementation of phase four of the department of personnel's class consolidation project.

**NEW SECTION. Sec. 932. COLLECTIVE BARGAINING AGREEMENT—WESTERN WASHINGTON UNIVERSITY—PSE BARGAINING UNIT D.** Appropriations in this act reflect the collective bargaining agreement reached between the Western Washington University and the public school employees bargaining unit D. For employees covered under this agreement, the provisions include a 3.2 percent increase effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; implementation of the department of personnel's salary survey for classes more than 25 percent below market rate; a new 2.5 percent step L on the salary grid; and implementation of phase four of the department of personnel's class consolidation project.

**NEW SECTION. Sec. 933. COLLECTIVE BARGAINING AGREEMENT—CENTRAL WASHINGTON UNIVERSITY—WFSE.** Appropriations in this act reflect the collective bargaining agreement reached between the Central Washington University and the Washington federation of state employees. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; phase four of the department of personnel's class consolidation project; implementation of the 2006 department of personnel's salary survey for classes more than 25 percent below market rate; and a new 2.5 percent step L on the salary grid.

**NEW SECTION. Sec. 934. COLLECTIVE BARGAINING AGREEMENT—EASTERN WASHINGTON UNIVERSITY—WFSE BU 1.** Appropriations in this act reflect the collective bargaining agreement reached between the Eastern Washington University and the Washington federation of state employees bargaining unit 1. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; phase four of the department of personnel's class consolidation project; a new 2.5 percent step L on the salary grid; and the potential for two \$200 one-time payments.

**NEW SECTION. Sec. 935. COLLECTIVE BARGAINING AGREEMENT—EASTERN WASHINGTON UNIVERSITY—WFSE BU 2.** Appropriations in this act reflect the collective bargaining agreement reached between the Eastern Washington University and the Washington federation of state employees bargaining unit 2. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; phase four of the

department of personnel's class consolidation project; a new 2.5 percent step L on the salary grid; and the potential for two \$200 one-time payments.

**NEW SECTION. Sec. 936. COLLECTIVE BARGAINING AGREEMENT—WASHINGTON STATE UNIVERSITY—WSU POLICE GUILD.** Appropriations in this act reflect the collective bargaining agreement reached between the Washington State University and the Washington State University police guild. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; implementation of the 2006 department of personnel's salary survey for classes more than 25 percent below market rate; and a new 2.5 percent step L on the salary grid.

**NEW SECTION. Sec. 937. COLLECTIVE BARGAINING AGREEMENT—WASHINGTON STATE UNIVERSITY—WFSE.** Appropriations in this act reflect the collective bargaining agreement reached between the Washington State University and the Washington federation of state employees. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; implementation of the 2006 department of personnel's salary survey for classes more than 25 percent below market rate; and a new 2.5 percent step L on the salary grid.

**NEW SECTION. Sec. 938. COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—WFSE CAMPUS—WIDE BARGAINING UNIT.** Appropriations in this act reflect the collective bargaining agreement reached between the University of Washington and the Washington federation of state employees campus-wide bargaining unit. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; recruitment and retention adjustments for specific classes; increases for classes more than 80 percent below market according to a survey by the University of Washington; and an additional pay step in fiscal year 2009.

**NEW SECTION. Sec. 939. COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—WFSE POLICE MANAGEMENT BARGAINING UNIT.** Appropriations in this act reflect the collective bargaining agreement reached between the University of Washington and the Washington federation of state employees police management bargaining unit. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second increase of 2.0 percent effective July 1, 2008; longevity pay for those with service of 5 years (1%), 10 years (2%), 15 years (3%), 20 years (4%), and 25 years (5%); and a new top step effective fiscal year 2009.

**NEW SECTION. Sec. 940. COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—UWPOA.** Appropriations in this act reflect the collective bargaining agreement reached between the University of Washington and the University of Washington police officers association. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second pay increase of 2.0 percent effective July 1, 2008; an additional top step on the pay grid effective fiscal year 2009; and increases in midcareer pay increments.

**NEW SECTION. Sec. 941. COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—SEIU 925.** Appropriations in this act reflect the collective bargaining agreement reached between the University of Washington and the service employees' international union 925. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; a second pay increase of 3.0 percent effective July 1, 2008; and market rate adjustments for specific job classes.

**NEW SECTION. Sec. 942. COLLECTIVE BARGAINING AGREEMENT—YAKIMA VALLEY COMMUNITY COLLEGE—WPEA/UFCW.** Appropriations in this act reflect the collective bargaining agreement reached between the Yakima Valley community college and the Washington public employees' association/united food and commercial workers union local 365. For employees covered under this agreement, the provisions include a pay increase of 3.2 percent effective July 1, 2007; an increase of 2.0 percent effective July 1, 2008; implementation of the 2006 department of personnel's salary survey for classes more than 25 percent below market rate; phase four of the department of personnel's class consolidation project; agency requests for reclassification that meet the criteria outlined in RCW 41.06.152; and a new 2.5 percent step L on the salary grid.

**NEW SECTION. Sec. 943. COLLECTIVE BARGAINING AGREEMENT—WSP TROOPERS ASSOCIATION.** Appropriations in this act reflect funding for the collective bargaining agreement reached between the governor and the Washington state patrol trooper's association under the provisions of chapter 41.56 RCW. For employees covered under this agreement, provisions include a 4.0 percent salary increase effective July 1, 2007, and a 4.0 percent salary increase effective July 1, 2008. Also effective July 1, 2007, positions located in King (10%), Snohomish (5%), or Pierce (3%) counties will receive geographic pay.

**NEW SECTION. Sec. 944. COLLECTIVE BARGAINING AGREEMENT—WSP LIEUTENANTS ASSOCIATION.** Appropriations in this act reflect funding for the collective bargaining agreement reached between the governor and the Washington state patrol lieutenant's association under the provisions of chapter 41.56 RCW. For employees covered under this agreement, provisions include a 4.0 percent salary increase effective July 1, 2007, and a 4.0 percent salary increase effective July 1, 2008. Also effective July 1, 2007, positions located in King (10%), Snohomish (5%), or Pierce (3%) counties will receive geographic pay.

**NEW SECTION. Sec. 945. COLLECTIVE BARGAINING AGREEMENT—SEIU LOCAL 775 HOMECARE WORKERS.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the service employee's international union local 775 under the provisions of chapter 74.39 RCW. For those covered under this agreement, provisions include a base wage increase of \$.30 per hour effective July 1, 2007, a base wage increase of \$.30 per hour effective July 1, 2008, an additional step to the wage grid for providers with over 14,000 hours, an additional \$1.00 per hour for mentor and trainer pay, implementation of mileage reimbursement by July 1, 2008, and state payment of the provider's share of



workers compensation. In addition, the state will increase the contribution to health care by 10 percent on July 1, 2008, to \$550 per month, and implement an agreed upon approach to shared living.

**NEW SECTION. Sec. 946. COLLECTIVE BARGAINING AGREEMENT—SEIU LOCAL 925 CHILDCARE WORKERS.** Appropriations in this act reflect the collective bargaining agreement reached between the governor and the service employee's international union local 925 under the provisions of chapter 74.15 RCW. For those covered under this agreement, provisions include a subsidy rate increase of 7 percent for licensed homes and 4 percent for exempt providers effective July 1, 2007, a subsidy rate increase of 3 percent for both licensed and exempt providers on July 1, 2008, elimination of a reduced rate for additional children per family on July 1, 2007, for exempt providers, additional incentive pay for nonstandard hours and infant care, training for providers on licensing requirements, and health care for eligible licensed home providers.

**Sec. 947.** RCW 15.64.050 and 2001 2nd sp.s. c 3 s 2 are each amended to read as follows:

- (1) The small farm direct marketing assistance program is created.
- (2) The director shall employ a small farm direct marketing assistant.
- (3) The small farm direct marketing assistance program shall assist small farms in their direct marketing efforts. In carrying out this duty the program shall:
  - (a) Assist small farms in complying with federal, state, and local rules and regulations as they apply to direct marketing of agricultural products;
  - (b) Assist in developing infrastructure to increase direct marketing opportunities for small farms;
  - (c) Provide information on direct marketing opportunities for small farms;
  - (d) Promote localized food production systems;
  - (e) Increase access to information for farmers wishing to sell farm products directly to consumers;
  - (f) Identify and help reduce market barriers facing small farms in direct marketing;
  - (g) Assist in developing and submitting proposals to grant programs to assist small farm direct marketing efforts; and
  - (h) Perform other functions that will assist small farms in directly marketing their products.

~~((4) This section expires July 1, 2007.))~~

**Sec. 948.** RCW 28B.15.910 and 2007 c . . . s 1 (ESHB 1497) are each amended to read as follows:

- (1) For the purpose of providing state general fund support to public institutions of higher education, except for revenue waived under programs listed in subsections (3) and (4) of this section, and unless otherwise expressly provided in the omnibus state appropriations act, the total amount of operating fees revenue waived, exempted, or reduced by a state university, a regional university, The Evergreen State College, or the community colleges as a whole, shall not exceed the percentage of total gross authorized operating fees revenue in this subsection. As used in this section, "gross authorized operating fees revenue" means the estimated gross operating fees revenue as estimated under

RCW 82.33.020 or as revised by the office of financial management, before granting any waivers. This limitation applies to all tuition waiver programs established before or after July 1, 1992.

- |                                   |                               |
|-----------------------------------|-------------------------------|
| (a) University of Washington      | 21 percent                    |
| (b) Washington State University   | 20 percent                    |
| (c) Eastern Washington University | 11 percent                    |
| (d) Central Washington University | 10 percent                    |
| (e) Western Washington University | 10 percent                    |
| (f) The Evergreen State College   | (( <del>6</del> )) 10 percent |
| (g) Community colleges as a whole | 35 percent                    |

(2) The limitations in subsection (1) of this section apply to waivers, exemptions, or reductions in operating fees contained in the following:

- (a) RCW 28B.15.014;
- (b) RCW 28B.15.100;
- (c) RCW 28B.15.225;
- (d) RCW 28B.15.380;
- (e) RCW 28B.15.520;
- (f) RCW 28B.15.526;
- (g) RCW 28B.15.527;
- (h) RCW 28B.15.543;
- (i) RCW 28B.15.545;
- (j) RCW 28B.15.555;
- (k) RCW 28B.15.556;
- (l) RCW 28B.15.615;
- (m) RCW 28B.15.621(2);
- (n) RCW 28B.15.730;
- (o) RCW 28B.15.740;
- (p) RCW 28B.15.750;
- (q) RCW 28B.15.756;
- (r) RCW 28B.50.259; and
- (s) RCW 28B.70.050.

(3) The limitations in subsection (1) of this section do not apply to waivers, exemptions, or reductions in services and activities fees contained in the following:

- (a) RCW 28B.15.522;
- (b) RCW 28B.15.540; and
- (c) RCW 28B.15.558.

(4) The total amount of operating fees revenue waived, exempted, or reduced by institutions of higher education participating in the western interstate commission for higher education western undergraduate exchange program under RCW 28B.15.544 shall not exceed the percentage of total gross authorized operating fees revenue in this subsection.

- |                                   |           |
|-----------------------------------|-----------|
| (a) Washington State University   | 1 percent |
| (b) Eastern Washington University | 3 percent |
| (c) Central Washington University | 3 percent |

(5) The institutions of higher education will participate in outreach activities to increase the number of veterans who receive tuition waivers. Colleges and universities shall revise the application for admissions so that all applicants shall have the opportunity to advise the institution that they are veterans who need

assistance. If a person indicates on the application for admissions that the person is a veteran who is in need of assistance, then the institution of higher education shall ask the person whether they have any funds disbursed in accordance with the Montgomery GI Bill available to them. Each institution shall encourage veterans to utilize funds available to them in accordance with the Montgomery GI Bill prior to providing the veteran a tuition waiver.

*\*Sec. 949. RCW 41.05.065 and 2006 c 299 s 2 are each amended to read as follows:*

*(1) The board shall study all matters connected with the provision of health care coverage, life insurance, liability insurance, accidental death and dismemberment insurance, and disability income insurance or any of, or a combination of, the enumerated types of insurance for employees and their dependents on the best basis possible with relation both to the welfare of the employees and to the state. However, liability insurance shall not be made available to dependents.*

*(2) The board shall develop employee benefit plans that include comprehensive health care benefits for all employees. In developing these plans, the board shall consider the following elements:*

*(a) Methods of maximizing cost containment while ensuring access to quality health care;*

*(b) Development of provider arrangements that encourage cost containment and ensure access to quality care, including but not limited to prepaid delivery systems and prospective payment methods;*

*(c) Wellness incentives that focus on proven strategies, such as smoking cessation, injury and accident prevention, reduction of alcohol misuse, appropriate weight reduction, exercise, automobile and motorcycle safety, blood cholesterol reduction, and nutrition education;*

*(d) Utilization review procedures including, but not limited to a cost-efficient method for prior authorization of services, hospital inpatient length of stay review, requirements for use of outpatient surgeries and second opinions for surgeries, review of invoices or claims submitted by service providers, and performance audit of providers;*

*(e) Effective coordination of benefits;*

*(f) Minimum standards for insuring entities; and*

*(g) Minimum scope and content of public employee benefit plans to be offered to enrollees participating in the employee health benefit plans. To maintain the comprehensive nature of employee health care benefits, employee eligibility criteria related to the number of hours worked and the benefits provided to employees shall be substantially equivalent to the state employees' health benefits plan and eligibility criteria in effect on January 1, 1993. Nothing in this subsection (2)(g) shall prohibit changes or increases in employee point-of-service payments or employee premium payments for benefits or the administration of a high deductible health plan in conjunction with a health savings account.*

*(h) During the 2007-2009 fiscal biennium, the board may not make changes to the benefit plans offered to enrollees that increase the net actuarial cost of the plans as compared to the same, or most similar plans, offered for calendar year 2007.*

(3) *The board shall design benefits and determine the terms and conditions of employee and retired employee participation and coverage, including establishment of eligibility criteria. The same terms and conditions of participation and coverage, including eligibility criteria, shall apply to state employees and to school district employees and educational service district employees.*

(4) *The board may authorize premium contributions for an employee and the employee's dependents in a manner that encourages the use of cost-efficient managed health care systems. During the 2005-2007 fiscal biennium, the board may only authorize premium contributions for an employee and the employee's dependents that are the same, regardless of an employee's status as represented or nonrepresented by a collective bargaining unit under the personnel system reform act of 2002. The board shall require participating school district and educational service district employees to pay at least the same employee premiums by plan and family size as state employees pay.*

(5) *The board shall develop a health savings account option for employees that conform to section 223, Part VII of subchapter B of chapter 1 of the internal revenue code of 1986. The board shall comply with all applicable federal standards related to the establishment of health savings accounts.*

(6) *Notwithstanding any other provision of this chapter, the board shall develop a high deductible health plan to be offered in conjunction with a health savings account developed under subsection (5) of this section.*

(7) *Employees shall choose participation in one of the health care benefit plans developed by the board and may be permitted to waive coverage under terms and conditions established by the board.*

(8) *The board shall review plans proposed by insuring entities that desire to offer property insurance and/or accident and casualty insurance to state employees through payroll deduction. The board may approve any such plan for payroll deduction by insuring entities holding a valid certificate of authority in the state of Washington and which the board determines to be in the best interests of employees and the state. The board shall promulgate rules setting forth criteria by which it shall evaluate the plans.*

(9) *Before January 1, 1998, the public employees' benefits board shall make available one or more fully insured long-term care insurance plans that comply with the requirements of chapter 48.84 RCW. Such programs shall be made available to eligible employees, retired employees, and retired school employees as well as eligible dependents which, for the purpose of this section, includes the parents of the employee or retiree and the parents of the spouse of the employee or retiree. Employees of local governments and employees of political subdivisions not otherwise enrolled in the public employees' benefits board sponsored medical programs may enroll under terms and conditions established by the administrator, if it does not jeopardize the financial viability of the public employees' benefits board's long-term care offering.*

(a) *Participation of eligible employees or retired employees and retired school employees in any long-term care insurance plan made available by the public employees' benefits board is voluntary and shall not be subject to binding arbitration under chapter 41.56 RCW. Participation is subject to reasonable underwriting guidelines and eligibility rules established by the public employees' benefits board and the health care authority.*

*(b) The employee, retired employee, and retired school employee are solely responsible for the payment of the premium rates developed by the health care authority. The health care authority is authorized to charge a reasonable administrative fee in addition to the premium charged by the long-term care insurer, which shall include the health care authority's cost of administration, marketing, and consumer education materials prepared by the health care authority and the office of the insurance commissioner.*

*(c) To the extent administratively possible, the state shall establish an automatic payroll or pension deduction system for the payment of the long-term care insurance premiums.*

*(d) The public employees' benefits board and the health care authority shall establish a technical advisory committee to provide advice in the development of the benefit design and establishment of underwriting guidelines and eligibility rules. The committee shall also advise the board and authority on effective and cost-effective ways to market and distribute the long-term care product. The technical advisory committee shall be comprised, at a minimum, of representatives of the office of the insurance commissioner, providers of long-term care services, licensed insurance agents with expertise in long-term care insurance, employees, retired employees, retired school employees, and other interested parties determined to be appropriate by the board.*

*(e) The health care authority shall offer employees, retired employees, and retired school employees the option of purchasing long-term care insurance through licensed agents or brokers appointed by the long-term care insurer. The authority, in consultation with the public employees' benefits board, shall establish marketing procedures and may consider all premium components as a part of the contract negotiations with the long-term care insurer.*

*(f) In developing the long-term care insurance benefit designs, the public employees' benefits board shall include an alternative plan of care benefit, including adult day services, as approved by the office of the insurance commissioner.*

*(g) The health care authority, with the cooperation of the office of the insurance commissioner, shall develop a consumer education program for the eligible employees, retired employees, and retired school employees designed to provide education on the potential need for long-term care, methods of financing long-term care, and the availability of long-term care insurance products including the products offered by the board.*

*(h) By December 1998, the health care authority, in consultation with the public employees' benefits board, shall submit a report to the appropriate committees of the legislature, including an analysis of the marketing and distribution of the long-term care insurance provided under this section.*

\*Sec. 949 was vetoed. See message at end of chapter.

**Sec. 950.** RCW 43.08.250 and 2005 c 518 s 926, 2005 c 457 s 8, and 2005 c 282 s 44 are each reenacted and amended to read as follows:

(1) The money received by the state treasurer from fees, fines, forfeitures, penalties, reimbursements or assessments by any court organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be deposited in the public safety and education account which is hereby created in the state treasury. The legislature shall appropriate the funds in the account to promote traffic safety education,

highway safety, criminal justice training, crime victims' compensation, judicial education, the judicial information system, civil representation of indigent persons under RCW 2.53.030, winter recreation parking, drug court operations, and state game programs. (~~During~~) Through the fiscal biennium ending June 30, (~~2007~~) 2009, the legislature may appropriate moneys from the public safety and education account for purposes of appellate indigent defense and other operations of the office of public defense, the criminal litigation unit of the attorney general's office, the treatment alternatives to street crimes program, crime victims advocacy programs, justice information network telecommunication planning, treatment for supplemental security income clients, sexual assault treatment, operations of the administrative office of the courts, security in the common schools, alternative school start-up grants, programs for disruptive students, criminal justice data collection, Washington state patrol criminal justice activities, drug court operations, unified family courts, local court backlog assistance, financial assistance to local jurisdictions for extraordinary costs incurred in the adjudication of criminal cases, domestic violence treatment and related services, the department of corrections' costs in implementing chapter 196, Laws of 1999, reimbursement of local governments for costs associated with implementing criminal and civil justice legislation, the replacement of the department of corrections' offender-based tracking system, secure and semi-secure crisis residential centers, HOPE beds, the family policy council and community public health and safety networks, the street youth program, public notification about registered sex offenders, and narcotics or methamphetamine-related enforcement, education, training, and drug and alcohol treatment services.

(2)(a) The equal justice subaccount is created as a subaccount of the public safety and education account. The money received by the state treasurer from the increase in fees imposed by sections 9, 10, 12, 13, 14, 17, and 19, chapter 457, Laws of 2005 shall be deposited in the equal justice subaccount and shall be appropriated only for:

- (i) Criminal indigent defense assistance and enhancement at the trial court level, including a criminal indigent defense pilot program;
- (ii) Representation of parents in dependency and termination proceedings;
- (iii) Civil legal representation of indigent persons; and
- (iv) Contribution to district court judges' salaries and to eligible elected municipal court judges' salaries.

(b) For the 2005-07 fiscal biennium, an amount equal to twenty-five percent of revenues to the equal justice subaccount, less one million dollars, shall be appropriated from the equal justice subaccount to the administrator for the courts for purposes of (a)(iv) of this subsection. For the 2007-09 fiscal biennium and subsequent fiscal biennia, an amount equal to fifty percent of revenues to the equal justice subaccount shall be appropriated from the equal justice subaccount to the administrator for the courts for the purposes of (a)(iv) of this subsection.

**Sec. 951.** RCW 43.10.180 and 2005 c 518 s 927 are each amended to read as follows:

(1) The attorney general shall keep such records as are necessary to facilitate proper allocation of costs to funds and agencies served and the director of financial management shall prescribe appropriate accounting procedures to

accurately allocate costs to funds and agencies served. Billings shall be adjusted in line with actual costs incurred at intervals not to exceed six months.

(2) During the (~~2005-~~) 2007-2009 fiscal biennium, all expenses for administration of the office of the attorney general shall be allocated to and paid from the legal services revolving fund in accordance with accounting procedures prescribed by the director of financial management.

**Sec. 952.** RCW 43.60A.165 and 2006 c 343 s 4 are each amended to read as follows:

The defenders' fund is created to provide assistance to members of the Washington national guard and reservists who served in Operation Enduring Freedom, Operation Iraqi Freedom, or Operation Noble Eagle, and who are experiencing financial hardships in employment, education, housing, and health care due to the significant period of time away from home serving our country. The program shall be administered by the department. Eligibility determinations shall be made by the department. Eligible veterans may receive a one-time grant of no more than five hundred dollars, except that for the 2007-2009 biennium, the one-time grant may not exceed one thousand dollars.

**Sec. 953.** RCW 46.09.170 and 2004 c 105 s 6 are each amended to read as follows:

(1) From time to time, but at least once each year, the state treasurer shall refund from the motor vehicle fund one percent of the motor vehicle fuel tax revenues collected under chapter 82.36 RCW, based on a tax rate of: (a) Nineteen cents per gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007; (c) twenty-one cents per gallon of motor vehicle fuel from July 1, 2007, through June 30, 2009; (d) twenty-two cents per gallon of motor vehicle fuel from July 1, 2009, through June 30, 2011; and (e) twenty-three cents per gallon of motor vehicle fuel beginning July 1, 2011, and thereafter, less proper deductions for refunds and costs of collection as provided in RCW 46.68.090.

(2) The treasurer shall place these funds in the general fund as follows:

(a) Thirty-six percent shall be credited to the ORV and nonhighway vehicle account and administered by the department of natural resources solely for acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities, and information programs and maintenance of nonhighway roads;

(b) Three and one-half percent shall be credited to the ORV and nonhighway vehicle account and administered by the department of fish and wildlife solely for the acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities and the maintenance of nonhighway roads;

(c) Two percent shall be credited to the ORV and nonhighway vehicle account and administered by the parks and recreation commission solely for the acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities; and

(d) Fifty-eight and one-half percent shall be credited to the nonhighway and off-road vehicle activities program account to be administered by the committee for planning, acquisition, development, maintenance, and management of ORV,

nonmotorized, and nonhighway road recreation facilities and for education, information, and law enforcement programs. The funds under this subsection shall be expended in accordance with the following limitations:

(i) Not more than thirty percent may be expended for education, information, and law enforcement programs under this chapter;

(ii) Not less than seventy percent may be expended for ORV, nonmotorized, and nonhighway road recreation facilities. Except as provided in (d)(iii) of this subsection, of this amount:

(A) Not less than thirty percent, together with the funds the committee receives under RCW 46.09.110, may be expended for ORV recreation facilities;

(B) Not less than thirty percent may be expended for nonmotorized recreation facilities. Funds expended under this subsection (2)(d)(ii)(B) shall be known as Ira Spring outdoor recreation facilities funds; and

(C) Not less than thirty percent may be expended for nonhighway road recreation facilities;

(iii) The committee may waive the minimum percentage cited in (d)(ii) of this subsection due to insufficient requests for funds or projects that score low in the committee's project evaluation. Funds remaining after such a waiver must be allocated in accordance with committee policy.

(3) On a yearly basis an agency may not, except as provided in RCW 46.09.110, expend more than ten percent of the funds it receives under this chapter for general administration expenses incurred in carrying out this chapter.

(4) During the ~~((2003-05))~~ 2007-09 fiscal biennium, the legislature may appropriate such amounts as reflect the excess fund balance in the NOVA account to ~~((the interagency committee for outdoor recreation,))~~ the department of natural resources ~~((, the department of fish and wildlife, and the state parks and recreation commission))~~ for planning and designing consistent off-road vehicle signage at department-managed recreation sites, and for planning recreation opportunities on department-managed lands in the Reiter block and Ahtanum state forest. This appropriation is not required to follow the specific distribution specified in subsection (2) of this section.

**Sec. 954.** RCW 70.105D.070 and 2005 c 488 s 926 are each amended to read as follows:

(1) The state toxics control account and the local toxics control account are hereby created in the state treasury.

(2) The following moneys shall be deposited into the state toxics control account: (a) Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-three one-hundredths of one percent; (b) the costs of remedial actions recovered under this chapter or chapter 70.105A RCW; (c) penalties collected or recovered under this chapter; and (d) any other money appropriated or transferred to the account by the legislature. Moneys in the account may be used only to carry out the purposes of this chapter, including but not limited to the following activities:

(i) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;

(ii) The state's responsibility for solid waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.95 RCW;



- (iii) The hazardous waste cleanup program required under this chapter;
- (iv) State matching funds required under the federal cleanup law;
- (v) Financial assistance for local programs in accordance with chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;
- (vi) State government programs for the safe reduction, recycling, or disposal of hazardous wastes from households, small businesses, and agriculture;
- (vii) Hazardous materials emergency response training;
- (viii) Water and environmental health protection and monitoring programs;
- (ix) Programs authorized under chapter 70.146 RCW;
- (x) A public participation program, including regional citizen advisory committees;
- (xi) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with cleanup standards under RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW 70.105D.040(4) and when the director has found that the funding will achieve both (A) a substantially more expeditious or enhanced cleanup than would otherwise occur, and (B) the prevention or mitigation of unfair economic hardship; and
- (xii) Development and demonstration of alternative management technologies designed to carry out the top two hazardous waste management priorities of RCW 70.105.150.

(3) The following moneys shall be deposited into the local toxics control account: Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.

(a) Moneys deposited in the local toxics control account shall be used by the department for grants or loans to local governments for the following purposes in descending order of priority: (i) Remedial actions; (ii) hazardous waste plans and programs under chapter 70.105 RCW; (iii) solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW; (iv) funds for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and (v) cleanup and disposal of hazardous substances from abandoned or derelict vessels that pose a threat to human health or the environment. For purposes of this subsection (3)(a)(v), "abandoned or derelict vessels" means vessels that have little or no value and either have no identified owner or have an identified owner lacking financial resources to clean up and dispose of the vessel. Funds for plans and programs shall be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. During the 1999-2001 fiscal biennium, moneys in the account may also be used for the following activities: Conducting a study of whether dioxins occur in fertilizers, soil amendments, and soils; reviewing applications for registration of fertilizers; and conducting a study of plant uptake of metals. During the 2005-2007 fiscal biennium, the legislature may transfer from the local toxics control account to the state toxics control account such amounts as specified in the omnibus capital budget bill. During the ~~((2005-2007))~~ 2007-2009 fiscal biennium, moneys in the account may also be used for grants to local governments to retrofit public sector diesel equipment and for storm water planning and implementation activities.

(b) Funds may also be appropriated to the department of health to implement programs to reduce testing requirements under the federal safe drinking water act for public water systems. The department of health shall reimburse the account from fees assessed under RCW 70.119A.115 by June 30, 1995.

(4) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.

(5) One percent of the moneys deposited into the state and local toxics control accounts shall be allocated only for public participation grants to persons who may be adversely affected by a release or threatened release of a hazardous substance and to not-for-profit public interest organizations. The primary purpose of these grants is to facilitate the participation by persons and organizations in the investigation and remedying of releases or threatened releases of hazardous substances and to implement the state's solid and hazardous waste management priorities. However, during the 1999-2001 fiscal biennium, funding may not be granted to entities engaged in lobbying activities, and applicants may not be awarded grants if their cumulative grant awards under this section exceed two hundred thousand dollars. No grant may exceed sixty thousand dollars. Grants may be renewed annually. Moneys appropriated for public participation from either account which are not expended at the close of any biennium shall revert to the state toxics control account.

(6) No moneys deposited into either the state or local toxics control account may be used for solid waste incinerator feasibility studies, construction, maintenance, or operation.

(7) The department shall adopt rules for grant or loan issuance and performance.

~~((8) During the 2005-2007 fiscal biennium, the legislature may transfer from the state toxics control account to the water quality account such amounts as reflect the excess fund balance of the fund.))~~

**Sec. 955.** RCW 70.146.030 and 2005 c 518 s 940 and 2005 c 514 s 1108 are each reenacted and amended to read as follows:

(1) The water quality account is hereby created in the state treasury. Moneys in the account may be used only in a manner consistent with this chapter. Moneys deposited in the account shall be administered by the department of ecology and shall be subject to legislative appropriation. Moneys placed in the account shall include tax receipts as provided in RCW 82.24.027, 82.24.026(2)(d), ~~((82.26.025,))~~ and 82.32.390, principal and interest from the repayment of any loans granted pursuant to this chapter, and any other moneys appropriated to the account by the legislature.

(2) The department may use or permit the use of any moneys in the account to make grants or loans to public bodies, including grants to public bodies as cost-sharing moneys in any case where federal, local, or other funds are made available on a cost-sharing basis, for water pollution control facilities and activities, or for purposes of assisting a public body to obtain an ownership interest in water pollution control facilities and/or to defray a part of the payments made by a public body to a service provider under a service agreement entered into pursuant to RCW 70.150.060, within the purposes of this chapter and for related administrative expenses. For the period July 1, ~~((2005))~~ 2007, to

June 30, (~~2007~~) 2009, moneys in the account may be used to process applications received by the department that seek to make changes to or transfer existing water rights and for other water resources and water quality activities, for water conveyance projects, shoreline technical assistance, Puget Sound education and outreach and for grants and technical assistance to public bodies for watershed planning under chapter 90.82 RCW. No more than three percent of the moneys deposited in the account may be used by the department to pay for the administration of the grant and loan program authorized by this chapter.

(3) Beginning with the biennium ending June 30, 1997, the department shall present a biennial progress report on the use of moneys from the account to the chairs of the senate committee on ways and means and the house of representatives committee on appropriations. The first report is due June 30, 1996, and the report for each succeeding biennium is due December 31st of the odd-numbered year. The report shall consist of a list of each recipient, project description, and amount of the grant, loan, or both.

**Sec. 956.** RCW 70.146.080 and 2005 c 518 s 941 are each amended to read as follows:

Within thirty days after June 30, 1987, and within thirty days after each succeeding fiscal year thereafter, the state treasurer shall determine the tax receipts deposited into the water quality account for the preceding fiscal year. If the tax receipts deposited into the account in each of the fiscal years 1988 and 1989 are less than forty million dollars, the state treasurer shall transfer sufficient moneys from general state revenues into the water quality account to bring the total receipts in each fiscal year up to forty million dollars.

For the biennium ending June 30, 1991, if the tax receipts deposited into the water quality account and the earnings on investment of balances credited to the account are less than ninety million dollars, the treasurer shall transfer sufficient moneys from general state revenues into the water quality account to bring the total revenue up to ninety million dollars. The determination and transfer shall be made by July 31, 1991.

For fiscal year 1992 and for fiscal years 1995 and 1996 and thereafter, if the tax receipts deposited into the water quality account for each fiscal year are less than forty-five million dollars, the treasurer shall transfer sufficient moneys from general state revenues into the water quality account to bring the total revenue up to forty-five million dollars. However, during the (~~2005-2007~~) 2007-2009 fiscal biennium, the legislature may specify the transfer of a different amount in the operating budget bill. Determinations and transfers shall be made by July 31 for the preceding fiscal year.

**Sec. 957.** RCW 74.08A.340 and 2006 c 265 s 209 are each amended to read as follows:

The department of social and health services shall operate the Washington WorkFirst program authorized under RCW 74.08A.200 through 74.08A.330, 43.330.145, 74.13.0903 and 74.25.040, and chapter 74.12 RCW within the following constraints:

(1) The full amount of the temporary assistance for needy families block grant, plus qualifying state expenditures as appropriated in the biennial operating budget, shall be appropriated to the department each year in the biennial appropriations act to carry out the provisions of the program authorized in RCW

74.08A.200 through 74.08A.330, 43.330.145, 74.13.0903 and 74.25.040, and chapter 74.12 RCW.

(2)(a) The department may expend funds defined in subsection (1) of this section in any manner that will effectively accomplish the outcome measures defined in RCW 74.08A.410 with the following exception: Beginning with the 2007-2009 biennium, funds that constitute the working connections child care program, child care quality programs, and child care licensing functions.

(b) Beginning in the 2007-2009 fiscal biennium, the legislature shall appropriate and the departments of early learning and social and health services shall expend funds defined in subsection (1) of this section that constitute the working connections child care program, child care quality programs, and child care licensing functions in a manner that is consistent with the outcome measures defined in RCW 74.08A.410.

(c) No more than fifteen percent of the amount provided in subsection (1) of this section may be spent for administrative purposes. For the purpose of this subsection, "administrative purposes" does not include expenditures for information technology and computerization needed for tracking and monitoring required by P.L. 104-193. The department shall not increase grant levels to recipients of the program authorized in RCW 74.08A.200 through 74.08A.330 and 43.330.145 and chapter 74.12 RCW.

(3) The department shall implement strategies that accomplish the outcome measures identified in RCW 74.08A.410 that are within the funding constraints in this section. Specifically, the department shall implement strategies that will cause the number of cases in the program authorized in RCW 74.08A.200 through 74.08A.330 and 43.330.145 and chapter 74.12 RCW to decrease by at least fifteen percent during the 1997-99 biennium and by at least five percent in the subsequent biennium. The department may transfer appropriation authority between funding categories within the economic services program in order to carry out the requirements of this subsection.

(4) The department shall monitor expenditures against the appropriation levels provided for in subsection (1) of this section. The department shall quarterly make a determination as to whether expenditure levels will exceed available funding and communicate its finding to the legislature. If the determination indicates that expenditures will exceed funding at the end of the fiscal year, the department shall take all necessary actions to ensure that all services provided under this chapter shall be made available only to the extent of the availability and level of appropriation made by the legislature.

**Sec. 958.** RCW 79.64.040 and 2005 c 518 s 945 are each amended to read as follows:

(1) The board shall determine the amount deemed necessary in order to achieve the purposes of this chapter and shall provide by rule for the deduction of this amount from the moneys received from all leases, sales, contracts, licenses, permits, easements, and rights of way issued by the department and affecting state lands and aquatic lands, provided that no deduction shall be made from the proceeds from agricultural college lands.

(2) Moneys received as deposits from successful bidders, advance payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150 prior to December 1, 1981, which have not been subjected to deduction under this section are not subject to deduction under this section.

(3) Except as otherwise provided in subsection (5) of this section, the deductions authorized under this section shall not exceed twenty-five percent of the moneys received by the department in connection with any one transaction pertaining to state lands and aquatic lands other than second class tide and shore lands and the beds of navigable waters, and fifty percent of the moneys received by the department pertaining to second class tide and shore lands and the beds of navigable waters.

(4) In the event that the department sells logs using the contract harvesting process described in RCW 79.15.500 through 79.15.530, the moneys received subject to this section are the net proceeds from the contract harvesting sale.

(5) During the ~~((2005-2007))~~ 2007-2009 fiscal biennium, the twenty-five percent limitation on deductions set in subsection (3) of this section may be increased up to thirty percent by the board ~~((-- If so increased, the department must provide a report by January 9, 2006, to the appropriate committees of the legislature on the use of the increased amount))~~, provided the total amount deducted does not exceed the total appropriations in the operating and capital budgets for the fiscal period. At the end of the fiscal period, any amounts deducted in excess of the appropriations shall be transferred to the appropriate beneficiary distribution accounts.

NEW SECTION. Sec. 959. A new section is added to chapter 28A.630 RCW to read as follows:

(1)(a) Research has shown that early, intensive interventions can significantly improve reading, written language, and mathematics skills for children who are struggling academically. This early research-based assistance has been successful in reducing the number of children who require specialized programs. Research further suggests that the disabilities of many students with mild and moderate disabilities are correctable through strategic early intervention and the students do not necessitate special education eligibility. However, by being effective in reducing the number of students eligible for these programs, school district funding is reduced.

(b) The purpose of the program in this section is to continue support to the existing pilot districts and to encourage other school districts to participate as pilot districts to improve the implementation of high quality general education research-based core instructional programs to meet the needs of students struggling academically, while reducing the number of students inappropriately referred and placed in special education under the specific learning disability eligibility category because of ineffective instructional practices. This will allow special education programs to concentrate specially designed instruction on students who truly require special education services. The goal of this assistance is to effectively address reading, written language, and mathematics difficulties resulting in a substantially greater proportion of students meeting the progressively increasing performance standards for both the aggregate and disaggregated subgroups under federal law.

(c) The participating pilot districts implementing the special services pilot program have met the goals of the pilot program resulting in (i) a substantial number of underachieving students meeting the progressively increasing reading performance standards and (ii) a reduction in the number of children who require special education.

(2) Seven school districts may participate in the special services pilot program, including two school districts already participating and five additional school districts. The special services pilot program shall begin in the 2007-08 school year and conclude in the 2010-11 school year.

(3) School districts participating in the pilot program shall receive state special education funding in accordance with state special education funding formulas and a separate pilot program appropriation from sources other than special education funds. The separate appropriation shall be: (a) The school district's estimated state special education funding for the current year based on the school district's average percentage of students age three through twenty-one who were eligible for special education services for the school year before participation as a pilot program as reported to the office of the superintendent of public instruction; minus (b) the school district's actual state special education funding based on the district's current percentage of students age three through twenty-one eligible for special education services as reported to the superintendent of public instruction.

The superintendent shall adjust the factors in (a) of this subsection for one or more participating school districts, where legislative changes to the special education funding formula impact the funding mechanism of this program.

(4) Participation in the pilot program shall not increase or decrease a district's ability to access the safety net for high-cost students by virtue of the district's participation in the program. Districts participating in the pilot program shall have access to the special education safety net using a modified application approach for the office of the superintendent of public instruction demonstration of financial need. The superintendent shall create a modified application to include all special education revenues received by the district, all pilot program funding, expenditures for students with individual education programs, and expenditures for students generating pilot program revenue. Districts participating in the pilot program that seek safety net funding shall convincingly demonstrate to the safety net committee that any change in demonstrated need is not attributable to their participation in this pilot program.

(5) School districts participating in the program must agree to:

(a) Implement the program as part of the school district's general education curriculum for all students;

(b) Use a multitiered service delivery system to provide scientific research-based instructional interventions addressing individual student needs in the areas of reading, written language, or mathematics;

(c) Develop and implement an assessment system to conduct universal screening, progress monitoring, targeted assessments, and outcome assessments to identify the reading, written language, or mathematics needs of each student and to monitor student progress;

(d) Incorporate student-specific data obtained through the pilot program when conducting an evaluation to determine if the student has a disability;

(e) Assure that parents are informed of: The amount and nature of student performance data that is collected and the general education services that are provided; the strategies for increasing the student's rate of learning; the parents' right to make a referral for special education evaluation if they suspect the student has a disability; and the parents' right to have input into designed interventions;

(f) Assure that parents are provided assessments of achievement at reasonable intervals addressing student progress during instruction;

(g) Actively engage parents as partners in the learning process;

(h) Comply with state special education requirements; and

(i) Participate and provide staff expertise in the design and implementation of an evaluation of the program as determined by the superintendent of public instruction. Districts shall annually review and report progress, including objective measures or indicators that show the progress towards achieving the purpose and goal of the program, to the office of the superintendent of public instruction.

(6) By December 15, 2010, the superintendent of public instruction shall submit a report to the governor and appropriate committees of the legislature that summarizes the effectiveness of the pilot program in this section. The report shall also include a recommendation as to whether or not the pilot program should be continued, expanded, or otherwise modified.

(7) This section expires June 30, 2011.

**NEW SECTION. Sec. 960.** The governor's committee on disability issues and employment is supported through resources provided by state agencies. Within appropriations contained in this act, the office of financial management shall direct agencies that report directly to the governor to enter into contracts with the governor's committee on disability issues and employment for a total level not to exceed \$377,000 for fiscal year 2008 and \$398,000 for fiscal year 2009.

**NEW SECTION. Sec. 961.** A legislative task force on laws related to community custody and community supervision is created as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism).

(1) The task force shall be composed of fifteen members appointed in the following manner:

(a) The president of the senate shall appoint one member from each of the two largest caucuses of the senate;

(b) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives;

(c) The governor shall appoint the chair of the task force and the following members:

(i) A superior court judge;

(ii) A representative of a prosecutor's association;

(iii) A defense attorney or representative of an organization of defense attorneys;

(iv) A representative of local elected officials;

(v) A sheriff or representative of an organization of sheriffs;

(vi) A police chief or representative of an organization of police chiefs;

(vii) A community corrections officer;

(viii) A crime victim or advocate; and

(d) The following agencies shall also be represented on the committee:

(i) The attorney general, or the attorney general's designee; and

(ii) The secretary of the department of corrections, or the secretary's designee.

(2) The task force shall, with input from the public and other interested organizations, review and analyze statutes related to community custody and community supervision of offenders and make specific recommendations, if any, for modifications to those statutes that would reduce ambiguity in the law and enable the department of corrections and its community corrections officers to more easily identify statutory requirements associated with an offender's sentence and an offender's term of community custody or supervision; and more effectively respond to an offender's behavior by imposing appropriate and timely sanctions when necessary. Whenever possible, recommendations in the report shall site to specific evidence-based or promising programs to support the recommendation, or to sources such as the Washington institute for public policy, the national institute for justice, or the bureau of justice assistance.

(3) The task force shall submit its report and recommendations to the governor and the legislature by November 1, 2007.

(4) Staff support shall be provided by the office of financial management, senate committee services, and the house of representatives office of program research. The Washington state institute for public policy, the department of corrections, and the sentencing guidelines commission shall cooperate with the task force and provide information and support reasonably requested by the task force. Nonlegislative members of the task force shall serve without compensation, but shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060. Legislative members of the task force shall be reimbursed for travel expenses in accordance with RCW 44.04.120.

NEW SECTION. Sec. 962. (1) The legislature intends to improve the administration and coordination of state information technology. The legislature finds that opportunities are being missed to use the expertise in the department of information services and to leverage the purchasing power of the department to drive down the cost of securing information services.

(2) The office of financial management, the department of information services, and the legislature shall form a 2007 interim workgroup on improving state strategies, administration, and coordination of information technology. The workgroup shall consist of:

(a) The director or designee of the department of information services, and the director or designee of the office of financial management;

(b) A member of the information services board;

(c) Two members of the senate, appointed by the president of the senate, one member from each of the two largest caucuses of the senate;

(d) Two members of the house of representatives, appointed by the speaker of the house, one member from each of the two largest caucuses of the house of representatives;

(e) The workgroup shall invite representatives of the following to participate:

(i) One large state agency;

(ii) One small agency;

(iii) The state board for community and technical colleges;

(iv) The state library;

(v) A research university;

(vi) A regional university; and

(vii) Two members of the public.



(f) The workgroup shall choose its cochairs from among its legislative membership.

(3) The workgroup shall review the following issues:

(a) A statewide information services strategy;

(b) The approval and oversight process of information technology projects;

(c) Leveraging the expertise and purchasing power of the department of information services;

(d) Strengthening the role of the information services board in enhancing the utilization of services offered by the department of information services; and

(e) Opportunities to provide cost efficient and equitable access to digital resources, including online databases, for faculty and students at public institutions of higher education, state employees, and the public.

(4) As part of its review, the workgroup shall consider approaches used in other states to achieve its goals.

(5) Staff support for the workgroup shall be provided by the senate committee services, the house of representatives office of program research, the office of financial management, and the department of information services.

(6) Legislative members of the workgroup shall be reimbursed for travel expenses in accordance with RCW 44.04.120.

(7) The task force shall report its findings and recommendations to the governor and the appropriate committees of the legislature by December 1, 2007.

(8) This section expires December 31, 2007.

**PART X  
GENERAL GOVERNMENT**

**Sec. 1001.** 2006 c 372 s 108 (uncodified) is amended to read as follows:

**FOR THE SUPREME COURT**

General Fund—State Appropriation (FY 2006) . . . . .	\$6,095,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$6,397,000)</del>
	<u>\$6,401,000</u>
Pension Funding Stabilization Account Appropriation . . . . .	\$37,000
TOTAL APPROPRIATION . . . . .	<del>(\$12,529,000)</del>
	<u>\$12,533,000</u>

**Sec. 1002.** 2006 c 372 s 111 (uncodified) is amended to read as follows:

**FOR THE COURT OF APPEALS**

General Fund—State Appropriation (FY 2006) . . . . .	\$13,916,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$14,393,000)</del>
	<u>\$14,447,000</u>
Pension Funding Stabilization Account Appropriation . . . . .	\$80,000
TOTAL APPROPRIATION . . . . .	<del>(\$28,389,000)</del>
	<u>\$28,443,000</u>

**Sec. 1003.** 2006 c 372 s 112 (uncodified) is amended to read as follows:

**FOR THE ADMINISTRATOR FOR THE COURTS**

General Fund—State Appropriation (FY 2006) . . . . .	\$19,834,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$21,298,000)</del>
	<u>\$21,340,000</u>

Public Safety and Education Account—State	
Appropriation . . . . .	(( <del>\$50,277,000</del> ))
	<u>\$50,300,000</u>
Judicial Information Systems Account—State	
Appropriation . . . . .	\$26,051,000
Pension Funding Stabilization Account Appropriation . . . . .	\$96,000
TOTAL APPROPRIATION . . . . .	(( <del>\$117,556,000</del> ))
	<u>\$117,621,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$900,000 of the general fund—state appropriation for fiscal year 2006 and \$900,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for court-appointed special advocates in dependency matters. The administrator for the courts, after consulting with the association of juvenile court administrators and the association of court-appointed special advocate/guardian ad litem programs, shall distribute the funds to volunteer court-appointed special advocate/guardian ad litem programs. The distribution of funding shall be based on the number of children who need volunteer court-appointed special advocate representation and shall be equally accessible to all volunteer court-appointed special advocate/guardian ad litem programs. The administrator for the courts shall not retain more than six percent of total funding to cover administrative or any other agency costs.

(2) \$3,000,000 of the public safety and education account appropriation is provided solely for school district petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. The office of the administrator for the courts shall develop an interagency agreement with the office of the superintendent of public instruction to allocate the funding provided in this subsection. Allocation of this money to school districts shall be based on the number of petitions filed.

(3) \$13,224,000 of the public safety and education account appropriation is provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The office of the administrator for the courts shall not retain any portion of these funds to cover administrative costs. The office of the administrator for the courts, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

(4) The distributions made under subsection (3) of this section and distributions from the county criminal justice assistance account made pursuant to section 801 of this act constitute appropriate reimbursement for costs for any new programs or increased level of service for purposes of RCW 43.135.060.

(5) Each fiscal year during the 2005-07 fiscal biennium, each county shall report the number of petitions processed and the total actual costs of processing truancy, children in need of services, and at-risk youth petitions. Counties shall submit the reports to the administrator for the courts no later than 45 days after the end of the fiscal year. The administrator for the courts shall electronically

transmit this information to the chairs and ranking minority members of the house of representatives appropriations committee and the senate ways and means committee no later than 60 days after a fiscal year ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

(6) \$82,000 of the general fund—state appropriation for fiscal year 2006 and \$82,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of House Bill No. 1112 (creating an additional superior court position). If the bill is not enacted by June 30, 2005, the amounts in this subsection shall lapse.

(7) \$75,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for the implementation of Substitute House Bill No. 1854 (driving privilege) and Engrossed Second Substitute Senate Bill No. 5454 (court operations). If neither bill is enacted by June 30, 2005, the amount in this subsection shall lapse.

(8) \$569,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the juror pay pilot and research project.

(9) Any contract committing judicial information systems account moneys in the 2007-2009 biennium for replacement of the core case management system shall be agreed to only to meet the conditions specified in section 113 of this act. If the conditions have been met, additional contracts may be signed.

**Sec. 1004.** 2006 c 372 s 114 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF CIVIL LEGAL AID**

General Fund—State Appropriation (FY 2006) . . . . .	\$3,083,000
General Fund—State Appropriation (FY 2007) . . . . .	\$3,232,000
Public Safety and Education Account—State Appropriation . . . . .	\$4,705,000
Violence Reduction and Drug Enforcement Account— State Appropriation . . . . .	\$2,987,000
TOTAL APPROPRIATION . . . . .	\$14,007,000

The appropriations in this section are subject to the following conditions and limitations: An amount not to exceed \$40,000 of the general fund—state appropriation for fiscal year 2007 may be used to provide telephonic legal advice and assistance to otherwise eligible persons who are sixty years or older on matters authorized by RCW 2.53.030(2)(a) through (k) regardless of household income or asset level.

**Sec. 1005.** 2006 c 372 s 118 (uncodified) is amended to read as follows:

**FOR THE SECRETARY OF STATE**

General Fund—State Appropriation (FY 2006) . . . . .	\$21,593,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$18,473,000)</del>
	<u>\$19,028,000</u>
General Fund—Federal Appropriation . . . . .	\$7,099,000
General Fund—Private/Local Appropriation . . . . .	\$207,000
Archives and Records Management Account—State Appropriation . . . . .	\$8,210,000
Department of Personnel Services Account—State Appropriation . . . . .	\$721,000

Local Government Archives Account—State	
Appropriation . . . . .	\$12,398,000
Election Account—Federal Appropriation . . . . .	\$53,010,000
Pension Funding Stabilization Account Appropriation . . . . .	\$66,000
TOTAL APPROPRIATION . . . . .	<u>(\$121,777,000)</u>
	<u>\$122,332,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,472,000 of the general fund—state appropriation for fiscal year 2006 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2) \$2,441,000 of the general fund—state appropriation for fiscal year 2006 and \$2,403,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the verification of initiative and referendum petitions, maintenance of related voter registration records, and the publication and distribution of the voters and candidates pamphlet.

(3) \$125,000 of the general fund—state appropriation for fiscal year 2006 and \$118,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for legal advertising of state measures under RCW 29.27.072.

(4)(a) \$2,028,004 of the general fund—state appropriation for fiscal year 2006 and \$2,382,772 of the general fund—state appropriation for fiscal year 2007 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2005-07 biennium. The funding level for each year of the contract shall be based on the amount provided in this subsection. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in (a) and (b) of this subsection have been satisfactorily documented.

(b) The legislature finds that the commitment of on-going funding is necessary to ensure continuous, autonomous, and independent coverage of public affairs. For that purpose, the secretary of state shall enter into a contract with the nonprofit organization to provide public affairs coverage.

(c) The nonprofit organization shall prepare an annual independent audit, an annual financial statement, and an annual report, including benchmarks that measure the success of the nonprofit organization in meeting the intent of the program.

(d) No portion of any amounts disbursed pursuant to this subsection may be used, directly or indirectly, for any of the following purposes:

(i) Attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, by any county, city, town, or other political subdivision of the state of Washington, or by the congress, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency;

(ii) Making contributions reportable under chapter 42.17 RCW; or

(iii) Providing any: (A) Gift; (B) honoraria; or (C) travel, lodging, meals, or entertainment to a public officer or employee.

(5) \$196,000 of the general fund—state appropriation for fiscal year 2006 and \$173,000 of the general fund—state appropriation for fiscal year 2007 are provided for the implementation of House Bill No. 1749 (county election procedures). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(6) \$110,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for the purposes of settling all claims in *Washington State Democratic Party, et al. v. Sam S. Reed, et al.*, United States District Court Western District of Washington at Tacoma Cause No. C00-5419FDB and related appeal. The expenditure of this appropriation is contingent on the release of all claims in the case and related appeal, and total settlement costs shall not exceed the appropriation in this subsection.

(7) \$131,000 of the general fund—state appropriation for fiscal year 2006 and \$196,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for expenditures related to the *Farrakhan v. Locke* litigation.

**Sec. 1006.** 2006 c 372 s 122 (uncodified) is amended to read as follows:

**FOR THE STATE AUDITOR**

General Fund—State Appropriation (FY 2006) . . . . .	\$1,258,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$351,000)</del>
	<u>\$748,000</u>
State Auditing Services Revolving Account—State	
Appropriation . . . . .	\$14,011,000
Pension Funding Stabilization Account Appropriation . . . . .	\$4,000
TOTAL APPROPRIATION . . . . .	<del>(\$15,624,000)</del>
	<u>\$16,021,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Audits of school districts by the division of municipal corporations shall include findings regarding the accuracy of: (a) Student enrollment data; and (b) the experience and education of the district's certified instructional staff, as reported to the superintendent of public instruction for allocation of state funding.

(2) \$731,000 of the general fund—state appropriation for fiscal year 2006 and \$727,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for staff and related costs to verify the accuracy of reported school district data submitted for state funding purposes; conduct school district program audits of state funded public school programs; establish the specific amount of state funding adjustments whenever audit exceptions occur and the amount is not firmly established in the course of regular public school audits; and to assist the state special education safety net committee when requested.

(3) The office shall report to the office of financial management and the appropriate fiscal committees of the legislature detailed information on risk-based auditing, its theory, and its application for the audits performed on Washington state government. The report shall include an explanation of how the office identifies, measures, and prioritizes risk, the manner in which the office uses these factors in the planning and execution of the audits of

Washington state government, and the methods and procedures used in the conduct of the risk-based audits themselves. The report is due no later than December 1, 2005.

(4) \$100,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for the implementation of Engrossed Substitute House Bill No. 1064 (government performance).

(5) \$16,000 of the general fund—state appropriation for fiscal year 2006 is provided for a review of special education excess cost accounting and reporting requirements. The state auditor's office shall coordinate this work with the joint legislative audit and review committee's review of the special education excess cost accounting methodology and expenditure reporting requirements. The state auditor's review shall include an examination of whether school districts are (a) appropriately implementing the excess cost accounting methodology; (b) consistently charging special education expenses to the special education and basic education programs; (c) appropriately determining the percentage of expenditures that should be charged to the special education and basic education programs; and (d) appropriately and consistently reporting special education expenditures. The results of this review will be included in the joint legislative audit and review committee's report issued in January 2006.

Sec. 1007. 2006 c 372 s 124 (uncodified) is amended to read as follows:

**FOR THE ATTORNEY GENERAL**

General Fund—State Appropriation (FY 2006) . . . . .	\$5,724,000
General Fund—State Appropriation (FY 2007) . . . . .	\$5,844,000
General Fund—Federal Appropriation . . . . .	\$3,428,000
Public Safety and Education Account—State Appropriation . . . . .	\$2,307,000
New Motor Vehicle Arbitration Account—State Appropriation . . . . .	\$1,315,000
Legal Services Revolving Account—State Appropriation . . . . .	<del>(\$191,627,000)</del>
	<u>\$195,307,000</u>
Tobacco Prevention and Control Account—State Appropriation . . . . .	\$270,000
Pension Funding Stabilization Account Appropriation . . . . .	\$21,000
TOTAL APPROPRIATION . . . . .	<del>(\$210,536,000)</del>
	<u>\$214,216,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The attorney general shall report each fiscal year on actual legal services expenditures and actual attorney staffing levels for each agency receiving legal services. The report shall be submitted to the office of financial management and the fiscal committees of the senate and house of representatives no later than ninety days after the end of each fiscal year.

(2) Prior to entering into any negotiated settlement of a claim against the state that exceeds five million dollars, the attorney general shall notify the director of financial management and the chairs of the senate committee on ways and means and the house of representatives committee on appropriations.

**Sec. 1008.** 2006 c 372 s 126 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

General Fund—State Appropriation (FY 2006) . . . . .	\$67,758,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$60,229,000)</del>
	<u>\$60,992,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$258,085,000)</del>
	<u>\$257,888,000</u>
General Fund—Private/Local Appropriation . . . . .	\$12,422,000
Public Safety and Education Account—State Appropriation . . . . .	\$5,443,000
Public Works Assistance Account—State Appropriation . . . . .	\$3,430,000
Tourism Development and Promotion Account Appropriation . . . . .	\$300,000
Drinking Water Assistance Administrative Account— State Appropriation . . . . .	\$345,000
Lead Paint Account—State Appropriation . . . . .	\$6,000
Building Code Council Account—State Appropriation . . . . .	\$1,133,000
Administrative Contingency Account—State Appropriation . . . . .	\$1,809,000
Low-Income Weatherization Assistance Account—State Appropriation . . . . .	\$8,362,000
Violence Reduction and Drug Enforcement Account—State Appropriation . . . . .	\$7,234,000
Manufactured Home Installation Training Account—State Appropriation . . . . .	\$240,000
Community and Economic Development Fee Account—State Appropriation . . . . .	\$1,570,000
Washington Housing Trust Account—State Appropriation . . . . .	\$33,536,000
Homeless Families Services Account—State Appropriation . . . . .	\$300,000
Public Facility Construction Loan Revolving Account—State Appropriation . . . . .	\$616,000
Pension Funding Stabilization Account Appropriation . . . . .	\$87,000
TOTAL APPROPRIATION . . . . .	<del>(\$462,905,000)</del>
	<u>\$463,471,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,838,000 of the general fund—state appropriation for fiscal year 2006 and \$2,838,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for a contract with the Washington technology center for work essential to the mission of the Washington technology center and conducted in partnership with universities. The center shall not pay any increased indirect rate nor increases in other indirect charges above the absolute amount paid during the 1995-97 fiscal biennium.

(2) \$5,902,000 of the general fund—federal appropriation is provided solely for the justice assistance grant program, to be distributed in state fiscal year 2006 as follows:

(a) \$2,064,000 to local units of government to continue multijurisdictional narcotics task forces;

(b) \$330,000 to the department to continue the drug prosecution assistance program in support of multijurisdictional narcotics task forces;

(c) \$675,000 to the Washington state patrol for coordination, investigative, and supervisory support to the multijurisdictional narcotics task forces and for methamphetamine education and response;

(d) \$20,000 to the department for tribal law enforcement;

(e) \$345,000 to the department to continue domestic violence legal advocacy;

(f) \$60,000 to the department for community-based advocacy services to victims of violent crime, other than sexual assault and domestic violence;

(g) \$351,000 to the department of social and health services, division of alcohol and substance abuse, for juvenile drug courts in eastern and western Washington;

(h) \$626,000 to the department of social and health services to continue youth violence prevention and intervention projects;

(i) \$97,000 to the department to continue evaluation of this grant program;

(j) \$290,000 to the office of financial management for criminal history records improvement;

(k) \$580,000 to the department for required grant administration, monitoring, and reporting on justice assistance grant programs; and

(l) \$464,000 to the department for distribution to small municipalities.

These amounts represent the maximum justice assistance grant expenditure authority for each program. No program may expend justice assistance grant funds in excess of the amounts provided in this subsection. If moneys in excess of those appropriated in this subsection become available, whether from prior or current fiscal year distributions, the department shall hold these moneys in reserve and may not expend them without specific appropriation. These moneys shall be carried forward and applied to the pool of moneys available for appropriation for programs and projects in the succeeding fiscal year. As part of its budget request for the succeeding year, the department shall estimate and request authority to spend any justice assistance grant funds.

(3) \$3,600,000 of the general fund—federal appropriation is provided solely for the justice assistance grant program, to be distributed in state fiscal year 2007 as follows:

(a) \$2,013,000 to local units of government to continue multijurisdictional narcotics task forces;

(b) \$330,000 to the department to continue the drug prosecution assistance program in support of multijurisdictional narcotics task forces;

(c) \$675,000 to the Washington state patrol for coordination, investigative, and supervisory support to the multijurisdictional narcotics task forces;

(d) \$110,000 to the department to support the governor's council on substance abuse;

(e) \$97,000 to the department to continue evaluation of the justice assistance grant program;



(f) \$360,000 to the department for required grant administration, monitoring, and reporting on justice assistance grant programs; and

(g) \$15,000 to the department for a tribal and local law enforcement statewide summit.

(4) \$1,658,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for multijurisdictional drug task forces. The funding for this amount, and the amounts provided in subsection (3)(a) and (b) of this section, will be distributed in a manner so that all drug task forces funded in fiscal year 2004 will receive funding in fiscal year 2007 at amounts similar to the amounts received in fiscal year 2004.

(5) \$170,000 of the general fund—state appropriation for fiscal year 2006 and \$700,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to fund domestic violence legal advocacy, in recognition of reduced federal grant funding.

(6) \$28,848,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for providing early childhood education assistance. Of this amount, \$1,497,000 is provided solely to increase the number of children receiving education, and \$1,052,000 is provided solely for a targeted vendor rate increase.

(7) Repayments of outstanding loans granted under RCW 43.63A.600, the mortgage and rental assistance program, shall be remitted to the department, including any current revolving account balances. The department shall contract with a lender or contract collection agent to act as a collection agent of the state. The lender or contract collection agent shall collect payments on outstanding loans, and deposit them into an interest-bearing account. The funds collected shall be remitted to the department quarterly. Interest earned in the account may be retained by the lender or contract collection agent, and shall be considered a fee for processing payments on behalf of the state. Repayments of loans granted under this chapter shall be made to the lender or contract collection agent as long as the loan is outstanding, notwithstanding the repeal of the chapter.

(8) \$1,288,000 of the Washington housing trust account—state appropriation is provided solely to implement Engrossed House Bill No. 1074. If the bill is not enacted by June 30, 2005, the amounts in this subsection shall lapse.

(9) \$725,000 of the general fund—state appropriation for fiscal year 2006 and \$725,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for food banks to obtain and distribute additional nutritious food; and purchase equipment to transport and store perishable products.

(10) \$1,000,000 of the general fund—state appropriation for fiscal year 2006 and \$1,000,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the community services block grant program to help meet current service demands that exceed available community action resources.

(11) \$215,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for matching funds for a federal economic development administration grant awarded to the city of Kent to conduct a feasibility study and economic analysis for the establishment of a center for advanced manufacturing.

(12) \$20,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for the department to compile a report on housing stock in Washington state to identify areas of potentially high risk for child lead exposure. This report shall include an analysis of existing data regarding the ages of housing stock in specific regions and an analysis of data regarding actual lead poisoning cases, which shall be provided by the department of health's childhood lead poisoning surveillance program.

(13) \$150,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for the Cascade land conservancy to develop and implement a plan for regional conservation within King, Kittitas, Pierce, and Snohomish counties.

(14) \$50,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for the support, including safety and security costs, of the America's freedom salute to be held in the Vancouver, Washington area.

(15) \$250,000 of the general fund—state appropriation for fiscal year 2006 and \$250,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to Snohomish county for a law enforcement and treatment methamphetamine pilot program. \$250,000 of the general fund—state appropriation for fiscal year 2006 and \$250,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to the Pierce county alliance's methamphetamine family services treatment program and safe streets of Tacoma's methamphetamine prevention service.

(16) \$50,000 of the general fund—state appropriation is provided solely for one pilot project to promote the study and implementation of safe neighborhoods through community planning.

(17) \$287,000 of the general fund—state appropriation for fiscal year 2006 and \$288,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for Walla Walla community college to establish the water and environmental studies center to provide workforce education and training, encourage innovative approaches and practices that address environmental and cultural issues, and facilitate the Walla Walla watershed alliance role in promoting communication leading to cooperative conservation efforts that effectively address urban and rural water and environmental issues.

(18) \$50,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for work with the northwest food processors association on the food processing cluster development project.

(19) \$140,000 of the general fund—state appropriation for fiscal year 2006 and \$210,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the northwest agriculture incubator project, which will support small farms in economic development.

(20) \$75,000 of the general fund—state appropriation for fiscal year 2006 and \$75,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to the department of community, trade, and economic development as the final appropriation for the youth assessment center in Pierce county for activities dedicated to reducing the rate of incarceration of juvenile offenders.

(21) \$235,000 of the general fund—state appropriation for fiscal year 2006 and \$235,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of the small business incubator program.

\$250,000 must be distributed as grants and must be matched by an equal amount of private funds.

(22) The department shall coordinate any efforts geared towards the 2010 Olympics with the regional effort being conducted by the Pacific northwest economic region, a statutory committee.

(23) \$75,000 of the general fund—state appropriation for fiscal year 2006 and \$75,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for HistoryLink to expand its free, noncommercial online encyclopedia service on state and local history.

(24) \$25,000 of the general fund—state appropriation for fiscal year 2006 and \$25,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for Women's Hearth, a nonprofit program serving the Spokane area's homeless and low-income women.

(25) \$250,000 of the general fund—state appropriation for fiscal year 2006 is provided solely to the Pacific Science Center to host the dead sea scrolls exhibition in September 2006.

(26) \$2,000,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for providing statewide sexual assault services.

(27) \$96,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the Olympic loop of the great Washington state birding trail.

(28) \$529,000 of the general fund—federal appropriation is provided solely for the department to provide to the department of archeology and historic preservation through an interagency agreement. The full amount of federal funding shall be transferred. The department of community, trade, and economic development shall not retain any portion for administrative purposes.

(29) \$150,000 of the general fund—state appropriation in fiscal year 2007 is provided solely to assist the suburban cities association, King county, and the cities of Seattle and Bellevue to comply with the most acute buildable lands needs countywide. Of this amount, \$50,000 is provided solely to the suburban cities association to fully fund a buildable lands program manager position.

(30) \$116,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for an increase to the statewide coordination of the volunteer programs for court-appointed special advocates.

(31) \$25,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the energy facilities siting and evaluation council to make rules related to RCW 80.70.070, the carbon dioxide mitigation statute.

(32) \$712,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the department to provide each county with an additional 0.5 FTE for prosecutors' victim/witness units.

(33) \$250,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the department to implement two demonstration pilot projects related to transfer of development rights in cooperation with Snohomish and Pierce county legislative authorities. Projects may receive no more than \$100,000.

(34) \$250,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the Seattle police department, and is to be divided evenly between the weed and seed programs in southeast Seattle and South Delridge/White Center to mitigate a one-year funding lapse from the federal department

of justice. This appropriation is for the continuation of community police work and community building in these areas.

(35) \$125,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to the Thurston county prosecutor's office, for the Rochester weed and seed program to mitigate a one-year funding lapse from the federal department of justice. This appropriation is for the continuation of community police work and community building in Rochester.

(36) \$250,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to the city of Poulsbo for the reopening of the Poulsbo marine science center as an educational facility on the Puget Sound marine environment.

(37) \$544,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for an upgrade to discovery park's daybreak star cultural center electrical system.

(38) \$670,000 of the housing trust account appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 2418 (affordable housing program). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(39) \$400,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the implementation of Second Substitute House Bill No. 2498 (cluster-based economic development). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(40) \$186,000 of the general fund—local appropriation for fiscal year 2007 is provided solely for the implementation of Substitute House Bill No. 2402 (energy facilities). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(41) \$118,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the implementation of House Bill No. 3156 (low income persons). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((43))~~ (42) \$200,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for one-time backfill of the federal reductions to the safe and drug free schools and communities grant program.

~~((44))~~ (43) \$300,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the developmental disabilities council to contract for legal services for individuals with developmental disabilities who are served or are entering the community protection program in the department of social and health services division of developmental disabilities. Funding shall be prioritized for those individuals who do not have paid legal guardians, but is available to all community protection clients, subject to available funds.

~~((45))~~ (44) \$100,000 of the fiscal year 2006 general fund—state appropriation is provided solely for tourism branding and marketing associated with the January 2007 United States figure skating championships in Spokane. It is the intent of the legislature to provide an additional \$500,000 during the 2007-09 fiscal biennium for the payment of one-half of the hosting fee if Spokane is designated as the host city of the 2009 world figure skating championships. The funds provided under this section are contingent on an equal amount of matching funds from nonstate sources.

~~((46))~~ (45) \$50,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to the Pacific northwest economic region as matching funds for use in the development and operation of a regional tourism initiative in coordination with the department and consistent with the governor's initiatives on marketing, tourism, and trade. The department and the Pacific northwest economic region will jointly establish appropriate deliverables. The first \$25,000 of this amount will be released when the Pacific northwest economic region has secured at least \$75,000 in funding from other public and private sources. The final \$25,000 of this amount will be released when the Pacific northwest economic region has secured an additional \$75,000 in funding from other public and private sources. A minimum of 25 percent of the matching funds raised by the Pacific northwest economic region for the initiative shall be from private sources.

~~((47))~~ (46) \$50,000 of the general fund—state appropriation for fiscal year 2006 and \$50,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to the international trade alliance of Spokane to partnership with other regional governments to strengthen and diversify the regional economy.

~~((48))~~ (47) \$75,000 of the general fund—state appropriation for fiscal year 2006 is provided solely to contract for a study that will provide recommendations on a small harbor dredging cooperative among the port districts of Pacific County and Wahkiakum County. The recommendations shall include options for an organizational framework, as well as the long-term financing of the cooperative.

~~((49))~~ (48) \$20,000 of the general fund—state appropriation for fiscal year 2006 is provided solely to the Pacific-Algona senior center, a nonprofit food program serving low-income seniors.

~~((50))~~ (49) \$25,000 of the general fund—state appropriation for fiscal year 2006 is provided solely to the northwest Korean sports and cultural festival.

~~((51))~~ (50) \$2,500,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to allow Washington state tribes to continue participation in the *Forest and Fish Report* currently out for public comment as a habitat conservation plan under the endangered species act. In the event federal funding is reinstated, the amount provided in this subsection shall lapse.

~~((52))~~ (51) \$5,000 of the general fund—state appropriation for fiscal year 2006 is provided for Tacoma's international music festival.

~~((53))~~ (52) \$200,000 of the general fund—state appropriation for fiscal year 2006 ~~((is))~~ and \$113,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the Mimms Academy in Tacoma to facilitate a pilot project concerning expelled and suspended students.

~~((54))~~ (53) \$150,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to the King county sexual assault resource center to provide for a Spanish-speaking therapist position, parent/child victim education, and prevention education.

~~((55))~~ (54) \$67,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for a study of methamphetamine action teams and drug task forces as provided by Engrossed Substitute Senate Bill No. 6239, sections 110 and 204 (controlled substances). The department shall report findings and

recommendations to the legislature by November 1, 2006. If the bill is not enacted by June 30, 2006, the amount provided in this section shall lapse.

~~((56))~~ (55) \$84,000 of the general fund—state appropriation for fiscal year 2006 and \$84,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for distribution to Benton and Franklin counties to continue the Benton-Franklin juvenile drug court program. The counties shall provide an equivalent amount of matching funds.

~~((57))~~ (56) \$7,000,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to the owners of the following minor league baseball facilities for major and minor restoration and repair of facilities projects: Tacoma Rainiers (\$2,500,000); Spokane Indians (\$2,000,000); Tri-Cities Dust Devils (\$1,000,000); Yakima Bears (\$750,000); and Everett AquaSox (\$750,000). The department shall not retain any portion for administrative purposes.

~~((58))~~ (57) \$40,000 of the fiscal year 2006 general fund—state appropriation and \$1,510,000 of the fiscal year 2007 general fund—state appropriation are provided solely for the department to enter into funding agreements with the mountains to sound greenway trust to accomplish the following projects: Squak mountain trail upgrades; Tiger mountain trailhead and trails upgrades; Rattlesnake mountain trail and trailhead construction; greenway legacy planning; Snoqualmie point view park construction; and state route 18/interstate 90 interchange protection.

~~((59))~~ (58) \$149,000 of the general fund—state appropriation in fiscal year 2007 is provided solely to implement a human trafficking task force as described in section 1 of Substitute Senate Bill No. 6652 (human trafficking), authorizing a task force through June 30, 2011, to provide guidance in responding to the crime of human trafficking, and in providing services to human trafficking victims.

~~((60))~~ (59) \$140,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement Engrossed Senate Bill No. 5330 (economic development grants). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((61))~~ (60) \$200,000 of the general fund—state appropriation for fiscal year 2007 ~~((and \$197,000 of the general fund—federal appropriation for fiscal year 2007 are))~~ is provided solely for the long-term care ombudsman program within the department of community, trade, and economic development to recruit and train volunteers to serve in the adult family home setting.

~~((62))~~ (61) \$150,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the Enumclaw loggers monument.

(62) \$50,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for a grant to Grays Harbor county to conclude activities related to the investigation and demonstration of projects related to coastal erosion.

(63) \$1,000,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for a grant to Peninsula community health services to satisfy the debt associated with improvements at the Bremerton clinic.

**Sec. 1009.** 2006 c 372 s 127 (uncodified) is amended to read as follows:

**FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL**  
General Fund—State Appropriation (FY 2006) . . . . . \$579,000

General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$523,000)</del>
	<u>\$546,000</u>
Pension Funding Stabilization Account Appropriation . . . . .	\$3,000
TOTAL APPROPRIATION . . . . .	<del>(\$1,105,000)</del>
	<u>\$1,128,000</u>

**Sec. 1010.** 2006 c 372 s 128 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT**

General Fund—State Appropriation (FY 2006) . . . . .	\$17,775,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$20,080,000)</del>
	<u>\$20,140,000</u>
General Fund—Federal Appropriation . . . . .	\$23,555,000
General Fund—Private/Local Appropriation . . . . .	\$1,216,000
Public Works Assistance Account—State Appropriation . . . . .	\$200,000
Violence Reduction and Drug Enforcement Account—State Appropriation . . . . .	\$246,000
State Auditing Services Revolving Account—State Appropriation . . . . .	\$25,000
Pension Funding Stabilization Account Appropriation . . . . .	\$100,000
TOTAL APPROPRIATION . . . . .	<del>(\$63,197,000)</del>
	<u>\$63,257,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$200,000 of the public works assistance account appropriation is provided solely for an inventory and evaluation of the most effective way to organize the state public infrastructure programs and funds. The inventory and evaluation shall be delivered to the governor and the appropriate committees of the legislature by September 1, 2005.

(2)(a) \$62,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for an advisory council to study residential services for persons with developmental disabilities. The study shall identify a preferred system of services and a plan to implement the system within four years. Recommendations shall be provided on the services that best address client needs in different regions of the state and on the preferred system by January 1, 2006. The office of financial management may contract for specialized services to complete the study.

(b) The advisory council shall consist of thirteen members. Members appointed by the governor, include one representative from each of the governor's office or the office of financial management, the department of social and health services, the Washington state disabilities council, two labor organizations, the community residential care providers, residents of residential habilitation centers, individuals served by community residential programs, and individuals with developmental disabilities who reside or resided in residential habilitation centers. The advisory council shall also include two members of the house of representatives appointed by the speaker of the house of representatives representing the majority and minority caucuses and two members of the senate appointed by the president of the senate representing the majority and minority caucuses. Legislative members of the advisory group shall be reimbursed in accordance with RCW 44.04.120, and nonlegislative members in accordance

with RCW 43.03.050 and 44.04.120. Staff support shall be provided by the department of social and health services, the developmental disabilities council, the office of financial management, the house of representatives office of program research, and senate committee services.

(3) \$1,041,000 of the general fund—state appropriation for fiscal year 2006 and \$706,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5441 (studying early learning, K-12, and higher education). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(4) \$200,000 of the general fund—state appropriation for fiscal year 2006 is provided to the office of regulatory assistance and is subject to the following conditions and limitations:

(a) This amount is provided solely for the enhanced planning and permit pilot program; and

(b) Regulatory assistance is to select two local government planning and permitting offices to participate in an enhanced permit assistance pilot program. Such enhancement may include, but is not limited to:

(i) Creation of local and state interagency planning and permit review teams;

(ii) Use of advanced online planning and permit applications;

(iii) Using loaned executives; and

(iv) Additional technical assistance and guidance for permit applicants.

(5) \$303,000 of the general fund—state appropriation for fiscal year 2006 and \$255,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of Second Substitute House Bill No. 1970 (government management). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(6) \$200,000 of the general fund—state appropriation for fiscal year 2006 and \$200,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for implementation of Substitute Engrossed House Bill No. 1242 (budgeting outcomes and priorities). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(7) The department of ecology, the department of fish and wildlife, the department of natural resources, the conservation commission, and the interagency committee for outdoor recreation shall make recommendations to improve or eliminate monitoring activities related to salmon recovery and watershed health. The agencies shall coordinate with the governor's forum on monitoring and watershed health and consult with the office of financial management in determining the scope and contents of the report.

The agencies shall prepare a report detailing all new activity and updating all previously identified activity within the comprehensive monitoring strategy. The report shall identify the monitoring activity being performed and include: The purpose of the monitoring activity, when the activity started, who uses the information, how often it is accessed, what costs are incurred by fund, what frequency is used to collect data, what geographic location is used to collect data, where the information is stored, and what is the current status and cost by fund source of the data storage systems.



The agencies shall provide a status report summarizing progress to the governor's forum on monitoring and watershed health and the office of financial management by March 1, 2006. A final report to the governor's monitoring forum, the office of financial management, and the appropriate legislative fiscal committees shall be submitted no later than September 1, 2006.

(8) \$200,000 of the general fund—state appropriation for fiscal year 2007 is provided to the office of financial management for the purpose of contracting with the Washington State University and University of Washington policy consensus center to provide project coordination for the office of financial management, the department of agriculture, the conservation commission, and the department of community, trade, and economic development to work with farmers, ranchers, and other interested parties to identify potential agricultural pilot projects that both enhance farm income and improve protection of natural resources.

(9) \$50,000 of the general fund—state appropriation for fiscal year 2006 and \$500,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the office of regulatory assistance to implement activities supporting the governor's regulatory improvement program including deployment of interagency permit teams, a business portal, programmatic permits, and an alternative mitigation program.

~~((11))~~ (10) \$46,000 of the general fund—state appropriation for fiscal year 2006 and \$131,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for implementation of Engrossed Second Substitute House Bill No. 2353 (family child care providers). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

~~((12))~~ (11) \$50,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the Washington state quality award program to assist state agencies in obtaining the goals of the Washington state quality award.

~~((13))~~ (12) \$66,000 of the general fund—state appropriation for fiscal year 2006 and \$134,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to establish and provide staff support and technical assistance to the blue ribbon commission on health care costs and access. The commission shall consist of the governor or a designee, who shall serve as chair; two members from each of the four caucuses of the legislature; the insurance commissioner or a designee; the secretary of health; the administrator of the health care authority; the assistant secretary for health and recovery services in the department of social and health services; and the assistant director for insurance services in the department of labor and industries. By December 1, 2006, the commission shall recommend to the governor and legislature a sustainable five-year plan for substantially improving access to affordable health care for all Washington residents.

Sec. 1011. 2006 c 372 s 129 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

Administrative Hearings Revolving Account—State

Appropriation. . . . .~~(\$29,595,000)~~  
\$29,702,000

The appropriation in this section is subject to the following conditions and limitations: \$103,000 of the administrative hearing revolving account—state

appropriation is provided solely to determine, in collaboration with other state agencies, the best mechanism of digital recording for the office of administrative hearings, the manner of conversion from tape recording to digital recording, and the purchase of digital recording devices.

Sec. 1012. 2006 c 372 s 135 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—OPERATIONS**

Dependent Care Administrative Account—State	
Appropriation . . . . .	\$413,000
Department of Retirement Systems Expense Account—	
State Appropriation . . . . .	<del>(\$46,176,000)</del>
	<u>\$46,384,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$46,589,000)</del>
	<u>\$46,797,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$13,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1327, chapter 65, Laws of 2005 (purchasing service credit).

(2) \$10,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1269, chapter 21, Laws of 2005 (law enforcement officers' and fire fighters' retirement system plan 2 service credit purchase).

(3) \$55,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1270 (law enforcement officers' and fire fighters' retirement system plan 2 postretirement employment). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(4) \$26,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1319, chapter 62, Laws of 2005 (law enforcement officers' and fire fighters' retirement system plan 1 ex-spouse benefits).

(5) \$46,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1325, chapter 64, Laws of 2005 (military service credit purchase).

(6) \$79,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1329, chapter 67, Laws of 2005 (law enforcement officers' and fire fighters' retirement system plan 1 reduced survivor benefit).

(7) \$56,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1936 (emergency medical technician membership in law enforcement officers' and fire fighters' retirement system plan 2 service). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(8) \$16,000 of the department of retirement systems expense account is provided solely to implement Senate Bill No. 5522 (purchasing service credit lost due to injury). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(9) \$80,000 of the department of retirement systems expense account—state appropriation is provided solely to implement Senate Bill No. 6453 (minimum monthly retirement). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(10) \$230,000 of the department of retirement systems expense account—state appropriation is provided solely to implement House Bill No. 2932 (catastrophic disability benefit). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(11) \$78,000 of the department of retirement systems expense account—state appropriation is provided solely to implement Substitute House Bill No. 2684 (plan 3 five-year vesting). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) \$117,000 of the department of retirement systems expense account—state appropriation is provided solely to implement House Bill No. 2690 (service credit purchase). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(13) \$111,000 of the department of retirement systems expense account—state appropriation is provided solely to implement Engrossed Substitute House Bill No. 2680 (TRS out-of-state service credit). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(14) \$375,000 of the department of retirement systems expense account—state appropriation is provided solely to implement Substitute House Bill No. 2691 (retirement for justices). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(15) \$93,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 2391 (gain sharing revisions).

**Sec. 1013.** 2006 c 372 s 137 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF REVENUE**

General Fund—State Appropriation (FY 2006) . . . . .	\$90,302,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$92,647,000)</del>
	<u>\$92,471,000</u>
Timber Tax Distribution Account—State	
Appropriation . . . . .	<del>(\$5,627,000)</del>
	<u>\$5,377,000</u>
Real Estate Excise Tax Grant Account—State	
Appropriation . . . . .	\$3,900,000
Waste Reduction/Recycling/Litter Control—State	
Appropriation . . . . .	\$108,000
State Toxics Control Account—State Appropriation . . . . .	\$73,000
Oil Spill Prevention Account—State Appropriation . . . . .	\$14,000
Pension Funding Stabilization Account Appropriation . . . . .	\$447,000
TOTAL APPROPRIATION . . . . .	<del>(\$193,118,000)</del>
	<u>\$192,692,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$113,000 of the general fund—state appropriation for fiscal year 2006, and \$93,000 of the general fund—state appropriation for fiscal year 2007 are

provided solely for the implementation of House Bill No. 1315 (modifying disclosure requirements for the purposes of the real estate excise tax). If House Bill No. 1315 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(2) \$7,000 of the general fund—state appropriation for fiscal year 2006 and \$2,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute Senate Bill No. 5101 (renewable energy). If Substitute Senate Bill No. 5101 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(3) \$100,000 of the general fund—state appropriation for fiscal year 2006 and \$114,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of Engrossed House Bill No. 1241 (modifying vehicle licensing and registration penalties).

(4) \$1,390,000 of the general fund—state appropriation for fiscal year 2006, and \$1,240,000 of the general fund—state appropriation for fiscal year 2007 are for the department to employ strategies to enhance current revenue enforcement activities.

(5) \$5,121 of the general fund—state appropriation for fiscal year 2006 is provided solely to satisfy two claims to estate property, pursuant to RCW 11.76.245.

(6) \$10,000 of the general fund—state appropriation for fiscal year 2006 and \$89,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 2673 (local infrastructure). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(7) \$147,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the implementation of Substitute House Bill No. 2457 (tax relief/farm machinery). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(8) \$29,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the implementation of House Bill No. 2466 (tax relief for aerospace) or for Second Substitute Senate Bill No. 6604 (tax relief for aerospace). If neither of these bills are enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(9) \$193,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the implementation of House Bill No. 2671 (excise tax relief) or Substitute Senate Bill No. 6385 (excise tax relief). If neither of these bills are enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(10) \$33,000 of the general fund—state appropriation for fiscal year 2006 and \$10,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute House Bill No. 2640 (biotechnology product). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(11) \$176,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the implementation of Substitute House Bill No. 2670 (hospital benefit zones). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

**Sec. 1014.** 2006 c 372 s 138 (uncodified) is amended to read as follows:

**FOR THE BOARD OF TAX APPEALS**

General Fund—State Appropriation (FY 2006) . . . . .	\$1,362,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$1,213,000)</del>
	<u>\$1,218,000</u>
Pension Funding Stabilization Account Appropriation . . . . .	\$6,000
TOTAL APPROPRIATION . . . . .	<del>(\$2,581,000)</del>
	<u>\$2,586,000</u>

**Sec. 1015.** 2006 c 372 s 147 (uncodified) is amended to read as follows:

**FOR THE LIQUOR CONTROL BOARD**

General Fund—State Appropriation (FY 2006) . . . . .	\$1,739,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$1,720,000)</del>
	<u>\$1,723,000</u>
Liquor Control Board Construction and Maintenance	
Account—State Appropriation . . . . .	\$12,832,000
Liquor Revolving Account—State Appropriation . . . . .	<del>(\$159,863,000)</del>
	<u>\$160,072,000</u>
Pension Funding Stabilization Account Appropriation . . . . .	\$7,000
TOTAL APPROPRIATION . . . . .	<del>(\$176,161,000)</del>
	<u>\$176,373,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) As authorized under RCW 66.16.010, the liquor control board shall add an equivalent surcharge of \$0.42 per liter on all retail sales of spirits, excluding licensee, military and tribal sales, effective no later than July 1, 2005. The intent of this surcharge is to generate additional revenues for the state general fund in the 2005-07 biennium.

(2) \$154,000 of the liquor revolving account—state appropriation is provided solely for the lease of state vehicles from the department of general administration's motor pool.

(3) \$2,228,000 of the liquor revolving account—state appropriation is provided solely for costs associated with the installation of a wide area network that connects all of the state liquor stores and the liquor control board headquarters.

(4) \$186,000 of the liquor revolving account—state appropriation is provided solely for an alcohol education staff coordinator and associated alcohol educational resources targeted toward middle school and high school students.

(5) \$2,261,000 of the liquor revolving account—state appropriation is provided solely for replacement of essential computer equipment, improvement of security measures, and improvement to the core information technology infrastructure.

(6) \$2,800,000 of the liquor control board construction and maintenance account—state appropriation is provided solely for the certificate of participation to fund the expansion of the liquor distribution center.

(7) \$3,233,000 of the liquor revolving account—state appropriation is provided solely for upgrades to material handling system and warehouse management system software and equipment, and associated staff to increase the liquor distribution center's shipping capacity.

(8) \$2,746,000 of the liquor revolving account—state appropriation is provided solely for additional state liquor store and retail business analysis staff. The additional liquor store staff will be deployed to those stores with the greatest potential for increased customer satisfaction and revenue growth. The liquor control board, using the new retail business analysis staff and, if needed, an independent consultant, will analyze the impact of additional staff on customer satisfaction and revenue growth and make recommendations that will increase the effectiveness and efficiency of all the liquor control board's retail-related activities. Using best practices and benchmarks from comparable retail organizations, the analysis will evaluate and make recommendations, at a minimum, on the following issues: Optimal staffing levels and store locations and numbers of stores (both state liquor stores and contract liquor stores); options for an improved retail organizational structure; strategies to increase the retail decision-making capacity; and resources required for enhanced internal organizational support of the retail activities. In support of this evaluation, a survey shall be employed to gauge customer satisfaction with state and contract liquor store services. A written evaluation with recommendations shall be submitted to the governor and the legislative fiscal committees by October 1, 2006.

(9) \$187,000 of the general fund—state appropriation for fiscal year 2006 and \$122,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of Senate Bill No. 6097 (tobacco products enforcement). If Senate Bill No. 6097 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(10) \$1,435,000 of the liquor revolving account—state appropriation is provided solely for the implementation of Substitute House Bill No. 1379 (liquor retail plan). If Substitute House Bill No. 1379 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(11) \$1,864,000 of the liquor revolving account—state appropriation is provided solely for the implementation of Second Substitute Senate Bill No. 6823 (distribution of beer and wine). If Second Substitute Senate Bill No. 6823 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) \$575,000 of the liquor revolving account—state appropriation is provided solely for the implementation of Engrossed Senate Bill No. 6537 (direct wine sales). If Engrossed Senate Bill No. 6537 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

Sec. 1016. 2006 c 372 s 150 (uncodified) is amended to read as follows:

**FOR THE MILITARY DEPARTMENT**

General Fund—State Appropriation (FY 2006) . . . . .	\$10,137,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$15,037,000)</del>
	<u>\$16,249,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$214,322,000)</del>
	<u>\$193,846,000</u>
General Fund—Private/Local Appropriation . . . . .	\$2,000
Enhanced 911 Account—State Appropriation . . . . .	\$34,812,000
Disaster Response Account—State Appropriation . . . . .	<del>(\$1,664,000)</del>
	<u>\$4,611,000</u>

Disaster Response Account—Federal Appropriation . . . . .	(( <del>\$6,297,000</del> ))
	<u>\$17,239,000</u>
Worker and Community Right-to-Know Account—State	
Appropriation . . . . .	\$315,000
Nisqually Earthquake Account—State Appropriation . . . . .	(( <del>\$6,531,000</del> ))
	<u>\$5,350,000</u>
Nisqually Earthquake Account—Federal Appropriation . . . . .	(( <del>\$27,075,000</del> ))
	<u>\$23,066,000</u>
Military Department Rental and Lease Account—State	
Appropriation . . . . .	(( <del>\$378,000</del> ))
	<u>\$593,000</u>
Pension Funding Stabilization Account Appropriation . . . . .	\$44,000
TOTAL APPROPRIATION . . . . .	(( <del>\$316,614,000</del> ))
	<u>\$306,264,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) ((~~\$1,664,000~~)) \$4,611,000 of the disaster response account—state appropriation and ((~~\$6,297,000~~)) \$17,239,000 of the disaster response account—federal appropriation may be spent only on disasters declared by the governor and with the approval of the office of financial management. Expenditures from the disaster response account—federal appropriation in this section may be made only for items FEMA has approved as eligible to receive federal funding. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2005-07 biennium based on current revenue and expenditure patterns.

(2) ((~~\$6,531,000~~)) \$5,350,000 of the Nisqually earthquake account—state appropriation and ((~~\$27,075,000~~)) \$23,066,000 of the Nisqually earthquake account—federal appropriation are provided solely for response and recovery costs associated with the February 28, 2001, earthquake. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing earthquake recovery costs, including: (a) Estimates of total costs; (b) incremental changes from the previous estimate; (c) actual expenditures; (d) estimates of total remaining costs to be paid; and (e) estimates of future payments by biennium. This information shall be displayed by fund, by type of assistance, and by amount paid on behalf of state agencies or local organizations. The military department shall also submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the Nisqually earthquake account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2005-07 biennium based on current revenue and expenditure patterns.

(3) ((~~\$173,613,000~~)) \$152,033,573 of the general fund—federal appropriation is provided solely for homeland security, subject to the following conditions:

(a) Any communications equipment purchased by local jurisdictions or state agencies shall be consistent with standards set by the Washington state interoperability executive committee;

(b) This amount shall not be allotted until a spending plan is reviewed by the governor's domestic security advisory group and approved by the office of financial management;

(c) The department shall submit a quarterly report to the office of financial management and the legislative fiscal committees detailing the governor's domestic security advisory group recommendations; homeland security revenues and expenditures, including estimates of total federal funding for the state; incremental changes from the previous estimate, planned and actual homeland security expenditures by the state and local governments with this federal funding; and matching or accompanying state or local expenditures; and

(d) The department shall submit a report by December 1st of each year to the office of financial management and the legislative fiscal committees detailing homeland security revenues and expenditures for the previous fiscal year by county and legislative district.

(4) \$867,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for the Cowlitz county 911 communications center for the purpose of purchasing or reimbursing the purchase of interoperable radio communication technology to improve disaster response in the Mount St. Helens area.

(5) No funds from sources other than fees from voice over internet protocol (VOIP) providers may be used to implement technologies specific to the integration of VOIP 911 with E-911. The military department, in conjunction with the department of revenue, shall propose methods for assuring the collection of an appropriate enhanced 911 excise tax from VOIP 911 providers and shall report their recommendations to the legislature by November 1, 2005.

(6) \$41,000 of the enhanced 911 account appropriation is provided solely to implement Substitute House Bill No. 2543 (911 advisory committee). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(7)(a) \$400,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the military department for administration of competitive grants detailed in (b) of this subsection and for implementation of one or more of the following activities regarding emergency management: Development and coordination of comprehensive emergency management plans; training of elected and appointed officials on state laws, disaster command and response structures, and the roles and responsibilities of officials before, during, and after a disaster; and administrating periodic joint emergency management training exercises involving the military department and other state agencies. In addition, the military department will study the feasibility of having regional disaster medical assistance teams and urban search and rescue teams available within the state to be deployed by the governor. The military department will report the findings and recommendations to the legislature by December 1, 2006.

(b) \$1,600,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the military department to allocate grants to regional agencies, local governments, tribal governments, regional incident management teams, and private organizations. The grants shall be for one or more of the



following purposes and distributed on a competitive basis: Development and coordination of comprehensive emergency management plans; training of elected and appointed officials on state laws, ordinances, disaster command and response structures, and the roles and responsibilities of officials before, during, and after a disaster; administration of periodic joint emergency management training exercises; and implementation of projects that will strengthen emergency response, mitigation, preparation, and coordination.

(8)(a) \$150,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the military department to: (i) Initiate a health registry for veterans and military personnel returning from Afghanistan, Iraq, or other countries in which depleted uranium or other hazardous materials may be found; (ii) develop a plan for outreach to and follow-up of military personnel; (iii) prepare a report for service members concerning potential exposure to depleted uranium and other toxic chemical substances and the precautions recommended under combat and noncombat conditions while in a combat zone; (iv) submit a report by October 1, 2006, to the joint veterans and military affairs committee on the scope and adequacy of training received by members of the Washington national guard on detecting whether their service as eligible members is likely to entail, or to have entailed, exposure to depleted uranium, including an assessment of the feasibility and cost of adding predeployment training concerning potential exposure to depleted uranium and other toxic chemical substances; and (v) study the health effects of hazardous materials exposure including, but not limited to, depleted uranium, as they relate to military service and submit a report and recommendations to the joint veterans and military affairs committee.

(b) By January 31, 2007, the joint veterans and military affairs committee shall submit its recommendations, if any, to the appropriate committees of the legislature.

Sec. 1017. 2006 c 372 s 152 (uncodified) is amended to read as follows:

**FOR THE GROWTH MANAGEMENT HEARINGS BOARD**

General Fund—State Appropriation (FY 2006) . . . . .	\$1,571,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$1,590,000)</del>
	<u>\$1,605,000</u>
Pension Funding Stabilization Account Appropriation . . . . .	\$8,000
TOTAL APPROPRIATION . . . . .	<del>(\$3,169,000)</del>
	<u>\$3,184,000</u>

~~((The appropriations in this section are subject to the following conditions and limitations:))~~

Sec. 1018. 2006 c 372 s 154 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

General Fund—State Appropriation (FY 2006) . . . . .	\$745,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$728,000)</del>
	<u>\$845,000</u>
General Fund—Federal Appropriation . . . . .	\$1,037,000
General Fund—Private/Local Appropriation . . . . .	\$14,000
Pension Funding Stabilization Account Appropriation . . . . .	\$3,000

TOTAL APPROPRIATION .....((~~\$2,527,000~~))  
\$2,644,000

The appropriations in this section are subject to the following conditions and limitations: \$117,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to contract with the department of information services for information technology operation and maintenance costs.

**PART XI  
HUMAN SERVICES**

**Sec. 1101.** 2006 c 372 s 201 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES.** (1) Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3)(a) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. However, after May 1, (~~2006~~) 2007, unless specifically prohibited by this act, the department may transfer general fund—state appropriations for fiscal year (~~2006~~) 2007 among programs after approval by the director of financial management. However, the department shall not transfer state moneys that are provided solely for a specified purpose except as expressly provided in (b) of this subsection.

(b) To the extent that transfers under (a) of this subsection are insufficient to fund actual expenditures in excess of fiscal year (~~2006~~) 2007 caseload forecasts and utilization assumptions in the medical assistance, long-term care, foster care, adoption support, and child support programs, the department may transfer state moneys that are provided solely for a specified purpose, other than family support appropriations for the developmental disabilities program in section 205(1)(e) of this act and family reconciliation services appropriations for

the children and family services program in section 202(20) of this act, after approval by the director of financial management.

(c) The department shall not transfer funds, ~~((and the director of financial management shall not approve the transfer,))~~ unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds ~~((and not federal funds))~~. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(4) The department is authorized to expend up to \$4,700,000 of its general fund—state appropriation for fiscal year 2007 for any reductions in federal funding in fiscal year 2006 for targeted case management services for children who are in the care of the state. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications under this subsection.

(5) The department is authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage Medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership (WMIP) the department may combine and transfer such Medicaid funds appropriated under sections 204, 206, 208, and 209 of this act as may be necessary to finance a unified health care plan for the WMIP program enrollment. The WMIP pilot projects shall not exceed a daily enrollment of 6,000 persons during the 2005-2007 biennium. The amount of funding assigned to the pilot projects from each program may not exceed the average per capita cost assumed in this act for individuals covered by that program, actuarially adjusted for the health condition of persons enrolled in the pilot, times the number of clients enrolled in the pilot. In implementing the WMIP pilot projects, the department may: (a) Withhold from calculations of "available resources" as set forth in RCW 71.24.025 a sum equal to the capitated rate for individuals enrolled in the pilots; and (b) employ capitation financing and risk-sharing arrangements in collaboration with health care service contractors licensed by the office of the insurance commissioner and qualified to participate in both the medicaid and medicare programs. The department shall conduct an evaluation of the WMIP, measuring changes in participant health outcomes, changes in patterns of service utilization, participant satisfaction, participant access to services, and the state fiscal impact.

(6) In accordance with RCW 74.39A.300, the appropriations to the department of social and health services in this act are sufficient to implement the compensation and fringe benefits of the collective bargaining agreement reached between the governor and the exclusive bargaining representative of individual providers of home care services.

**Sec. 1102.** 2006 c 372 s 202 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—  
CHILDREN AND FAMILY SERVICES PROGRAM**

General Fund—State Appropriation (FY 2006) . . . . .	\$257,266,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$287,602,000)</del>
	<u>\$284,560,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$433,829,000)</del>
	<u>\$434,495,000</u>
General Fund—Private/Local Appropriation . . . . .	\$400,000
Domestic Violence Prevention Account—State Appropriation . . . . .	<del>(\$1,345,000)</del>
	<u>\$1,000,000</u>
Public Safety and Education Account—State Appropriation . . . . .	\$6,405,000
Violence Reduction and Drug Enforcement Account—State Appropriation . . . . .	\$5,860,000
Pension Funding Stabilization Account—State Appropriation . . . . .	<del>(\$699,000)</del>
	<u>\$711,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$993,406,000)</del>
	<u>\$990,697,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,271,000 of the general fund—state appropriation for fiscal year 2006, \$2,271,000 of the general fund—state appropriation for fiscal year 2007, and \$1,584,000 of the general fund—federal appropriation are provided solely for the category of services titled "intensive family preservation services."

(2) \$701,000 of the general fund—state appropriation for fiscal year 2006 and \$701,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility shall also provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and support to parents accepting placement of children from the facility. The facility may recruit new and current foster and adoptive parents for infants served by the facility. The department shall not require case management as a condition of the contract.

(3) \$375,000 of the general fund—state appropriation for fiscal year 2006, \$375,000 of the general fund—state appropriation for fiscal year 2007, and \$322,000 of the general fund—federal appropriation are provided solely for up to three nonfacility-based programs for the training, consultation, support, and recruitment of biological, foster, and adoptive parents of children through age three in need of special care as a result of substance abuse by their mothers, except that each program may serve up to three medically fragile nonsubstance-abuse-affected children. In selecting nonfacility-based programs, preference shall be given to programs whose federal or private funding sources have expired or that have successfully performed under the existing pediatric interim care program.

(4) \$125,000 of the general fund—state appropriation for fiscal year 2006 and \$125,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for a foster parent retention program. This program is directed at foster parents caring for children who act out sexually.

(5) The providers for the 31 HOPE beds shall be paid a \$1,000 base payment per bed per month, and reimbursed for the remainder of the bed cost only when the beds are occupied.

(6) Within amounts provided for the foster care and adoption support programs, the department shall control reimbursement decisions for foster care and adoption support cases such that the aggregate average cost per case for foster care and for adoption support does not exceed the amounts assumed in the projected caseload expenditures. The department shall adjust adoption support benefits to account for the availability of the new federal adoption support tax credit for special needs children. The department shall report annually by October 1st to the appropriate committees of the legislature on the specific efforts taken to contain costs.

(7) \$4,661,000 of the general fund—state appropriation for fiscal year 2006, \$12,666,000 of the general fund—state appropriation for fiscal year 2007, and \$7,443,000 of the general fund—federal appropriation are provided solely for reforms to the child protective services and child welfare services programs, including improvement in achieving face-to-face contact for children every 30 days, improved timeliness of child protective services investigations, and education specialist services. The department shall report by December 1st of each year on the implementation status of the enhancements, including the hiring of new staff, and the outcomes of the reform efforts. The information provided shall include a progress report on items in the child and family services review program improvement plan and areas identified for improvement in the Braam lawsuit settlement.

(8) Within amounts appropriated in this section, priority shall be given to proven intervention models, including evidence-based prevention and early intervention programs identified by the Washington institute for public policy and the department. The department shall include information on the number, type, and outcomes of the evidence-based programs being implemented in its reports on child welfare reform efforts.

(9) \$177,000 of the general fund—state appropriation for fiscal year 2006 and \$228,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the state association of children's advocacy centers. Funds may be used for (a) children's advocacy centers that meet the national children's alliance accreditation standards for full membership, and are members in good standing; (b) communities in the process of establishing a center; and (c) the state association of children's advocacy centers. A 50 percent match will be required of each center receiving state funding.

(10) \$50,000 of the general fund—state appropriation for fiscal year 2006 and \$50,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for a street youth program in Spokane.

(11) \$4,672,000 of the general fund—state appropriation for fiscal year 2006 and \$4,672,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for secure crisis residential centers.

(12) \$572,000 of the general fund—state appropriation for fiscal year 2006 and \$1,144,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for section 305 of Senate Bill No. 5763 (mental disorders treatment) for chemical dependency specialist services.

(13) ~~(\$3,500,000)~~ \$3,386,000 of the general fund—state appropriation for fiscal year 2007 and ~~(\$1,500,000)~~ \$1,449,000 of the general fund—federal appropriation are provided solely for ~~((Engrossed Senate Bill No. 5922 (child neglect). If the bill is not enacted by June 30, 2005, these amounts shall lapse))~~ chapter 512, Laws of 2005.

(14) ~~(\$1,345,000)~~ \$1,000,000 of the domestic violence prevention account appropriation is provided solely for the implementation of chapter 374, Laws of 2005.

(15) \$50,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the supervised visitation and safe exchange center in Kent. The department shall not retain any portion for administrative purposes.

(16) \$450,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement Second Substitute House Bill No. 2002 (foster care support services). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(17) \$521,000 of the general fund—state appropriation for fiscal year 2007 and \$223,000 of the general fund—federal appropriation are provided solely for a statewide foster parent recruitment and retention program pursuant to Second Substitute House Bill No. 3115 (foster care critical support). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(18) The department shall evaluate integrating a family assessment component into its practice model for working with lower risk families involved with child protective services. The department shall report its findings to the joint task force on child safety for children in child protective services or child welfare services by July 1, 2007.

(19) \$3,700,000 of the general fund—state appropriation for fiscal year 2006, \$3,700,000 of the general fund—state appropriation for fiscal year 2007, and \$6,200,000 of the general fund—federal appropriation are provided solely for the medicaid treatment child care (MTCC) program. The department shall contract for MTCC services. In addition to referrals made by children's administration case workers, the department shall authorize children referred to the MTCC program by local public health nurses and case workers from the temporary assistance for needy families (TANF) program, as long as the children meet the eligibility requirements as outlined in the Washington state plan for the MTCC program. Starting in June 2006, the department shall report quarterly to the appropriate policy committees of the legislature on the MTCC program and include monthly statewide and regional information on: (a) The number of referrals; (b) the number of authorized referrals and child enrollments; and (c) program expenditure levels.

(20) \$540,000 of the general fund—state appropriation for fiscal year 2006, \$540,000 of the general fund—state appropriation for fiscal year 2007, and \$2,476,000 of the general fund—federal appropriation are provided solely for the category of services titled "family reconciliation services."

(21) \$100,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for continuum of care in Region 1.

**Sec.1103.** 2006 c 372 s 203 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—  
JUVENILE REHABILITATION PROGRAM**

General Fund—State Appropriation (FY 2006) . . . . .	\$79,031,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$80,615,000)</del>
	<u>\$82,301,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$5,668,000)</del>
	<u>\$6,459,000</u>
General Fund—Private/Local Appropriation . . . . .	<del>(\$1,098,000)</del>
	<u>\$2,068,000</u>
Violence Reduction and Drug Enforcement Account—State Appropriation . . . . .	\$38,385,000
Juvenile Accountability Incentive Account—Federal Appropriation . . . . .	\$5,516,000
Pension Funding Stabilization Account—State Appropriation . . . . .	<del>(\$449,000)</del>
	<u>\$451,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$210,762,000)</del>
	<u>\$214,211,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$706,000 of the violence reduction and drug enforcement account appropriation is provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(2) \$6,156,000 of the violence reduction and drug enforcement account appropriation is provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(3) \$1,020,000 of the general fund—state appropriation for fiscal year 2006, \$1,030,000 of the general fund—state appropriation for fiscal year 2007, and \$5,345,000 of the violence reduction and drug enforcement account appropriation are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(4) \$2,997,000 of the violence reduction and drug enforcement account appropriation is provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that submitted a plan for the provision of services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall

develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(5) For the purposes of a pilot project, the juvenile rehabilitation administration shall provide a block grant, rather than categorical funding, for consolidated juvenile services, community juvenile accountability act grants, the chemically dependent disposition alternative, and the special sex offender disposition alternative to the Pierce county juvenile court. To evaluate the effect of decategorizing funding for youth services, the juvenile court shall do the following:

(a) Develop intermediate client outcomes according to the risk assessment tool (RAT) currently used by juvenile courts and in coordination with the juvenile rehabilitation administration;

(b) Track the number of youth participating in each type of service, intermediate outcomes, and the incidence of recidivism within twenty-four months of completion of services;

(c) Track similar data as in (b) of this subsection with an appropriate comparison group, selected in coordination with the juvenile rehabilitation administration and the family policy council;

(d) Document the process for managing block grant funds on a quarterly basis, and provide this report to the juvenile rehabilitation administration and the family policy council; and

(e) Provide a process evaluation to the juvenile rehabilitation administration and the family policy council by June 20, 2006, and a concluding report by June 30, 2007. The court shall develop this evaluation in consultation with the juvenile rehabilitation administration, the family policy council, and the Washington state institute for public policy.

(6) \$319,000 of the general fund—state appropriation for fiscal year 2006 and \$678,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to establish a reinvesting in youth pilot program. Participation shall be limited to three counties or groups of counties, including one charter county with a population of over eight hundred thousand residents and at least one county or group of counties with a combined population of three hundred thousand residents or less.

(a) Only the following intervention service models shall be funded under the pilot program: (i) Functional family therapy; (ii) multi-systemic therapy; and (iii) aggression replacement training.

(b) Subject to (c) of this subsection, payments to counties in the pilot program shall be sixty-nine percent of the average service model cost per youth times the number of youth engaged by the selected service model. For the purposes of calculating the average service model cost per engaged youth for a county, the following costs will be included: Staff salaries, staff benefits, training, fees, quality assurance, and local expenditures on administration.

(c) Distribution of moneys to the charter county with a population of over eight hundred thousand residents shall be based upon the number of youth that are engaged by the intervention service models, up to six hundred thousand dollars for the biennium. The department may distribute the remaining grant moneys to the other counties selected to participate in the pilot program.

(d) The department shall provide recommendations to the legislature by June 30, 2006, regarding a cost savings calculation methodology, a funds



distribution formula, and criteria for service model eligibility for use if the reinvesting in youth program is continued in future biennia.

(7) \$602,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the purposes of settling all claims in *Brown, et. al v. State of Washington*, Pierce County Superior Court Cause No. 04-2-11093-4. The expenditure of this appropriation is contingent on the release of all claims in this case, and total settlement costs shall not exceed the amount provided in this subsection. If settlement is not executed by June 30, 2007, the amount provided in this subsection shall lapse.

**Sec. 1104.** 2006 c 372 s 204 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—  
MENTAL HEALTH PROGRAM**

**(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS**

General Fund—State Appropriation (FY 2006) . . . . .	\$260,292,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$283,039,000)</del>
	<u>\$278,724,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$344,331,000)</del>
	<u>\$338,013,000</u>
General Fund—Private/Local Appropriation . . . . .	<del>(\$1,970,000)</del>
	<u>\$6,100,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$889,632,000)</del>
	<u>\$883,129,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$103,400,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for persons and services not covered by the medicaid program. The department shall distribute this amount among the regional support networks according to a formula that, consistent with RCW 71.24.035(13), assures continuation of fiscal year 2003 levels of nonmedicaid service in each regional support network area for the following service categories in the following priority order: (i) Crisis and commitment services; (ii) community inpatient services; and (iii) residential care services, including personal care and emergency housing assistance. The formula shall also ensure that each regional support network's combined state and federal allocation is no less than the amount it was due under the fiscal year 2005 allocation methodology. The remaining amounts shall be distributed based upon a formula that incorporates each regional support network's percentage of the state's population.

(b) \$100,959,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for persons and services not covered by the medicaid program. Consistent with RCW 71.24.035(13), these funds shall be distributed proportional to each regional support network's percentage of the total state population.

(c) ~~(\$10,882,000)~~ \$10,512,000 of the general fund—state appropriation for fiscal year 2007 and ~~(\$10,922,000)~~ \$10,550,000 of the general fund—federal appropriation are provided solely to increase medicaid capitation rates (i) by three and one-half percent, for regional support networks whose fiscal year

2006 capitation rates are above the statewide population-weighted average; and (ii) to the statewide population-weighted average, for regional support networks whose fiscal year 2006 capitation rates are below that level. Regional support networks may elect to receive all or a portion of the general fund—state share of the funding for which they qualify under this subsection (1)(c) as an increase in nonmedicaid rather than medicaid funding. Regional support networks choosing to obtain funding in this way must notify the department of their decision no later than June 1, 2006.

(d) (~~(\$359,000)~~) \$2,175,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to ensure that no regional support network's combined state and federal allocation is less than the amount it was due under the fiscal year 2006 allocation methodology.

(e) \$750,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for grants to hospitals that are unable to receive disproportionate share hospital funding due to the federal funding restrictions on "institutions for mental disease." These funds shall be allocated among eligible hospitals proportional to the amount the hospital would have received from the disproportionate share hospital grants funded under section 209 of this 2006 act if the federal funding restriction were not in effect.

(f) \$85,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for a contract with the national alliance for the mentally ill of greater Seattle to assist people who are recovering from a major mental illness to participate in development of a group residence for women.

(g) \$2,825,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to refund to regional support networks fifty percent of the "liquidated damages" amount that was withheld from payments to the regional support network during fiscal years 2002 through 2005 because the regional support network used more than its allocated number of state hospital days of care. The payments directed in this subsection (1)(g) are contingent upon agreement by the regional support network that the funds shall be used only for mental health services. The payments directed in this subsection do not apply to regional support networks to which such refunds have been directed by court order prior to the effective date of this 2006 act.

(h) The department shall refund to the regional support networks 100 percent of the "liquidated damages" that have been withheld from payments to the regional support network during fiscal year 2006 for periods prior to the effective date of this act. The payments directed in this subsection (1)(h) do not apply to regional support networks to which such refunds have been directed by court order prior to the effective date of this act.

(i) \$3,238,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the department and regional support networks to contract for development and initial implementation of high-intensity program for active community treatment (PACT) teams, and other proven program approaches which the department concurs will enable the regional support network to achieve significant reductions during fiscal year 2008 and thereafter in the number of beds the regional support network would otherwise need to use at the state hospitals.

(j) The number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall average 222 per day throughout fiscal

year 2007. The number of nonforensic beds allocated for use by regional support networks at western state hospital shall average 727 during the first quarter of fiscal year 2007, 757 during the second quarter of fiscal year 2007, and 777 during the third and fourth quarters of fiscal year 2007. During fiscal year 2007, the department shall not separately charge regional support networks for use of state hospital beds for short-term commitments, or for persons served in the program for adaptive living skills (PALS), but the days of care provided for such commitments and in the PALS program shall count against the regional support network's state hospital allocation. The legislature intends to authorize separate charges for the PALS program beginning in January 2008.

(k) From the general fund—state appropriations in this subsection, the secretary of social and health services shall assure that regional support networks reimburse the aging and disability services administration for the general fund—state cost of medicaid personal care services that enrolled regional support network consumers use because of their psychiatric disability.

(l) Within amounts appropriated in this subsection, the department shall contract with the Clark county regional support network for development and operation of a project demonstrating collaborative methods for providing intensive mental health services in the school setting for severely emotionally disturbed children who are medicaid eligible. Project services shall be delivered by teachers and teaching assistants who qualify as, or who are under the supervision of, mental health professionals meeting the requirements of chapter 275-57 WAC. The department shall increase medicaid payments to the regional support network by the amount necessary to cover the necessary and allowable costs of the demonstration, not to exceed the upper payment limit specified for the regional support network in the department's medicaid waiver agreement with the federal government after meeting all other medicaid spending requirements assumed in this subsection. The regional support network shall provide the required nonfederal share of the increased medicaid payment provided for operation of this project.

(m) \$3,100,000 of the general fund—state appropriation for fiscal year 2006 and \$3,375,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to establish a base community psychiatric hospitalization payment rate. The base payment rate shall be \$400 per indigent patient day at hospitals that accept commitments under the involuntary treatment act, and \$550 per medicaid patient day at free-standing psychiatric hospitals that accept commitments under the involuntary treatment act. The department shall allocate these funds among the regional support networks to reflect projected expenditures at the enhanced payment level by hospital and region.

(n) At least \$902,000 of the federal block grant funding appropriated in this subsection shall be used for the continued operation of the mentally ill offender pilot program.

(o) \$5,000,000 of the general fund—state appropriation for fiscal year 2006 and \$5,000,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for mental health services for mentally ill offenders while confined in a county or city jail and for facilitating access to programs that offer mental health services upon mentally ill offenders' release from confinement. These amounts shall supplement, and not supplant, local or other funding or in-kind resources currently being used for these purposes. The department is

authorized to transfer such amounts as are necessary, which are not to exceed \$418,000 of the general fund—state appropriation for fiscal year 2006 and \$418,000 of the general fund—state appropriation for fiscal year 2007, to the economic services program for the purposes of implementing section 12 of Engrossed Second Substitute House Bill No. 1290 (community mental health) related to reinstating and facilitating access to mental health services upon mentally ill offenders' release from confinement.

(p) \$1,500,000 of the general fund—state appropriation for fiscal year 2006 and \$1,500,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for grants for innovative mental health service delivery projects. Such projects may include, but are not limited to, clubhouse programs and projects for integrated health care and behavioral health services for general assistance recipients. These amounts shall supplement, and not supplant, local or other funding currently being used for activities funded under the projects authorized in this subsection.

(q) The department is authorized to continue to expend federal block grant funds, and special purpose federal grants, through direct contracts, rather than through contracts with regional support networks; and to distribute such funds through a formula other than the one established pursuant to RCW 71.24.035(13).

(r) The department is authorized to continue to contract directly, rather than through contracts with regional support networks, for children's long-term inpatient facility services.

(s) \$2,250,000 of the general fund—state appropriation for fiscal year 2006, \$2,250,000 of the general fund—state appropriation for fiscal year 2007, and \$4,500,000 of the general fund—federal appropriation are provided solely for the continued operation of community residential and support services for persons who are older adults or who have co-occurring medical and behavioral disorders and who have been discharged or diverted from a state psychiatric hospital. These funds shall be used to serve individuals whose treatment needs constitute substantial barriers to community placement, who no longer require active psychiatric treatment at an inpatient hospital level of care, and who no longer meet the criteria for inpatient involuntary commitment. Coordination of these services will be done in partnership between the mental health program and the aging and disability services administration. The funds are not subject to the standard allocation formula applied in accordance with RCW 71.24.035(13)(a).

(t) \$750,000 of the general fund—state appropriation for fiscal year 2006 and \$750,000 of the general fund—state appropriation for fiscal year 2007 are provided to continue performance-based incentive contracts to provide appropriate community support services for individuals with severe mental illness who have been discharged from the state hospitals. These funds will be used to enhance community residential and support services provided by regional support networks through other state and federal funding.

(u) \$539,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to assist with the one-time start-up costs of two evaluation and treatment facilities. Funding for ongoing program operations shall be from existing funds that would otherwise be expended upon short-term treatment in state or community hospitals.

(v) \$550,000 of the general fund—state appropriation for fiscal year 2006 and \$150,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for enhancing rates to a facility that (i) is a licensed nursing home; (ii) is considered to be an "Institution for Mental Diseases" under centers for medicare and medicaid services criteria; (iii) specializes in long-term rehabilitation services for people with chronic mental illness who are chronically medically-compromised; and (iv) provides services to a minimum of 48 consumers funded by a regional support network. These amounts shall be provided in coordination with and under the auspices of a regional support network and shall enhance, and not supplant, other funding or in-kind resources currently being used for these purposes. These funds shall be used to cover costs incurred throughout fiscal year 2006 and fiscal year 2007 and ensure adequate compensation for extra medical care services, personal care services, and other incidental costs that are not fully covered in the current rate paid to the facility.

(w) \$450,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the mental health division, in collaboration with the children's administration and the juvenile rehabilitation services administration, to establish a pilot program to provide evidence-based mental health services to children. The mental health service or services to be provided under the pilot program must be selected from a list of evidence-based service options developed by the department, in consultation with a broadly representative group of individuals with expertise in children's mental health.

(i) The program site shall be selected through a request for proposal (RFP) process, open to counties or groups of counties, and shall be operational by December 2006.

(ii) Pilot site proposals shall be required to include: A designated lead agency and a commitment to work with community partners, including consumer/family representatives and representatives of the local mental health, juvenile justice, and child welfare systems and, at the applicant's discretion, may also include representatives of other child-serving systems such as health care and education; identification of areas of potential need based upon input from community partners; identification of the service or services that the pilot site would implement based upon community needs and resources; and demonstration of a commitment to participate in efforts that will ensure adherence to the chosen evidence-based practices and evaluate outcomes of implementation of the evidence-based practices.

(iii) The department shall contract with the University of Washington school of medicine's department of psychiatry and behavioral sciences division of public behavioral health and justice to provide support and assistance in all phases of the pilot program, including initiating, implementing, training providers, providing quality assurance, and monitoring implementation and outcomes.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2006) . . . . .	\$115,706,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$137,445,000)</del>
	<u>\$130,211,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$143,693,000)</del>
	<u>\$144,509,000</u>

General Fund—Private/Local Appropriation . . . . .	(\$30,994,000)
	<u>\$37,514,000</u>
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$965,000
TOTAL APPROPRIATION . . . . .	(\$428,803,000)
	<u>\$428,905,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The state mental hospitals may use funds appropriated in this subsection to purchase goods and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(b) \$3,725,000 of the general fund—state appropriation for fiscal year 2006 and \$3,675,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to operate at least one more forensic ward at western state hospital than was operational in December 2004, and to employ professional staff in addition to those assigned in December 2004 to conduct outpatient evaluations of competency to stand trial.

(c) \$45,000 of the general fund—state appropriation for fiscal year 2006 and \$45,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for payment to the city of Lakewood on September 1 of each year for police services provided by the city at western state hospital and adjacent areas.

(d) \$6,770,000 of the general fund—state appropriation for fiscal year 2006 and \$19,850,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to open on a temporary basis five additional adult civil commitment wards at the state psychiatric hospitals. The legislature intends for these wards to close, on a phased basis, during the 2007-09 biennium as a result of targeted investments in community services for persons who would otherwise need care in the hospitals. To the extent that the department and regional support networks are able to develop and implement cost-effective approaches during fiscal year 2007 that would avert the need to open one or more of the additional wards, the department is authorized to use funds appropriated in this subsection for implementation of those approaches. The department shall seek review and comment from the legislative fiscal committees at least thirty days prior to proceeding with implementation of any such alternative approach.

(3) CIVIL COMMITMENT

General Fund—State Appropriation (FY 2006) . . . . .	\$40,499,000
General Fund—State Appropriation (FY 2007) . . . . .	(\$45,276,000)
	<u>\$42,481,000</u>
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$129,000
TOTAL APPROPRIATION . . . . .	(\$85,904,000)
	<u>\$83,109,000</u>

(4) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2006) . . . . .	\$643,000
General Fund—State Appropriation (FY 2007) . . . . .	\$1,726,000
General Fund—Federal Appropriation . . . . .	\$3,395,000

Pension Funding Stabilization Account—State

Appropriation . . . . .	\$1,000
TOTAL APPROPRIATION . . . . .	\$5,765,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$75,000 of the general fund—state appropriation for fiscal year 2006, \$75,000 of the general fund—state appropriation for fiscal year 2007, and \$40,000 of the general fund—federal appropriation are provided solely to implement the request for proposal process required by House Bill No. 1290 (community mental health). If House Bill No. 1290 is not enacted by June 30, 2005, these amounts shall lapse.

(b) \$178,000 of the general fund—state appropriation for fiscal year 2006 and \$221,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to develop and to train community mental health staff in the use of the integrated chemical dependency/mental health screening and assessment system and tool required by section 601 of Senate Bill No. 5763 (mental disorders treatment). If section 601 of Senate Bill No. 5763 is not enacted by June 30, 2005, these amounts shall lapse.

(c) Funds provided in this subsection may be used to issue a request for proposals in accordance with RCW 71.24.320(2) only if Engrossed Substitute Senate Bill No. 6793 is enacted by June 30, 2006.

(5) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2006) . . . . .	\$6,577,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$4,183,000)</del>
	<u>\$4,473,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$5,881,000)</del>
	<u>\$6,179,000</u>

Pension Funding Stabilization Account—State

Appropriation . . . . .	<del>(\$19,000)</del>
	<u>\$21,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$16,660,000)</del>
	<u>\$17,250,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$125,000 of the general fund—state appropriation for fiscal year 2006, \$125,000 of the general fund—state appropriation for fiscal year 2007, and \$164,000 of the general fund—federal appropriation are provided solely for the institute for public policy to continue the longitudinal analysis directed in chapter 334, Laws of 2001 (mental health performance audit), and, to the extent funds are available within these amounts, to build upon the evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill offenders).

(b) \$2,032,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for the purposes of complying with and satisfaction of a final court order and judgment in *Pierce County, et al v. State of Washington and State of Washington Department of Social and Health Services, et al*, Thurston County Superior Court Cause No. 03-2-00918-8.

(c) \$520,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for the purposes of settling all claims in *County of Spokane, a Washington municipal entity v. State of Washington Department of Social and Health Services and Dennis Braddock, the Secretary of the Department of Social and Health Services, in his official capacity*, Thurston County Superior Court Cause No. 03-2-01268-5. The expenditure of this amount is contingent on the release of all claims in the case, and total settlement costs shall not exceed the amount provided in this subsection. If the settlement is not executed by June 30, 2006, the amount provided in this subsection shall lapse.

(d) Funds provided in this subsection may be used to issue a request for proposals in accordance with RCW 71.24.320(2) only if Engrossed Substitute Senate Bill No. 6793 is enacted by June 30, 2006.

Sec. 1105. 2006 c 372 s 205 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—  
DEVELOPMENTAL DISABILITIES PROGRAM**

(1) COMMUNITY SERVICES

General Fund—State Appropriation (FY 2006) . . . . .	\$296,430,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$312,856,000)</del>
	<u>\$318,403,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$503,419,000)</del>
	<u>\$513,612,000</u>
Health Services Account—State Appropriation . . . . .	\$904,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$138,000
TOTAL APPROPRIATION . . . . .	<del>(\$1,113,747,000)</del>
	<u>\$1,129,487,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The entire health services account appropriation, \$151,000 of the general fund—state appropriation for fiscal year 2006, \$427,000 of the general fund—state appropriation for fiscal year 2007, and \$1,482,000 of the general fund—federal appropriation are provided solely for health care benefits for agency home care workers who are employed through state contracts for at least twenty hours a week. The state contribution to the cost of health care benefits per participating worker per month shall be no greater than \$449.00 in fiscal year 2006 and \$532.00 in fiscal year 2007.

(b) Individuals receiving family support or high school transition payments as supplemental security income (SSI) state supplemental payments shall not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(c) \$516,000 of the general fund—state appropriation for fiscal year 2006, ~~(\$1,917,000)~~ \$3,432,000 of the general fund—state appropriation for fiscal year 2007, and ~~(\$2,433,000)~~ \$3,954,000 of the general fund—federal appropriation are provided solely for community residential and support services. Funding in this subsection shall be prioritized for (i) residents of residential habilitation centers who are able to be adequately cared for in community settings and who choose to live in those community settings; (ii)



clients without residential services who are at immediate risk of institutionalization or in crisis; (iii) children who are at risk of institutionalization or who are aging out of other state services; and (iv) current home and community-based waiver program clients who have been assessed as having an immediate need for increased services. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed \$300. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds provided the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(d) ~~\$579,000~~ of the general fund—state appropriation for fiscal year 2006, ~~(((\$1,735,000))~~ \$2,015,000 of the general fund—state appropriation for fiscal year 2007, and ~~(((\$2,315,000))~~ \$2,597,000 of the general fund—federal appropriation are provided solely for expanded community services for persons with developmental disabilities who also have community protection issues. Funding in this subsection shall be prioritized for (i) clients being diverted or discharged from the state psychiatric hospitals; (ii) clients participating in the dangerous mentally ill offender program; (iii) clients participating in the community protection program; and (iv) mental health crisis diversion outplacements. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed ~~(((\$300))~~ \$340. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds if the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall implement the four new waiver programs such that decisions about enrollment levels and the amount, duration, and scope of services maintain expenditures within appropriations. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(e) \$12,902,000 of the general fund—state appropriation for fiscal year 2006, ~~(((\$13,802,000))~~ \$12,502,000 of the general fund—state appropriation for fiscal year 2007, and \$8,579,000 of the general fund—federal appropriation are provided solely for family support programs for individuals with developmental disabilities.

~~(((\$))~~ The amounts provided in this subsection ~~(((\$), \$900,000 of the general fund—state appropriation for fiscal year 2006 and \$1,600,000 of the general fund—state appropriation for fiscal year 2007 are provided solely))~~ are

sufficient for the implementation of a flexible family support pilot program for families who are providing care and support for family members with developmental disabilities. The program shall provide funding for support services such as respite care, training and counseling, assistive technologies, transition services, and assistance with extraordinary household expenses.

(i) To receive funding, an individual must: (A) Be eligible for services from the division of developmental disabilities; (B) live with his or her family; (C) not live independently or with a spouse; (D) not receive paid services through the division, including medicaid personal care and medicaid waiver services; and (E) have gross household income of less than or equal to four hundred percent of the federal poverty level.

(ii) The department shall determine individual funding awards based on the following criteria: (A) Documented need for services, with priority given to individuals in crisis or at immediate risk of needing institutional services, individuals who transition from high school without employment or day program opportunities, individuals cared for by a single parent, and individuals with multiple disabilities; (B) number and ages of family members and their relation to the individual with developmental disabilities; (C) gross annual household income; and (D) availability of state funds.

Funding awards may be made as one-time awards or on a renewable basis. Renewable awards shall be for a period of twelve months for the biennium. Awards shall be based upon the criteria provided in this subsection, but shall be within the following limits: Maximum of \$4,000 per year for an individual whose gross annual household income is up to 100 percent of the federal poverty level; maximum of \$3,000 per year for an individual whose gross annual household income is up to 200 percent of the federal poverty level; maximum of \$2,000 per year for an individual whose gross annual household income is up to 300 percent of the federal poverty level; and maximum of \$1,000 per year for an individual whose gross annual household income is up to 400 percent of the federal poverty level. Of the amounts provided in this subsection, \$150,000 of the general fund—state appropriation for fiscal year 2006 and \$300,000 of the general fund—state appropriation for fiscal year 2007 are provided (~~solely~~) for one-time awards.

(iii) Eligibility for, and the amount of, renewable awards and one-time awards shall be redetermined annually and shall correspond with the application of the department's mini-assessment tool. At the end of each award period, the department must redetermine eligibility for funding, including increases or reductions in the level of funding, as appropriate.

(iv) By November 1, 2006, the department shall provide recommendations to the appropriate policy and fiscal committees of the legislature on strategies for integrating state-funded family support programs, including, if appropriate, the flexible family support pilot program, into a single program. The department shall also provide a status report on the flexible family support pilot program, which shall include the following information: The number of applicants for funding; the total number of awards; the number and amount of both annual and one-time awards, broken down by household income levels; and the purpose of the awards.

(v) The department shall manage enrollment and award levels so as to not exceed the amounts appropriated for this purpose.

(f) \$840,000 of the general fund—state appropriation for fiscal year 2006, \$3,060,000 of the general fund—state appropriation for fiscal year 2007, and \$1,500,000 of the general fund—federal appropriation are provided solely for employment and day services. Priority consideration for this new funding shall be young adults with developmental disabilities living with their family who need employment opportunities and assistance after high school graduation. Services shall be provided for both waiver and nonwaiver clients.

(g) \$1,000,000 of the general fund—state appropriation for fiscal year 2006, \$1,000,000 of the general fund—state appropriation for fiscal year 2007, and \$2,000,000 of the general fund—federal appropriation are provided for implementation of the administrative rate standardization. These amounts are in addition to any vendor rate increase adopted by the legislature.

(h) \$100,000 of the general fund—state appropriation for fiscal year 2006 and \$100,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for services to community clients provided by licensed professionals at the state residential habilitation centers. The division shall submit claims for reimbursement for services provided to clients living in the community with medical assistance or third-party health coverage, as appropriate, and shall implement a system for billing clients without coverage. The department shall provide a report by December 1, 2006, to the appropriate committees of the legislature on the number of clients served, services provided, and expenditures and revenues associated with those services.

(i) \$65,000 of the general fund—state appropriation for fiscal year 2006 and \$65,000 of the general fund—federal appropriation are provided solely for supplemental compensation increases for direct care workers employed by home care agencies in recognition of higher labor market cost pressures experienced by agencies subject to collective bargaining obligations. In order for a specific home care agency to be eligible for such increases, home care agencies shall submit the following to the department:

(i) Proof of a legally binding, written commitment to increase the compensation of agency home care workers; and

(ii) Proof of the existence of a method of enforcement of the commitment, such as arbitration, that is available to the employees or their representative, and proof that such a method is expeditious, uses a neutral decision maker, and is economical for the employees.

(j) \$12,000 of the general fund—state appropriation for fiscal year 2007 and \$12,000 of the general fund—federal appropriation are provided solely to increase boarding home provider payment rates by 1.0 percent, effective July 1, 2006.

(k) \$134,000 of the general fund—state appropriation for fiscal year 2007 and \$134,000 of the general fund—federal appropriation are provided solely to increase adult family home provider payment rates by 1.0 percent, effective July 1, 2006.

(l) \$955,000 of the general fund—state appropriation for fiscal year 2007 and \$958,000 of the general fund—federal appropriation are provided solely for a rate increase for supported living providers of 15 cents per hour for King county, and 12 cents per hour for all other counties.

(m) \$778,000 of the general fund—state appropriation for fiscal year 2007 and \$580,000 of the general fund—federal appropriation are provided solely for

additional case managers and support staff. The department shall dedicate half of the amount provided in this subsection to accelerate the implementation of the mini-assessment tool on clients not currently receiving paid services.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2006)	\$76,623,000
General Fund—State Appropriation (FY 2007)	<del>(\$78,826,000)</del>
	<u>\$78,142,000</u>
General Fund—Federal Appropriation	<del>(\$153,807,000)</del>
	<u>\$158,868,000</u>
General Fund—Private/Local Appropriation	<del>(\$11,237,000)</del>
	<u>\$13,674,000</u>
Pension Funding Stabilization Account—State Appropriation	\$457,000
TOTAL APPROPRIATION	<del>(\$320,950,000)</del>
	<u>\$327,764,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: The developmental disabilities program is authorized to use funds appropriated in this section to purchase goods and supplies through direct contracting with vendors when the program determines it is cost-effective to do so.

(3) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2006)	\$2,312,000
General Fund—State Appropriation (FY 2007)	<del>(\$1,924,000)</del>
	<u>\$1,915,000</u>
General Fund—Federal Appropriation	<del>(\$3,014,000)</del>
	<u>\$3,490,000</u>
Pension Funding Stabilization Account—State Appropriation	<del>(\$17,000)</del>
	<u>\$19,000</u>
TOTAL APPROPRIATION	<del>(\$7,267,000)</del>
	<u>\$7,736,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: \$578,000 of the general fund—state appropriation for fiscal year 2006 and \$578,000 of the general fund—federal appropriation are provided solely for the purpose of developing and implementing a consistent needs assessment instrument for use on all clients with developmental disabilities. In developing the instrument, the department shall develop a process for collecting data on family income for minor children with developmental disabilities and all individuals who are receiving state-only funded services. The department shall ensure that this information is captured as part of the client assessment process.

(4) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2006)	\$11,000
<del>(General Fund—State Appropriation (FY 2007))</del>	<del>\$17,000</del>
General Fund—Federal Appropriation	<del>(\$17,238,000)</del>
	<u>\$17,227,000</u>

Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$2,000
TOTAL APPROPRIATION . . . . .	<del>(\$17,268,000)</del>
	<u>\$17,240,000</u>

Sec. 1106. 2006 c 372 s 206 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—  
AGING AND ADULT SERVICES PROGRAM**

General Fund—State Appropriation (FY 2006) . . . . .	\$610,082,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$663,865,000)</del>
	<u>\$661,277,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$1,312,062,000)</del>
	<u>\$1,310,983,000</u>
General Fund—Private/Local Appropriation . . . . .	\$18,949,000
Health Services Account—State Appropriation . . . . .	\$4,888,000
Pension Funding Stabilization Account—State	
Appropriation . . . . .	<del>(\$317,000)</del>
	<u>\$319,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$2,610,163,000)</del>
	<u>\$2,606,498,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire health services account appropriation, \$6,911,000 of the general fund—state appropriation for fiscal year 2006, ~~(\$41,571,000)~~ \$9,581,000 of the general fund—state appropriation for fiscal year 2007, and ~~(\$23,251,000)~~ \$20,410,000 of the general fund—federal appropriation are provided solely for health care benefits for agency home care workers who are employed through state contracts for at least twenty hours a week. The state contribution to the cost of health care benefits per eligible participating worker per month shall be no greater than \$449.00 in fiscal year 2006 and \$532.00 per month in fiscal year 2007. The department, in consultation with the home care quality authority and the health care authority, shall examine how the state determines the appropriate level of health care costs when establishing state contribution rates for all agency and individual home care workers caring for state subsidized clients. The department shall recommend options as to how equivalent benefits can be purchased on behalf of home care workers in a more cost effective manner to the office of financial management and the appropriate fiscal committees of the legislature by October 1, 2006.

(2) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed \$147.57 for fiscal year 2006 and shall not exceed ~~(\$156.41)~~ \$155.99 for fiscal year 2007.

(3) In accordance with chapter 74.46 RCW, the department shall issue certificates of capital authorization that result in up to \$16 million of increased asset value completed and ready for occupancy in fiscal year 2006; up to \$16 million of increased asset value completed and ready for occupancy in fiscal year 2007; and up to \$16 million of increased asset value completed and ready for occupancy in fiscal year 2008.

(4) Adult day health services shall not be considered a duplication of services for persons receiving care in long-term care settings licensed under chapter 18.20, 72.36, or 70.128 RCW.

(5) In accordance with chapter 74.39 RCW, the department may implement two medicaid waiver programs for persons who do not qualify for such services as categorically needy, subject to federal approval and the following conditions and limitations:

(a) One waiver program shall include coverage of care in community residential facilities. Enrollment in the waiver shall not exceed 600 persons at any time.

(b) The second waiver program shall include coverage of in-home care. Enrollment in this second waiver shall not exceed 200 persons at any time.

(c) The department shall identify the number of medically needy nursing home residents, and enrollment and expenditures on each of the two medically needy waivers, on monthly management reports.

(d) If it is necessary to establish a waiting list for either waiver because the budgeted number of enrollment opportunities has been reached, the department shall track how the long-term care needs of applicants assigned to the waiting list are met.

(6) \$1,604,000 of the general fund—state appropriation for fiscal year 2006, \$3,450,000 of the general fund—state appropriation for fiscal year 2007, and \$5,064,000 of the general fund—federal appropriation are provided solely to increase compensation for direct care workers employed by home care agencies by 27 cents per hour on July 1, 2005, and by an additional 23 cents per hour on July 1, 2006. The amounts in this subsection also include the funds needed for the employer share of unemployment and social security taxes on the amount of the increase.

(7) \$1,786,000 of the general fund—state appropriation for fiscal year 2006 and \$1,804,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for operation of the volunteer chore services program.

(8) The department shall establish waiting lists to the extent necessary to assure that annual expenditures on the community options program entry systems (COPES) program do not exceed appropriated levels. In establishing and managing any such waiting list, the department shall assure priority access to persons with the greatest unmet needs, as determined by department assessment processes.

(9) \$93,000 of the general fund—state appropriation for fiscal year 2006, \$8,000 of the general fund—state appropriation for fiscal year 2007, and \$101,000 of the general fund—federal appropriation are provided solely to expand the number of boarding homes that receive exceptional care rates for persons with Alzheimer's disease and related dementias who might otherwise require nursing home care. The department may expand the number of licensed boarding home facilities that specialize in caring for such conditions by up to 85 beds in fiscal year 2006 and up to 150 beds in fiscal year 2007.

(10) \$305,000 of the general fund—state appropriation for fiscal year 2006 and \$377,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the senior farmer's market nutrition program.

(11) \$109,000 of the general fund—state appropriation for fiscal year 2006, \$90,000 of the general fund—state appropriation for fiscal year 2007, and

\$198,000 of the general fund—federal appropriation are provided solely for the implementation of Second Substitute House Bill No. 1220 (long-term care financing). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(12) \$100,000 of the general fund—state appropriation for fiscal year 2006 and \$100,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for area agencies on aging, or entities with which area agencies on aging contract, to provide a kinship navigator for grandparents and other kinship caregivers of children in both western and eastern Washington.

(a) Kinship navigator services shall include but not be limited to assisting kinship caregivers with understanding and navigating the system of services for children in out-of-home care while reducing barriers faced by kinship caregivers when accessing services.

(b) In providing kinship navigator services, area agencies on aging shall give priority to helping kinship caregivers maintain their caregiving role by helping them access existing services and supports, thus keeping children from entering foster care.

(13) \$435,000 of the general fund—state appropriation for fiscal year 2006 and \$435,000 of the general fund—federal appropriation are provided solely for supplemental compensation increases for direct care workers employed by home care agencies in recognition of higher labor market cost pressures experienced by agencies subject to collective bargaining obligations. In order for a specific home care agency to be eligible for such increases, home care agencies shall submit the following to the department:

(a) Proof of a legally binding, written commitment to increase the compensation of agency home care workers; and

(b) Proof of the existence of a method of enforcement of the commitment, such as arbitration, that is available to the employees or their representative, and proof that such a method is expeditious, uses a neutral decision maker, and is economical for the employees.

(14) \$7,500,000 of the general fund—state appropriation for fiscal year 2007 and \$7,500,000 of the general fund—federal appropriation are provided solely for purposes of settling all claims in the class action suit commonly known as *Regency Pacific et al. v. Department of Social and Health Services*. The expenditure of this amount is contingent on the release of all claims in the case, and total settlement costs shall not exceed the amount provided in this subsection.

(15) \$121,000 of the general fund—state appropriation for fiscal year 2007 and \$120,000 of the general fund—federal appropriation are provided solely to implement Engrossed Substitute House Bill No. 2475 (individual providers). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(16) \$57,000 of the general fund—state appropriation for fiscal year 2007 and \$57,000 of the general fund—federal appropriation are provided solely to implement Engrossed Second Substitute Senate Bill No. 6630 (threatening individuals). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(17) \$4,493,000 of the general fund—state appropriation for fiscal year 2007 and \$4,478,000 of the general fund—federal appropriation are provided

solely to implement Substitute House Bill No. 2333 (agency home care workers). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(18) \$183,000 of the general fund—state appropriation for fiscal year 2006 and \$184,000 of the general fund—federal appropriation are provided solely for payments to a boarding home licensed under chapter 18.20 RCW on January 25, 2002, which contracts with the department to provide assisted living services and which serves 20 or more clients participating in the program for all-inclusive care.

(19) \$10,090,000 of the general fund—state appropriation for fiscal year 2007 and \$10,090,000 of the general fund—federal appropriation are provided solely for the implementation of House Bill No. 2716 (nursing facility payment). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(20) \$500,000 of the general fund—state appropriation for fiscal year 2006 and \$1,000,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for area agencies on aging, or entities with which area agencies on aging contract, to provide support services through the kinship caregiver support program for grandparents and other informal kinship caregivers of children throughout the state.

(21) \$732,000 of the general fund—state appropriation for fiscal year 2007 and \$715,000 of the general fund—federal appropriation are provided solely to increase boarding home provider payment rates by 1.0 percent, effective July 1, 2006.

(22) \$443,000 of the general fund—state appropriation for fiscal year 2007 and \$437,000 of the general fund—federal appropriation are provided solely to increase adult family home provider payment rates by 1.0 percent, effective July 1, 2006.

(23) \$125,000 of the general fund—state appropriation for fiscal year 2007 and \$125,000 of the general fund—federal appropriation are provided solely for the department to contract with an outside entity to review the current payment methodology for nursing facilities in preparation for the joint legislative task force on long-term care residential payment systems authorized by the 2007-09 biennial appropriations act. The department shall contract for the study as soon as practicable and report on the results of the study by October 1, 2007.

Sec. 1107. 2006 c 372 s 207 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—  
ECONOMIC SERVICES PROGRAM**

General Fund—State Appropriation (FY 2006) . . . . .	(\$514,027,000)
	<u>\$513,976,000</u>
General Fund—State Appropriation (FY 2007) . . . . .	(\$531,957,000)
	<u>\$537,966,000</u>
General Fund—Federal Appropriation . . . . .	(\$1,245,673,000)
	<u>\$1,225,905,000</u>
General Fund—Private/Local Appropriation . . . . .	\$27,535,000
Pension Funding Stabilization Account—State Appropriation . . . . .	(\$1,138,000)
	<u>\$1,169,000</u>



TOTAL APPROPRIATION . . . . . ((~~\$2,320,330,000~~))  
\$2,306,551,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$303,247,000 of the general fund—state appropriation for fiscal year 2006, \$307,273,000 of the general fund—state appropriation for fiscal year 2007, and \$905,232,000 of the general fund—federal appropriation are provided solely for all components of the WorkFirst program. Within the amounts provided for the WorkFirst program, the department shall:

(a) Continue to implement WorkFirst program improvements that are designed to achieve progress against outcome measures specified in RCW 74.08A.410. Outcome data regarding job retention and wage progression shall be reported quarterly to appropriate fiscal and policy committees of the legislature for families who leave assistance, measured after 12 months, 24 months, and 36 months. The department shall also report the percentage of families who have returned to temporary assistance for needy families after 12 months, 24 months, and 36 months; and

(b) Submit a report by October 1, 2005, to the fiscal committees of the legislature containing a spending plan for the WorkFirst program. The plan shall identify how spending levels in the 2005-2007 biennium will be adjusted to stay within available federal grant levels and the appropriated state-fund levels.

(2) \$72,526,000 of the general fund—state appropriation for fiscal year 2006 and ((~~\$77,880,000~~)) \$82,259,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for cash assistance and other services to recipients in the general assistance((~~—unemployable~~)) program. Within these amounts:

(a) The department may expend funds for services that assist recipients to obtain employment and reduce their dependence on public assistance, provided that expenditures for these services and cash assistance do not exceed the funds provided. Mental health, substance abuse, and vocational rehabilitation services may be provided to recipients whose incapacity is not severe enough to qualify for services through a regional support network, the alcoholism and drug addiction treatment and support act, or the division of vocational rehabilitation to the extent that those services are necessary to eliminate or minimize barriers to employment;

(b) The department shall review the general assistance caseload to identify recipients that would benefit from assistance in becoming naturalized citizens, and thus be eligible to receive federal supplemental security income benefits. Those cases shall be given high priority for naturalization funding through the department;

(c) The department shall identify general assistance recipients who are or may be eligible to receive health care coverage or services through the federal veteran's administration and assist recipients in obtaining access to those benefits; and

(d) The department shall report by November of each year to the appropriate committees of the legislature on the progress and outcomes of these efforts.

(3) Within amounts appropriated in this section, the department shall increase the state supplemental payment by \$10 per month beginning in fiscal

year 2006, and by an additional \$2.06 per month beginning in fiscal year 2007, for SSI clients who reside in nursing facilities, residential habilitation centers, or state hospitals and who receive a personal needs allowance and decrease other state supplemental payments.

(4) \$5,000,000 of the general fund—state appropriation for fiscal year 2006 and \$10,000,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for a subsidy rate increase for child care providers. Of this amount, \$500,000 per year shall be targeted for child care providers in urban areas of region 1 and \$500,000 per year shall be targeted for one or more tiered-reimbursement pilot projects.

(5) \$32,000 of the general fund—state appropriation for fiscal year 2007 and \$61,000 of the general fund—federal appropriation are provided solely for implementation of Substitute Senate Bill No. 5244 (deficit reduction act). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

Sec. 1108. 2006 c 372 s 208 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—  
ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

General Fund—State Appropriation (FY 2006) . . . . .	\$55,136,000
General Fund—State Appropriation (FY 2007) . . . . .	(\$67,345,000)
	<u>\$58,973,000</u>
General Fund—Federal Appropriation . . . . .	(\$136,750,000)
	<u>\$156,481,000</u>
General Fund—Private/Local Appropriation . . . . .	\$634,000
Criminal Justice Treatment Account—State Appropriation . . . . .	(\$16,500,000)
	<u>\$16,745,000</u>
Violence Reduction and Drug Enforcement Account—State Appropriation . . . . .	\$48,842,000
Problem Gambling Account—State Appropriation . . . . .	\$1,350,000
Public Safety and Education Account—State Appropriation . . . . .	\$2,081,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$39,000
TOTAL APPROPRIATION . . . . .	(\$328,677,000)
	<u>\$340,281,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$100,000 of the general fund—state appropriation for fiscal year 2006, \$50,000 of the general fund—state appropriation for fiscal year 2007, and \$1,350,000 of the problem gambling account appropriation are provided solely for the program established in Engrossed Substitute House Bill No. 1031 (problem gambling). If legislation creating the account is not enacted by June 30, 2005, this amount shall lapse.

(2) \$1,339,000 of the general fund—state appropriation for fiscal year 2006 and \$1,713,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the parent child assistance program, including an expansion

of services to southwestern Washington and Skagit county. The department shall contract with the University of Washington and community-based providers in Spokane, Yakima, Skagit county, and southwestern Washington for the provision of this program. For all contractors, indirect charges for administering the program shall not exceed ten percent of the total contract amount. The amounts provided in this subsection are sufficient to fund section 303 of Senate Bill No. 5763 (mental disorders treatment).

(3) \$2,000,000 of the general fund—state appropriation for fiscal year 2006 and \$3,000,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for vendor rate adjustments for residential treatment providers for chemical dependency services.

(4) \$465,000 of the general fund—state appropriation for fiscal year 2006, \$934,000 of the general fund—state appropriation for fiscal year 2007, \$1,319,000 of the general fund—federal appropriation, and \$700,000 of the violence reduction and drug enforcement account appropriation are provided solely for vendor rate adjustments for residential treatment providers. To the extent that a portion of this funding is sufficient to maintain sufficient residential treatment capacity, remaining amounts may then be used to provide vendor rate adjustments to other types of providers as prioritized by the department in order to maintain or increase treatment capacity.

(5) \$1,916,000 of the general fund—state appropriation for fiscal year 2006 and \$4,278,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for integrated pilot programs as required by section 203 of Senate Bill No. 5763 (mental disorders treatment). If section 203 of Senate Bill No. 5763 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(6) \$244,000 of the general fund—state appropriation for fiscal year 2006 and \$244,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for intensive case management pilot programs as required by section 220 of Senate Bill No. 5763 (mental disorders treatment). If section 220 of Senate Bill No. 5763 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(7) \$159,000 of the general fund—state appropriation for fiscal year 2006, \$140,000 of the general fund—state appropriation for fiscal year 2007, and \$161,000 of the general fund—federal appropriation are provided solely for development of the integrated chemical dependency/mental health screening and assessment tool required by section 601 of Senate Bill No. 5763 (mental disorders treatment), and associated training and quality assurance. If section 601 of Senate Bill No. 5763 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(8) \$5,475,000 of the general fund—state appropriation for fiscal year 2006, ~~((\$13,124,000))~~ \$6,727,000 of the general fund—state appropriation for fiscal year 2007, and ~~((\$10,669,000))~~ \$6,997,000 of the general fund—federal appropriation are provided solely to increase capacity of chemical dependency treatment services for adult medicaid eligible and general assistance-unemployable clients. The department shall monitor the number and type of clients entering treatment, for purposes of determining potential cost offsets.

(9) \$1,967,000 of the general fund—state appropriation for fiscal year 2006, ~~((\$2,523,000))~~ \$469,000 of the general fund—state appropriation for fiscal year

2007, and ~~(\$1,496,000)~~ \$655,000 of the general fund—federal appropriation are provided solely to increase capacity of chemical dependency treatment services for minors who are under 200 percent of the federal poverty level. The department shall monitor the number and type of clients entering treatment, for purposes of determining potential cost offsets.

**Sec. 1109.** 2006 c 372 s 209 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—  
MEDICAL ASSISTANCE PROGRAM**

General Fund—State Appropriation (FY 2006) . . . . .	\$1,462,447,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$1,550,541,000)</del>
	<u>\$1,535,463,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$4,001,987,000)</del>
	<u>\$3,902,112,000</u>
General Fund—Private/Local Appropriation . . . . .	\$2,000,000
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation . . . . .	\$15,000,000
Health Services Account—State Appropriation . . . . .	<del>(\$677,288,000)</del>
	<u>\$663,077,000</u>
Pension Funding Stabilization Account—State	
Appropriation . . . . .	<del>(\$123,000)</del>
	<u>\$124,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$7,709,386,000)</del>
	<u>\$7,580,223,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) Based on quarterly expenditure reports and caseload forecasts, if the department estimates that expenditures for the medical assistance program will exceed the appropriations, the department shall take steps including but not limited to reduction of rates or elimination of optional services to reduce expenditures so that total program costs do not exceed the annual appropriation authority.
- (2) The department shall continue to extend medicaid eligibility to children through age 18 residing in households with incomes below 200 percent of the federal poverty level.
- (3) In determining financial eligibility for medicaid-funded services, the department is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.
- (4) Sufficient amounts are appropriated in this section for the department to continue podiatry services for medicaid-eligible adults.
- (5) Sufficient amounts are appropriated in this section for the department to provide an adult dental benefit that is equivalent to the benefit provided in the 2003-05 biennium.
- (6) In accordance with RCW 74.46.625, \$6,000,000 of the general fund—federal appropriation is provided solely for supplemental payments to nursing homes operated by public hospital districts. The public hospital district shall be responsible for providing the required nonfederal match for the supplemental payment, and the payments shall not exceed the maximum allowable under federal rules. It is the legislature's intent that the payments shall be supplemental

to and shall not in any way offset or reduce the payments calculated and provided in accordance with part E of chapter 74.46 RCW. It is the legislature's further intent that costs otherwise allowable for rate-setting and settlement against payments under chapter 74.46 RCW shall not be disallowed solely because such costs have been paid by revenues retained by the nursing home from these supplemental payments.

(7) \$2,221,000 of the health services account appropriation, \$5,402,000 of the general fund—federal appropriation, \$1,590,000 of the general fund—state appropriation for fiscal year 2006, and \$1,591,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for grants to rural hospitals. The department shall distribute the funds under a formula that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.

(8) \$21,092,000 of the health services account appropriation and \$19,725,000 of the general fund—federal appropriation are provided solely for grants to nonrural hospitals. The department shall distribute the funds under a formula that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.

(9) In response to the federal directive to eliminate intergovernmental transfer transactions effective June 30, 2005, the department is directed to implement the inpatient hospital certified public expenditures program for the 2005-07 biennium. The program shall apply to all public hospitals, including those owned or operated by the state, except those classified as critical access hospitals or state psychiatric institutions. Hospitals in the program shall be paid and shall retain (a) one hundred percent of the federal portion of each medicaid inpatient fee-for-service claim payable by the medical assistance administration; and (b) one hundred percent of the federal portion of the maximum disproportionate share hospital payment allowable under federal regulations. Medicaid fee-for-service claim amounts shall be established by applying the department's ratio of costs to charges payment methodology. The department shall provide participating hospitals with the information and instructions needed by the hospital to certify the public expenditures required to qualify for the federal portions of both the medicaid inpatient fee-for-service payments and the disproportionate share hospital payments. In the event that any part of the program including, but not limited to, allowable certified public expenditures, is disallowed by the federal government, the department shall not seek recoupment of payments from the hospitals, provided the hospitals have complied with the directions of the department for participation in the program. The legislature intends that hospitals in the program receive no less in combined state and federal payments than they would have received under the methodology that was in place during fiscal year 2005. The department shall therefore make additional grant payments, not to exceed the amounts specified in this subsection, to hospitals whose total payments under the program would otherwise be less than the total state and federal payments they would have received under the methodology in effect during fiscal year 2005. Payments under these new state

grant and upper payment limit programs shall not exceed \$54,054,000 from general fund—state appropriations in fiscal year 2006, of which \$5,600,000 is appropriated in section 204(1) of this 2006 act and the balance in this section; (~~(\$47,474,000)~~) \$64,417,000 from general fund—state appropriations in fiscal year 2007, of which \$5,600,000 is appropriated in section 204(1) of this 2006 act and the balance in this section; and (~~(\$11,328,000)~~) \$7,386,000 from the general fund—federal appropriations in this section.

(10) \$4,077,000 of the general fund—state appropriation for fiscal year 2006, (~~(\$4,847,000)~~) \$3,294,000 of the general fund—state appropriation for fiscal year 2007, and (~~(\$70,100,000)~~) \$57,565,000 of the general fund—federal appropriation are provided solely for development and implementation of a replacement system for the existing medicaid management information system.

(11) \$188,000 of the general fund—state appropriation for fiscal year 2006, \$37,000 of the general fund—state appropriation for fiscal year 2007, and \$225,000 of the general fund—federal appropriation are provided solely for the department to contract for an independent analysis of the medical assistance administration's current system for establishing hospital inpatient payment rates, and for recommendations on a new or updated system. The department shall submit an interim report of study findings by December 1, 2005, and a final report by November 15, 2006. The interim report shall include a comparison of the strengths and weaknesses of the current rate-setting system relative to those used by other state, federal, and private payers. The final report shall include recommendations on the design and implementation of a new or updated system that will promote equity among hospitals, access to quality care and improved health outcomes for patients, and cost-control and efficiency for taxpayers. The study should make use of complete and current cost data from a wide variety of hospitals, recognize unique aspects of hospital service delivery structures and medicaid payment systems in Washington, recognize impacts on productivity and quality of care that may result from hospital compensation, recruitment, and retention policies, and provide opportunities for comment and participation by key interest groups in the identification and assessment of alternatives.

(12) Payment rates for hospital inpatient and outpatient services shall be increased by an average of 1.3 percent effective July 1, 2005, and by an average of an additional 1.3 percent effective July 1, 2006. The inpatient increases shall be provided only on the portion of a hospital's rate that excludes medical education and outlier costs, and shall be allocated so that hospitals with lower costs of care (excluding medical education and outlier costs) receive larger percentage increases than those with higher costs of care. The inpatient increases shall be allocated in three percentage increments, with the lowest-cost hospitals receiving the largest percentage rate increase, highest-cost hospitals receiving the smallest percentage increase, and medium-cost hospitals receiving the average of the highest and the lowest percentage rate increase. Increases shall not be provided to those hospitals that are certified as critical access. Sufficient funds are appropriated in this section for Healthy Options contractors to increase hospital payment rates commensurate with the increases in fee-for-service payment rates.

(13) When a person is ineligible for medicaid solely by reason of residence in an institution for mental diseases, the department shall provide the person

with the same benefits as he or she would receive if eligible for medicaid, using state-only funds to the extent necessary.

(14) The medical assistance administration is authorized to use funds appropriated in this section to purchase goods and supplies through direct contracting with vendors when the administration determines it is cost-effective to do so.

(15) The legislature affirms that it is in the state's interest for Harborview medical center to remain an economically viable component of the state's health care system.

(16) By October 1, 2005, the department shall recommend to the governor and legislature at least two pilot project designs which seem likely to reduce avoidable emergency room utilization at no net cost to the state within the projects' first eighteen months of operation.

(17) Within funds appropriated in this section, the department shall participate in the health technology assessment program required in section 213(6) of this act.

(18) The department is also required to participate in the joint health purchasing project described in section 213(7) of this act.

(19) The department shall, within available resources, continue operation of the medical care services care management pilot project for clients receiving general assistance benefits in King and Pierce counties. The project may use a full or partial capitation model that includes a mechanism for shared savings. The department shall provide a report to the appropriate committees of the legislature by January 1, 2006, on costs, savings, and any outcomes or quality measures associated with the pilot programs during the first year of operation.

(20) By October 1, 2005, the department shall report to the appropriate committees of the legislature on the potential fiscal and programmatic costs and benefits associated with an expansion of managed care pilot programs to SSI and other eligible medicaid elderly and disabled persons.

(21) By November 15, 2006, the department of social and health services, in consultation with the department of revenue and the health care authority, shall report to the health care and fiscal committees of the legislature on options for providing financial incentives for private practice physicians to serve uninsured, medicare, and medicaid patients. The report shall include an assessment of the relative costs and effectiveness of strategies including, but not limited to, tax credits and payment rate increases. The report shall further suggest alternative mechanisms and thresholds for varying tax credits and payment enhancements according to the extent to which a provider serves uninsured, medicare, and medicaid patients.

(22) The department is directed to pursue all available administrative remedies to dispute and reverse recent large retroactive charges by the federal medicare program for payment of medicare part B premiums on behalf of medicaid recipients, to the extent that such premiums are for periods when medicare coverage was in fact never provided the beneficiaries, and their care was instead fully covered by the state medicaid program. The department shall report to the fiscal committees of the legislature by December 1, 2006, on the actions it has taken to dispute and reverse these charges.

(23) \$66,000 of the general fund—state appropriation for fiscal year 2007 and \$66,000 of the general fund—federal appropriation are provided solely to

implement Second Substitute House Bill No. 2002 (foster care support services). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(24) \$255,000 of the general fund—state appropriation for fiscal year 2007 and \$2,107,000 of the general fund—federal appropriation are provided solely to increase the availability of family planning services at the department of social and health services' community service offices. Resources will be prioritized for those offices where pregnancy rates are higher than the statewide average.

(25) \$17,000 of the general fund—state appropriation for fiscal year 2006, \$53,000 of the general fund—state appropriation for fiscal year 2007, and \$70,000 of the general fund—federal appropriation are provided solely for conducting a study of the employment status of enrollees in the basic health plan and the medical assistance program, pursuant to Engrossed Substitute House Bill No. 3079 (health care services). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

Sec. 1110. 2006 c 372 s 210 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—  
VOCATIONAL REHABILITATION PROGRAM**

General Fund—State Appropriation (FY 2006) . . . . .	\$10,694,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$11,014,000)</del>
	<u>\$10,946,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$89,472,000)</del>
	<u>\$89,471,000</u>
Telecommunications Devices for the Hearing and Speech Impaired—State Appropriation . . . . .	\$1,792,000
Pension Funding Stabilization Account—State Appropriation . . . . .	<del>(\$31,000)</del>
	<u>\$33,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$113,003,000)</del>
	<u>\$112,936,000</u>

The appropriations in this section are subject to the following conditions and limitations: The division of vocational rehabilitation shall maintain support for existing clubhouse programs at the 2003-2005 level.

Sec. 1111. 2006 c 372 s 211 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—  
ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

General Fund—State Appropriation (FY 2006) . . . . .	\$34,675,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$36,860,000)</del>
	<u>\$41,279,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$62,376,000)</del>
	<u>\$61,788,000</u>
General Fund—Private/Local Appropriation . . . . .	<del>(\$810,000)</del>
	<u>\$836,000</u>
Public Safety and Education Account—State Appropriation . . . . .	\$2,452,000



Violence Reduction and Drug Enforcement Account—State	
Appropriation . . . . .	\$1,793,000
Pension Funding Stabilization Account—State	
Appropriation . . . . .	<del>(\$300,000)</del>
	<u>\$246,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$139,266,000)</del>
	<u>\$143,069,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$500,000 of the general fund—state appropriation for fiscal year 2006 and \$500,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for funding of the teamchild project through the governor's juvenile justice advisory committee.

(2) \$2,452,000 of the public safety and education account—state appropriation, \$1,500,000 of the general fund—state appropriation for fiscal year 2007, and \$1,791,000 of the violence reduction and drug enforcement account—state appropriation are provided solely for the family policy council.

(3) \$2,245,000 of the general fund—state appropriation for fiscal year 2006, \$1,589,000 of the general fund—state appropriation for fiscal year 2007, and \$3,834,000 of the general—fund federal appropriation are provided solely to implement the 2005-07 home care worker collective bargaining agreement.

**Sec. 1112.** 2006 c 372 s 212 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—  
PAYMENTS TO OTHER AGENCIES PROGRAM**

General Fund—State Appropriation (FY 2006) . . . . .	\$48,755,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$49,277,000)</del>
	<u>\$50,970,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$47,248,000)</del>
	<u>\$49,938,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$145,280,000)</del>
	<u>\$149,663,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$114,000 of the general fund—state appropriation for fiscal year 2007 and \$51,000 of the general fund—federal appropriation are provided solely for chapter 512, Laws of 2005.

**Sec. 1113.** 2006 c 372 s 213 (uncodified) is amended to read as follows:

**FOR THE STATE HEALTH CARE AUTHORITY**

General Fund—Federal Appropriation . . . . .	\$3,710,000
State Health Care Authority Administrative Account—	
State Appropriation . . . . .	<del>(\$33,279,000)</del>
	<u>\$34,034,000</u>
Medical Aid Account—State Appropriation . . . . .	\$345,000
Health Services Account—State Appropriation . . . . .	<del>(\$468,286,000)</del>
	<u>\$464,247,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$505,620,000)</del>
	<u>\$502,336,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Within amounts appropriated in this section and sections 205 and 206 of this act, the health care authority shall continue to provide an enhanced basic health plan subsidy for foster parents licensed under chapter 74.15 RCW and workers in state-funded home care programs. Under this enhanced subsidy option, foster parents and home care workers with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at the minimum premium amount charged to enrollees with incomes below sixty-five percent of the federal poverty level.

(2) The health care authority shall require organizations and individuals which are paid to deliver basic health plan services and which choose to sponsor enrollment in the subsidized basic health plan to pay 133 percent of the premium amount which would otherwise be due from the sponsored enrollees.

(3) The administrator shall take at least the following actions to assure that persons participating in the basic health plan are eligible for the level of assistance they receive: (a) Require submission of (i) income tax returns, and recent pay history, from all applicants, or (ii) other verifiable evidence of earned and unearned income from those persons not required to file income tax returns; (b) check employment security payroll records at least once every twelve months on all enrollees; (c) require enrollees whose income as indicated by payroll records exceeds that upon which their subsidy is based to document their current income as a condition of continued eligibility; (d) require enrollees for whom employment security payroll records cannot be obtained to document their current income at least once every six months; (e) not reduce gross family income for self-employed persons by noncash-flow expenses such as, but not limited to, depreciation, amortization, and home office deductions, as defined by the United States internal revenue service; and (f) pursue repayment and civil penalties from persons who have received excessive subsidies, as provided in RCW 70.47.060(9).

(4) \$21,108,000 of the health services account—state appropriation is provided solely for funding for health care services provided through local community clinics.

(5) \$391,000 of the health services account appropriation is provided solely for implementation of Substitute Senate Bill No. 5471, chapter 129, Laws of 2005 (drug purchasing consortium).

(6) The health care authority shall conduct a health technology assessment pilot project to evaluate scientific evidence regarding current and evolving health care procedures, services and technology. The pilot shall be a joint effort of the departments of social and health services, labor and industries, corrections, and veteran's affairs and the health care authority. Upon completion of assessment of a procedure, service or technology, the agencies shall make every effort, consistent with federal and state law, to jointly decide: (a) On coverage of the procedure, service or technology by each agency, and (b) if covered, the guidelines or criteria that will be applied to medical necessity decisions.

(7) The departments of social and health services, labor and industries and the health care authority, in collaboration with affected health care providers, facilities, and contracted health plans, shall design and implement a joint health

purchasing project that links payment to health care provider or facility performance, particularly where such performance is expected to improve patient outcomes or where there are wide variations in clinical practice used to treat a condition or illness. The purchasing effort shall utilize evidence-based performance measures that are designed to improve quality of care and yield measurable and significant savings. The project shall include payment mechanisms that create incentives to improve quality of care. On or before December 1, 2006, the agencies shall report to relevant policy and fiscal committees of the legislature on the status of the purchasing project, including actual and anticipated savings.

(8) \$395,000 of the health services account appropriation is provided solely for implementation of Substitute House Bill No. 1689 (dental residency program). If Substitute House Bill No. 1689 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(9) \$250,000 of the health services account appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1688 (certificate of need program). If Engrossed Second Substitute House Bill No. 1688 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(10) \$316,000 of the health services account—state appropriation and \$15,000 of the general fund—federal appropriation are provided solely for a study of electronic medical records systems pursuant to Substitute Senate Bill No. 5064 (electronic medical records). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(11) \$458,000 of the health services account appropriation, \$401,000 of the general fund—federal appropriation, \$205,000 of the state health care authority administrative account—state appropriation, and \$174,000 of the medical aid account—state appropriation are provided solely for establishment of a centralized evidence-based health technology assessment system as defined in Engrossed Second Substitute House Bill No. 2575 (health technology assessment), for supporting the activities of the health technology clinical committee, or other activities required to implement Engrossed Second Substitute House Bill No. 2575. Participating agencies will be the medical assistance administration in the department of social and health services, the department of labor and industries, the health care authority's uniform medical plan, the department of corrections, and the department of veterans affairs. If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) As provided in Engrossed Second Substitute Senate Bill No. 6459 (community-based health care solutions), the authority shall make grants of up to \$250,000 from the community health collaborative account to assist community-based organizations increase access to appropriate, affordable health care for Washington residents, particularly low-income working individuals and their families. State grant funds may be used to collect federal matching funds available through medicaid or through the state children's health insurance (SCHIP) program, to the extent allowed by federal rules, and to the extent funds are available in the state's SCHIP allotment in excess of those required for services funded in section 209 of this 2006 act.

(13) \$625,000 of the health services account appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 2572 (small business health insurance assistance program). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(14) \$450,000 of the state health care authority administrative account—state appropriation is provided solely for an on-line employee health assessment tool.

(15) \$499,000 of the health services account appropriation and \$65,000 of the general fund—federal appropriation are provided solely for conducting a study of the employment status of enrollees in the basic health plan and the medical assistance program, pursuant to Engrossed Substitute House Bill No. 3079. If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

Sec. 1114. 2006 c 372 s 214 (uncodified) is amended to read as follows:

**FOR THE HUMAN RIGHTS COMMISSION**

General Fund—State Appropriation (FY 2006) . . . . .	\$2,779,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$3,032,000)</del>
	<u>\$3,067,000</u>
General Fund—Federal Appropriation . . . . .	\$1,321,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$13,000
TOTAL APPROPRIATION . . . . .	<del>(\$7,145,000)</del>
	<u>\$7,180,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The commission shall submit a report by December 1st of each year to the office of financial management and the legislative fiscal committees detailing any changes in existing federal revenues for the remainder of the current fiscal year and changes in projections of federal revenue for the upcoming fiscal year.

(2) \$34,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for a human rights commission investigator to travel to Vancouver once a week to provide complaint intake, outreach, and conduct investigations.

Sec. 1115. 2006 c 372 s 216 (uncodified) is amended to read as follows:

**FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

Public Safety and Education Account—State Appropriation . . . . .	<del>(\$22,231,000)</del>
	<u>\$22,246,000</u>
Death Investigations Account—State Appropriation . . . . .	\$148,000
Municipal Criminal Justice Assistance Account— State Appropriation . . . . .	\$460,000
TOTAL APPROPRIATION . . . . .	<del>(\$22,839,000)</del>
	<u>\$22,854,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) During the 2005-2007 biennium, the criminal justice training commission is authorized to raise existing fees charged for firearms certification for security guards in excess of the fiscal growth factor established pursuant to RCW 43.135.055, if necessary, to meet the actual costs of conducting the certification programs and the appropriation levels in this section.

(2) \$100,000 of the public safety and education account—state appropriation is provided solely for support of the coalition of small police agencies major crimes task force. The purpose of this task force is to pool its resources and to establish an efficient and cooperative approach in addressing major violent crimes.

(3) Amounts provided within this section are sufficient to implement the provisions of section 2 of House Bill No. 1136 (electronic monitoring system).

(4) \$163,000 of the public safety and education account—state appropriation is provided solely for the implementation of section 4 of Second Substitute House Bill No. 2805 (missing persons). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(5) The commission shall conduct a survey of local law enforcement and state agencies to collect data projecting future cadet enrollments for the 2007-2009 biennium. The commission shall report the findings to the legislature by October 1, 2006.

(6)(a) \$411,000 of the public safety and education account—state appropriation is provided solely for the implementation of Substitute Senate Bill No. 6502 (victim information system). If the bill is not enacted by June 30, 2006, the amount provided in this subsection is provided solely for a contract with the Washington association of sheriffs and police chiefs to implement a statewide automated victim information and notification system. This system shall be added to the city and county jail booking and reporting system. The statewide automated victim information and notification system shall:

(i) Automatically notify a registered victim via the victim's choice of telephone, letter, or e-mail when any of the following events affect an offender housed in any Washington state city or county jail or department of corrections facility: (A) Is transferred or assigned to another facility; (B) is transferred to the custody of another agency outside the state; (C) is given a different security classification; (D) is released on temporary leave or otherwise; (E) is discharged; (F) has escaped; or (G) has been served with a protective order that was requested by the victim;

(ii) Automatically notify a registered victim via the victim's choice of telephone, letter, or e-mail when an offender has: (A) An upcoming court event where the victim is entitled to be present, if the court information is made available to the statewide automated victim information and notification system administrator at the Washington association of sheriffs and police chiefs; (B) an upcoming parole, pardon, or community supervision hearing; or (C) a change in the offender's parole, probation, or community supervision status including a change in the offender's supervision status or a change in the offender's address;

(iii) Automatically notify a registered victim via the victim's choice of telephone, letter, or e-mail when a sex offender has: (A) Updated his or her profile information with the state sex offender registry; or (B) become noncompliant with the state sex offender registry;

(iv) Permit a registered victim to receive the most recent status report for an offender in any Washington state city and county jail, department of corrections, or sex offender registry by calling the statewide automated victim information and notification system on a toll-free telephone number or by accessing the statewide automated victim information and notification system via a public web site. All registered victims calling the statewide automated victim information and notification system will be given the option to have live operator assistance to help use the program on a twenty-four hour, three hundred sixty-five day per year basis;

(v) Permit a crime victim to register, or registered victim to update, the victim's registration information for the statewide automated victim information and notification system by calling a toll-free telephone number or by accessing a public web site; and

(vi) Ensure that the offender information contained within the statewide automated victim information and notification system is updated frequently to timely notify a crime victim that an offender has been released or discharged or has escaped.

(b) The purpose of the victim information and notification system is to protect the public health, safety, and welfare generally. Creation and implementation of the victim information and notification system does not create a private right of action.

(c) The Washington association of sheriffs and police chiefs will not require automated victim information and notification systems in existence and operational as of the effective date of this act to participate in the statewide system.

(d) Any vendor that the association contracts with to provide the statewide automated victim notification service must deliver the service with a minimum of 99.95-percent availability and with less than an average of one-percent notification errors as a result of the vendor's technology.

(e) The Washington association of sheriffs and police chiefs shall report to the appropriate fiscal and policy committees of the legislature by December 1, 2006, on the availability of federal grant funds to operate the victim information system.

(7) \$132,000 of the public safety and education account—state appropriation is provided solely for the implementation of Substitute Senate Bill No. 6320 (sex offender information). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(8) \$1,575,000 of the public safety and education account—state appropriation is provided solely for the implementation of sections 103, 104, and 105 of Engrossed Second Substitute Senate Bill No. 6239 (controlled substances). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

**Sec. 1116.** 2006 c 372 s 217 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

General Fund—State Appropriation (FY 2006) . . . . .	\$7,561,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$7,681,000)</del>
	<u>\$7,671,000</u>

Public Safety and Education Account—State	
Appropriation . . . . .	\$29,519,000
Public Safety and Education Account—Federal	
Appropriation . . . . .	\$10,000,000
Asbestos Account—State Appropriation . . . . .	\$810,000
Electrical License Account—State Appropriation . . . . .	<del>(\$35,995,000)</del>
	<u>\$36,303,000</u>
Farm Labor Revolving Account—Private/Local	
Appropriation . . . . .	\$28,000
Worker and Community Right-to-Know Account—State	
Appropriation . . . . .	\$1,827,000
Public Works Administration Account—State	
Appropriation . . . . .	\$2,673,000
Accident Account—State Appropriation . . . . .	<del>(\$211,084,000)</del>
	<u>\$210,804,000</u>
Accident Account—Federal Appropriation . . . . .	\$13,621,000
Medical Aid Account—State Appropriation . . . . .	<del>(\$208,033,000)</del>
	<u>\$208,036,000</u>
Medical Aid Account—Federal Appropriation . . . . .	\$3,185,000
Plumbing Certificate Account—State Appropriation . . . . .	\$1,730,000
Pressure Systems Safety Account—State	
Appropriation . . . . .	\$3,357,000
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$31,000
TOTAL APPROPRIATION . . . . .	<del>(\$537,135,000)</del>
	<u>\$537,156,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$700,000 of the accident account—state appropriation and \$699,000 of the medical aid account—state appropriation are provided solely for the construction of a computer system to collect data from self-insured employers and are contingent on the passage of Substitute House Bill No. 1310 (workers compensation reporting) on mandatory electronic data reporting by self-insured employers. If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(2) \$29,283,000 of the public safety and education account—state appropriation, and \$10,000,000 of the public safety and education account—federal appropriation are provided solely for the crime victims' compensation program, subject to the following conditions:

(a) Reimbursement shall be provided throughout the 2005-2007 biennium for full reimbursement of sexual assault forensic exams at workers' compensation rates;

(b) Reimbursement shall be provided throughout fiscal year 2007 for full reimbursement of mental health care at workers' compensation rates; and

(c) In accordance with RCW 7.68.015, it is the policy of the state that the department of labor and industries operate the crime victims' compensation program within the amounts provided for this program in this subsection.

(3) \$200,000 of the accident account—state appropriation is provided solely to reimburse the department of agriculture for the agricultural worker pesticide handling and application training program.

(4) \$71,000 of the medical aid account—state appropriation and \$71,000 of the accident account—state appropriation are provided solely for the review of payment of medical bills and authorization for medical procedures by self-insurers.

(5) The department is required to participate in the health technology assessment program required in section 213(6) of this act.

(6) The department is also required to participate in the joint health purchasing project described in section 213(7) of this act.

(7) \$35,000 of the general fund—state appropriation for fiscal year 2006 and \$8,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute House Bill No. 1393 (older mobile homes). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(8) \$182,000 of the accident account—state appropriation and \$623,000 of the medical aid account—state appropriation are provided solely to (a) expand services in the centers of occupational health and education (COHE) in Spokane and Renton; (b) add two additional COHE locations in the state; and (c) include Yakima county in the Spokane COHE.

(9) \$158,000 of the accident account—state appropriation and \$158,000 of the medical aid account—state appropriation are provided solely to implement Substitute House Bill No. 1856 (annual audits of the state industrial insurance fund). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(10) The department shall delay the costs associated with implementation of phase II of its indirect cost allocation plan for the public works administration account until July 1, 2007.

(11) \$236,000 of the public safety and education account—state is provided solely for fiscal year 2007 to implement House Bill No. 2612 (failure to secure a load). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) \$83,000 of the electrical license account—state is provided solely for fiscal year 2007 to implement Substitute House Bill No. 1841 (electrical trainees). If the bill is not enacted by June 30, 2006 the amount provided in this subsection shall lapse.

~~((14))~~ (13) The department shall prepare a report identifying programs funded either directly or indirectly from state workers' compensation funds. The report shall describe the amounts and percentages of funds used to administer identified programs, as well as the criteria used to make funding decisions. In consultation with the workers' compensation advisory committee, the department shall also develop recommendations for equitable, adequate, and stable funding sources for identified programs. The department shall submit the report and the recommendations to the house of representatives committees on appropriations and commerce and labor, or their successor committees, and the senate committees on ways and means and labor, commerce, research and development, or their successor committees, by December 1, 2006.



~~((+5))~~ (14) \$61,000 of the electrical license account—state appropriation and \$55,000 of the plumbing certificate account—state appropriation are provided solely to implement Substitute Senate Bill No. 6225 (domestic water pumping systems). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((+6))~~ (15) \$26,000 of the accident account—state appropriation and \$5,000 of the medical aid account—state appropriation are provided solely to implement Substitute Senate Bill No. 6185 (family and medical leave act). If the bill not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

Sec. 1117. 2006 c 372 s 219 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF VETERANS AFFAIRS**

(1) HEADQUARTERS

General Fund—State Appropriation (FY 2006) . . . . .	\$1,917,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$1,982,000)</del>
	<u>\$2,058,000</u>
Charitable, Educational, Penal, and Reformatory Institutions Account—State Appropriation . . . . .	\$10,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$10,000
TOTAL APPROPRIATION . . . . .	<del>(\$3,919,000)</del>
	<u>\$3,995,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department shall participate in the health technology assessment program required in section 213(6) of this act.

(b) The department shall participate in the joint health purchasing project described in section 213(7) of this act.

(c) \$25,000 of the general fund—state appropriation for fiscal year 2006 is provided for the department to conduct a feasibility study of a veterans' cemetery in eastern Washington. The study shall include location, acquisition costs, projection of continued operations costs, and revenue sources for acquisition and operations. A final report of the findings shall be submitted no later than December 15, 2005.

(d) \$70,000 of the general fund—state appropriation for fiscal year 2006 and \$70,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for implementation of Senate Bill No. 5539 (veterans conservation corps). If Senate Bill No. 5539 is not enacted by June 30, 2005, these amounts shall lapse.

(2) FIELD SERVICES

General Fund—State Appropriation (FY 2006) . . . . .	\$2,811,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$3,317,000)</del>
	<u>\$3,359,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$343,000)</del>
	<u>\$350,000</u>
General Fund—Private/Local Appropriation . . . . .	<del>(\$1,367,000)</del>
	<u>\$1,893,000</u>

Veterans Estate Management Account—Local	
Appropriation . . . . .	\$651,000
Veterans' Innovations Program Account—State	
Appropriation . . . . .	\$2,000,000
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$11,000
TOTAL APPROPRIATION . . . . .	<del>(\$10,500,000)</del>
	<u>\$11,075,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$25,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for the development of a public service announcement outreach campaign directed at returning veterans from Operation Iraqi Freedom and Operation Enduring Freedom.

(b) \$75,000 of the general fund—state appropriation for fiscal year 2006 and \$95,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the post traumatic stress counseling program expansion to address the needs of veterans returning from Iraq and Afghanistan.

(c) \$2,000,000 of the veterans' innovations program account—state appropriation for fiscal year 2007 is provided solely to implement Second Substitute House Bill No. 2754 (veterans' innovations program). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(d) \$50,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to facilitate an immediate program of outreach to Washington soldiers and their families, recognizing a need to support severely wounded and ill soldiers returning from duty in Iraq and Afghanistan. It is expected that the veterans' innovations program will also administer funds and in-kind services contributed by Washington citizens, businesses, and community organizations.

(3) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2006) . . . . .	\$5,283,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$5,946,000)</del>
	<u>\$6,490,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$36,114,000)</del>
	<u>\$36,507,000</u>
General Fund—Private/Local Appropriation . . . . .	\$28,830,000
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$187,000
TOTAL APPROPRIATION . . . . .	<del>(\$76,360,000)</del>
	<u>\$77,297,000</u>

Sec. 1118. 2006 c 372 s 221 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF HEALTH**

General Fund—State Appropriation (FY 2006) . . . . .	\$62,835,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$70,954,000)</del>
	<u>\$71,290,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$477,467,000)</del>
	<u>\$466,007,000</u>

General Fund—Private/Local Appropriation . . . . .	<del>(\$104,867,000)</del>
	<u>\$106,083,000</u>
Hospital Commission Account—State Appropriation . . . . .	<del>(\$1,521,000)</del>
	<u>\$1,522,000</u>
Health Professions Account—State Appropriation . . . . .	<del>(\$53,975,000)</del>
	<u>\$54,695,000</u>
Aquatic Lands Enhancement Account—State Appropriation. . . . .	\$600,000
Emergency Medical Services and Trauma Care Systems Trust Account—State Appropriation . . . . .	\$12,579,000
Safe Drinking Water Account—State Appropriation . . . . .	<del>(\$2,917,000)</del>
	<u>\$2,918,000</u>
Drinking Water Assistance Account—Federal Appropriation. . . . .	<del>(\$16,179,000)</del>
	<u>\$16,182,000</u>
Waterworks Operator Certification—State Appropriation. . . . .	\$1,099,000
Drinking Water Assistance Administrative Account— State Appropriation . . . . .	\$326,000
Water Quality Account—State Appropriation . . . . .	<del>(\$3,693,000)</del>
	<u>\$3,694,000</u>
State Toxics Control Account—State Appropriation . . . . .	\$2,852,000
Medical Test Site Licensure Account—State Appropriation. . . . .	<del>(\$1,798,000)</del>
	<u>\$1,951,000</u>
Youth Tobacco Prevention Account—State Appropriation . . . . .	<del>(\$1,806,000)</del>
	<u>\$1,606,000</u>
Public Health Supplemental Account—Private/Local Appropriation. . . . .	\$3,306,000
Accident Account—State Appropriation . . . . .	\$277,000
Medical Aid Account—State Appropriation . . . . .	\$46,000
Health Services Account—State Appropriation . . . . .	<del>(\$41,942,000)</del>
	<u>\$43,344,000</u>
Tobacco Prevention and Control Account—State Appropriation. . . . .	<del>(\$52,684,000)</del>
	<u>\$52,685,000</u>
Pension Funding Stabilization Account—State Appropriation. . . . .	\$144,000
TOTAL APPROPRIATION . . . . .	<del>(\$913,867,000)</del>
	<u>\$906,041,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) The department or any successor agency is authorized to raise existing fees charged for the clandestine drug lab program, the drinking water program, radioactive materials license fees, X-ray facility registration fees, shellfish commercial paralytic shellfish poisoning fees, the water recreation program, the wastewater management program, newborn specialty clinic fees, acute care hospitals, psychiatric hospitals, child birth centers, correctional medical

facilities, alcoholism hospitals, and the midwifery program, in excess of the fiscal growth factor pursuant to RCW 43.135.055, if necessary, to meet the actual costs of conducting business and the appropriation levels in this section. However, the department may not raise existing fees charged for the midwifery program by more than twenty percent over the biennium and from July 1, 2006, through June 30, 2007, the annual fees for new or renewed licenses shall be no greater than \$450.

(2) \$1,363,000 of the general fund—state fiscal year 2006 appropriation, \$1,363,000 of the general fund—state fiscal year 2007 appropriation, and \$676,000 of the general fund—local appropriation are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action items, DOH-01, DOH-02, DOH-03, and DOH-04.

(3) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation that provides appropriation authority, and an equal amount of appropriated state moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(4) \$383,000 of the general fund—state appropriation for fiscal year 2006, \$317,000 of the general fund—state appropriation for fiscal year 2007, and \$600,000 of the aquatic lands enhancement account appropriation are provided solely to assist counties in marine areas complete on-site sewage system management plans and electronic data bases to inventory on-site sewage systems.

(5) \$60,000 of the health professions account appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5470 (prescription importation). If Engrossed Substitute Senate Bill No. 5470 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(6) \$268,000 of the health professions account appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 2266 (precursor drugs). If Engrossed Substitute House Bill No. 2266 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(7) \$42,000 of the health professions account appropriation is provided solely for implementation of Second Substitute House Bill No. 1168 (prescription reimportation). If Second Substitute House Bill No. 1168 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(8) \$100,000 of the general fund—state appropriation for fiscal year 2006 and \$620,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the department to implement a multi-year pilot project covering Adams, Chelan, Douglas, Grant, Okanogan, Skagit, and Franklin counties for persons with household income at or below 200 percent of the

federal poverty level who are ineligible for family planning services through the medicaid program. Individuals who will be served under the pilot program include women who have never been pregnant, are not currently pregnant, or are beyond the family planning extension period allowed for first steps program eligibility. It is anticipated that the pilot program will serve over 500 women. The department will provide a preliminary report to the appropriate committees of the legislature by January 1, 2006, and a final report by January 1, 2007.

(9) \$462,000 of the general fund—private/local appropriation is provided solely to support specialty clinics that provide treatment services to children that are identified with one of the five heritable or metabolic disorders added to the newborn screening panel by the state board of health in 2003.

(10) \$125,000 of the general fund—state appropriation for fiscal year 2006 and \$125,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the farmers' market nutrition program of the special supplemental nutrition program for women, infants and children. It is anticipated that these funds will enable the department to expand 2004 participation levels by 8,000 persons annually.

(11) \$100,000 of the general fund—state appropriation for fiscal year 2006 and \$200,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the infertility prevention project to implement effective prevention strategies designed to reduce the prevalence of chlamydia and gonorrhea and their potentially debilitating complications.

(12) With funds appropriated in this section, the medical advisory committee to the early detection breast and cervical cancer screening program shall study and recommend strategies for adopting emerging technologies and best practices from the national, state, and local levels in the field of early prevention and detection for breast and cervical cancer, and assist the early detection breast and cervical cancer screening program in implementing policy that follows the best practices of high quality health care for clinical, diagnostic, preventative, pathologic, radiological, and oncology services. The committee will report its recommendations to the legislature by December 15, 2006.

(13) \$25,000 of the general fund—state appropriation for fiscal year 2006 is provided solely to develop and implement best practices in preventative health care for children. The department and the kids get care program of public health - Seattle and King county will work in collaboration with local health care agencies to disseminate strategic interventions that are focused on evidence-based best practices for improving health outcomes in children and saving health-care costs.

(14) \$48,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1075 (nursing quality commission). If Substitute House Bill No. 1075 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(15) \$74,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1137 (physical therapy). If Substitute House Bill No. 1137 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(16) \$109,000 of the health professions account appropriation is provided solely for implementation of House Bill No. 1546 (naturopathic physicians). If

House Bill No. 1546 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(17) \$80,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1689 (dental health services). If Substitute House Bill No. 1689 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(18) \$42,000 of the general fund—state appropriation for fiscal year 2006 and \$24,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1605 (soil contamination). If Engrossed Second Substitute House Bill No. 1605 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(19) \$40,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for implementation of Substitute House Bill No. 1951 (vision exams for children). If Substitute House Bill No. 1951 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(20) \$43,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for implementation of Engrossed Senate Bill No. 5049 (mold in residential units). If Engrossed Senate Bill No. 5049 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(21) \$26,000 of the general fund—state appropriation for fiscal year 2006 and \$12,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for implementation of Senate Bill No. 5311 (autism task force). If Senate Bill No. 5311 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(22) \$168,000 of the health services account appropriation is provided solely for a two-year pilot project under which parents have the option to choose vaccines which do not contain mercury.

(23) \$750,000 of the health services account—state appropriation is provided solely to add one or more combination vaccines to the universal access to childhood immunizations program. The vaccine or vaccines to be added shall be selected by the department after a clinical and cost-effectiveness review by the state vaccine advisory committee. The review shall consider at least the following criteria: (a) The likelihood that use of the combination vaccine will increase childhood immunization rates; (b) the vaccine's relative effectiveness, and the prevalence and seriousness of the conditions it prevents; (c) the relative cost of the vaccine, after accounting for the extent to which it would replace some single injection antigens; and (d) the extent to which the vaccine is mercury-free. The projected 2007-09 state cost of the combination vaccine or vaccines added pursuant to this review shall not exceed \$3,000,000.

(24) \$151,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for a grant to the Kitsap county health district. The funding shall be used to increase the number of women who receive professional support after delivery through a home visit or telephone call by the county health district. In order to receive the funds, Kitsap county health district must provide an equal amount of matching funds.

~~((26))~~ (25) \$324,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for implementation of Second Substitute House Bill

No. 2342 (health care declarations). If Second Substitute House Bill No. 2342 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((27))~~ (26) \$432,000 of the general fund—state appropriation for fiscal year 2007 and \$21,000 of the health professions account appropriation are provided solely for implementation of Second Substitute House Bill No. 2292 (health care liability reform) including sections 105 through 112 of the bill. If Second Substitute House Bill No. 2292 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((28))~~ (27) \$96,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 2974 (health professions discipline). If Substitute House Bill No. 2974 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((29))~~ (28) The department of health shall evaluate alternative models for funding the regulation of the health professions, including charging an equivalent fee for all licensed, certified, and registered health professions. The department will provide a report to the appropriate committees of the legislature on the potential fiscal and programmatic benefits and challenges of such alternative models by December 1, 2006.

~~((30))~~ (29) \$50,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement Substitute House Bill No. 2985 (foster care health unit). If Substitute House Bill No. 2985 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((31))~~ (30) \$54,000 of the general fund—state appropriation for fiscal year 2007 and \$183,000 of the health professions account appropriation are provided solely for implementation of Engrossed Senate Bill No. 6194 (multicultural education/health). If Engrossed Senate Bill No. 6194 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((32))~~ (31) \$118,000 of the health professions account appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 1850. If Engrossed Substitute House Bill No. 1850 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((33))~~ (32) \$173,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the state board of health to provide staff support to the governor's interagency committee on health disparities, as provided in Senate Bill No. 6197. If Senate Bill No. 6197 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((34))~~ (33) \$119,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the state board of health to conduct health impact assessments, as provided in Senate Bill No. 6197. If Senate Bill No. 6197 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((35))~~ (34) \$327,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the department to conduct a survey of health professional demographics and practice patterns, as provided in Senate Bill No. 6193. If Senate Bill No. 6193 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((36))~~ (35) \$200,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to develop and maintain a database showing the statewide incidence and provenance of hepatitis C infections, and to conduct a

public information campaign on transmission, prevention, detection, and treatment of the disease.

~~((37))~~ (36) \$50,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the department to implement a prostate cancer public awareness and education campaign. The campaign shall place special emphasis on early education for men over forty, African-American men, and men who are at high risk for prostate cancer according to the guidelines of the American cancer society.

~~((38))~~ (37) \$130,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 6239 (controlled substances) including sections 201 through 203 of the bill. If Engrossed Second Substitute Senate Bill No. 6239 is not enacted by June 30, 2006, the amount provide in this subsection shall lapse.

~~((39))~~ (38) Appropriations in this section assume savings attributable to House Bill No. 2632 (HIV insurance coverage program).

~~((40))~~ (39) \$27,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement Engrossed Substitute House Bill No. 2884 (reclaimed water). If the bill is not enacted by June 30, 2006, these funds shall be used solely for the department to coordinate with the department of ecology or development and adoption of rules relating to reclaimed water.

Sec. 1119. 2006 c 372 s 222 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF CORRECTIONS.** The appropriations to the department of corrections in this act shall be expended for the programs and in the amounts specified herein. However, after May 1, ~~((2006))~~ 2007, after approval by the director of financial management and unless specifically prohibited by this act, the department may transfer general fund—state appropriations for fiscal year ~~((2006))~~ 2007 between programs. The department shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds and not federal funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any deviations from appropriation levels. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund—State Appropriation (FY 2006) . . . . .	\$46,867,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>((59,681,000))</del>
	<u>\$50,815,000</u>
General Fund—Federal Appropriation . . . . .	\$1,022,000
Violence Reduction and Drug Enforcement Account—	
State Appropriation . . . . .	\$26,000
Public Safety and Education Account—State	
Appropriation. . . . .	\$2,774,000
Pension Funding Stabilization Account—State	
Appropriation. . . . .	\$245,000



TOTAL APPROPRIATION . . . . . ~~(\$110,615,000)~~  
\$101,749,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$5,250,000 of the general fund—state appropriation for fiscal year 2006 and ~~(\$17,250,000)~~ \$7,861,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for phase three of the department's offender-based tracking system replacement project. This amount is conditioned on the department satisfying the requirements of section 902 of this act.

(b) \$26,000 of the general fund—state appropriation for fiscal year 2006 and \$44,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute House Bill No. 1402 (offender travel or transfer). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(c) \$35,000 of the general fund—state appropriation for the fiscal year 2007 is provided solely for the establishment and support of a statewide council on mentally ill offenders that includes as its members representatives of community-based mental health treatment programs, current or former judicial officers, and directors and commanders of city and county jails and state prison facilities. The council will begin to investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental disorders who have a history of offending or who are at-risk of offending, including their mental health, physiological, housing, employment, and job training needs.

(2) CORRECTIONAL OPERATIONS

General Fund—State Appropriation (FY 2006) . . . . . \$524,561,000  
 General Fund—State Appropriation (FY 2007) . . . . . ~~(\$555,895,000)~~  
\$559,488,000  
 General Fund—Federal Appropriation . . . . . \$3,447,000  
 Violence Reduction and Drug Enforcement Account—  
     State Appropriation . . . . . \$2,984,000  
 Pension Funding Stabilization Account—State  
     Appropriation . . . . . \$2,269,000  
 TOTAL APPROPRIATION . . . . . ~~(\$1,089,156,000)~~  
\$1,092,749,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) For the acquisition of properties and facilities, the department of corrections is authorized to enter into financial contracts, paid for from operating resources, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. This authority applies to the following: Lease-develop with the option to purchase or lease-purchase work release beds in facilities throughout the state for \$8,561,000.

(b) The department may expend funds generated by contractual agreements entered into for mitigation of severe overcrowding in local jails. Any funds generated in excess of actual costs shall be deposited in the state general fund.

Expenditures shall not exceed revenue generated by such agreements and shall be treated as recovery of costs.

(c) The department shall provide funding for the pet partnership program at the Washington corrections center for women at a level at least equal to that provided in the 1995-97 biennium.

(d) The department shall accomplish personnel reductions with the least possible impact on correctional custody staff, community custody staff, and correctional industries. For the purposes of this subsection, correctional custody staff means employees responsible for the direct supervision of offenders.

(e) During the 2005-07 biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account.

(f) The department shall ~~((participation))~~ participate in the health technology assessment program required in section 213(6) of this act. The department shall also participate in the joint health purchasing project described in section 213(7) of this act.

(g) The Harborview medical center shall provide inpatient and outpatient hospital services to offenders confined in department of corrections facilities at a rate no greater than the average rate that the department has negotiated with other community hospitals in Washington state.

(h) \$1,060,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for implementation of section 3 of Second Substitute Senate Bill No. 6319 (failure to register). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(i) \$384,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for implementation of Second Substitute Senate Bill No. 6460 (crimes with sexual motivation). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(j) \$91,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for implementation of section 2 of Second Substitute Senate Bill No. 6172 (possession of child pornography). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(k) \$763,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for implementation of sections 102, 301, and 302 of Engrossed Second Substitute Senate Bill No. 6239 (controlled substances). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(3) COMMUNITY SUPERVISION

General Fund—State Appropriation (FY 2006) . . . . .	\$89,217,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$92,477,000)</del>
	<u>\$99,901,000</u>

Public Safety and Education Account—State	
Appropriation . . . . .	<del>(\$16,796,000)</del>
	<u>\$16,833,000</u>
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$449,000
TOTAL APPROPRIATION . . . . .	<del>(\$198,939,000)</del>
	<u>\$206,400,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department shall accomplish personnel reductions with the least possible impact on correctional custody staff, community custody staff, and correctional industries. For the purposes of this subsection, correctional custody staff means employees responsible for the direct supervision of offenders.

(b) \$268,000 of the general fund—state appropriation for fiscal year 2006 and \$484,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute House Bill No. 1402 (offender travel or transfer). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(c) \$122,000 of the general fund—state appropriation for fiscal year 2006 and \$82,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of House Bill No. 1136 (electronic monitoring system). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(d) \$59,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for implementation of section 4 of Second Substitute Senate Bill No. 6319 (failure to register). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(e) \$666,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for implementation of section 303 of Engrossed Second Substitute Senate Bill No. 6239 (controlled substances). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(4) CORRECTIONAL INDUSTRIES

General Fund—State Appropriation (FY 2006) . . . . .	\$838,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$882,000)</del>
	<u>\$887,000</u>
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$3,000
TOTAL APPROPRIATION . . . . .	<del>(\$1,723,000)</del>
	<u>\$1,728,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: \$110,000 of the general fund—state appropriation for fiscal year 2006 and \$110,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for transfer to the jail industries board. The board shall use the amounts provided only for administrative expenses, equipment purchases, and technical assistance associated with advising cities and counties in developing, promoting, and implementing consistent, safe, and efficient offender work programs.

## (5) INTERAGENCY PAYMENTS

General Fund—State Appropriation (FY 2006)	\$37,289,000
General Fund—State Appropriation (FY 2007)	(\$38,662,000)
	<u>\$39,095,000</u>
TOTAL APPROPRIATION	(\$75,951,000)
	<u>\$76,384,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: \$130,000 of the general fund—state appropriation for fiscal year 2006 and \$196,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for expenditures related to the *Farrakhan v. Locke* litigation.

**Sec. 1120.** 2006 c 372 s 225 (uncodified) is amended to read as follows:

**FOR THE EMPLOYMENT SECURITY DEPARTMENT**

General Fund—State Appropriation (FY 2006)	\$60,000
General Fund—State Appropriation (FY 2007)	\$60,000
General Fund—Federal Appropriation	(\$260,228,000)
	<u>\$260,256,000</u>
General Fund—Private/Local Appropriation	(\$31,966,000)
	<u>\$31,974,000</u>
Unemployment Compensation Administration Account—	
Federal Appropriation	(\$200,541,000)
	<u>\$200,625,000</u>
Administrative Contingency Account—State	
Appropriation	(\$16,866,000)
	<u>\$16,869,000</u>
Employment Service Administrative Account—State	
Appropriation	(\$24,491,000)
	<u>\$24,497,000</u>
TOTAL APPROPRIATION	(\$534,212,000)
	<u>\$534,341,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(1) \$2,087,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the Social Security Act (Reed Act). This amount is provided to replace obsolete information technology infrastructure.

(2) \$12,735,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the Social Security Act (Reed Act). This amount is authorized for state choice administrative functions. The department shall submit recommendations by September 1, 2007, to the office of financial management and the legislative fiscal committees for options reducing the costs of the state choice administrative functions for the 2007-2009 biennium. If these options require any statutory changes, the department shall submit agency request legislation to the appropriate legislative policy committees and fiscal committees by December 15, 2007.

(3) \$2,300,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the Social Security Act (Reed Act). This amount is authorized to continue implementation of chapter 4, Laws of 2003 2nd sp. sess. and for implementation costs relating to Engrossed House Bill No. 2255 (unemployment insurance).

(4) \$4,578,000 of the unemployment compensation administration account—federal appropriation is provided from funds made available to the state by section 903(d) of the Social Security Act (Reed Act). These funds are authorized to provide direct services to unemployment insurance claimants and providing job search review.

**PART XII  
NATURAL RESOURCES**

**Sec. 1201.** 2006 c 372 s 302 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund—State Appropriation (FY 2006) . . . . .	\$40,744,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$44,131,000)</del>
	<u>\$45,836,000</u>
General Fund—Federal Appropriation . . . . .	\$74,678,000
General Fund—Private/Local Appropriation . . . . .	\$13,290,000
Special Grass Seed Burning Research	
Account—State Appropriation . . . . .	\$14,000
Reclamation Account—State Appropriation . . . . .	\$2,778,000
Flood Control Assistance Account—State	
Appropriation . . . . .	\$3,422,000
State Emergency Water Projects Revolving	
Account—State Appropriation . . . . .	\$1,312,000
Waste Reduction/Recycling/Litter Control—State	
Appropriation . . . . .	\$15,081,000
State Drought Preparedness Account—State	
Appropriation . . . . .	\$225,000
State and Local Improvements Revolving	
Account (Water Supply Facilities)—State	
Appropriation . . . . .	\$386,000
Vessel Response Account—State Appropriation . . . . .	\$2,876,000
Site Closure Account—State Appropriation . . . . .	\$656,000
Water Quality Account—State Appropriation . . . . .	\$28,085,000
Wood Stove Education and Enforcement	
Account—State Appropriation . . . . .	\$357,000
Worker and Community Right-to-Know	
Account—State Appropriation . . . . .	\$2,153,000
State Toxics Control Account—State Appropriation . . . . .	<del>(\$84,319,000)</del>
	<u>\$84,426,000</u>
State Toxics Control Account—Private/Local	
Appropriation . . . . .	\$380,000
Local Toxics Control Account—State Appropriation . . . . .	\$5,424,000
Water Quality Permit Account—State Appropriation . . . . .	\$32,468,000

Underground Storage Tank Account—State Appropriation . . . . .	\$2,889,000
Environmental Excellence Account—State Appropriation . . . . .	\$504,000
Biosolids Permit Account—State Appropriation . . . . .	\$853,000
Hazardous Waste Assistance Account—State Appropriation . . . . .	\$5,171,000
Air Pollution Control Account—State Appropriation . . . . .	\$11,206,000
Oil Spill Prevention Account—State Appropriation . . . . .	\$11,078,000
Air Operating Permit Account—State Appropriation . . . . .	\$2,922,000
Freshwater Aquatic Weeds Account—State Appropriation . . . . .	\$2,144,000
Oil Spill Response Account—State Appropriation . . . . .	\$7,079,000
Metals Mining Account—State Appropriation . . . . .	\$14,000
Water Pollution Control Revolving Account—State Appropriation . . . . .	\$485,000
Water Pollution Control Revolving Account—Federal Appropriation . . . . .	\$2,357,000
Freshwater Aquatic Algae Control Account—State Appropriation . . . . .	\$509,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$186,000
TOTAL APPROPRIATION . . . . .	<del>(\$400,176,000)</del> <u>\$401,988,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,526,196 of the general fund—state appropriation for fiscal year 2006, \$2,526,195 of the general fund—state appropriation for fiscal year 2007, \$366,000 of the general fund—federal appropriation, \$2,581,000 of the state toxics account—state appropriation, \$540,806 of the water quality account—state appropriation, \$3,748,220 of the water quality permit account—state appropriation, and \$705,000 of the oil spill prevention account are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action items DOE-01, DOE-02, DOE-04, DOE-06, DOE-07, DOE-08, and DOE-09.

(2) As described in section 129(7) of this act, the department shall make recommendations and report on monitoring activities related to salmon recovery.

(3) \$4,054,000 of the state toxics control account appropriation is provided solely for methamphetamine lab clean-up activities and for the clean up of toxic waste, focusing on clean up within and around Puget Sound.

(4) \$170,000 of the oil spill prevention account appropriation is provided solely for implementation of the Puget Sound conservation and recovery plan action item UW-02 through a contract with the University of Washington's sea grant program to continue an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

(5) ~~(\$2,500,000)~~ \$1,567,552 of the general fund—state appropriation for fiscal year 2006 and ~~(\$2,000,000)~~ \$2,932,448 of the general fund—state appropriation for fiscal year 2007 are provided solely for shoreline grants to local governments to implement Substitute Senate Bill No. 6012 (shoreline management), chapter 262, Laws of 2003.

(6) \$156,000 of the general fund—state appropriation for fiscal year 2006 and \$144,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to expand the department's pilot program for processing 401 water quality certification projects to a statewide process and timeline to meet improved permit processing accountability and timelines, which will result in 90 percent of routine certifications occurring within 90 days of application, and acknowledgement of receipt of the application being sent within 10 days.

(7) Fees approved by the department of ecology in the 2005-07 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(8) \$100,000 of the general fund—state appropriation for fiscal year 2006 and \$100,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to support water measurement and water storage components of the Columbia River Initiative Program.

(9) \$509,000 of the freshwater aquatic algae control account—state is provided solely for implementation of Engrossed Substitute Senate Bill No. 5699 (aquatic invasive species). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(10) \$250,000 of the state toxics control account—state appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 1605 (soil contamination). If the bill is not enacted by June 30, 2005, the amount in this subsection shall lapse.

(11) \$200,000 of the water quality account—state appropriation is provided solely for the department to contract with the state conservation commission to provide statewide coordination and support for coordinated resource management.

(12) The department shall assist the office of regulatory assistance in implementing activities consistent with the governor's regulatory improvement program. The department shall support and provide expertise to facilitate, coordinate, and simplify citizen and business interactions so as to improve state regulatory processes involving state, local, and federal stakeholders.

(13) \$196,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement Engrossed Substitute House Bill No. 2884 (reclaimed water). If the bill is not enacted by June 30, 2006, the amount provided in this subsection is provided solely to adopt rules in coordination with the department of health for all aspects of reclaimed water including: Industrial and commercial uses, land applications, direct recharge, wetland discharge, surface percolation, constructed wetlands, stream flow augmentation, and graywater use. The department must adopt the rules in a phased approach: The first phase shall be proposed for adoption by June 1, 2007, and shall include the uses of constructed treatment wetlands; and the second phase shall be adopted by December 31, 2010.

(14) \$820,000 of the oil spill prevention account—state appropriation is provided solely to implement Engrossed Second Substitute Senate Bill No. 6244 (oil spill prevention). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(15) \$2,000,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement Engrossed Second Substitute House Bill No. 2860 (Columbia river basin). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((17))~~ (16) \$340,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to support development of a wetland mitigation program in Clark county. The program will engage local, state, and federal agencies, private investors, property owners, and others in the creation of one or more wetland banks and other measures to protect habitat functions and values while accommodating urban growth in the region.

~~((18))~~ (17) \$150,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to develop a pilot water management process that will include three federally recognized treaty Indian tribes.

~~((19))~~ (18) \$130,000 of the state toxics control account—state appropriation is provided solely to support pesticide container recycling activities in Washington.

~~((20))~~ (19) \$100,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to Walla Walla county and Columbia county conservation district for habitat conservation planning and related endangered species act assurances for small irrigators and landowners.

~~((21))~~ (20) To maximize the use of amounts appropriated during this biennium for the clean up of toxic waste, focusing on clean up within and around Puget Sound, the department shall prioritize for this purpose the use of existing staff, additional FTEs added this biennium, temporary project staff, and contracted services.

~~((22))~~ (21) \$25,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to the department to collaborate with the Wenatchee watershed planning unit and Chelan county for development of a regulatory strategy, as required by the federal clean water act, to control total maximum daily loads of phosphorous to the Wenatchee river. A technically sound plan for managing phosphorous and restoring water quality in the Wenatchee river shall be provided to the appropriate committees of the legislature by July 1, 2008.

~~((23))~~ (22) \$55,000 of the general fund—state appropriation for fiscal year 2006 and \$150,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to address air quality issues for the Columbia river gorge in cooperation with the state of Oregon.

~~((24))~~ (23) \$67,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement Senate Bill No. 6861 (domestic water users). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((25))~~ (24) \$200,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the restoration of Long lake located in Kitsap county in accordance with the plan approved by the Kitsap county weed control board, the county commissioners, the citizens for improving Long lake, and the department of ecology.

~~((26))~~ (25) \$150,000 of the local toxics control account—state appropriation is provided solely for the contracting and production of the second phase report for establishing sustainable statewide regional CBRNE/Hazmat response capability. The report will, at a minimum include, a cost-benefit analysis, analysis of sustainable funding options, regional alignment and mutual aid agreements, and administration requirements.



~~((27))~~ (26) \$250,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for a pilot project that demonstrates the value of long-term management plans for small forest landowners.

(27) \$500,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for a loan to the Washington materials management and financing authority for necessary start-up costs pursuant to RCW 70.95N.310. The department shall execute an agreement with the authority for repayment of the loan.

Sec. 1202. 2006 c 372 s 303 (uncodified) is amended to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**

General Fund—State Appropriation (FY 2006) . . . . .	\$35,687,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$38,334,000)</del>
	<u>\$38,986,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$2,738,000)</del>
	<u>\$2,918,000</u>
General Fund—Private/Local Appropriation . . . . .	\$71,000
Winter Recreation Program Account—State	
Appropriation . . . . .	\$1,109,000
Off-Road Vehicle Account—State Appropriation . . . . .	\$220,000
Snowmobile Account—State Appropriation . . . . .	\$4,805,000
Aquatic Lands Enhancement Account—State	
Appropriation . . . . .	\$345,000
Parks Renewal and Stewardship Account—State	
Appropriation . . . . .	<del>(\$38,702,000)</del>
	<u>\$35,425,000</u>
Public Safety and Education Account—State	
Appropriation . . . . .	\$47,000
Parks Renewal and Stewardship Account—Private/Local	
Appropriation . . . . .	\$300,000
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$191,000
TOTAL APPROPRIATION . . . . .	<del>(\$122,549,000)</del>
	<u>\$120,104,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Fees approved by the state parks and recreation commission in the 2005-07 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(2) \$79,000 of the general fund—state appropriation for fiscal year 2006 and \$79,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for a grant for the operation of the Northwest avalanche center.

(3) \$191,000 of the aquatic lands enhancement account appropriation is provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action item PRC-02.

(4) \$185,000 of the parks renewal and stewardship account—state appropriation is provided solely to develop a plan for public education and tourist orientation and interpretation at selected state park sites along the route of the ice age floods from Spokane to the Pacific ocean.

(5) Until July 1, 2007, the commission may not charge fees for general park access or parking. Funding of \$500,000 of the general fund—state appropriation for fiscal year 2006 and \$2,636,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to compensate the state parks and recreation commission for lost revenue from general park access or parking fees.

(6) \$750,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for repair and maintenance costs at state parks.

(7) \$200,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for employee retirement buyout costs.

(8) \$40,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for computer network hardware and software, and for backup drives and tapes.

**Sec. 1203.** 2006 c 372 s 306 (uncodified) is amended to read as follows:

**FOR THE CONSERVATION COMMISSION**

General Fund—State Appropriation (FY 2006) . . . . .	\$2,235,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$2,256,000)</del>
	<u>\$2,745,000</u>
General Fund—Federal Appropriation . . . . .	\$250,000
Water Quality Account—State Appropriation . . . . .	\$4,178,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$3,000
TOTAL APPROPRIATION . . . . .	<del>(\$8,922,000)</del>
	<u>\$9,411,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$197,000 of the general fund—state appropriation for fiscal year 2006 and \$197,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action item CC-01.

(2) As described in section 129(7) of this act, the department shall make recommendations and report on monitoring activities related to salmon recovery.

(3) \$100,000 of the general fund—state appropriation for fiscal year 2006 and \$100,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to implement Substitute House Bill No. 1462 (relating to funding for conservation districts). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

**Sec. 1204.** 2006 c 372 s 307 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**

General Fund—State Appropriation (FY 2006) . . . . .	\$46,692,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$46,856,000)</del>
	<u>\$48,282,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$49,100,000)</del>
	<u>\$50,400,000</u>
General Fund—Private/Local Appropriation . . . . .	\$36,089,000
Off-Road Vehicle Account—State Appropriation . . . . .	\$392,000
Aquatic Lands Enhancement Account—State Appropriation . . . . .	\$5,820,000

Recreational Fisheries Enhancement—State	
Appropriation . . . . .	\$3,753,000
Warm Water Game Fish Account—State Appropriation . . . . .	\$2,904,000
Eastern Washington Pheasant Enhancement	
Account—State Appropriation . . . . .	\$750,000
Wildlife Account—State Appropriation . . . . .	<del>(\$61,946,000)</del>
	<u>\$62,406,000</u>
Wildlife Account—Federal Appropriation . . . . .	\$33,029,000
Wildlife Account—Private/Local Appropriation . . . . .	<del>(\$10,386,000)</del>
	<u>\$11,586,000</u>
Game Special Wildlife Account—State Appropriation . . . . .	\$2,883,000
Game Special Wildlife Account—Federal Appropriation . . . . .	\$8,863,000
Game Special Wildlife Account—Private/Local	
Appropriation . . . . .	\$469,000
Public Safety and Education Account—State	
Appropriation . . . . .	\$588,000
Environmental Excellence Account—State Appropriation . . . . .	\$15,000
Regional Fisheries Salmonid Recovery	
Account—Federal Appropriation . . . . .	\$2,755,000
Oil Spill Prevention Account—State Appropriation . . . . .	\$1,043,000
Oyster Reserve Land Account—State Appropriation . . . . .	\$411,000
Aquatic Invasive Species Prevention Account—State	
Appropriation . . . . .	\$528,000
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$248,000
TOTAL APPROPRIATION . . . . .	<del>(\$315,520,000)</del>
	<u>\$319,906,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) As described in section 129(7) of this act, the department shall make recommendations and report on monitoring activities related to salmon recovery.
- (2) \$1,556,714 of the general fund—state appropriation for fiscal year 2006 and \$1,556,713 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action items DFW-01 through DFW-06, DFW-08 through DFW-12, and DFW-16.
- (3) \$225,000 of the general fund—state appropriation for fiscal year 2006 and \$225,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of hatchery reform recommendations defined by the hatchery scientific review group.
- (4) The department shall support the activities of the aquatic nuisance species coordination committee to foster state, federal, tribal, and private cooperation on aquatic nuisance species issues. The committee shall strive to prevent the introduction of nonnative aquatic species and to minimize the spread of species that are introduced.
- (5) The department shall emphasize enforcement of laws related to protection of fish habitat and the illegal harvest of salmon and steelhead. Within

the amount provided for the agency, the department shall provide support to the department of health to enforce state shellfish harvest laws.

(6) \$180,000 of the wildlife account—state appropriation is provided solely to test deer and elk for chronic wasting disease and to document the extent of swan lead poisoning. Of this amount, \$65,000 is provided solely to document the extent of swan lead poisoning and to begin environmental cleanup.

(7) The department shall provide quarterly status reports to the office of financial management regarding the replacement of the Washington interactive licensing system and the implementation of the hydraulic permit management system.

(8) The department shall prepare a report detailing the hydraulic permit approval program applications and project types. The department shall coordinate with the office of financial management in determining the contents of the report. At minimum, the report shall include permits by applicant (name, state, local, federal, tribal entity, etc.), project type (pamphlet, minor, medium, major, extension, revision, etc.) and project location (county and water resource inventory area). The department shall submit the report to the office of financial management and legislative fiscal committees no later than September 1, 2006.

(9) \$700,000 of the general fund—federal appropriation is provided solely for environmental data quality and access projects in support of state salmon recovery efforts. The department shall coordinate planning and implementation of all activities with the department of information services and the governor's salmon recovery office. The department shall make certain that any activity using these funds is consistent with recommendations to be submitted (per section 405, chapter 488, Laws of 2005) in the joint report to the legislature and office of financial management on December 1, 2006.

(10) \$100,000 of the general fund—state appropriation for fiscal year 2006 and \$400,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the U.S. Army Corps of Engineers.

(11) \$72,000 of the state wildlife account—state appropriation is provided solely to implement House Bill No. 1211 (multiple season big game permit). If the bill is not enacted by June 30, 2005, the amount provided in this section shall lapse.

(12) \$528,000 of the aquatic invasive species prevention account—state appropriation is provided solely to implement Senate Bill No. 5699 (preventing and controlling aquatic invasive species and algae). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(13) \$703,000 of the general fund—state appropriation for fiscal year 2006 is provided solely to purchase six purse seine and three gill net licenses to meet the provisions of the United States/Canada salmon treaty.

(14) \$10,000 of the general fund—state appropriation for fiscal year 2006 and \$10,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for chum salmon production at Minter creek hatchery.

(15) \$45,000 of the general fund—federal appropriation for fiscal year 2006 and \$45,000 of the general fund—federal appropriation for fiscal year 2007 are provided solely for the management of Canada goose seasons to increase the number of hunting days in southwest Washington.

(16) \$46,000 of the wildlife account—state appropriation is provided solely to increase the number of courses providing the hunter education training program created in RCW 77.32.155. The department shall reduce the current backlog of applicants waiting to take the training program and provide for a stable supply of training program courses in order to avoid future backlogs.

(17) \$481,000 of the wildlife account—state appropriation is provided solely to continued operation of the Naselle Hatchery during the 2005-07 biennium. This will increase production by 3 million Chinook, 1 million Coho, and 30,000 trout.

(18) \$223,000 of the wildlife account—state appropriation is provided solely to implement Senate Bill No. 5227 (wildlife harvest reports). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(19) \$50,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for federal match funding for the control of predators that damage livestock, crops, and property.

(20) \$85,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the department to produce educational materials discouraging activities that harm or disturb the spawning beds of salmon and steelhead. Discouraged activities include, but are not limited to, wading on spawning beds, driving motor vehicles on spawning beds, use of high-powered jet or propeller-driven boats across spawning beds, dragging anchors through spawning beds, digging or removing gravel from spawning beds, or any other physical disturbance capable of disturbing spawning fish or damaging or destroying nests of incubating eggs.

(a) The educational materials produced by the department in accordance with this subsection must include, at a minimum, brochures that are to be disseminated to persons applying for fishing and boating licenses statewide. The department must also distribute the brochures widely to retail outlets that cater to outdoor recreation.

(b) The department shall work cooperatively with the tribal fishery comanagers in the development of the educational materials under this section.

(c) The department shall report to the legislature concerning the effectiveness of this subsection after at least two spawning cycles of salmon and steelhead have occurred.

(21) Within the amounts appropriated in this section, by December 1, 2006, the department shall:

(a) Submit a report detailing the reductions required by omnibus appropriations acts since 1997 for activities supported by the state wildlife fund; and

(b) Submit quarterly revenue and expenditure reports for the state wildlife account based on current revenue forecasts to the office of financial management and the fiscal committees of the legislature(~~(; and)~~).

(22) The department shall assist the office of regulatory assistance in implementing activities consistent with the governor's regulatory improvement program. The department shall support and provide expertise to facilitate, coordinate, and simplify citizen and business interactions so as to improve state regulatory processes involving state, local, and federal stakeholders.

(23) \$408,000 of the general fund—state appropriation for fiscal year 2006 ~~(is)~~ and \$200,000 of the general fund—state appropriation for fiscal year 2007

are provided solely for fire suppression and remediation activities on department lands and facilities that were impacted during the 2005 and 2006 fire season. Funding shall be used for fire suppression, winter feeding, seeding, planting vegetation, fertilizing, weed control, and the establishment of water bars and other erosion control measures.

(24) \$266,000 of the general fund—state appropriation for fiscal year 2006 and \$214,000 of the state wildlife account—state appropriation are provided solely for the continued operation of the Nemah, Mossyrock, Omak, Colville, Arlington, and Columbia Basin hatcheries during the 2005-07 biennium. Funding shall be used to offset the increased cost of utilities, fuel, fish feed, and mitigation obligations previously funded from local sources. The department shall consult with the appropriate natural resource and fiscal committees of the legislature prior to submitting a 2007-09 budget proposal that changes current hatchery operations, production, and/or maintenance to the office of financial management. Unless specifically authorized by the legislature, the department shall not close any hatchery facility currently in operation.

(25) \$43,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement Engrossed Substitute Senate Bill No. 5385 (invasive species council). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(26) \$76,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to pay for the added level of fishery sampling and monitoring in the upper Columbia river area as required under the endangered species act and federal court orders.

(27) \$50,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for an interagency working group scoping of a study of the sinking of ships as dive attractions. The department of fish and wildlife shall, as approved by the office of financial management, enter into an interagency agreement with the department of natural resources, the state parks and recreation commission, the department of ecology, and the department of community, trade, and economic development to delineate elements of this study. The department of fish and wildlife shall report to the office of financial management and the appropriate committees of the legislature no later than November 15, 2006.

(28) \$500,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to increase fish production levels on a statewide basis at state-operated fish hatcheries. By July 31, 2006, the department shall submit to the appropriate policy and fiscal committees of the legislature an implementation plan that outlines in specific detail how the amount provided in this subsection will be spent in order to increase fish production. The plan will include production implementation timelines, increased production goals, by species, at identified hatcheries that will receive financial assistance, and the amount to be retained by the department for administration and overhead costs, including the purchase of any new equipment. By July 31, 2007, the department shall submit to the appropriate policy and fiscal committees of the legislature a report documenting the increased production levels, using fiscal year 2006 as the base year for comparison purposes. If the department is unable to produce the implementation plan by July 31, 2006, the amount provided in this subsection shall lapse.

(29) \$75,000 of the general fund—state appropriation in fiscal year 2007 is provided solely for the department to prevent impacts to native species by controlling the nonnative nutria population in Skagit county.

(30) \$100,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the northwest straits commission to remove lost and abandoned fishing nets and crab and shrimp pots that may be dangerous to humans and that unintentionally trap and kill endangered salmon and other aquatic species.

(31) \$4,000 of the wildlife account—state appropriation is provided solely to implement House Bill No. 1210 (temporary fishing license). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(32) Within existing appropriations and utilizing all available federal moneys allocated for the crab buy-back program, the department shall develop and implement a crab buy-back program that allows commercial crab fishers the opportunity to sell their licenses back to the state and exit from the crabbing fishery. The department shall report to the office of financial management and the appropriate fiscal committees of the legislature its detailed implementation plan no later than December 1, 2006.

(33) \$660,000 of the general fund—federal appropriation is provided solely to initiate a review of the hydraulic project approval permit rules and to undergo a public process for adoption of new or revised rules that may be needed. Upon completion, the department shall complete a habitat conservation plan for the hydraulic project approval program, and shall seek legislative review prior to adoption of new or revised rules.

(34) \$125,000 of the state wildlife account—state appropriation is provided to implement Engrossed Senate Bill No. 5232 (turkey tags). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(35) \$634,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for operations and fish production costs at department-operated Mitchell act hatchery facilities.

**Sec. 1205.** 2006 c 372 s 308 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF NATURAL RESOURCES**

General Fund—State Appropriation (FY 2006) . . . . .	\$40,473,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$53,999,000)</del>
	<u>\$89,221,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$15,215,000)</del>
	<u>\$25,525,000</u>
General Fund—Private/Local Appropriation . . . . .	\$1,276,000
Forest Development Account—State Appropriation . . . . .	<del>(\$54,697,000)</del>
	<u>\$54,842,000</u>
Off-Road Vehicle Account—State Appropriation . . . . .	<del>(\$4,001,000)</del>
	<u>\$4,026,000</u>
Surveys and Maps Account—State Appropriation . . . . .	<del>(\$2,447,000)</del>
	<u>\$2,450,000</u>
Aquatic Lands Enhancement Account—State	
Appropriation . . . . .	<del>(\$8,451,000)</del>
	<u>\$8,966,000</u>

Resources Management Cost Account—State	
Appropriation . . . . .	(\$86,332,000)
	<u>\$86,537,000</u>
Surface Mining Reclamation Account—State	
Appropriation . . . . .	(\$2,828,000)
	<u>\$2,830,000</u>
Disaster Response Account—State	
Appropriation . . . . .	\$5,000,000
Water Quality Account—State Appropriation . . . . .	(\$2,636,000)
	<u>\$2,645,000</u>
Aquatic Land Dredged Material Disposal Site	
Account—State Appropriation . . . . .	\$1,321,000
Natural Resources Conservation Areas Stewardship	
Account—State Appropriation . . . . .	\$34,000
State Toxics Control Account—State Appropriation . . . . .	\$2,155,000
Air Pollution Control Account—State Appropriation . . . . .	\$556,000
Derelict Vessel Removal Account—State Appropriation . . . . .	\$1,138,000
Agricultural College Trust Management	
Account—State Appropriation . . . . .	(\$1,966,000)
	<u>\$1,972,000</u>
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$136,000
TOTAL APPROPRIATION . . . . .	(\$284,661,000)
	<u>\$331,103,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) As described in section 129(7) of this act, the department shall make recommendations and report on monitoring activities related to salmon recovery.

(2) \$18,000 of the general fund—state appropriation for fiscal year 2006, \$18,000 of the general fund—state appropriation for fiscal year 2007, and \$1,652,050 of the aquatic lands enhancement account appropriation are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action items DNR-01 and DNR-02.

(3) \$138,000 of the resource management cost account—state appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 1896 (geoduck harvest). If the bill is not enacted by June 30, 2005, the amount in the subsection shall lapse.

(4) \$972,000 of the general fund—state appropriation for fiscal year 2006 and \$994,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(5) \$10,689,000 of the general fund—state appropriation for fiscal year 2006, ~~(\$13,635,000)~~ \$48,571,000 of the general fund—state appropriation for fiscal year 2007, and \$5,000,000 of the disaster response account—state appropriation are provided solely for emergency fire suppression. Of these amounts, up to \$250,000 may be expended for staff and other necessary resources to design and implement a fire data-collection system that includes



financial- and performance-management information for fires over 10 acres in size.

None of the general fund and disaster response account amounts provided in this subsection may be used to fund agency indirect and administrative expenses. Agency indirect and administrative costs shall be allocated among the agency's remaining accounts and appropriations.

(6) \$582,000 of the aquatic lands enhancement account appropriation is provided solely for spartina control.

(7) Fees approved by the board of natural resources in the 2005-07 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(8) \$9,000,000 of the general fund—state appropriation for fiscal year 2007 and \$2,000,000 of the aquatic lands enhancement account—state appropriation are provided solely for the purposes of settling those claims identified in *U.S., et al. v. State of Washington, et al.* Subproceeding No. 89-3 (Shellfish), United States District Court for the Western District of Washington at Seattle, Case No. C70-9213. The expenditure of this appropriation is contingent on a settlement agreement that includes the state of Washington as a party to the agreement which is fully executed by June 29, 2007, and a consent decree entered by June 29, 2007, by the United States District Court for the Western District of Washington settling and releasing the identified treaty claims to harvest shellfish previously negotiated in the settlement agreement. By June 29, 2007, the release of claims associated with the settlement agreement and consent decree must be fully effective and there must be no unfulfilled contingencies that could cause the settlement agreement or consent decree to be vacated at some future date if not fulfilled. In the event that these contingencies are not met, the amounts provided in this subsection shall lapse.

(9) \$2,155,000 of the state toxics account—state appropriation is provided solely for the department to meet its obligations with the U.S. environmental protection agency for the clean-up of Commencement Bay and other sites.

(10) The department shall not develop the Gull Harbor facility without first submitting a master plan to the appropriate committees of the legislature. The plan shall ensure continued public access to the waterfront. The plan shall also examine alternative locations to the Gull Harbor site that would colocate marine equipment for all state agencies needing water access in Thurston county. The report shall be submitted by December 1, 2006.

(11) \$250,000 of the general fund—state appropriation for fiscal year 2006, \$250,000 of the general fund—state appropriation for fiscal year 2007, and \$500,000 of the resource management cost account—state appropriation are provided solely for a report on the future of Washington forests. The purpose of the report is to examine economic, recreational, and environmental trends influencing the forest products industry and secondary manufacturing sectors in Washington state. The department shall contract with the University of Washington college of forestry resources. The college shall consult with the University of Washington economics department for the section on investment returns from granted lands. The report shall contain the following parts:

(a) An update of the 1992 timber supply study for Washington state that was conducted by the University of Washington. The update may be accomplished by reviewing the most recent similar data available in existing reports,

examining a sample of the original 1992 study sample of lands, and through other existing data sources that may reveal relevant trends and changes since 1992.

(b) An independent assessment of the economic contribution of the forest products industry, and secondary manufacturing sectors, to the state. This assessment will also examine some of the macroeconomic trends likely to affect the industry in the future.

(c) A comparison of the competitive position of Washington's forest products industry globally, and with other leading forest products states, or regions, of the United States. This evaluation should compare the relative tax burden for growing and harvesting timber between the states or regions and the relative cost of adhering to regulations, and identify the competitive advantages of each state or region.

(d) An assessment of the trends and dynamics that commercial and residential development play in the conversion of the state's forests to nonforestry uses. The assessment will involve gathering relevant data, reviewing that data, and analyzing the relationship between development and the conversion of forest land uses.

(e) Recommendations on: (i) Policy changes that would enhance the competitive position of Washington's forest products industry in Washington state; (ii) policy changes that would, to the extent possible, ensure that a productive forest land base continues to be managed for forest products, recreation, and environmental and other public benefits into the future; and (iii) policy changes that would enhance the recreational opportunities on working forest lands in the state.

(f) Based on the information derived from (a) through (d) of this subsection, an assessment of the expected rate of return from state granted lands. This section of the reports shall also review reports prepared by the department over the past ten years that describe the investment returns from granted lands. The review of these previous reports shall compare and critique the methodology and indicators used to report investment returns. The review shall recommend appropriate measures of investment returns from granted lands.

(g) Analyze and recommend policies and programs to assist Cascade foothills area landowners and communities in developing and implementing innovative approaches to retaining traditional forestry while at the same time accommodating new uses that strengthen the economic and natural benefits from forest lands. For the purposes of this section, the Cascade foothills area generally encompasses the nonurbanized lands within the Cascade mountain range and drainages lying between three hundred and three thousand feet above mean sea level, and located within Whatcom, Skagit, Snohomish, King, Pierce, Thurston, and Lewis counties.

(12) \$4,000 of the general fund—state appropriation for fiscal year 2006 and \$4,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to compensate the forest board trust for a portion of the lease to the Crescent television improvement district consistent with RCW 79.13.520.

(13) The department shall develop a multiyear work plan and schedule for mapping all applicable areas of the state for landslide hazards and earthquake hazards. The work plan and schedule shall be based on a carryforward funding

level, and shall be submitted to the office of financial management and to the fiscal committees of the legislature by June 30, 2006.

(14) \$654,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for geologic hazard research, activities, and mapping, including earthquake, landslide, and tsunami hazards.

(15) \$397,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the department to work with appropriate stakeholders and state agencies in determining how privately owned lands, in combination with other land ownership such as public and tribal lands, contribute to wildlife habitat. The assessment will also determine how commercial forest, forest lands on the urban fringe, and small privately-owned forest lands that are managed according to Washington's forest and fish prescriptions, in combination with other forest management activities, function as wildlife habitat now and in the future.

~~((17))~~ (16) \$50,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to establish a work group to study existing legislation affecting the oil and natural gas industry, and to make recommendations to that legal framework to improve the regulatory, technical, environmental, and financial framework of the oil and gas industry. The department shall report its recommendations to the legislature by December 30, 2006.

~~((18))~~ (17) \$35,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement Engrossed Senate Bill No. 5179 (forest health). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

~~((19))~~ (18) \$719,000 of the surface mining reclamation account—state appropriation is provided solely to implement Engrossed Second Substitute Senate Bill No. 6175 (surface mining). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(19) \$504,000 of the aquatic lands enhancement account—state appropriation is provided solely for expenses related to removing the hull of the S.S. Catala, shipwrecked on state-owned aquatic lands at Damon Point State Park.

**Sec. 1206.** 2006 c 372 s 309 (uncodified) is amended to read as follows:

<b>FOR THE DEPARTMENT OF AGRICULTURE</b>	
General Fund—State Appropriation (FY 2006) . . . . .	\$10,979,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$12,271,000)</del>
	<u>\$12,771,000</u>
General Fund—Federal Appropriation . . . . .	\$10,634,000
General Fund—Private/Local Appropriation . . . . .	\$413,000
Aquatic Lands Enhancement Account—State	
Appropriation . . . . .	\$1,990,000
Water Quality Account—State Appropriation . . . . .	\$972,000
State Toxics Control Account—State Appropriation . . . . .	\$3,555,000
Water Quality Permit Account—State Appropriation . . . . .	\$238,000
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$39,000
TOTAL APPROPRIATION . . . . .	<del>(\$41,091,000)</del>
	<u>\$41,591,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$37,000 of the general fund—state appropriation for fiscal year 2006 and \$37,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for implementation of the Puget Sound conservation and recovery plan and agency action item WSDA-01.

(2) Fees and assessments approved by the department in the 2005-07 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(3) Within funds appropriated in this section, the department, in addition to the authority provided in RCW 17.26.007, may enter into agreements with federal agencies to eradicate spartina from private lands that may provide a source of reinfestation to public lands.

(4) \$36,000 of the general fund—state appropriation for fiscal year 2006 and \$37,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for an economic impact study of fairs in the state of Washington.

(5) \$12,000 of the general fund—state appropriation for fiscal year 2006 and \$13,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for indemnity payments for poultry that are ordered by the department to be slaughtered or destroyed.

(6) \$250,000 of the general fund—state appropriation for fiscal year 2006 and \$250,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for market promotion and trade barrier grants.

(7) \$75,000 of the general fund—state appropriation for fiscal year 2006 and \$75,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the small farm and direct marketing program.

(8) \$306,000 of the general fund—state appropriation for fiscal year 2006 and \$160,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to complete a database application that would consolidate program information and enable the department to more effectively respond to a food safety or animal disease emergency.

(9) \$150,000 of the general fund—state appropriation for fiscal year 2006 and \$150,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to implement the Washington wine brand campaign.

(10) The department shall consult with affected agricultural industries before fees for fruit and vegetable inspections may be raised. The consultation shall include a review of current inspection services, the cost of providing those services, and the discontinuation of unnecessary services.

(11) \$85,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement Substitute House Bill No. 3033 (animal identification). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) \$30,000 of the general fund—state appropriation for fiscal year 2006 and \$110,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to implement Engrossed Substitute Senate Bill No. 6508 (renewable fuel). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(13) \$100,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to support noxious weed boards.

(14) \$500,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the purchase of agricultural products equipment. The department shall negotiate an appropriate agreement with the agriculture industry for the use of the equipment.

(15) \$50,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for spartina eradication efforts.

(16) \$26,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement Engrossed Substitute Senate Bill No. 5385 (invasive species council). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(17) \$30,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement Substitute Senate Bill No. 6377 (milk and milk products). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(18) \$500,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement the wine commission marketing campaign.

**PART XIII  
TRANSPORTATION**

**Sec. 1301.** 2006 c 372 s 402 (uncodified) is amended to read as follows:

**FOR THE STATE PATROL**

General Fund—State Appropriation (FY 2006) . . . . .	\$37,601,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$32,753,000)</del>
	<u>\$36,220,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$4,364,000)</del>
	<u>\$4,872,000</u>
General Fund—Private/Local Appropriation . . . . .	\$596,000
Death Investigations Account—State Appropriation . . . . .	<del>(\$4,628,000)</del>
	<u>\$4,591,000</u>
Public Safety and Education Account—State Appropriation . . . . .	<del>(\$3,388,000)</del>
	<u>\$3,438,000</u>
Enhanced 911 Account—State Appropriation . . . . .	\$573,000
County Criminal Justice Assistance Account—State Appropriation . . . . .	<del>(\$2,895,000)</del>
	<u>\$2,923,000</u>
Municipal Criminal Justice Assistance Account—State Appropriation . . . . .	<del>(\$1,157,000)</del>
	<u>\$1,171,000</u>
Fire Service Trust Account—State Appropriation . . . . .	\$131,000
Fire Service Training Account—State Appropriation . . . . .	\$7,560,000
State Toxics Control Account—State Appropriation . . . . .	\$469,000
Violence Reduction and Drug Enforcement Account—State Appropriation . . . . .	\$313,000
Fingerprint Identification Account—State Appropriation . . . . .	<del>(\$6,270,000)</del>
	<u>\$6,271,000</u>
Disaster Response Account—State Appropriation . . . . .	\$2,000

Aquatic Invasive Species Enforcement Account—State	
Appropriation . . . . .	\$145,000
Pension Funding Stabilization Account—State	
Appropriation . . . . .	\$102,000
TOTAL APPROPRIATION . . . . .	<del>(\$102,947,000)</del>
	<u>\$106,978,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$200,000 of the fire service training account—state appropriation is provided solely for two FTEs in the office of state fire marshal to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(2) \$145,000 of the aquatic invasive species enforcement account—state appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5699 (aquatic invasive species). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(3) \$250,000 of the general fund—state appropriation for fiscal year 2006 and \$240,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of Engrossed House Bill No. 1241 (vehicle licensing and registration). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(4) \$395,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for implementation of section 5 of Second Substitute House Bill No. 2805 (missing persons). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(5) If funding is provided through a federal grant or through a memorandum of understanding with a local government, the Washington state patrol's automatic fingerprint identification system shall be capable of instantly accepting electronic latent search records from any Washington state local law enforcement agency, to be implemented on a timeline agreed to by the patrol and the agency granting the fund source. The Washington state patrol shall notify the appropriate fiscal and policy committees of the legislature in writing upon the receipt of such federal moneys or upon the effective date of a memorandum of understanding with a local government.

(6) \$50,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the implementation of Substitute Senate Bill No. 6519 (sex offender registration). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(7) In accordance with RCW 10.97.100 and chapter 43.43 RCW, the Washington state patrol is authorized to perform and charge fees for criminal history and background checks for state and local agencies, and nonprofit and other private entities and disseminate the records. It is the policy of the state of Washington that the fees cover, as nearly as practicable, the direct and indirect costs of the criminal history and background check activities. Pursuant to RCW 43.135.055, during the 2005-2007 fiscal biennium, the Washington state patrol may increase fees in excess of the fiscal growth factor if the increases are

necessary to fully fund the direct and indirect cost of criminal history and background check activities.

**PART XIV  
EDUCATION**

**Sec. 1401.** 2006 c 372 s 501 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

<b>(1) STATE AGENCY OPERATIONS</b>	
General Fund—State Appropriation (FY 2006) . . . . .	\$13,452,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$17,151,000)</del>
	<u>\$17,376,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$23,090,000)</del>
	<u>\$23,090,000</u>
<u>Pension Funding Stabilization Account Appropriation . . . . .</u>	<u>\$165,000</u>
<b>TOTAL APPROPRIATION . . . . .</b>	<del><b>(\$53,693,000)</b></del>
	<u><b>\$54,083,000</b></u>

The appropriations in this section are subject to the following conditions and limitations:

(a) \$10,835,000 of the general fund—state appropriation for fiscal year 2006 and ~~(\$10,980,000)~~ \$10,990,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award. The students selected for the award must demonstrate understanding through completion of at least one of the classroom-based civics assessment models developed by the superintendent of public instruction, and through leadership in the civic life of their communities. The superintendent shall select two students from eastern Washington and two students from western Washington to receive the award, and shall notify the governor and legislature of the names of the recipients.

(b) \$428,000 of the general fund—state appropriation for fiscal year 2006 and ~~(\$547,000)~~ \$597,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities.

(c) \$509,000 of the general fund—state appropriation for fiscal year 2006 and ~~(\$504,000)~~ \$554,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the Washington professional educator standards board. Within the amounts provided in this subsection, the Washington professional educator standards board shall pursue the implementation of recent study recommendations including: (i) Revision of teacher mathematics endorsement competencies and alignment of teacher tests to the updated competencies, and (ii) development of mathematics specialist endorsement.

(d) \$607,000 of the general fund—state appropriation for fiscal year 2006 and ~~(\$592,000)~~ \$992,000 of the general fund—state appropriation for fiscal

year 2007 are provided solely for increased attorney general fees related to *School Districts' Alliance for Adequate Funding of Special Education et al. v. State of Washington et al.*, Thurston County Superior Court Cause No. 04-2-02000-7 and other education funding lawsuits.

(e) (~~(\$1,900,000)~~) \$1,615,000 of the general fund—state appropriation is for replacement of the apportionment system, which includes the processes that collect school district budget and expenditure information, staffing characteristics, and the student enrollments that drive the funding process.

(f)(i) \$45,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for the office of the superintendent of public instruction and the department of health to collaborate and develop a work group to assess school nursing services in class I school districts. The work group shall consult with representatives from the following groups: School nurses, schools, students, parents, teachers, health officials, and administrators. The work group shall:

(A) Study the need for additional school nursing services by gathering data about current school nurse-to-student ratios in each class I school district and assessing the demand for school nursing services by acuity levels and the necessary skills to meet those demands. The work group also shall recommend to the legislature best practices in school nursing services, including a dedicated, sustainable funding model that would best meet the current and future needs of Washington's schools and contribute to greater academic success of all students. The work group shall make recommendations for school nursing services, and may examine school nursing services by grade level. The work group shall assess whether funding for school nurses should continue as part of basic education; and

(B) In collaboration with managed care plans that contract with the department of social and health services medical assistance administration to provide health services to children participating in the medicaid and state children's health insurance program, identify opportunities to improve coordination of and access to health services for low-income children through the use of school nurse services. The work group shall evaluate the feasibility of pooling school district and managed care plan funding to finance school nurse positions in school districts with high numbers of low-income children.

(ii) The office of superintendent of public instruction shall report the work group's findings and plans for implementation to the legislature by February 1, 2006.

(g) \$78,000 of the general fund—state appropriation for fiscal year 2006 and \$228,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to provide direct services and support to schools around an integrated, interdisciplinary approach to instruction in conservation, natural resources, sustainability, and human adaptation to the environment. Of this amount, \$150,000 of the general fund—state appropriation for fiscal year 2007 is provided for deposit in the Washington natural science, wildlife, and environmental education partnership account for grants pursuant to RCW 28A.300.440. Specific integration efforts will focus on science, math, and the social sciences. Integration between basic education and career and technical education, particularly agricultural and natural sciences education, is to be a major element.



(h) \$2,896,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the creation of a statewide data base of longitudinal student information. This amount is conditioned on the department satisfying the requirements in section 902, chapter 518, Laws of 2005.

(i) \$325,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for comprehensive cultural competence and anti-bias education programs for educators and students. The office of superintendent of public instruction shall administer grants to school districts with the assistance and input of groups such as the anti-defamation league and the Jewish federation of Seattle.

(j) \$50,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for implementation of Senate Bill No. 6219 (financial literacy). If the bill is not enacted by June 30, 2006, the amount in this section is provided solely for additional efforts at promoting financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership.

(k) \$64,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the office of the superintendent of public instruction to conduct further evaluation of issues raised in the recently completed joint legislative audit and review committee report on the accounting of special education excess costs. Within the amounts provided in this subsection, the office of the superintendent of public instruction will convene a work group to evaluate modifying or replacing the current 1077 methodology. This work group will deliver a report to the appropriate committees of the legislature, including the joint legislative audit and review committee, and the office of financial management, by January 1, 2007. The work group will take into consideration recommendations of the Washington learns steering committee.

(l) \$15,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the implementation of Engrossed House Bill No. 2910 (environmental education). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(2) STATEWIDE PROGRAMS

General Fund—State Appropriation (FY 2006) . . . . .	\$12,341,000
General Fund—State Appropriation (FY 2007) . . . . .	\$18,884,000
General Fund—Federal Appropriation . . . . .	<del>(\$58,112,000)</del>
	<u>\$67,358,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$89,337,000)</del>
	<u>\$98,583,000</u>

The appropriations in this subsection are provided solely for the statewide programs specified in this subsection and are subject to the following conditions and limitations:

(a) HEALTH AND SAFETY

(i) A maximum of \$2,541,000 of the general fund—state appropriation for fiscal year 2006 and a maximum of \$2,541,000 of the general fund—state appropriation for fiscal year 2007 are provided for a corps of nurses located at educational service districts, as determined by the superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(ii) A maximum of \$96,000 of the general fund—state appropriation for fiscal year 2006 and a maximum of \$96,000 of the general fund—state appropriation for fiscal year 2007 are provided for the school safety center in the office of the superintendent of public instruction subject to the following conditions and limitations:

(A) The safety center shall: Disseminate successful models of school safety plans and cooperative efforts; provide assistance to schools to establish a comprehensive safe school plan; select models of cooperative efforts that have been proven successful; act as an information dissemination and resource center when an incident occurs in a school district either in Washington or in another state; coordinate activities relating to school safety; review and approve manuals and curricula used for school safety models and training; and develop and maintain a school safety information web site.

(B) The school safety center advisory committee shall develop a training program, using the best practices in school safety, for all school safety personnel.

(iii) A maximum of \$100,000 of the general fund—state appropriation for fiscal year 2006 and a maximum of \$100,000 of the general fund—state appropriation for fiscal year 2007 are provided for a school safety training program provided by the criminal justice training commission. The commission, in collaboration with the school safety center advisory committee, shall provide the school safety training for all school administrators and school safety personnel, including school safety personnel hired after the effective date of this section.

(iv) \$40,000 of the general fund—state appropriation is provided solely for the safety center advisory committee to develop and distribute a pamphlet to promote internet safety for children, particularly in grades seven through twelve. The pamphlet shall be posted on the superintendent of public instruction's web site. To the extent possible, the pamphlet shall be distributed in schools throughout the state and in other areas accessible to youth, including but not limited to libraries and community centers.

(v) \$10,344,000 of the general fund—federal appropriation is provided for safe and drug free schools and communities grants for drug and violence prevention activities and strategies and \$800,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for one-time backfill of the federal reductions to the safe and drug free schools and communities grant program.

(vi) A maximum of \$146,000 of the general fund—state appropriation for fiscal year 2006 and a maximum of \$146,000 of the general fund—state appropriation for fiscal year 2007 are provided for a nonviolence and leadership training program provided by the institute for community leadership. The program shall provide a request for proposal process, with up to 80 percent funding, for nonviolence leadership workshops serving at least 12 school districts with direct programming in 36 elementary, middle, and high schools throughout Washington state.

(vii) \$100,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for a pilot youth suicide prevention and information program. The office of superintendent of public instruction will work with selected school districts and community agencies in identifying effective strategies at preventing youth suicide.

(viii) \$40,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the implementation of Substitute Senate Bill No. 6580 (school notification about sex and kidnapping offenders), including section 2 of that act.

(ix) \$45,000 of the general fund state—state appropriation for fiscal year 2007 is provided solely for the development of safe school plan standards. By December 1, 2006, the Washington state school safety center advisory committee, in consultation with the superintendent of public instruction shall prepare a report with: (1) The recommended standards; (2) a potential implementation plan for those standards statewide; and (3) detailed information on the costs and other impacts on school districts from implementing the standards. The development of standards shall address requirements for school mapping and shall include a review of current research regarding safe school planning.

(b) TECHNOLOGY

A maximum of \$1,939,000 of the general fund—state appropriation for fiscal year 2006 and a maximum of \$1,939,000 of the general fund—state appropriation for fiscal year 2007 are provided for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(c) GRANTS AND ALLOCATIONS

(i) \$787,000 of the fiscal year 2006 appropriation and \$799,000 of the fiscal year 2007 appropriation are provided solely for the special services pilot projects. The office of the superintendent of public instruction shall allocate these funds to the district or districts participating in the pilot program according to the provisions of RCW 28A.630.015.

(ii) A maximum of \$548,000 of the general fund—state appropriation for fiscal year 2006 and a maximum of \$1,059,000 of the general fund—state appropriation for fiscal year 2007 are provided for alternative certification routes. Funds may be used by the professional educator standards board to continue existing alternative-route grant programs and to create new alternative-route programs in regions of the state with service shortages. Of this amount, \$511,000 of the general fund—state appropriation for fiscal year 2007 is provided for additional conditional scholarships to candidates seeking an endorsement in special education, math, science, and bilingual education.

(iii) A maximum of \$31,000 of the general fund—state appropriation for fiscal year 2006 and a maximum of \$31,000 of the general fund—state appropriation for fiscal year 2007 are provided for operation of the Cispus environmental learning center.

(iv) A maximum of (~~(\$1,224,000)~~) \$2,448,000 of the general fund—state appropriation (~~(for fiscal year 2006 and a maximum of \$1,224,000 of the general fund—state appropriation for fiscal year 2007 are)~~) is provided for in-service training and educational programs conducted by the Pacific Science Center.

(v) A maximum of (~~(\$1,079,000)~~) \$2,158,000 of the general fund—state appropriation (~~(for fiscal year 2006 and a maximum of \$1,079,000 of the general fund—state appropriation for fiscal year 2007 are)~~) is provided for the

Washington state leadership assistance for science education reform (LASER) regional partnership coordinated at the Pacific Science Center.

(vi) A maximum of \$97,000 of the general fund—state appropriation for fiscal year 2006 and a maximum of \$97,000 of the general fund—state appropriation for fiscal year 2007 are provided to support vocational student leadership organizations.

(vii) A maximum of \$146,000 of the general fund—state appropriation for fiscal year 2006 and a maximum of \$146,000 of the general fund—state appropriation for fiscal year 2007 are provided for the Washington civil liberties education program.

(viii) \$1,000,000 of the general fund—state appropriation for fiscal year 2006 and \$1,000,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the Washington state achievers scholarship program. The funds shall be used to support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars.

(ix) (~~(\$1,911,000)~~) \$2,119,000 of the general fund—federal appropriation is provided for the advanced placement fee program to increase opportunities for low-income students and under-represented populations to participate in advanced placement courses and to increase the capacity of schools to provide advanced placement courses to students.

(x) \$5,532,000 of the general fund—federal appropriation is provided for comprehensive school reform demonstration projects to provide grants to low-income schools for improving student achievement through adoption and implementation of research-based curricula and instructional programs.

(xi) (~~(\$24,490,000)~~) \$33,526,000 of the general fund—federal appropriation is provided for 21st century learning center grants, providing after-school and inter-session activities for students.

(xii) \$383,000 of the general fund—state appropriation for fiscal year 2006 and \$294,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the Lorraine Wojahn dyslexia pilot reading program in up to five school districts.

(xiii) \$75,000 of the general fund—state appropriation for fiscal year 2006 and \$75,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for developing and disseminating curriculum and other materials documenting women's role in World War II.

(xiv) \$175,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for incentive grants for districts to develop preapprenticeship programs. Grant awards up to \$10,000 each shall be used to support the program's design, school/business/labor agreement negotiations, and recruiting high school students for preapprenticeship programs in the building trades and crafts.

(xv) \$3,980,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the dissemination of the Navigation 101 curriculum to all districts, including the development and dissemination of electronic student planning tools and the development of a software package to use to analyze the impact of the implementation of Navigation 101 on student performance, and grants to at least one hundred school districts for the implementation of the Navigation 101 program. The implementation grants will

be limited to a maximum of two years and the school districts selected shall represent various regions of the state and reflect differences in school district size and enrollment characteristics.

(xvi) \$2,148,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for one-time grants to school districts to offset extraordinary rate increases for natural gas and heating oil.

(xvii) \$22,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the implementation of Engrossed House Bill No. 2579 (educational assessments). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(xviii) \$1,500,000 of the general fund—state appropriation for fiscal year 2006 and \$1,500,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for a pilot grant program related to serving students in staffed residential homes and other students as specified below. The pilot grant program will be established in at least five school districts. The districts eligible for the pilot grant program shall be limited to school districts with a concentration of students residing in staffed residential homes greater than or equal to 1.3 full time equivalent students per 1,000 K-12 public students, including students who resided in staffed residential homes during the 2005-2006 school year, and transferred to another residential facility in that district as a result of a closure of one or more staffed residential homes in that district in the current or preceding school year. The amount of funding for each pilot grant district shall be in proportion to the degree of concentration of staffed residential home students residing and served in each respective district or serving high school district, and other criteria as determined by the office of the superintendent of public instruction. Funding in the pilot grant program shall not be considered part of the basic education program.

(A) The pilot grant program is intended to: (I) Identify the fiscal and educational challenges posed to districts that serve staffed residential homes students; (II) provide resources to assist school districts in developing best practices for addressing these challenges; (III) address costs resulting from high concentrations of staffed residential home students in some school districts; (IV) develop models of collaboration between school districts and staffed residential homes; and (V) gain additional information on the variety of circumstances and needs present in the staffed residential home population, including both special education and nonspecial education eligible students.

(B) As a condition of the pilot grant program, the selected school districts must meet the following criteria: (I) Jointly develop, with staffed residential homes in their community, a model policy and plan for collaboration and information sharing, which includes an agreed upon routine of regular communication regarding each child's progress, including for special education students the development and regular updating of individualized education programs; (II) provide an annual progress report regarding the implementation of the model policy and plan and measured progress toward meeting the educational needs of students in staffed residential homes; and (III) provide information and data to the office of the superintendent of public instruction as required for the study detailed in (D) of this subsection (c)(xviii).

(C) \$40,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the office of the superintendent of public instruction, with the

assistance of the department of social and health services, to prepare a report to the appropriate policy and fiscal committees of the legislature and the office of financial management on: (I) The number of students residing at each staffed residential home by school district; (II) the specific types of needs of students residing at each staffed residential home; and (III) an overview of the differences in the programs being offered at staffed residential homes and the ranges of costs associated with these programs; and (IV) a summary of the current types of collaboration between school districts and staffed residential homes. This report shall be submitted by November 30, 2006.

(D) \$15,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the office of the superintendent of public instruction to report to the appropriate policy and fiscal committees of the legislature and the office of financial management on the results of the pilot grant program established in this subsection (c)(xviii), including a description of the impact on the educational services delivered to the students residing at each staffed residential home. Based on the results of the pilot grant program, the office of the superintendent of public instruction may make recommendations regarding best practices for meeting the needs of students residing in staffed residential homes, and fostering collaboration with staffed residential homes. This report shall be submitted by June 30, 2007.

(E) For those students (~~residing in staffed residential homes~~) for whom a school district receives a pilot grant application and who are special education eligible, school districts are eligible to pursue safety net funding beyond the pilot grant program amounts so that the combined basic education allocation, special education excess cost allocation, pilot grant amount, and safety net grants recognize the costs associated with serving staffed residential home students potentially concentrated in a few school districts.

(F) For purposes of this subsection (c)(xviii), "staffed residential home" means a home licensed by the department of social and health services to provide twenty-four hour care for six or fewer children or expectant mothers, which employs staff to care for them.

Sec. 1402. 2006 c 372 s 502 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL APPORTIONMENT**

General Fund—State Appropriation (FY 2006) . . . . .	\$4,193,442,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$4,281,807,000)</del>
	<u>\$4,252,844,000</u>
Pension Funding Stabilization Account Appropriation . . . . .	\$28,548,000
TOTAL APPROPRIATION . . . . .	<del>(\$8,503,797,000)</del>
	<u>\$8,474,834,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.
- (2) Allocations for certificated staff salaries for the 2005-06 and 2006-07 school years shall be determined using formula-generated staff units calculated pursuant to this subsection. Staff allocations for small school enrollments in (d)

through (f) of this subsection shall be reduced for vocational full-time equivalent enrollments. Staff allocations for small school enrollments in grades K-6 shall be the greater of that generated under (a) of this subsection, or under (d) and (e) of this subsection. Certificated staffing allocations shall be as follows:

(a) On the basis of each 1,000 average annual full-time equivalent enrollments, excluding full-time equivalent enrollment otherwise recognized for certificated staff unit allocations under (c) through (f) of this subsection:

(i) Four certificated administrative staff units per thousand full-time equivalent students in grades K-12;

(ii) 49 certificated instructional staff units per thousand full-time equivalent students in grades K-3;

(iii) Forty-six certificated instructional staff units per thousand full-time equivalent students in grades 4-12; and

(iv) An additional 4.2 certificated instructional staff units for grades K-3 and an additional 7.2 certificated instructional staff units for grade 4. Any funds allocated for the additional certificated units provided in this subsection (iv) shall not be considered as basic education funding;

(A) Funds provided under this subsection (2)(a)(iv) in excess of the amount required to maintain the statutory minimum ratio established under RCW 28A.150.260(2)(b) shall be allocated only if the district documents an actual ratio in grades K-4 equal to or greater than 53.2 certificated instructional staff per thousand full-time equivalent students. For any school district documenting a lower certificated instructional staff ratio, the allocation shall be based on the district's actual grades K-4 certificated instructional staff ratio achieved in that school year, or the statutory minimum ratio established under RCW 28A.150.260(2)(b), if greater;

(B) Districts at or above 51.0 certificated instructional staff per one thousand full-time equivalent students in grades K-4 may dedicate up to 1.3 of the 53.2 funding ratio to employ additional classified instructional assistants assigned to basic education classrooms in grades K-4. For purposes of documenting a district's staff ratio under this section, funds used by the district to employ additional classified instructional assistants shall be converted to a certificated staff equivalent and added to the district's actual certificated instructional staff ratio. Additional classified instructional assistants, for the purposes of this subsection, shall be determined using the 1989-90 school year as the base year;

(C) Any district maintaining a ratio in grades K-4 equal to or greater than 53.2 certificated instructional staff per thousand full-time equivalent students may use allocations generated under this subsection (2)(a)(iv) in excess of that required to maintain the minimum ratio established under RCW 28A.150.260(2)(b) to employ additional basic education certificated instructional staff or classified instructional assistants in grades 5-6. Funds allocated under this subsection (2)(a)(iv) shall only be expended to reduce class size in grades K-6. No more than 1.3 of the certificated instructional funding ratio amount may be expended for provision of classified instructional assistants;

(b) For school districts with a minimum enrollment of 250 full-time equivalent students whose full-time equivalent student enrollment count in a given month exceeds the first of the month full-time equivalent enrollment count by 5 percent, an additional state allocation of 110 percent of the share that such

increased enrollment would have generated had such additional full-time equivalent students been included in the normal enrollment count for that particular month;

(c)(i) On the basis of full-time equivalent enrollment in:

(A) Vocational education programs approved by the superintendent of public instruction, a maximum of 0.92 certificated instructional staff units and 0.08 certificated administrative staff units for each 19.5 full-time equivalent vocational students; and

(B) Skills center programs meeting the standards for skills center funding established in January 1999 by the superintendent of public instruction with a waiver allowed for skills centers in current operation that are not meeting this standard until the 2007-08 school year, 0.92 certificated instructional staff units and 0.08 certificated administrative units for each 16.67 full-time equivalent vocational students;

(ii) Vocational full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported vocational enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support; and

(iii) Indirect cost charges by a school district to vocational-secondary programs shall not exceed 15 percent of the combined basic education and vocational enhancement allocations of state funds;

(d) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the state board of education and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(e) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the state board of education:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;



(f) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in grades K-12, four and one-half certificated instructional staff units and one-quarter of a certificated administrative staff unit;

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full time equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full time equivalent students.

Units calculated under (f)(ii) of this subsection shall be reduced by certificated staff units at the rate of forty-six certificated instructional staff units and four certificated administrative staff units per thousand vocational full-time equivalent students;

(g) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit; and

(h) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit.

(3) Allocations for classified salaries for the 2005-06 and 2006-07 school years shall be calculated using formula-generated classified staff units determined as follows:

(a) For enrollments generating certificated staff unit allocations under subsection (2)(d) through (h) of this section, one classified staff unit for each three certificated staff units allocated under such subsections;

(b) For all other enrollment in grades K-12, including vocational full-time equivalent enrollments, one classified staff unit for each sixty average annual full-time equivalent students; and

(c) For each nonhigh school district with an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, an additional one-half of a classified staff unit.

(4) Fringe benefit allocations shall be calculated at a rate of 11.21 percent in the 2005-06 school year and 13.02 percent in the 2006-07 school year for certificated salary allocations provided under subsection (2) of this section, and a rate of 14.07 percent in the 2005-06 school year and 15.99 percent in the 2006-07 school year for classified salary allocations provided under subsection (3) of this section.

(5) Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504(2) of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsection (2) of this section; and

(b) The number of classified staff units determined in subsection (3) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(6)(a) For nonemployee-related costs associated with each certificated staff unit allocated under subsection (2)(a), (b), and (d) through (h) of this section, there shall be provided a maximum of \$9,112 per certificated staff unit in the 2005-06 school year and a maximum of \$9,476 per certificated staff unit in the 2006-07 school year.

(b) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(A) of this section, there shall be provided a maximum of \$22,377 per certificated staff unit in the 2005-06 school year and a maximum of \$23,272 per certificated staff unit in the 2006-07 school year.

(c) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(B) of this section, there shall be provided a maximum of \$17,362 per certificated staff unit in the 2005-06 school year and a maximum of \$18,056 per certificated staff unit in the 2006-07 school year.

(7) Allocations for substitute costs for classroom teachers shall be distributed at a maintenance rate of \$531.09 for the 2005-06 and 2006-07 school years per allocated classroom teachers exclusive of salary increase amounts provided in section 504 of this act. Solely for the purposes of this subsection, allocated classroom teachers shall be equal to the number of certificated instructional staff units allocated under subsection (2) of this section, multiplied by the ratio between the number of actual basic education certificated teachers and the number of actual basic education certificated instructional staff reported statewide for the prior school year.

(8) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public instruction shall approve such reduction or delay if it does not impair the district's financial condition. Any delay shall not be for more than two school years. Any reduction or delay shall have no impact on levy authority pursuant to RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

(9) The superintendent may distribute a maximum of (~~(\$12,992,000)~~) \$12,769,000 outside the basic education formula during fiscal years 2006 and 2007 as follows:

(a) For fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW, a maximum of \$513,000 may be expended in fiscal year 2006 and a maximum of \$534,000 may be expended in fiscal year 2007;

(b) For summer vocational programs at skills centers, a maximum of \$2,035,000 may be expended for the 2006 fiscal year and a maximum of \$2,385,000 for the 2007 fiscal year. 20 percent of each fiscal year amount may carry over from one year to the next;

(c) A maximum of \$369,000 may be expended for school district emergencies;

(d) A maximum of \$485,000 each fiscal year may be expended for programs providing skills training for secondary students who are enrolled in extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed \$500 per full-time equivalent student enrolled in those programs; and

(e) \$394,000 of the general fund—state appropriation for fiscal year 2006 and \$850,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for incentive grants to encourage school districts to increase enrollment in vocational skills centers. Up to \$500 for each full-time equivalent student may be proportionally distributed to a school district or school districts increasing skills centers enrollment above the levels in the 2004-05 school year. The office of the superintendent of public instruction shall develop criteria for awarding incentive grants pursuant to this subsection. The total amount allocated pursuant to this subsection shall be limited to \$1,244,000 for the 2005-07 biennium. Funds provided in this subsection shall first be expended to provide incentive grants to school districts increasing skills center enrollment during the school year. If funds are available after making these allocations, funds may be distributed for: (i) Increasing enrollment including allowing up to an additional .2 full time equivalent student enrollment at skills centers; (ii) increasing enrollment and capacity of summer vocational programs at the skills centers.

(f) (~~(\$4,943,000)~~) \$4,719,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for one-time allocations for equipment replacement in vocational programs and skills centers. The funding shall be allocated based on \$75 per full time equivalent vocational student and \$125 per full time equivalent skills center student.

(10) For purposes of RCW 84.52.0531, the increase per full-time equivalent student is 5.2 percent from the 2004-05 school year to the 2005-06 school year and 5.2 percent from the 2005-06 school year to the 2006-07 school year.

(11) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (2)(b) through (h) of this section, the following shall apply:

(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units received by the districts for the school year prior to consolidation and the basic education formula staff units after consolidation pursuant to subsection (2)(a) through (h) of this section shall be reduced in increments of twenty percent per year.

**Sec. 1403.** 2006 c 372 s 504 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

General Fund—State Appropriation (FY 2006) . . . . . \$74,336,000

General Fund—State Appropriation (FY 2007) . . . . .	(( <del>\$241,576,000</del> ))
	<u>\$239,233,000</u>
Education Legacy Trust Account—State Appropriation . . . . .	\$470,000
Pension Funding Stabilization Account Appropriation . . . . .	\$1,543,000
General Fund—Federal Appropriation . . . . .	(( <del>\$1,043,000</del> ))
	<u>\$1,034,000</u>
TOTAL APPROPRIATION . . . . .	(( <del>\$318,968,000</del> ))
	<u>\$316,616,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) ((~~\$190,375,000~~)) \$187,442,000 is provided for a cost of living adjustment of 1.2 percent effective September 1, 2005, and another 3.3 percent effective September 1, 2006, for state formula staff units. The appropriations include associated incremental fringe benefit allocations at rates of 10.57 percent for the 2005-06 school year and 12.38 percent for the 2006-07 school year for certificated staff and 10.57 percent for the 2005-06 school year and 12.49 percent for the 2006-07 school year for classified staff.

(a) The appropriations in this section include the increased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Increases for general apportionment (basic education) are based on the salary allocation schedules and methodology in sections 502 and 503 of this act. Increases for special education result from increases in each district's basic education allocation per student. Increases for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in sections 502 and 503 of this act.

(b) The appropriations in this section provide cost of living and incremental fringe benefit allocations based on formula adjustments as follows:

	School Year	
	2005-06	2006-07
Pupil Transportation (per weighted pupil mile)	\$0.27	\$1.06
Highly Capable (per formula student)	\$2.96	\$11.40
Transitional Bilingual Education (per eligible bilingual student)	\$7.94	\$30.52
Learning Assistance (per formula student)	\$1.69	\$6.50

(c) The appropriations in this section include \$251,000 for fiscal year 2006 and ((~~\$1,022,000~~)) \$1,015,000 for fiscal year 2007 for salary increase adjustments for substitute teachers.

(2) ((~~\$129,905,000~~)) \$129,173,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is \$582.47 per month for the 2005-06 and 2006-07 school years. The appropriations in this section provide for a rate increase to \$629.07 per month for the 2005-06 school year and \$682.54 per month for the 2006-07 school year. The adjustments to health insurance benefit allocations are at the following rates:

	School Year	
	2005-06	2006-07
Pupil Transportation (per weighted pupil mile)	\$0.42	\$0.91
Highly Capable (per formula student)	\$2.88	\$6.16
Transitional Bilingual Education (per eligible bilingual student)	\$7.54	\$16.20
Learning Assistance (per formula student)	\$1.49	\$3.21

(3) The rates specified in this section are subject to revision each year by the legislature.

**Sec. 1404.** 2006 c 372 s 505 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION**

General Fund—State Appropriation (FY 2006) . . . . .	\$247,541,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$252,607,000)</del>
	<u>\$251,831,000</u>
Pension Funding Stabilization Account Appropriation . . . . .	\$755,000
TOTAL APPROPRIATION . . . . .	<del>(\$500,903,000)</del>
	<u>\$500,127,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) A maximum of \$796,000 of this fiscal year 2006 appropriation and a maximum of \$828,000 of the fiscal year 2007 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(3) \$5,000 of the fiscal year 2006 appropriation and \$5,000 of the fiscal year 2007 appropriation are provided solely for the transportation of students enrolled in "choice" programs. Transportation shall be limited to low-income students who are transferring to "choice" programs solely for educational reasons.

(4) Allocations for transportation of students shall be based on reimbursement rates of \$42.52 per weighted mile in the 2005-06 school year and ~~(\$42.30)~~ \$43.57 per weighted mile in the 2006-07 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Included in the 2005-06 school year rate is ~~((a one-time))~~ an increase of \$1.12 and included in the 2006-07 school year rate is an increase of \$1.27 to offset extraordinary increases in the price of diesel fuel. Allocations for transportation of students transported more than one radius mile shall be based on weighted miles as determined by superintendent of public instruction multiplied by the per mile reimbursement rates for the school year pursuant to the formulas adopted by the superintendent of public instruction. Allocations for transportation of students living within one radius mile shall be based on the number of enrolled students

in grades kindergarten through five living within one radius mile of their assigned school multiplied by the per mile reimbursement rate for the school year multiplied by 1.29.

(5) For busses purchased between July 1, 2005, and June 30, 2007, the office of superintendent of public instruction shall provide reimbursement funding to a school district only after the superintendent of public instruction determines that the school bus was purchased from the list established pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195. The competitive specifications shall meet federal motor vehicle safety standards, minimum state specifications as established by rule by the superintendent, and supported options as determined by the superintendent in consultation with the regional transportation coordinators of the educational service districts.

(6) Beginning with the 2005-06 school year, the superintendent of public instruction shall base depreciation payments for school district buses on the five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the current state price. The superintendent may include a weighting or other adjustment factor in the averaging formula to ease the transition from the current-price depreciation system to the average depreciation system. Prior to making any depreciation payment in the 2005-06 school year, the superintendent shall notify the office of financial management and the fiscal committees of the legislature of the specific depreciation formula to be used. The replacement cost shall be based on the lowest bid in the appropriate bus category for that school year. A maximum of \$50,000 of the fiscal year 2006 appropriation may be expended for software programming costs associated with the implementation of this subsection.

Sec. 1405. 2006 c 372 s 506 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL FOOD SERVICE PROGRAMS**

General Fund—State Appropriation (FY 2006) . . . . .	\$3,147,000
General Fund—State Appropriation (FY 2007) . . . . .	\$3,159,000
General Fund—Federal Appropriation . . . . .	<del>(\$270,423,000)</del>
	<u>\$313,038,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$276,729,000)</del>
	<u>\$319,344,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,000,000 of the general fund—state appropriation for fiscal year 2006 and \$3,000,000 of the general fund—state appropriation for fiscal year 2007 are provided for state matching money for federal child nutrition programs.

(2) \$100,000 of the general fund—state appropriation for fiscal year 2006 and \$100,000 of the 2007 fiscal year appropriation are provided for summer food programs for children in low-income areas.

(3) \$47,000 of the general fund—state appropriation for fiscal year 2006 and \$59,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to reimburse school districts for school breakfasts served to

students enrolled in the free or reduced price meal program pursuant to House Bill No. 1771 (requiring school breakfast programs in certain schools). If House Bill No. 1771 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

**Sec. 1406.** 2006 c 372 s 507 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS**

General Fund—State Appropriation (FY 2006) . . . . .	\$464,812,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$478,191,000)</del>
	<u>\$470,395,000</u>
General Fund—Federal Appropriation . . . . .	<del>(\$435,664,000)</del>
	<u>\$436,409,000</u>
Pension Funding Stabilization Account Appropriation . . . . .	\$3,234,000
TOTAL APPROPRIATION . . . . .	<del>(\$1,381,901,000)</del>
	<u>\$1,374,850,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(2)(a) The superintendent of public instruction shall use the excess cost methodology developed and implemented for the 2001-02 school year using the S-275 personnel reporting system and all related accounting requirements to ensure that:

- (i) Special education students are basic education students first;
- (ii) As a class, special education students are entitled to the full basic education allocation; and
- (iii) Special education students are basic education students for the entire school day.

(b) The S-275 and accounting changes in effect since the 2001-02 school year shall supercede any prior excess cost methodologies and shall be required of all school districts.

(3) Each fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4) The superintendent of public instruction shall distribute state and federal funds to school districts based on two categories: The optional birth through age two program for special education eligible developmentally delayed infants and toddlers, and the mandatory special education program for special education eligible students ages three to twenty-one. A "special education eligible student" means a student receiving specially designed instruction in accordance with a properly formulated individualized education program.

(5)(a) For the 2005-06 and 2006-07 school years, the superintendent shall make allocations to each district based on the sum of:

(i) A district's annual average headcount enrollment of developmentally delayed infants and toddlers ages birth through two, multiplied by the district's average basic education allocation per full-time equivalent student, multiplied by 1.15; and

(ii) A district's annual average full-time equivalent basic education enrollment multiplied by the funded enrollment percent determined pursuant to subsection (6)(b) of this section, multiplied by the district's average basic education allocation per full-time equivalent student multiplied by 0.9309.

(b) For purposes of this subsection, "average basic education allocation per full-time equivalent student" for a district shall be based on the staffing ratios required by RCW 28A.150.260 and shall not include enhancements, secondary vocational education, or small schools.

(6) The definitions in this subsection apply throughout this section.

(a) "Annual average full-time equivalent basic education enrollment" means the resident enrollment including students enrolled through choice (RCW 28A.225.225) and students from nonhigh districts (RCW 28A.225.210) and excluding students residing in another district enrolled as part of an interdistrict cooperative program (RCW 28A.225.250).

(b) "Enrollment percent" means the district's resident special education annual average enrollment, excluding the birth through age two enrollment, as a percent of the district's annual average full-time equivalent basic education enrollment.

Each district's general fund—state funded special education enrollment shall be the lesser of the district's actual enrollment percent or 12.7 percent.

(7) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be calculated in accordance with subsection (6)(b) of this section, and shall be calculated in the aggregate rather than individual district units. For purposes of this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(8) To the extent necessary, \$18,940,000 of the general fund—state appropriation and \$28,698,000 of the general fund—federal appropriation are provided for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (5) of this section. If safety net awards exceed the amount appropriated in this subsection (8), the superintendent shall expend all available federal discretionary funds necessary to meet this need. Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall consider unmet needs for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. In the determination of need, the committee shall also consider additional available revenues from federal sources. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.



(b) The committee shall then consider the extraordinary high cost needs of one or more individual special education students. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(c) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

(d) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent in accordance with chapter 318, Laws of 1999.

(e) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.

(9) The superintendent of public instruction may adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. Prior to revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature.

(10) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff from the office of superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

(11) A maximum of \$678,000 may be expended from the general fund—state appropriations to fund 5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center. This amount is in lieu of money provided through the home and hospital allocation and the special education program.

(12) A maximum of \$1,000,000 of the general fund—federal appropriation is provided for projects to provide special education students with appropriate job and independent living skills, including work experience where possible, to facilitate their successful transition out of the public school system. The funds provided by this subsection shall be from federal discretionary grants.

(13) A maximum of \$100,000 of the general fund—federal appropriation shall be expended to create a special education ombudsman program within the office of superintendent of public instruction. The purpose of the program is to provide support to parents, guardians, educators, and students with disabilities. The program will provide information to help families and educators understand state laws, rules, and regulations, and access training and support, technical information services, and mediation services. The ombudsman program will provide data, information, and appropriate recommendations to the office of superintendent of public instruction, school districts, educational service districts, state need projects, and the parent and teacher information center.

(14) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other purposes, school districts may use increased federal funds for high-cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(15) A maximum of \$1,200,000 of the general fund—federal appropriation may be expended by the superintendent for projects related to use of inclusion strategies by school districts for provision of special education services.

(16) \$1,400,000 of the general fund—federal appropriation shall be expended for one-time grants to school districts for the start-up costs of implementing web-based programs that assist schools in meeting state and federal requirements regarding individualized education plans.

(17) The superintendent, consistent with the new federal IDEA reauthorization, shall continue to educate school districts on how to implement a birth-to-three program and review the cost effectiveness and learning benefits of early intervention.

(18) A school district may carry over from one year to the next year up to 10 percent of the general fund—state funds allocated under this program; however, carryover funds shall be expended in the special education program.

Sec. 1407. 2006 c 372 s 509 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE**

General Fund—State Appropriation (FY 2006) . . . . .	\$173,153,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$190,957,000)</del>
	<u>\$188,092,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$364,110,000)</del>
	<u>\$361,245,000</u>

Sec. 1408. 2006 c 372 s 510 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL EDUCATION PROGRAMS**

General Fund—State Appropriation (FY 2006) . . . . .	\$18,078,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$18,237,000)</del>
	<u>\$17,551,000</u>
Pension Funding Stabilization Account Appropriation . . . . .	\$117,000
TOTAL APPROPRIATION . . . . .	<del>(\$36,432,000)</del>
	<u>\$35,746,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund—state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) \$236,000 of the general fund—state appropriation for fiscal year 2006 and ~~(\$236,000)~~ \$196,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, and programs for juveniles under the juvenile rehabilitation administration.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

**Sec. 1409.** 2006 c 372 s 511 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

General Fund—State Appropriation (FY 2006) . . . . .	\$6,900,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$6,974,000)</del>
	<u>\$6,918,000</u>
Pension Funding Stabilization Account Appropriation . . . . .	\$44,000
TOTAL APPROPRIATION . . . . .	<del>(\$13,918,000)</del>
	<u>\$13,862,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Allocations for school district programs for highly capable students shall be distributed at a maximum rate of \$347.93 per funded student for the 2005-06 school year and \$351.98 per funded student for the 2006-07 school year, exclusive of salary and benefit adjustments pursuant to section 504 of this act. The number of funded students shall be a maximum of two percent of each district's full-time equivalent basic education enrollment.

(3) \$170,000 of the fiscal year 2006 appropriation and \$170,000 of the fiscal year 2007 appropriation are provided for the centrum program at Fort Worden state park.

(4) \$90,000 of the fiscal year 2006 appropriation and \$90,000 of the fiscal year 2007 appropriation are provided for the Washington destination imagination network and future problem-solving programs.

**Sec. 1410.** 2006 c 372 s 512 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM PROGRAMS**

General Fund—State Appropriation (FY 2006) . . . . .	\$45,382,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$51,297,000)</del>
	<u>\$51,536,000</u>
General Fund—Federal Appropriation . . . . .	\$147,799,000
TOTAL APPROPRIATION . . . . .	<del>(\$244,478,000)</del>
	<u>\$244,717,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) ASSESSMENT

(a) \$21,946,000 of the general fund—state appropriation for fiscal year 2006, \$21,491,000 of the general fund—state appropriation for fiscal year 2007, and \$18,560,000 of the general fund—federal appropriation are provided solely for development and implementation of the Washington assessments of student learning (WASL), including development and implementation of retake assessments for high school students who are not successful in one or more content areas of the WASL and development of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student WASL results, on or around June 10th of each year. \$100,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to: (i) Investigate the use of existing mathematics assessments in languages other than English as possible means of measuring tenth grade essential academic learnings and standards, including examining the content and rigor of the assessments as well as their reliability and validity; (ii) estimate the cost of translating the tenth grade mathematics WASL into other languages and scoring these assessments should they be implemented; and (iii) develop recommendations for (i) and (ii) of this subsection (a). Funds provided in this section are sufficient to implement section 5 of Engrossed Substitute Senate Bill No. 6475 (alternative assessment options).

(b) \$1,327,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for implementation of Engrossed Substitute House Bill No. 3127 (education), including section 2 of that act. If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(c) \$250,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for implementation of section 4 of Engrossed Substitute Senate Bill No. 6255 (student-centered planning) regarding reimbursement of diagnostic assessments.

(2) MATH REMEDIATION

The purpose of this subsection (2) is to strengthen high school student performance in meeting the state standards in mathematics.

(a) Included in the general fund—state amounts provided in subsection (1) of this section is \$2,350,000 which is provided solely for the development of a new tenth grade mathematics assessment tool that: (i) Presents the mathematics essential learnings in segments for assessment; (ii) is comparable in content and rigor to the tenth grade mathematics WASL when all segments are considered together; (iii) is reliable and valid; and (iv) can be used to determine a student's academic performance level.

(b) \$110,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the development of WASL knowledge and skill learning modules to assist students performing at tenth grade Level 1 in mathematics.

(c) \$330,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for development of mathematics knowledge and skill learning modules to teach middle and high school students specific skills that have been

identified as areas of difficulty for tenth grade students. The office of the superintendent of public instruction shall develop materials for classroom use and for tutorial learning activities.

(d) \$600,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for development of web-based applications of the curriculum and materials produced under (b) and (c) of this subsection as well as mathematics knowledge and skill modules and materials previously developed by the office of the superintendent of public instruction. The products are to be designed as on-line courses for students needing Level 1 instruction; learning modules accessible to classroom teachers for incorporation into classroom instruction; tutorials that can be used as WASL assessment skill refreshers and as tutor-guided and parent-guided learning modules; and on-line practice WASLs with supporting item scoring information and student response examples.

#### (3) PROFESSIONAL DEVELOPMENT

(a) \$548,000 of the fiscal year 2006 general fund—state appropriation and \$548,000 of the fiscal year 2007 general fund—state appropriation are provided solely for training of paraprofessional classroom assistants and certificated staff who work with classroom assistants as provided in RCW 28A.415.310.

(b) \$2,348,000 of the general fund—state appropriation for fiscal year 2006 and \$2,348,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for mentor teacher assistance, including state support activities, under RCW 28A.415.250 and 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in this subsection may be used each fiscal year to operate a mentor academy to help districts provide effective training for peer mentors. Funds for the teacher assistance program shall be allocated to school districts based on the number of first year beginning teachers.

(c) \$705,000 of the general fund—state appropriation for fiscal year 2006 and \$705,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(d) \$3,180,000 of the general fund—state appropriation for fiscal year 2006 and (~~\$4,358,000~~) \$4,597,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for salary bonuses, and mandatory fringe benefits, for teachers who attain certification by the national board for professional teaching standards, subject to the following conditions and limitations:

(i) Teachers who hold a valid certificate from the national board during the 2005-06 or 2006-07 school years shall receive an annual bonus not to exceed \$3,500 in each of these school years in which they hold a national board certificate.

(ii) The annual bonus shall be paid in a lump sum amount and shall not be included in the definition of "earnable compensation" under RCW 41.32.010(10).

(e) \$98,761,000 of the general fund—federal appropriation is provided for preparing, training, and recruiting high quality teachers and principals under Title II of the no child left behind act.

#### (4) SCHOOL IMPROVEMENT

(a) \$338,000 of the general fund—state appropriation for fiscal year 2006 and \$488,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for a principal support program. The office of the

superintendent of public instruction may contract with an independent organization to administer the program. The program shall include: (i) Development of an individualized professional growth plan for a new principal or principal candidate; and (ii) participation of a mentor principal who works over a period of between one and three years with the new principal or principal candidate to help him or her build the skills identified as critical to the success of the professional growth plan. Within the amounts provided, \$25,000 per year shall be used to support additional participation of secondary principals.

(b) \$3,046,000 of the general fund—state appropriation for fiscal year 2006 and \$3,046,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to the office of the superintendent of public instruction for focused assistance. The office of the superintendent of public instruction shall conduct educational audits of low-performing schools and enter into performance agreements between school districts and the office to implement the recommendations of the audit and the community. Each educational audit shall include recommendations for best practices and ways to address identified needs and shall be presented to the community in a public meeting to seek input on ways to implement the audit and its recommendations.

(c) \$1,000,000 of the general fund—state appropriation for fiscal year 2006 and \$1,000,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for a high school and school district improvement program modeled after the office of the superintendent of public instruction's existing focused assistance program in (b) of this subsection. The state funding for this improvement program will match an equal amount committed by a nonprofit foundation in furtherance of a jointly funded program.

(d) A maximum of \$250,000 of the general fund—state appropriation for fiscal year 2006 and a maximum of \$250,000 of the general fund—state appropriation for fiscal year 2007 are provided for summer accountability institutes offered by the superintendent of public instruction. The institutes shall provide school district staff with training in the analysis of student assessment data, information regarding successful district and school teaching models, research on curriculum and instruction, and planning tools for districts to improve instruction in reading, mathematics, language arts, social studies, including civics, and guidance and counseling. The superintendent of public instruction shall emphasize issues of high school reform and mathematics instruction when offering summer institute programs supported by funds provided in this subsection.

(e) \$515,000 of the general fund—state appropriation for fiscal year 2006 and \$515,000 of the general fund—state appropriation for fiscal year 2007 are provided for the evaluation of reading and mathematics textbooks, other instructional materials, and diagnostic tools to determine the extent to which they are aligned with the state standards. A scorecard of the analysis shall be made available to school districts. The superintendent shall also develop and disseminate information on essential components of comprehensive, school-based math and reading programs and shall develop and disseminate grade level expectations for reading and math which shall include professional development modules and web-based materials.

(f) \$1,764,000 of the general fund—state appropriation for fiscal year 2006 and \$1,764,000 of the general fund—state appropriation for fiscal year 2007 are

provided solely for the mathematics helping corps subject to the following conditions and limitations:

(i) In order to increase the availability and quality of technical mathematics assistance statewide, the superintendent of public instruction shall employ mathematics school improvement specialists to provide assistance to schools and districts. The specialists shall be hired by and work under the direction of a statewide school improvement coordinator. The mathematics improvement specialists shall not be permanent employees of the superintendent of public instruction.

(ii) The school improvement specialists shall provide the following:

(A) Assistance to schools to disaggregate student performance data and develop improvement plans based on those data;

(B) Consultation with schools and districts concerning their performance on the Washington assessment of student learning and other assessments emphasizing the performance on the mathematics assessments;

(C) Consultation concerning curricula that aligns with the essential academic learning requirements emphasizing the academic learning requirements for mathematics, the Washington assessment of student learning, and meets the needs of diverse learners;

(D) Assistance in the identification and implementation of research-based instructional practices in mathematics;

(E) Staff training that emphasizes effective instructional strategies and classroom-based assessment for mathematics;

(F) Assistance in developing and implementing family and community involvement programs emphasizing mathematics; and

(G) Other assistance to schools and school districts intended to improve student mathematics learning.

(g) \$125,000 of the general fund—state appropriation for fiscal year 2006 and \$125,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the improvement of reading achievement and implementation of research-based reading models. The superintendent shall evaluate reading curriculum programs and other instructional materials to determine the extent to which they are aligned with state standards. A report of the analyses shall be made available to school districts. The superintendent shall report to districts the assessments that are available to screen and diagnose reading difficulties, and shall provide training on how to implement a reading assessment system. Resources may also be used to disseminate grade level expectations and develop professional development modules and web-based materials.

(h) \$30,401,000 of the general fund—federal appropriation is provided for the reading first program under Title I of the no child left behind act.

(i) \$500,000 of the general fund—state appropriation for fiscal year 2007 is provided for the office of the superintendent of public instruction to award five grants to parent, community, and school district partnership programs that will meet the unique needs of different groups of students in closing the achievement gap. The legislature intends that the pilot programs will help students meet state learning standards, achieve the skills and knowledge necessary for college or the workplace, reduce the achievement gap, prevent dropouts, and improve

graduation rates. The office of the superintendent of public instruction shall develop and publish the criteria for awarding grants by July 2006.

(i) The pilot programs shall be designed in such a way as to be supplemental to educational services provided in the district and shall utilize a community partnership based approach to helping students and their parents.

(ii) The grant recipients shall work in collaboration with the office of the superintendent of public instruction to develop measurable goals and evaluation methodologies for the pilot programs. \$25,000 of this appropriation may be used by the office of the superintendent of public instruction to hold a statewide meeting to disseminate successful strategies developed by the grantees.

(iii) The office of the superintendent of public instruction shall issue a report to the legislature in the 2007 session on the progress of each of the pilot programs.

#### (5) STUDENT SUPPORTS

(a) \$2,500,000 of the general fund—state appropriation for fiscal year 2006 and \$4,500,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for: (i) The meals for kids program under RCW 28A.235.145 through 28A.235.155; (ii) to eliminate the co-pay for students eligible for reduced price lunch eating breakfast; and (iii) for additional assistance for school districts initiating a summer food service program.

(b) \$125,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for an early reading grant program for community-based initiatives that develop prereading and early reading skills through parental and community involvement, public awareness, coordination of resources, and partnerships with local school districts. Grant awards shall include funding for one-time start up costs for local affiliates and a one-time partial payment of school district dues to local affiliates of up to 30 percent of the per student dues amount. Grant applications shall include:

(i) Strategies for parental involvement emphasizing ages birth to five and outreach to diverse communities;

(ii) Evidence of collaboration with, and support from, local school districts, and how the activities funded in the grant are complementary to the reading improvement efforts of local school districts;

(iii) A plan for community participation and coordination of resources including in-kind and financial support by public and private sector partners;

(iv) Measurable goals and evaluation methodology to determine impact;

(v) Integration of reading strategies from the Washington state early learning and development benchmarks;

(vi) A plan for marketing and public relations;

(vii) Strategies for sustaining the program when grant funding is no longer available; and

(viii) Evidence of district commitment to reading improvement, aligned curriculum, progress monitoring, and time-on-task.

(c) \$850,000 of the general fund—state appropriation for fiscal year 2006 and \$850,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to low-performing schools and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs.



Grants provided under this section may be used by school districts for expenditures from September 2005 through August 31, 2007.

(d) \$3,594,000 of the general fund—state appropriation for fiscal year 2006 and \$3,594,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for grants to school districts to provide a continuum of care for children and families to help children become ready to learn. Grant proposals from school districts shall contain local plans designed collaboratively with community service providers. If a continuum of care program exists in the area in which the school district is located, the local plan shall provide for coordination with existing programs to the greatest extent possible. Grant funds shall be allocated pursuant to RCW 70.190.040.

(6) TECHNOLOGY

(a) \$1,959,000 of the general fund—state appropriation for fiscal year 2006 and \$1,959,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for improving technology infrastructure, monitoring and reporting on school district technology development, promoting standards for school district technology, promoting statewide coordination and planning for technology development, and providing regional educational technology support centers, including state support activities, under chapter 28A.650 RCW. The superintendent of public instruction shall coordinate a process to facilitate the evaluation and provision of online curriculum courses to school districts which includes the following: Creation of a general listing of the types of available online curriculum courses; a survey conducted by each regional educational technology support center of school districts in its region regarding the types of online curriculum courses desired by school districts; a process to evaluate and recommend to school districts the best online courses in terms of curriculum, student performance, and cost; and assistance to school districts in procuring and providing the courses to students.

(b) \$126,000 of the general fund—state appropriation for fiscal year 2006 and \$126,000 of the general fund—state appropriation for fiscal year 2007 are provided for the development and posting of web-based instructional tools, assessment data, and other information that assists schools and teachers implementing higher academic standards.

**Sec. 1411.** 2006 c 372 s 513 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL BILINGUAL PROGRAMS**

General Fund—State Appropriation (FY 2006) . . . . .	\$58,205,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$61,608,000)</del>
	<u>\$58,181,000</u>
General Fund—Federal Appropriation . . . . .	\$51,741,000
Pension Funding Stabilization Account Appropriation . . . . .	\$504,000
TOTAL APPROPRIATION . . . . .	<del>(\$172,058,000)</del>
	<u>\$168,631,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) The superintendent shall distribute a maximum of \$759.58 per eligible bilingual student in the 2005-06 school year and \$770.40 in the 2006-07 school year, exclusive of salary and benefit adjustments provided in section 504 of this act.

(3) The superintendent may withhold up to 1.5 percent of the school year allocations to school districts in subsection (2) of this section, and adjust the per eligible pupil rates in subsection (2) of this section accordingly, solely for the central provision of assessments as provided in RCW 28A.180.090 (1) and (2).

(4) \$70,000 of the amounts appropriated in this section are provided solely to develop a system for the tracking of current and former transitional bilingual program students.

(5) The general fund—federal appropriation in this section is provided for migrant education under Title I Part C and English language acquisition, and language enhancement grants under Title III of the elementary and secondary education act.

Sec. 1412. 2006 c 372 s 514 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING ASSISTANCE PROGRAM**

General Fund—State Appropriation (FY 2006) . . . . .	\$65,018,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$64,626,000)</del>
	<u>\$64,353,000</u>
Education Legacy Trust Account—State Appropriation . . . . .	\$24,605,000
Pension Funding Stabilization Account Appropriation . . . . .	\$553,000
General Fund—Federal Appropriation . . . . .	\$348,351,000
TOTAL APPROPRIATION . . . . .	<del>(\$503,153,000)</del>
	<u>\$502,880,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The general fund—state appropriations in this section are subject to the following conditions and limitations:

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b) Funding for school district learning assistance programs shall be allocated at maximum rates of \$184.69 per funded student for the 2005-06 school year and \$187.97 per funded student for the 2006-07 school year exclusive of salary and benefit adjustments provided under section 504 of this act.

(c) A school district's funded students for the learning assistance program shall be the sum of the following as appropriate:

(i) The district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch in the prior school year; and

(ii) If, in the prior school year, the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch exceeded forty percent, subtract forty percent from the district's percentage and multiply the result by the district's K-12 annual average full-time equivalent enrollment for the prior school year.

(d) In addition to amounts allocated in (b) and (c) of this subsection, an additional amount shall be allocated to a school district for each school year in which the district's allocation is less than the amount the district received for the general fund—state learning assistance program allocation in the 2004-05 school year. The amount of the allocation in this section shall be sufficient to maintain the 2004-05 school year allocation.

(2) Increases in a school district's allocation above the 2004-05 school year level shall be directed to grades nine through ten for the 2006-07 school year.

(3) The general fund—federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.

(4) Small school districts are encouraged to make the most efficient use of the funding provided by using regional educational service district cooperatives to hire staff, provide professional development activities, and implement reading and mathematics programs consistent with research-based guidelines provided by the office of the superintendent of public instruction.

(5) A school district may carry over from one year to the next up to 10 percent of the general fund—state or education legacy trust funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

(6) School districts are encouraged to coordinate the use of these funds with other federal, state, and local sources to serve students who are below grade level and to make efficient use of resources in meeting the needs of students with the greatest academic deficits.

**Sec. 1413.** 2006 c 372 s 515 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—  
PROMOTING ACADEMIC SUCCESS**

General Fund—State Appropriation (FY 2006) . . . . .	\$3,842,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$23,879,000)</del>
	<u>\$19,067,000</u>
Pension Funding Stabilization Account Appropriation . . . . .	\$189,000
TOTAL APPROPRIATION . . . . .	<del>(\$27,910,000)</del>
	<u>\$23,098,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The amounts appropriated in this section are provided solely for remediation for students who have not met standard in one or more content areas of the WASL in the spring of their tenth grade year and on each retake thereafter. The funds may be used for extended learning activities, including summer school, before and after school, Saturday classes, skill seminars, assessment preparation, and in-school or out-of-school tutoring. Extended learning activities may occur on the school campus, via the internet, or at other locations and times that meet student needs. Funds allocated under this section shall not be considered basic education funding. Amounts allocated under this section shall fund new extended learning opportunities, and shall not supplant funding for existing programs and services.

(2) School district allocations for promoting academic success programs shall be calculated as follows:

(a) A portion of the district's student units shall be the number of content area assessments (reading, writing, and mathematics) on which students were more than one standard error of measurement from meeting standard on the Washington assessment of student learning for the current class of eleventh grade students.

(b) The other portion of the district's student units shall be the number of content area assessments (reading, writing, and mathematics) on which students were less than one standard error of measurement from meeting standard but did not meet standard on the Washington assessment of student learning for the current class of eleventh grade students. Districts with at least one but less than 20 student units combining the student units generated from this subsection and (a) of this subsection shall be counted as having 20 student units for the purposes of the allocations in (d) and (e)(i) of this subsection.

(c) The legislature recognizes that professional development and planning for teachers is an important component of high quality extended learning activities. Accordingly, a one-time funding amount equal to 12 hours of certificated instructional staff units per 13.0 student units, as calculated in (a) and (b) of this subsection, is provided in this section to ensure that extended learning activities are of high quality and aligned to the state's essential academic learning requirements.

(d) Allocations for certificated instructional staff salaries and benefits shall be determined using formula-generated staff units calculated pursuant to this subsection. Ninety-four hours of certificated instructional staff units are allocated per 13.0 student units as calculated under (a) of this subsection and thirty-four hours of certificated instructional staff units are allocated per 13.0 student units as calculated under (b) of this subsection. Allocations for salaries and benefits for the staff units calculated under this subsection shall be calculated in the same manner as provided under section 503 of this act. Salary and benefit increase funding for staff units generated under this section is included in section 504 of this act.

(e) The following additional allocations are provided per student unit, as calculated in (a) and (b) of this subsection:

- (i) \$12.50 for maintenance, operations, and transportation;
- (ii) \$12.00 for pre- and post-remediation assessments;
- (iii) \$17.00 per reading remediation student unit;
- (iv) \$8.00 per mathematics remediation student unit; and
- (v) \$8.00 per writing remediation student unit.

(f) The superintendent of public instruction shall distribute school year allocations according to the monthly apportionment schedule defined in RCW 28A.510.250.

(3) School districts shall report annually to the office of the superintendent of public instruction on the use of these funds, including the types of assistance selected by students, the number of students receiving each type of assistance, and the impact on WASL test scores.

(4) \$708,000 of the general fund—state appropriation for fiscal year 2006 and ~~(\$3,408,000)~~ \$1,300,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for additional one-time allocations to offer remedial programs for students in the class of 2007 or other students who have not achieved success on the tenth grade WASL. The formula for distributing the

allocations to school districts shall include amounts for students in the class of 2007 who register to retake the WASL and want remedial assistance, and other factors as determined by the office of the superintendent of public instruction. Before making the allocations from the funding provided in this subsection, the office of the superintendent of public instruction shall consult with the office of financial management to ensure that the proposed allocations will achieve efficient and effective program delivery and that they are one-time in nature.

(5) \$1,500,000 of the general fund—state appropriation for fiscal year 2007 is provided for competitive innovation grants awarded to schools and school districts for implementing high school remediation programs that are unique in program delivery, program accessibility, program content, or a combination of these factors and that serve students who have not achieved success on the tenth grade WASL.

(6) School districts may carry over from one year to the next up to 20 percent of funds allocated under this program; however, carryover funds shall be expended for promoting academic success programs, and may be used to provide extended learning programs for students beyond their eleventh grade year who want continued remedial assistance to pass the WASL.

**Sec. 1414.** 2006 c 372 s 516 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR STUDENT ACHIEVEMENT PROGRAM**

Student Achievement Account—State

Appropriation. . . . .((~~\$630,537,000~~))  
\$630,313,000

The appropriation in this section is subject to the following conditions and limitations:

(1) Funding for school district student achievement programs shall be allocated at a maximum rate of \$300.00 per FTE student for the 2005-06 school year and \$375.00 per FTE student for the 2006-07 school year. For the purposes of this section, FTE student refers to the annual average full-time equivalent enrollment of the school district in grades kindergarten through twelve for the prior school year, as reported to the office of the superintendent of public instruction by August 31st of the previous school year.

(2) The appropriation is allocated for the following uses as specified in RCW 28A.505.210:

(a) To reduce class size by hiring certificated elementary classroom teachers in grades K-4 and paying nonemployee-related costs associated with those new teachers;

(b) To make selected reductions in class size in grades 5-12, such as small high school writing classes;

(c) To provide extended learning opportunities to improve student academic achievement in grades K-12, including, but not limited to, extended school year, extended school day, before-and-after-school programs, special tutoring programs, weekend school programs, summer school, and all-day kindergarten;

(d) To provide additional professional development for educators including additional paid time for curriculum and lesson redesign and alignment, training to ensure that instruction is aligned with state standards and student needs, reimbursement for higher education costs related to enhancing teaching skills

and knowledge, and mentoring programs to match teachers with skilled, master teachers. The funding shall not be used for salary increases or additional compensation for existing teaching duties, but may be used for extended year and extended day teaching contracts;

(e) To provide early assistance for children who need prekindergarten support in order to be successful in school; or

(f) To provide improvements or additions to school building facilities which are directly related to the class size reductions and extended learning opportunities under (a) through (c) of this subsection (2).

(3) The superintendent of public instruction shall distribute the school year allocation according to the monthly apportionment schedule defined in RCW 28A.510.250.

Sec. 1415. 2006 c 372 s 518 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF EARLY LEARNING**

General Fund—State Appropriation (FY 2006) . . . . .	\$100,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$32,504,000)</del>
	<u>\$32,799,000</u>
General Fund—Federal Appropriation . . . . .	\$180,000
TOTAL APPROPRIATION . . . . .	<del>(\$32,784,000)</del>
	<u>\$33,079,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$29,941,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for providing early childhood education assistance. Of this amount, \$1,497,000 is provided solely to increase the number of children receiving education and \$2,146,000 is provided solely for a targeted vendor rate increase.

(2) \$525,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for an early reading grant program for community-based initiatives that develop prereading and early reading skills through parental and community involvement, public awareness, coordination of resources, and partnerships with local school districts. If Substitute House Bill No. 2836 (reading achievement account) is enacted by June 30, 2006, this amount shall be deposited in the reading achievement account. Grant awards shall include funding for one-time start up costs for local affiliates and a one-time partial payment of school district dues to local affiliates of up to 30 percent of the per student dues amount. Grant applications shall include:

(a) Strategies for parental involvement emphasizing ages birth to five and outreach to diverse communities;

(b) Evidence of collaboration with, and support from, local school districts, and how the activities funded in the grant are complementary to the reading improvement efforts of local school districts;

(c) A plan for community participation and coordination of resources including in-kind and financial support by public and private sector partners;

(d) Measurable goals and evaluation methodology to determine impact;

(e) Integration of reading strategies from the Washington state early learning and development benchmarks;

(f) A plan for marketing and public relations;

(g) Strategies for sustaining the program when grant funding is no longer available; and

(h) Evidence of district commitment to reading improvement, aligned curriculum, progress monitoring, and time-on-task.

(3) \$1,000,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the child care career and wage ladder program created by chapter 507, Laws of 2005.

NEW SECTION. Sec. 1416. A new section is added to 2006 c 372 (uncodified) to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION.** (1) Appropriations made in this act to the office of the superintendent of public instruction shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act, except as expressly provided in subsection (2) of this section.

(2) The appropriations to the office of the superintendent of public instruction in this act shall be expended for the programs and amounts specified in this act. However, after May 1, 2007, unless specifically prohibited by this act and after approval by the director of financial management, the superintendent of public instruction may transfer state general fund appropriations for fiscal year 2007 among the following programs to meet the apportionment schedule for a specified formula in another of these programs: General apportionment; employee compensation adjustments; pupil transportation; special education programs; institutional education programs; transitional bilingual programs; and learning assistance programs.

(3) The director of financial management shall notify the appropriate legislative fiscal committees in writing prior to approving any allotment modifications or transfers under this section.

**PART XV  
HIGHER EDUCATION**

**Sec. 1501.** 2006 c 372 s 603 (uncodified) is amended to read as follows:

**FOR THE UNIVERSITY OF WASHINGTON**

General Fund—State Appropriation (FY 2006) . . . . .	\$337,629,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$352,714,000)</del>
	<u>\$352,614,000</u>
General Fund—Private/Local Appropriation . . . . .	\$300,000
Accident Account—State Appropriation . . . . .	\$6,209,000
Medical Aid Account—State Appropriation . . . . .	\$6,143,000
Education Legacy Trust—State Appropriation. . . . .	\$10,748,000
Pension Funding Stabilization Account—State Appropriation. . . . .	\$604,000
TOTAL APPROPRIATION . . . . .	<del>(\$714,347,000)</del>
	<u>\$714,247,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$165,000 of the general fund—state appropriation for fiscal year 2006 and \$165,000 of the general fund—state appropriation for fiscal year 2007 are

provided solely for the implementation of the Puget Sound work plan and agency action item UW-01.

(2) \$300,000 of the general fund—private/local appropriation is provided solely for shellfish biotoxin monitoring as specified in chapter 263, Laws of 2003 (SSB 6073, shellfish license fee).

(3)(a) \$3,057,000 of the education legacy trust appropriation for fiscal year 2006 and \$7,691,000 of the education legacy trust appropriation for fiscal year 2007 are provided as the state subsidy for 360 new enrollments at the Seattle campus, 325 new enrollments at the Tacoma campus, and 275 new enrollments at the Bothell campus. By December 15th of each year of the 2005-07 fiscal biennium, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs by campus enrolled with the funding provided in this subsection.

(b) \$2,500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for 150 additional high-demand student enrollments. The university shall make it a priority to expand access to baccalaureate programs in engineering, math, and science. By December 15, 2006, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs enrolled with the funding provided in this subsection.

(4) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 949 through 980 of this act are estimated to increase the total per student funding during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, the University of Washington shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

(a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;

(b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;

(c) Improve freshman retention rates;

(d) Improve and sustain the quality of its degree programs as measured by the number of programs that are ranked in the top twenty nationally;

(e) Sustain the quality of its research programs as measured by the national ranking for federal research grants received; and

(f) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial management, and the higher education coordinating board and shall be determined based on the per student funding level assumed in this act.

On or before November 1, 2006, the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the provisions of this section. The higher education coordinating board shall compile and analyze all responses and



provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to December 1, 2006.

(5) \$200,000 of the general fund—state appropriation for fiscal year 2006 is provided solely to assist the transition of University of Washington-Tacoma and University of Washington-Bothell from branch campuses serving upper-division students, to four-year campuses serving freshmen, sophomores, and upper-division students. Funds may be used to develop curricula, recruit new faculty, and expand student services. Consistent with the recommendations of the higher education coordinating board, UW-Tacoma and UW-Bothell may begin enrolling lower-division students beginning in fiscal year 2007.

(6) \$30,000 of the general fund—state appropriation for fiscal year 2006 and \$30,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for research on labor and economic issues in Washington state through the Harry Bridges center.

(7) \$146,000 of the general fund—state appropriation for fiscal year 2006 and \$296,000 of the general fund—state appropriation for the fiscal year 2007 are provided solely to the Burke Museum to enhance the museum's public outreach capabilities.

(8) \$125,000 of the general fund—state appropriation for fiscal year 2006 and \$125,000 of the general fund—state appropriation for the fiscal year 2007 are provided solely to the institute for learning and brain sciences (ILABS) to develop a partnership, linking ILABS to policymakers, private sectors and user-groups.

(9) The University of Washington medical center shall provide inpatient and outpatient hospital services to offenders confined in department of corrections facilities at a rate no greater than the average rate that the department of corrections has negotiated with other community hospitals in Washington state.

(10) \$75,000 of the general fund—state appropriation for fiscal year 2006 and \$75,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the Olympic natural resources center.

(11) \$350,000 of the general fund—state appropriation for fiscal year 2006 and \$450,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to maintain the autism center at the University of Washington-Tacoma campus. The facility will continue to function as a satellite facility to the autism center at the University of Washington medical center in Seattle and provide clinical service and professional training.

(12) \$2,400,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to increase the university's capacity to conduct research in the life science fields.

(13) \$400,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for improvements to the Pacific Northwest seismic network.

(14) \$1,008,000 of the general fund—state appropriation for fiscal year 2006 is provided solely for extraordinary natural gas cost expenses.

(15) \$500,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the university to implement a department of global health. The school of medicine and the school of public health and community medicine will jointly form and operate the department. The focus will be establishing sustainable improvements in global health through public health policy, practice, and medical care.

(16) \$2,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to pay for operations and maintenance costs of the bioengineering and genome sciences buildings that will come on line during the 2005-07 biennium.

(17) \$150,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to expand the Washington search for young scholars program at the Robinson center at the University of Washington.

~~((19))~~ (18) \$300,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for math engineering science achievement (MESA) Washington to establish centers throughout the state.

(19) \$25,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the William D. Ruckelshaus center to identify and carry out, or otherwise appropriately support, a process to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict.

Sec. 1502. 2006 c 372 s 604 (uncodified) is amended to read as follows:

**FOR WASHINGTON STATE UNIVERSITY**

General Fund—State Appropriation (FY 2006) . . . . .	\$206,511,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$213,500,000)</del>
	\$213,520,000
Education Legacy Trust—State Appropriation. . . . .	\$11,162,000
Pension Funding Stabilization Account—State	
Appropriation. . . . .	\$293,000
TOTAL APPROPRIATION . . . . .	<del>(\$431,466,000)</del>
	<u>\$431,486,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$210,000 of the general fund—state appropriation for fiscal year 2006 and \$210,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the implementation of the Puget Sound work plan and agency action item WSU-01.

(2)(a) \$2,741,000 of the education legacy trust appropriation for fiscal year 2006 and \$6,900,000 of the education legacy trust appropriation for fiscal year 2007 are provided as the state subsidy for 430 new enrollments at the Pullman campus, 450 new enrollments at the Vancouver campus, and 25 new enrollments at the Tri-Cities campus. By December 15th of each year of the 2005-07 fiscal biennium, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs by campus enrolled with the funding provided in this subsection.

(b) \$1,174,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for 80 additional high demand student enrollments. The university shall make it a priority to expand baccalaureate and graduate level access to nursing programs and to expand baccalaureate programs in engineering and construction management. By December 15, 2006, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs enrolled with the funding provided in this subsection.

(3) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 949 through 980 of this act are estimated to increase the total per student funding during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, Washington State University shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

- (a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;
- (b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;
- (c) Improve freshman retention rates;
- (d) Improve and sustain the quality of its degree programs as measured by the number of programs that are ranked in the top twenty nationally;
- (e) Sustain the quality of its research programs as measured by the national ranking for federal research grants received; and
- (f) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial management, and the higher education coordinating board and shall be determined based on the per student funding level assumed in this act.

On or before November 1, 2006 the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the provisions of this section. The higher education coordinating board shall compile and analyze all responses and provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to December 1, 2006.

(4) \$507,000 of the education legacy trust appropriation for fiscal year 2006 and \$1,014,000 of the education legacy trust appropriation for fiscal year 2007 are provided solely to expand the entering class of veterinary medicine students by 16 resident student FTEs each academic year during the 2005-2007 biennium.

(5) \$350,000 of the general fund—state appropriation for fiscal year 2006 is provided solely to assist the transition of Washington State University-Vancouver from a branch campus serving only upper-division students, to a four-year campus serving freshmen, sophomores, and upper-division students. Funds may be used to develop curricula, recruit new faculty, and expand student services. Consistent with the recommendations of the higher education coordinating board, WSU-Vancouver may begin enrolling lower-division students beginning in fiscal year 2007.

(6) The university shall give consideration to reprioritizing agricultural research funding to allow for expansion of the center for precision agricultural systems and development of the biologically intensive and organic agriculture program.

(7) \$25,000 of the general fund—state appropriation for fiscal year 2006 and \$25,000 of the general fund—state appropriation for fiscal year 2007 are

provided solely to study the cost of complying with vehicle licensing and registration laws. Funding is subject to the passage of House Bill No. 1241 (modifying vehicle licensing and registration penalties). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(8) \$42,000 of the general fund—state appropriation for fiscal year 2006 and \$43,000 of the general fund—state appropriation for fiscal year 2007 are provided solely to implement Senate Bill No. 5101 (providing incentives to support renewable energy). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(9) \$200,000 of the general fund--state appropriation for fiscal year 2006 and \$200,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to conduct research on alternatives for controlling ghost shrimp in Willapa bay.

(10) \$716,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for extraordinary natural gas cost expenses.

(11) \$250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to assist the Washington State University (WSU) Tri-Cities in planning the transition from a branch campus serving upper-division students, to a four-year campus serving freshmen, sophomores, and upper-division students. Funds may be used to develop curricula, recruit new faculty, and expand student services. WSU Tri-Cities may begin enrolling lower-division students beginning in Fall 2007.

(12) \$800,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the university to operate the AgWeatherNet system.

(13) \$400,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the center for sustaining agriculture and natural resources to create a biologically intensive and organic agriculture program.

~~((15))~~ (14) \$1,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for allocation to a private nonprofit medical and scientific research institute to be located in Spokane for the purposes of developing and implementing new medical treatment therapies involving systems biology, genomics, and nanotechnology. The allocation shall be matched by the nonprofit institute by an equal amount of funds from nonstate sources. The university shall not retain any of these funds for administrative purposes.

~~((16))~~ (15) \$98,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to establish a biofuels consumer education and outreach program at the Washington State University extension energy program.

(16) \$25,000 of the general fund—state appropriation for fiscal year 2007 is provided solely for the William D. Ruckelshaus center to identify and carry out, or otherwise appropriately support, a process to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict.

**Sec. 1503.** 2006 c 372 s 606 (uncodified) is amended to read as follows:

**FOR CENTRAL WASHINGTON UNIVERSITY**

General Fund—State Appropriation (FY 2006) . . . . . ~~(\$45,671,000)~~  
\$45,586,000

General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$47,006,000)</del>
	<u>\$46,980,000</u>
Education Legacy Trust—State Appropriation. . . . .	\$6,461,000
Pension Funding Stabilization Account—State Appropriation. . . . .	\$103,000
TOTAL APPROPRIATION . . . . .	<del>(\$99,241,000)</del>
	<u>\$99,130,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,147,000 of the education legacy trust appropriation for fiscal year 2006 and \$4,314,000 of the education legacy trust appropriation for fiscal year 2007 are provided as the state subsidy for 650 new enrollments. By December 15th of each year of the 2005-07 fiscal biennium, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs by campus enrolled with the funding provided in this subsection.

(2) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 949 through 980 of this act are estimated to increase the total per student funding during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, Central Washington University shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

- (a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;
- (b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;
- (c) Improve freshman retention rates;
- (d) Improve and sustain the quality of its degree programs as measured by the number of programs that receive national accreditation; and
- (e) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial management, and the higher education coordinating board and shall be determined based on the per student funding level assumed in this act.

On or before November 1, 2006, the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the provisions of this section. The higher education coordinating board shall compile and analyze all responses and provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to December 1, 2006.

(3) For the 2006-07 and 2007-08 academic years, the legislature hereby increases the limit on total gross authorized operating fees revenue waived, exempted, or reduced by Central Washington University pursuant to RCW 28B.15.910 to eleven percent.

(4) \$206,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for extraordinary natural gas cost expenses.

**Sec. 1504.** 2006 c 372 s 616 (uncodified) is amended to read as follows:

**FOR THE STATE SCHOOL FOR THE BLIND**

General Fund—State Appropriation (FY 2006) . . . . .	\$5,149,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$5,285,000)</del>
	<u>\$5,354,000</u>
General Fund—Private/Local Appropriation . . . . .	\$1,335,000
Pension Funding Stabilization Account—State Appropriation . . . . .	\$38,000
<b>TOTAL APPROPRIATION . . . . .</b>	<b><del>(\$11,807,000)</del></b>
	<u><b>\$11,876,000</b></u>

**PART XVI  
SPECIAL APPROPRIATIONS**

**Sec. 1601.** 2006 c 372 s 701 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

General Fund—State Appropriation (FY 2006) . . . . .	\$640,544,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$683,019,000)</del>
	<u>\$679,329,000</u>
State Building Construction Account—State Appropriation . . . . .	<del>(\$5,924,000)</del>
	<u>\$6,500,000</u>
State Taxable Building Construction Account—State Appropriation . . . . .	\$539,000
Gardner-Evans Higher Education Construction Account—State Appropriation . . . . .	\$1,395,000
Debt-Limit Reimbursable Bond Retirement Account—State Appropriation . . . . .	\$2,583,000
<u>Columbia River Basin Water Supply Development Account—State Appropriation . . . . .</u>	<u>\$24,000</u>
<u>Hood Canal Aquatic Rehabilitation Bond Account—State Appropriation . . . . .</u>	<u>\$21,000</u>
<b>TOTAL APPROPRIATION . . . . .</b>	<b><del>(\$1,334,004,000)</del></b>
	<u><b>\$1,330,935,000</b></u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year 2006 shall be deposited in the debt-limit general fund bond retirement account by June 30, 2006.

**Sec. 1602.** 2006 c 372 s 703 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER**

**CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund—State Appropriation (FY 2006) . . . . .	\$24,588,000
General Fund—State Appropriation (FY 2007) . . . . .	\$26,743,000
Nondebt-Limit Reimbursable Bond Retirement	
Account—State Appropriation . . . . .	<del>(\$130,909,000)</del>
	<u>\$131,001,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$182,240,000)</del>
	<u>\$182,332,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for deposit into the nondebt-limit general fund bond retirement account.

**Sec. 1603.** 2006 c 372 s 704 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

General Fund—State Appropriation (FY 2006) . . . . .	\$1,357,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$1,357,000)</del>
	<u>\$957,000</u>
State Building Construction Account—State Appropriation . . . . .	\$1,080,000
State Taxable Building Construction	
Account—State Appropriation . . . . .	<del>(\$78,000)</del>
	<u>\$86,000</u>
Gardner-Evans Higher Education Construction	
Account—State Appropriation . . . . .	\$452,000
<u>Columbia River Basin Water Supply Development</u>	
<u>Account—State Appropriation . . . . .</u>	<u>\$2,000</u>
<u>Hood Canal Aquatic Rehabilitation Bond Account—State</u>	
<u>Appropriation . . . . .</u>	<u>\$2,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$4,324,000)</del>
	<u>\$3,936,000</u>

**Sec. 1604.** 2006 c 372 s 705 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—FIRE CONTINGENCY POOL**

Disaster Response Account—State Appropriation . . . . .	<del>(\$8,000,000)</del>
	<u>\$9,000,000</u>

The sum of ~~(\$8,000,000)~~ \$9,000,000 is appropriated from the disaster response account for the purpose of making allocations to the Washington state patrol for fire mobilizations costs or to the department of natural resources for fire suppression costs.

**Sec. 1605.** 2006 c 372 s 706 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—FIRE CONTINGENCY**

General Fund—State Appropriation (FY 2006) . . . . .	\$1,600,000
General Fund—State Appropriation (FY 2007) . . . . .	<u>\$1,000,000</u>
TOTAL APPROPRIATION . . . . .	<u>\$2,600,000</u>

The appropriations in this section ~~((is))~~ are subject to the following conditions and limitations: The appropriations ~~((is))~~ are provided solely for deposit into the disaster response account for the purposes specified in section 705 of this act.

**Sec. 1606.** 2006 c 372 s 707 (uncodified) is amended to read as follows:

**FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may be necessary, are appropriated from the general fund, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims. These appropriations are to be disbursed on vouchers approved by the director of financial management, except as otherwise provided, as follows:

(1) Reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110:

- (a) Kirk F. Schultz, claim number SCJ 2006-01 . . . . . \$12,312
- (b) Scott A. King, claim number SCJ 2006-02 . . . . . \$9,922
- (c) Mark D. Huckaba, claim number SCJ 2006-03 . . . . . \$10,000
- (d) James D. Brittain, claim number SCJ 2006-02 . . . . . \$20,000
- (e) Jain E. Johnson, claim number SCJ 2007-01 . . . . . \$7,250
- (f) Sandra J. Ciske, claim number SCJ 2007-02 . . . . . \$10,168
- (g) Matthew R. Young, claim number SCJ 2007-03 . . . . . \$40,185
- (h) Kevin J. Flockhart, claim number SCJ 2007-04 . . . . . \$38,209
- (i) James J. O'Hagan, claim number SCJ 2007-05 . . . . . \$25,207
- (j) Claude G. Lindsey, Jr., claim number SCJ 2007-07 . . . . . \$10,701
- (k) Cary Youngstrom, claim number SCJ 2007-08 . . . . . \$5,089

(2) Payment from the state wildlife account for damage to crops by wildlife pursuant to RCW 77.36.050:

- (a) For deposit into the self-insurance liability account for reimbursement of payment made to Circle S Landscape, claim number SCG 2004-05 . . . \$21,926
- ~~(b) ((Venture Farms, claim number SCG 2005-03 . . . . . \$57,448~~
- ~~(c)) Patrick O'Hagen, claim number SCG 2006-02 . . . . . \$1,673~~
- ~~((d)) (c) Patrick O'Hagen, claim number SCG 2006-03 . . . . . \$2,389~~
- ~~((e)) (d) Swampapple Enterprises, Inc., claim number SCG 2006-04 . . . . . \$3,574~~
- ~~((f)) (e) Wilbur H. Mundy, claim number SCG 2006-05 . . . . . \$10,307~~
- ~~((g)) (f) Sam Kayser, claim number SCG 2006-08 . . . . . \$1,108~~
- ~~((h)) (g) Richard Cordell, claim number SCG 2006-09 . . . . . \$4,076~~
- (h) Ralland L. Wallace, claim number SCG 2006-06 . . . . . \$23,393
- (i) Sulfur Creek Ranches, claim number SCG 2007-01 . . . . . \$4,602
- (j) Venture Farms, claim number SCG 2007-04 . . . . . \$5,254

(3) Payment for reinterment of human remains from historic graves pursuant to RCW 68.60.050:

- Darrin Erdahl, claim number SCO 2006-01 . . . . . \$3,000

**Sec. 1607.** 2005 c 518 s 707 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—SEX OFFENDER SENTENCING IMPACT**

General Fund—State Appropriation (FY 2006) . . . . .	\$45,000
General Fund—State Appropriation (FY 2007) . . . . .	<del>(\$792,000)</del>
	<u>\$604,000</u>



TOTAL APPROPRIATION . . . . . ~~(\$837,000)~~  
\$649,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for distribution to counties to pay for the costs of implementing chapter 176, Laws of 2004, which makes amendments to the special sex offender sentencing alternative.

\*Sec. 1608. 2006 c 372 s 708 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—CONTRIBUTIONS TO RETIREMENT SYSTEMS.** The appropriations in this section are subject to the following conditions and limitations: The appropriations for the law enforcement officers' and firefighters' retirement system shall be made on a monthly basis beginning July 1, 2005, consistent with chapter 41.45 RCW, and the appropriations for the judges and judicial retirement systems shall be made on a quarterly basis consistent with chapters 2.10 and 2.12 RCW.

(1) There is appropriated for state contributions to the law enforcement officers' and fire fighters' retirement system:

General Fund—State Appropriation (FY 2006) . . . . . \$32,450,000  
 General Fund—State Appropriation (FY 2007) . . . . . ~~(\$38,750,000)~~  
\$38,650,000

(a) \$100,000 of the general fund—state appropriations for fiscal year 2006 and \$200,000 of the general fund—state appropriations for fiscal year 2007 are provided solely to implement Substitute House Bill No. 1936 (emergency medical technicians). If the bill is not enacted by June 30, 2005, the amounts provided shall lapse.

(b) \$950,000 of the general fund—state appropriation for fiscal year 2006 and \$950,000 of the general fund—state appropriation for fiscal year 2007 are provided solely for the state contributions required under Substitute Senate Bill No. 5615 (law enforcement officers' and fire fighters' retirement system plan 2 disability benefit). If the bill is not enacted by June 30, 2005, the amounts provided shall lapse.

(c) \$100,000 of the general fund—state appropriation for fiscal year 2007 is provided solely to implement House Bill No. 2932 (catastrophic disability). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(2) There is appropriated for contributions to the judicial retirement system:

General Fund—State Appropriation (FY 2006) . . . . . \$6,601,000  
 General Fund—State Appropriation (FY 2007) . . . . . \$9,539,000

(3) There is appropriated for contributions to the judges retirement system:

General Fund—State Appropriation (FY 2006) . . . . . \$300,000  
 General Fund—State Appropriation (FY 2007) . . . . . \$300,000

**(4) There is appropriated for the state contributions required under Senate Bill No. 6453 (minimum monthly retirement):**

**General Fund—State Appropriation (FY 2007) . . . . . \$500,000**

**Special Account Retirement Contribution Increase**

**Revolving Account Appropriation . . . . . \$200,000**

(5) There is appropriated for the state contributions required under Substitute House Bill No. 2684 (plan 3 five-year vesting):

<u>General Fund—State Appropriation (FY 2007)</u> . . . . .	<u>\$600,000</u>
TOTAL APPROPRIATION . . . . .	<u>(\$87,940,000)</u>
	<u>\$89,140,000</u>

\*Sec. 1608 was partially vetoed. See message at end of chapter.

Sec. 1609. 2006 c 372 s 712 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—ENERGY FREEDOM ACCOUNT**

General Fund—State Appropriation (FY 2007) . . . . .	<u>(\$23,000,000)</u>
	<u>\$20,500,000</u>

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for ~~((deposit))~~ expenditure into the energy freedom account. If Engrossed Third Substitute House Bill No. 2939 (energy freedom) is not enacted by June 30, 2006, the appropriation in this section shall lapse.

Sec. 1610. 2006 c 372 s 715 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—PERSONNEL LITIGATION SETTLEMENT—RETROSPECTIVE PAYMENTS**

General Fund—State Appropriation (FY 2007) . . . . .	<u>(\$11,813,000)</u>
	<u>\$11,039,976</u>

Special Personnel Litigation Revolving

Account Appropriation . . . . .	<u>(\$10,689,000)</u>
	<u>\$9,954,024</u>

TOTAL APPROPRIATION . . . . .	<u>(\$22,502,000)</u>
	<u>\$20,994,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire appropriation is provided solely for the purposes of funding the retrospective payments for the settlement of litigation involving compensation differentials among personnel classes, *W.P.E.A. v. State of Washington*.

(2) To facilitate the transfer of moneys from dedicated funds and accounts, the ~~((state treasurer))~~ office of financial management shall transfer or direct the transfer of sufficient moneys from each dedicated fund or account, including local funds of state agencies and institutions of higher education, to the special personnel litigation revolving account in accordance with ~~((LEAP))~~ OFM document number ~~((2006-S11))~~ 2007-S01 dated ~~((March 3,))~~ December 19, 2006. Agencies and institutions of higher education with local funds will deposit sufficient money to the special personnel litigation revolving account from their local funds as directed by the office of financial management. The office of financial management will direct the transfer of funds in the amount of the settlement to the administrator of the settlement on the date required by the court order.

NEW SECTION. Sec. 1611. A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—PERSONNEL LITIGATION SETTLEMENT—PROSPECTIVE PAYMENTS**

General Fund—State Appropriation (FY 2007) . . . . .	\$793,000
Special Personnel Litigation Revolving Account	
Appropriation . . . . .	\$666,000
TOTAL APPROPRIATION . . . . .	\$1,459,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire appropriation is provided solely for the purposes of funding the prospective provisions in the settlement agreement, settling all claims in the litigation involving compensation differentials among personnel classes, *W.P.E.A. v. State of Washington*.

(2) Appropriations or spending authority is provided to agencies in accordance with OFM document number 2007-S02 dated December 19, 2006. This funding is to be used in each agency's payroll process to pay the increased salaries for specified job classes as required in the settlement agreement.

NEW SECTION. Sec. 1612. A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—EQUAL JUSTICE SUBACCOUNT**

General Fund—State Appropriation (FY 2007) . . . . .	\$4,000,000
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The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the equal justice subaccount.

NEW SECTION. Sec. 1613. A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—DISASTER RESPONSE ACCOUNT**

General Fund—State Appropriation (FY 2007) . . . . .	\$9,700,000
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The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the disaster response account.

NEW SECTION. Sec. 1614. A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—TOBACCO PREVENTION AND CONTROL ACCOUNT**

General Fund—State Appropriation (FY 2007) . . . . .	\$50,000,000
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The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the tobacco prevention and control account.

NEW SECTION. Sec. 1615. A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—PENSION FUNDING STABILIZATION ACCOUNT**

General Fund—State Appropriation (FY 2007) . . . . . \$115,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the pension funding stabilization account.

NEW SECTION. Sec. 1616. A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—EDUCATION LEGACY TRUST ACCOUNT**

General Fund—State Appropriation (FY 2007) . . . . . \$215,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the education legacy trust account.

NEW SECTION. Sec. 1617. A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—MOBILE HOME PARK RELOCATION ACCOUNT**

General Fund—State Appropriation (FY 2007) . . . . . \$2,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the mobile home park relocation account.

NEW SECTION. Sec. 1618. A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—HEALTH SERVICES ACCOUNT**

General Fund—State Appropriation (FY 2007) . . . . . \$50,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the health services account.

NEW SECTION. Sec. 1619. A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—VIOLENCE REDUCTION AND DRUG ENFORCEMENT ACCOUNT**

General Fund—State Appropriation (FY 2007) . . . . . \$5,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the violence reduction and drug enforcement account.

Sec. 1620. 2005 c 518 s 729 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—PENSION CONTRIBUTION ADJUSTMENTS FOR THE PUBLIC SAFETY EMPLOYEES' RETIREMENT SYSTEM**

<del>((General Fund—State Appropriation (FY 2007).....</del>	<del>\$4,400,000))</del>
Special Account Retirement Contribution Increase	
Revolving Account Appropriation .....	<del>(((\$3,900,000))</del>
	<del>-\$73,000</del>
<b>((TOTAL APPROPRIATION .....</b>	<b>\$500,000))</b>

The appropriation(s) in this section (~~(are)~~) is subject to the following conditions and limitations:

(1) The appropriation(s) in this section (~~(are)~~) is provided solely to make adjustments to agency appropriations to reflect the costs associated with the entry of employees into the public safety employees' retirement system as created by chapter 242, Laws of 2004.

(2) To facilitate the transfer of moneys from dedicated funds and accounts, the state treasurer is directed to transfer sufficient moneys from each dedicated fund or account to the special account retirement contribution increase revolving account in accordance with schedules provided by the office of financial management.

\*NEW SECTION. **Sec. 1621.** A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—TECHNOLOGY FUNDING**

General Fund—State Appropriation (FY 2007) .....	\$26,277,000
Special Technology Funding Revolving Account	
Appropriation (FY 2008) .....	\$37,964,000
<b>TOTAL APPROPRIATION .....</b>	<b>\$64,241,000</b>

The appropriations in this section are provided solely for deposit to and expenditure from the data processing revolving account and are subject to the following conditions and limitations:

(1) The appropriations in this section, for expenditure to the data processing revolving account, are to be known as the "information technology funding pool" and are under the joint control of the department of information services and the office of financial management. The department of information services shall review information technology proposals and work jointly with the office of financial management to determine the projects to be funded and the amounts and timing of release of funds. To facilitate the transfer of moneys from dedicated funds and accounts, the state treasurer is directed to transfer sufficient moneys from each dedicated fund or account to the special technology funding revolving account, hereby created in the state treasury, in accordance with schedules provided by the office of financial management pursuant to LEAP Document ITA-2007 as developed by the legislative evaluation and program committee on April 20, 2007, at 13:01 hours.

(2) In exercising this authority, the department of information services and the office of financial management shall:

(a) Seek opportunities to reduce costs and achieve economies of scale by leveraging statewide investments in systems and data and other common or enterprise-wide solutions within and across state agencies that include standard software, hardware, and other information technology systems infrastructure, and common data definitions and data stores that promote the sharing of information across agencies whenever possible;

(b) Ensure agencies incorporate project management best practices and consider lessons learned from other information technology projects; and

(c) Develop criteria for the evaluation of information technology project funding proposals to include the determination of where common or coordinated technology or data solutions may be established, and identification of projects that cross fiscal biennia or are dependent on other prior, current, or future related investments.

(3) In allocating funds for the routine replacement of software and hardware, the information services board and office of financial management shall presume that agencies should have sufficient funding in their base allocation to pay for such replacement and that any allocations out of these funds are for extraordinary maintenance costs.

***(4) Funds appropriated in this section shall not be released for information technology projects with a risk-severity assessment level two or greater under the policies of the information services board until a feasibility study has been completed and approved by the information services board. If the feasibility study indicates a need for funding exceeding that allocated for the current biennium, justification of increased project costs shall be incorporated in an annual report from the department of information services to the information services board, the office of financial management, and the legislative evaluation and accountability program committee. Implementation funds shall not be released until the project is approved by the legislature.***

(5) Funds in the 2007-09 biennium may only be expended on the projects listed on LEAP Document IT-2007, as generated by the legislative evaluation and accountability program committee on April 20, 2007, at 13:01 hours. Future biennia allocations from the information technology funding pool shall be determined jointly by the department of information services and the office of financial management.

(6) Beginning December 1, 2008, and every biennium thereafter, the department of information services shall submit a statewide information technology plan to the office of financial management and the legislative evaluation and accountability program committee that supports a consolidated funding request. In alternate years, a plan addendum shall be submitted that reflects any modified funding pool request requiring action in the ensuing supplemental budget session.

(7) The department of information services shall report to the office of financial management and the legislative evaluation and accountability program committee by October 1, 2007, and annually thereafter, the status of planned allocations from funds appropriated in this section.

(8) State agencies shall report project performance in consistent and comparable terms using common methodologies to calculate project performance by measuring work accomplished (scope and schedule) against work planned and project cost against planned budget. The department of

information services shall provide implementation guidelines and oversight of project performance reporting.

(9) The information services board shall require all agencies receiving funds appropriated in this section to account for project expenses included in an information technology portfolio report submitted annually to the department of information services, the office of financial management, and the legislative evaluation and accountability program committee by October 1st of each year. The department of information services, with the advice and approval of the office of financial management, shall establish criteria for complete and consistent reporting of expenditures from these funds and project staffing levels.

(10) In consultation with the legislative evaluation and accountability program committee, the department of information services shall develop criteria for evaluating requests for these funds and shall report annually to the office of financial management and the legislative evaluation and accountability program committee by November 1st the status of distributions and expenditures from this pool.

\*Sec. 1621 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 1622. A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—EDUCATION CONSTRUCTION ACCOUNT**  
General Fund—State Appropriation (FY 2007) . . . . . \$20,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the education construction account.

NEW SECTION. Sec. 1623. A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—READING ACHIEVEMENT ACCOUNT**  
General Fund—State Appropriation (FY 2007) . . . . . \$2,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the reading achievement account. The amounts provided shall be used: (1) To implement an early reading grant program for evidence-based or promising community-based initiatives that develop early literacy skills through parental and community involvement, public awareness, coordination of resources, and partnerships with local school districts; and (2) to provide statewide support to community-based reading initiatives.

NEW SECTION. Sec. 1624. A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—BOATING ACTIVITIES ACCOUNT**  
General Fund—State Appropriation (FY 2007) . . . . . \$2,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the boating activities account under Substitute House Bill No. 1651 (boating

activities). If the bill is not enacted by June 30, 2007, the appropriation in this section shall lapse.

**PART XVII  
OTHER TRANSFERS AND APPROPRIATIONS**

**Sec. 1701.** 2006 c 372 s 801 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION**

General Fund Appropriation for fire insurance premium distributions . . . . .	(( <u>\$6,561,000</u> ))	<u>\$6,644,000</u>
General Fund Appropriation for public utility district excise tax distributions . . . . .	(( <u>\$44,292,000</u> ))	<u>\$44,282,000</u>
General Fund Appropriation for prosecuting attorney distributions . . . . .	(( <u>\$3,568,000</u> ))	<u>\$3,757,000</u>
General Fund Appropriation for boating safety and education distributions . . . . .	(( <u>\$4,252,000</u> ))	<u>\$3,979,000</u>
General Fund Appropriation for other tax distributions . . . . .	(( <u>\$38,000</u> ))	<u>\$41,000</u>
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies . . . . .	(( <u>\$1,969,000</u> ))	<u>\$2,044,000</u>
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution . . . . .	(( <u>\$147,000</u> ))	<u>\$133,000</u>
Timber Tax Distribution Account Appropriation for distribution to "timber" counties . . . . .	(( <u>\$83,325,000</u> ))	<u>\$77,023,000</u>
County Criminal Justice Assistance Appropriation . . . . .	(( <u>\$53,650,000</u> ))	<u>\$53,953,000</u>
Municipal Criminal Justice Assistance Appropriation . . . . .	(( <u>\$21,315,000</u> ))	<u>\$21,381,000</u>
Liquor Excise Tax Account Appropriation for liquor excise tax distribution . . . . .	(( <u>\$40,512,000</u> ))	<u>\$41,525,000</u>
Liquor Revolving Account Appropriation for liquor profits distribution . . . . .	(( <u>\$88,818,000</u> ))	<u>\$68,911,000</u>



City-County Assistance Account Appropriation for local government financial assistance distribution . . . . .	(( <u>\$20,100,000</u> ))
	<u>\$26,020,000</u>
TOTAL APPROPRIATION . . . . .	(( <u>\$368,547,000</u> ))
	<u>\$349,693,000</u>

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

Sec. 1702. 2006 c 372 s 802 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

Impaired Driving Safety Account Appropriation . . . . .	(( <u>\$2,050,000</u> ))
	<u>\$2,173,601</u>

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2005-07 biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

Sec. 1703. 2006 c 372 s 803 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

Impaired Driving Safety Account Appropriation . . . . .	(( <u>\$1,367,000</u> ))
	<u>\$1,499,068</u>

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2005-07 biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

Sec. 1704. 2006 c 372 s 804 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—FEDERAL REVENUES FOR DISTRIBUTION**

General Fund Appropriation for federal grazing fees distribution . . . . .	(( <del>\$1,644,000</del> ))
	<u>\$2,292,000</u>
General Fund Appropriation for federal flood control funds distribution. . . . .	(( <del>\$68,000</del> ))
	<u>\$67,000</u>
Forest Reserve Fund Appropriation for federal forest reserve fund distribution . . . . .	(( <del>\$84,500,000</del> ))
	<u>\$84,071,000</u>
TOTAL APPROPRIATION . . . . .	(( <del>\$86,212,000</del> ))
	<u>\$86,430,000</u>

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

Sec. 1705. 2006 c 372 s 805 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—TRANSFERS.** For transfers in this section to the state general fund, pursuant to RCW 43.135.035(5), the state expenditure limit shall be increased by the amount of the transfer. The increase shall occur in the fiscal year in which the transfer occurs.

State Convention and Trade Center Account:	
For transfer to the state general fund, \$5,150,000 for fiscal year 2006 and \$5,150,000 for fiscal year 2007 . . . . .	\$10,300,000
General Fund: For transfer to the tourism development and promotion account, \$150,000 for fiscal year 2006 and \$150,000 for fiscal year 2007 . . . . .	
	\$300,000
Financial Services Regulation Account: For transfer to the state general fund, \$778,000 for fiscal year 2006 and \$779,000 for fiscal year 2007 . . . . .	
	\$1,557,000
Public Works Assistance Account: For transfer to the drinking water assistance account, \$8,400,000 for fiscal year 2006 . . . . .	
	\$8,400,000
Tobacco Settlement Account: For transfer to the health services account, in an amount not to exceed the actual balance of the tobacco settlement account . . . . .	
	(( <del>\$185,823,000</del> ))
	<u>\$166,070,000</u>
Health Services Account: For transfer to the state general fund, \$45,000,000 for fiscal year 2006 . . . . .	
	\$45,000,000

Health Services Account: For transfer to the tobacco prevention and control account . . . . .	(( <del>\$25,086,000</del> ))
	<u>\$21,257,000</u>
Health Services Account: For transfer to the water quality account . . . . .	\$7,885,000
Health Services Account: For transfer to the violence reduction and drug enforcement account . . . . .	\$6,932,000
Public Employees' and Retirees' Insurance Account: For transfer to the state general fund, \$40,000,000 for fiscal year 2006 and \$45,000,000 for fiscal year 2007 . . . . .	\$85,000,000
Department of Retirement Systems Expense Account: For transfer to the state general fund, \$2,000,000 for fiscal year 2006 . . . . .	\$2,000,000
Secretary of State's Revolving Account: For transfer to the state general fund, \$250,000 for fiscal year 2006 and \$250,000 for fiscal year 2007 . . . . .	\$500,000
State Treasurer's Service Account: For transfer to the state general fund, \$9,500,000 for fiscal year 2006 and \$7,000,000 for fiscal year 2007 . . . . .	\$16,500,000
General Fund: For transfer to the water quality account, \$318,000 for fiscal year 2006 and \$319,000 for fiscal year 2007 . . . . .	\$637,000
State Toxics Control Account: For transfer to the water quality account . . . . .	\$12,500,000
Water Quality Account: For transfer to the water pollution control revolving account . . . . .	(( <del>\$16,534,000</del> ))
	<u>\$11,034,000</u>
Pollution Liability Insurance Trust Account: For transfer to the state general fund . . . . .	\$3,750,000
Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account, an amount not to exceed . . . . .	\$21,800,000
Waste Reduction, Recycling, and Litter Control Account: For transfer to the state general fund, \$1,000,000 for fiscal year 2006 and \$1,000,000 for fiscal year 2007 . . . . .	\$2,000,000
Public Works Assistance Account: For transfer to the public facility construction loan revolving account, \$4,500,000 for fiscal year 2006 . . . . .	\$4,500,000
Nisqually Earthquake Account: For transfer to the disaster response account, \$3,000,000 for fiscal year 2006 . . . . .	\$3,000,000
Natural Resources Equipment Revolving Fund: For transfer to the state general fund for fiscal year 2006 . . . . .	\$1,000,000

General Fund: For transfer to the violence reduction and drug enforcement account, \$1,500,000 for fiscal year 2006 and \$1,500,000 for fiscal year 2007 .....	\$3,000,000
Education Legacy Trust Account: For transfer to the student achievement account, \$35,555,000 for fiscal year 2006 and \$103,046,000 for fiscal year 2007 .....	\$138,601,000

**PART XVIII  
MISCELLANEOUS**

NEW SECTION. Sec. 1801. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 1802. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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Passed by the House April 22, 2007.

Passed by the Senate April 22, 2007.

Approved by the Governor May 15, 2007, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 16, 2007.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Sections 113(9); 127(14); 127(29); 129(11); 141(1); 214(13); 222, page 105, line 12; 307(23); 307(24); 307(30); 402, page 147, line 33; 949; 1608(4) and (5); and 1621(4) of Substitute House Bill 1128 entitled:

"AN ACT Relating to fiscal matters."

**Section 127(14), page 25, Department of Community, Trade and Economic Development, Distribution of Visitor Guides**

Visitor guides are an important tool for promoting tourism to Washington State. The Department of Community, Trade and Economic Development currently has a formal agreement with the tourism industry to store and mail visitor guides as requested by the industry. The Department, in close partnership with the new tourism committee created by Substitute House Bill 1276, should have discretion on how many guides should be distributed. Therefore, I have vetoed Section 127(14).

**Section 127(29), page 28, Department of Community, Trade and Economic Development, Grant to the Synergy Group**

This nonprofit organization has the potential to ensure that the delivery of social services in the Lake Stevens area is accomplished more efficiently, and I encourage this type of coordination. However, this effort is more appropriately a local function, not the state's. Furthermore, the Synergy Group has not yet been legally established and does not yet have a clearly defined mission and purpose. For this reason, I have vetoed Section 127(29).

**Section 129(11), pages 37-38, Office of Financial Management, Technical Assistance to Pharmacies**

This proviso requires that the Office of Financial Management enter into an interagency agreement with the Department of Social and Health Services to establish a technical audit assistance program for pharmacies that provide Medicaid services, to oversee the technical assistance program, and to review and update pharmacy audit practices. No new funds were provided to accomplish these activities. In addition, the delegation of this authority to the Office of Financial Management over audit practices appears to violate the federal Medicaid Single State Agency requirement that the Department of Social and Health Services handle matters of this sort. For these reasons, I have vetoed Section 129(11).

**Section 141(1), page 44, Department of General Administration, Moving Costs for Office of Minority and Women-Owned Businesses**

This proviso prevents the Department of General Administration from charging the Office of Minority and Women's Business Enterprise for the cost of moving to a new office. Since the Department of General Administration is supported by rates and fees, any service that is not charged to the agency receiving the services could result in higher rates for other state agencies. Therefore, I have vetoed Section 141(1).

**Section 214(13), page 97, Health Care Authority, Family Practice Residency in Southeastern Washington**

This proviso establishes a family practice residency program in southwest Washington. On-going programs of this nature are best established with substantive legislation, not as a proviso in the appropriations bill. For this reason, I have vetoed Section 214(13).

**Section 222, page 105, line 12, Department of Health, Oyster Reserve Land Account Appropriation**

This is a technical veto to correct an over-appropriation in this account. While the Department of Health will no longer have a direct appropriation, the Department of Fish and Wildlife will enter into an agreement with the Department of Health to distribute pass-through funding to local health jurisdictions for grants to individuals to improve on-site sewage systems, as required by Substitute Senate Bill 5372, the Puget Sound Partnership. For this reason, I have vetoed Section 222, line 12.

**Section 307(23), page 135, Department of Fish and Wildlife, Sinking Vessels in Puget Sound for Dive Attractions**

This proviso requires that, within existing funds, the Department of Fish and Wildlife in coordination with the Department of Ecology shall evaluate the environmental impacts of sinking vessels in Puget Sound for dive attractions. A needs assessment and scoping study (including environmental impacts) for sinking ships as diving sites in Puget Sound has already been completed, and was

submitted to the Office of Financial Management and the Legislature in November of 2006. No additional funding was provided for this new evaluation. For these reasons, I have vetoed Section 307(23).

**Section 307(30), page 136, Department of Fish and Wildlife, Use of Appropriated Funds for Mole Trapping, Mountain Beaver Removal Enforcement**

This proviso prohibits the Department of Fish and Wildlife from using appropriated funds to enforce RCW 77.15.194, providing penalties for the use of leg-hold traps for trapping by mole exterminators or for the removal of mountain beaver from forest lands. The budget bill is not the appropriate vehicle for making substantive policy changes in the way the state implements Initiative 713. No bill passed the Legislature this session modifying RCW 77.15.194. Therefore, I have vetoed section 307(30).

**Section 402, line 33, page 147, Washington State Patrol, DNA Data Base Account Appropriation**

A drafting error resulted in an inadvertent appropriation from the DNA Data Base Account, which is a nonappropriated fund. Funds from the nonappropriated source are still available to the State Patrol for forensic laboratory improvements. Therefore, I have vetoed the appropriation from this account.

**Section 949, page 283-287, Health Care Authority, Amending the Public Employee Benefits Board Statute**

In this act, the Legislature defines the maximum contribution rates to be paid by state agencies on behalf of employees for health benefits. The Public Employee Benefits Board (PEBB) uses this funding level to secure a competitive benefit package for PEBB participants. Section 949 amends existing statute to prevent the Board from revising health plan offerings if that change would increase the actuarial value of the plans for the 2007-09 Biennium. This restriction is contrary to the PEBB's responsibility to successfully manage a competitive employee benefit package within the fiscal parameters established by the Legislature. It also limits the involvement of key stakeholders (including labor, retirees, and benefit experts) in important benefit decisions. For these reasons, I have vetoed Section 949 in its entirety.

**Section 1608(4) and (5), page 501, Department of Retirement Systems, Funding for 2006 Legislation**

These subsections add funding for legislation that was passed in 2006, and is already in the budget. Therefore, I have vetoed Section 1608(4) and (5).

**Section 1621(4), page 506, for the Office of Financial Management, Technology Funding**

This proviso would prohibit the release of funds to pay for at least 35 projects with a risk-severity assessment of level 2 or greater until a feasibility study is completed and the project is approved by the Information Services Board. While I agree that these projects need careful review and scrutiny before they proceed, I am vetoing Section 1621(4) because of the added workload and complexity introduced by these requirements. However, I direct the Department of Information Services and the Information Services Board to use their existing authority to provide the review and analysis desired in this proviso so that future costs and risks are better understood before the projects are allowed to move forward.

In addition, I share the intention expressed by the Legislature in Section 903 of this bill to better manage technology investments to achieve more common and coordinated technology and data solutions. Therefore, I also direct the Department of Information Services and Information Services Board to use their existing authority to review and strengthen investment planning for information technology projects to include, at a minimum, a review of the ability of projects to better use common services and solutions. Doing so can help reduce costs and risks for individual projects and can help the state realize greater economies of scale across multiple projects.

The following sections are vetoed because the bills referenced did not pass:

**Section 113(9), page 12, Office of Administrator for the Courts, SHB 1141, Diversion Records**

**Section 307(24), page 135, Department of Fish and Wildlife, ESHB 1147, Damage to Livestock**

For these reasons, I have vetoed Sections 113(9); 127(14); 127(29); 129(11); 141(1); 214(13); 222, page 105, line 12; 307(23); 307(24); 307(30); 402, page 147, line 33; 949; 1608 (4) and (5); and 1621(4) of Substitute House Bill 1128.

I am signing Section 307(8) which directs the Department of Fish and Wildlife to implement a joint management and collaborative enforcement agreement with the Confederated Tribes of the Colville and the Spokane Tribe without providing additional appropriations for the agreement. While I would have preferred that the Legislature provide new funding for this important endeavor, I am committed to the agreement and will work with the agency, the tribes and the Legislature to ensure its success.

With the exception of Sections 113(9); 127(14); 127(29); 129(11); 141(1); 214(13); 222, page 105, line 12; 307(23); 307(24); 307(30); 402, page 147, line 33; 949; 1608(4) and (5); and 1621(4), Substitute House Bill 1128 is approved."

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### CHAPTER 523

[Substitute Senate Bill 5882]

#### WASHINGTON STATE HERITAGE CENTER

AN ACT Relating to creating the Washington state heritage center account and establishing fees to be used for financing the Washington state heritage center; amending RCW 43.07.370; reenacting and amending RCW 36.18.010 and 43.79A.040; adding new sections to chapter 43.07 RCW; creating a new section; and providing effective dates.

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

NEW SECTION. **Sec. 1.** A new section is added to chapter 43.07 RCW to read as follows:

(1) In addition to other required filing fees, the secretary of state shall collect a fee of five dollars at the time of filing for:

(a) Articles of incorporation for domestic corporations or applications for certificates of authority for foreign corporations under Title 23B RCW;

(b) Certificates of formation for domestic limited liability companies or registrations of foreign limited liability companies under chapter 25.15 RCW;

(c) Registrations of foreign and domestic partnerships and limited liability partnerships under chapter 25.05 RCW;

(d) Certificates of limited partnership and registration of foreign limited partnerships under chapter 25.10 RCW; and

(e) Registrations of trademarks under chapter 19.77 RCW.

(2) Moneys received under subsection (1) of this section must be deposited into the Washington state heritage center account.

**Sec. 2.** RCW 36.18.010 and 2005 c 484 s 19 and 2005 c 374 s 1 are each reenacted and amended to read as follows:

County auditors or recording officers shall collect the following fees for their official services:

(1) For recording instruments, for the first page eight and one-half by fourteen inches or less, five dollars; for each additional page eight and one-half by fourteen inches or less, one dollar. The fee for recording multiple transactions contained in one instrument will be calculated for each transaction requiring separate indexing as required under RCW 65.04.050 as follows: The fee for each title or transaction is the same fee as the first page of any additional recorded document; the fee for additional pages is the same fee as for any additional pages for any recorded document; the fee for the additional pages may be collected only once and may not be collected for each title or transaction;

(2) For preparing and certifying copies, for the first page eight and one-half by fourteen inches or less, three dollars; for each additional page eight and one-half by fourteen inches or less, one dollar;

(3) For preparing noncertified copies, for each page eight and one-half by fourteen inches or less, one dollar;

(4) For administering an oath or taking an affidavit, with or without seal, two dollars;

(5) For issuing a marriage license, eight dollars, (this fee includes taking necessary affidavits, filing returns, indexing, and transmittal of a record of the marriage to the state registrar of vital statistics) plus an additional five-dollar fee for use and support of the prevention of child abuse and neglect activities to be transmitted monthly to the state treasurer and deposited in the state general fund plus an additional ten-dollar fee to be transmitted monthly to the state treasurer and deposited in the state general fund. The legislature intends to appropriate an amount at least equal to the revenue generated by this fee for the purposes of the displaced homemaker act, chapter 28B.04 RCW;

(6) For searching records per hour, eight dollars;

(7) For recording plats, fifty cents for each lot except cemetery plats for which the charge shall be twenty-five cents per lot; also one dollar for each acknowledgment, dedication, and description: PROVIDED, That there shall be a minimum fee of twenty-five dollars per plat;

(8) For recording of miscellaneous records not listed above, for the first page eight and one-half by fourteen inches or less, five dollars; for each additional page eight and one-half by fourteen inches or less, one dollar;

(9) For modernization and improvement of the recording and indexing system, a surcharge as provided in RCW 36.22.170;

(10) For recording an emergency nonstandard document as provided in RCW 65.04.047, fifty dollars, in addition to all other applicable recording fees;

(11) For recording instruments, a two-dollar surcharge to be deposited into the Washington state heritage center account created in section 4 of this act;

(12) For recording instruments, a surcharge as provided in RCW 36.22.178; and

~~((12))~~ (13) For recording instruments, except for documents recording a birth, marriage, divorce, or death or any documents otherwise exempted from a recording fee under state law, a surcharge as provided in RCW 36.22.179.

**Sec. 3.** RCW 43.07.370 and 2003 c 164 s 1 are each amended to read as follows:

(1) The secretary of state may solicit and accept gifts, grants, conveyances, bequests, and devises of real or personal property, or both, in trust or otherwise, and sell, lease, exchange, invest, or expend these donations or the proceeds, rents, profits, and income from the donations except as limited by the donor's terms.

(2) Moneys received under this section may be used only for the following purposes:

(a) Conducting oral histories;

(b) Archival activities; ~~((and))~~

(c) Washington state library activities; and

(d) Development, construction, and operation of the Washington state heritage center.

(3)(a) Moneys received under subsection (2)(a) through (c) of this section must be deposited in the oral history, state library, and archives account established in RCW 43.07.380.

(b) Moneys received under subsection (2)(d) of this section must be deposited in the Washington state heritage center account created in section 4 of this act.

(4) The secretary of state shall adopt rules to govern and protect the receipt and expenditure of the proceeds.

NEW SECTION. Sec. 4. A new section is added to chapter 43.07 RCW to read as follows:

The Washington state heritage center account is created in the custody of the state treasurer. All moneys received under RCW 36.18.010(11) and section 1 of this act must be deposited in the account. Expenditures from the account may be made only for the following purposes:

(1) Payment of the certificate of participation issued for the Washington state heritage center;

(2) Capital maintenance of the Washington state heritage center; and

(3) Program operations that serve the public, relate to the collections and exhibits housed in the Washington state heritage center, or fulfill the missions of the state archives, state library, and capital museum.

Only the secretary of state or the secretary of state's designee may authorize expenditures from the account. An appropriation is not required for expenditures, but the account is subject to allotment procedures under chapter 43.88 RCW.

Sec. 5. RCW 43.79A.040 and 2006 c 311 s 21 and 2006 c 120 s 2 are each reenacted and amended to read as follows:

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

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

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

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

(b) The following accounts and funds shall receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The Washington promise scholarship account, the college savings program account, the Washington advanced college tuition payment program account, the agricultural local fund, the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, the students with dependents grant account, the basic health plan self-insurance reserve account, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative

works account, the Washington international exchange scholarship endowment fund, the developmental disabilities endowment trust fund, the energy account, the fair fund, the fruit and vegetable inspection account, the future teachers conditional scholarship account, the game farm alternative account, the grain inspection revolving fund, the juvenile accountability incentive account, the law enforcement officers' and fire fighters' plan 2 expense fund, the local tourism promotion account, the produce railcar pool account, the regional transportation investment district account, the rural rehabilitation account, the stadium and exhibition center account, the youth athletic facility account, the self-insurance revolving fund, the sulfur dioxide abatement account, the children's trust fund, the Washington horse racing commission Washington bred owners' bonus fund account, the Washington horse racing commission class C purse fund account, the individual development account program account, the Washington horse racing commission operating account (earnings from the Washington horse racing commission operating account must be credited to the Washington horse racing commission class C purse fund account), the life sciences discovery fund, the Washington state heritage center account, and the reading achievement account. However, the earnings to be distributed shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.

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

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

NEW SECTION. Sec. 6. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2007, in the omnibus appropriations act, this act is null and void.

NEW SECTION. Sec. 7. Section 1 of this act takes effect January 1, 2009.

NEW SECTION. Sec. 8. Section 2 of this act takes effect January 1, 2008.

Passed by the Senate March 31, 2007.

Passed by the House April 20, 2007.

Approved by the Governor May 15, 2007.

Filed in Office of Secretary of State May 16, 2007.

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## CHAPTER 524

[Filed by Washington Citizens' Commission on Salaries for Elected Officials]

### SALARIES—STATE ELECTED OFFICIALS

AN ACT Relating to salaries of elected officials; and amending RCW 43.03.011, 43.03.012, and 43.03.013.

Be it enacted by the Washington citizens' commission on salaries for elected officials of the State of Washington:

**Sec. 1.** RCW 43.03.011 and 2005 c 519 s 1 are each amended to read as follows:

Pursuant to Article XXVIII, section 1 of the state Constitution and RCW 43.03.010 and 43.03.310, the annual salaries of the state elected officials of the executive branch shall be as follows:

(1) ~~(Effective September 1, 2004:~~

(a) Governor.....	\$ 145,132
(b) Lieutenant governor.....	\$ 75,865
(c) Secretary of state.....	\$ 101,702
(d) Treasurer.....	\$ 101,702
(e) Auditor.....	\$ 101,702
(f) Attorney general.....	\$ 131,938
(g) Superintendent of public instruction.....	\$ 103,785
(h) Commissioner of public lands.....	\$ 103,785
(i) Insurance commissioner.....	\$ 101,702

(2) ~~Effective September 1, 2005:~~

(a) Governor.....	\$ 148,035
(b) Lieutenant governor.....	\$ 77,382
(c) Secretary of state.....	\$ 103,736
(d) Treasurer.....	\$ 103,736
(e) Auditor.....	\$ 103,736
(f) Attorney general.....	\$ 134,577
(g) Superintendent of public instruction.....	\$ 105,861
(h) Commissioner of public lands.....	\$ 105,861
(i) Insurance commissioner.....	\$ 103,736

~~(3))~~ Effective September 1, 2006:

(a) Governor.....	\$ 150,995
(b) Lieutenant governor.....	\$ 78,930
(c) Secretary of state.....	\$ 105,811
(d) Treasurer.....	\$ 105,811
(e) Auditor.....	\$ 105,811
(f) Attorney general.....	\$ 137,268
(g) Superintendent of public instruction.....	\$ 107,978
(h) Commissioner of public lands.....	\$ 107,978
(i) Insurance commissioner.....	\$ 105,811

~~(2) Effective September 1, 2007:~~

(a) Governor.....	\$ 163,618
(b) Lieutenant governor.....	\$ 92,106
(c) Secretary of state.....	\$ 114,657
(d) Treasurer.....	\$ 114,657
(e) Auditor.....	\$ 114,657
(f) Attorney general.....	\$ 148,744
(g) Superintendent of public instruction.....	\$ 119,234
(h) Commissioner of public lands.....	\$ 119,234
(i) Insurance commissioner.....	\$ 114,657

~~(3) Effective September 1, 2008:~~

(a) Governor.....	\$ 166,891
(b) Lieutenant governor.....	\$ 93,948
(c) Secretary of state.....	\$ 116,950



<u>(d) Treasurer</u> .....	<u>\$ 116,950</u>
<u>(e) Auditor</u> .....	<u>\$ 116,950</u>
<u>(f) Attorney general</u> .....	<u>\$ 151,718</u>
<u>(g) Superintendent of public instruction</u> .....	<u>\$ 121,618</u>
<u>(h) Commissioner of public lands</u> .....	<u>\$ 121,618</u>
<u>(i) Insurance commissioner</u> .....	<u>\$ 116,950</u>

(4) The lieutenant governor shall receive the fixed amount of his salary plus 1/260th of the difference between his salary and that of the governor for each day that the lieutenant governor is called upon to perform the duties of the governor by reason of the absence from the state, removal, resignation, death, or disability of the governor.

**Sec. 2.** RCW 43.03.012 and 2005 c 519 s 2 are each amended to read as follows:

Pursuant to Article XXVIII, section 1 of the state Constitution and RCW 2.04.092, 2.06.062, 2.08.092, 3.58.010, and 43.03.310, the annual salaries of the judges of the state shall be as follows:

<u>(1) ((Effective September 1, 2004:</u>	
<u>(a) Justices of the supreme court</u> .....	<u>\$ 137,276</u>
<u>(b) Judges of the court of appeals</u> .....	<u>\$ 130,678</u>
<u>(c) Judges of the superior court</u> .....	<u>\$ 124,411</u>
<u>(d) Full-time judges of the district court</u> .....	<u>\$ 118,458</u>
<u>(2) Effective September 1, 2005:</u>	
<u>(a) Justices of the supreme court</u> .....	<u>\$ 141,394</u>
<u>(b) Judges of the court of appeals</u> .....	<u>\$ 134,598</u>
<u>(c) Judges of the superior court</u> .....	<u>\$ 128,143</u>
<u>(d) Full-time judges of the district court</u> .....	<u>\$ 122,012</u>
<u>(3)) Effective September 1, 2006:</u>	
<u>(a) Justices of the supreme court</u> .....	<u>\$ 145,636</u>
<u>(b) Judges of the court of appeals</u> .....	<u>\$ 138,636</u>
<u>(c) Judges of the superior court</u> .....	<u>\$ 131,988</u>
<u>(d) Full-time judges of the district court</u> .....	<u>\$ 125,672</u>
<u>(2) Effective September 1, 2007:</u>	
<u>(a) Justices of the supreme court</u> .....	<u>\$ 155,557</u>
<u>(b) Judges of the court of appeals</u> .....	<u>\$ 148,080</u>
<u>(c) Judges of the superior court</u> .....	<u>\$ 140,979</u>
<u>(d) Full-time judges of the district court</u> .....	<u>\$ 134,233</u>
<u>(3) Effective September 1, 2008:</u>	
<u>(a) Justices of the supreme court</u> .....	<u>\$ 164,221</u>
<u>(b) Judges of the court of appeals</u> .....	<u>\$ 156,328</u>
<u>(c) Judges of the superior court</u> .....	<u>\$ 148,832</u>
<u>(d) Full-time judges of the district court</u> .....	<u>\$ 141,710</u>

(4) The salary for a part-time district court judge shall be the proportion of full-time work for which the position is authorized, multiplied by the salary for a full-time district court judge.

**Sec. 3.** RCW 43.03.013 and 2005 c 519 s 3 are each amended to read as follows:

Pursuant to Article XXVIII, section 1 of the state Constitution and RCW 43.03.010 and 43.03.310, the annual salary of members of the legislature shall be:

<del>(1) (Effective September 1, 2004:</del>	
<del>(a) Legislators .....</del>	<del>\$ 34,227</del>
<del>(b) Speaker of the house .....</del>	<del>\$ 42,227</del>
<del>(c) Senate majority leader .....</del>	<del>\$ 42,227</del>
<del>(d) House minority leader .....</del>	<del>\$ 38,227</del>
<del>(e) Senate minority leader .....</del>	<del>\$ 38,227</del>
<del>(2) Effective September 1, 2005:</del>	
<del>(a) Legislators .....</del>	<del>\$ 35,254</del>
<del>(b) Speaker of the house .....</del>	<del>\$ 43,254</del>
<del>(c) Senate majority leader .....</del>	<del>\$ 43,254</del>
<del>(d) House minority leader .....</del>	<del>\$ 39,254</del>
<del>(e) Senate minority leader .....</del>	<del>\$ 39,254</del>
<del>(3)) Effective September 1, 2006:</del>	
<del>(a) Legislators .....</del>	<del>\$ 36,311</del>
<del>(b) Speaker of the house .....</del>	<del>\$ 44,311</del>
<del>(c) Senate majority leader .....</del>	<del>\$ 44,311</del>
<del>(d) House minority leader .....</del>	<del>\$ 40,311</del>
<del>(e) Senate minority leader .....</del>	<del>\$ 40,311</del>
<del>(2) Effective September 1, 2007:</del>	
<del>(a) Legislators .....</del>	<del>\$ 41,280</del>
<del>(b) Speaker of the house .....</del>	<del>\$ 49,280</del>
<del>(c) Senate majority leader .....</del>	<del>\$ 49,280</del>
<del>(d) House minority leader .....</del>	<del>\$ 45,280</del>
<del>(e) Senate minority leader .....</del>	<del>\$ 45,280</del>
<del>(3) Effective September 1, 2008:</del>	
<del>(a) Legislators .....</del>	<del>\$ 42,106</del>
<del>(b) Speaker of the house .....</del>	<del>\$ 50,106</del>
<del>(c) Senate majority leader .....</del>	<del>\$ 50,106</del>
<del>(d) House minority leader .....</del>	<del>\$ 46,106</del>
<del>(e) Senate minority leader .....</del>	<del>\$ 46,106</del>

Filed in Office of Secretary of State May 31, 2007.

AUTHENTICATION

I, K. Kyle Thiessen, Code Reviser of the State of Washington, certify that, with the exception of such corrections as I have made in accordance with the powers vested in me by RCW 44.20.060, the laws published in this volume are a true and correct reproduction of the copies of the enrolled laws of the 2007 session (60th Legislature), chapters 477 through 524, as certified and transmitted to the Statute Law Committee by the Secretary of State under RCW 44.20.020.

IN TESTIMONY WHEREOF, I have hereunto set my hand at Olympia, Washington, this 12th day of June, 2007.



K. KYLE THIESSEN  
Code Reviser



PROPOSED CONSTITUTIONAL AMENDMENT  
ADOPTED AT THE 2007 REGULAR SESSION  
FOR SUBMISSION TO THE VOTERS  
AT THE STATE GENERAL ELECTION, NOVEMBER 2007

**SENATE JOINT RESOLUTION 8212**

BE IT RESOLVED, BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE STATE OF WASHINGTON, IN LEGISLATIVE SESSION ASSEMBLED:

THAT, At the next general election to be held in this state the secretary of state shall submit to the qualified voters of the state for their approval and ratification, or rejection, an amendment to Article II, section 29 of the Constitution of the state of Washington to read as follows:

Article II, section 29. ~~((After the first day of January eighteen hundred and ninety))~~ ~~The labor of ((convicts)) inmates~~ of this state shall not be let out by contract to any person, copartnership, company, or corporation, except as provided by statute, and the legislature shall by law provide for the working of ~~((convicts)) inmates~~ for the benefit of the state, including the working of inmates in state-run inmate labor programs. Inmate labor programs provided by statute that are operated and managed, in total or in part, by any profit or nonprofit entities shall be operated so that the programs do not unfairly compete with Washington businesses as determined by law.

BE IT FURTHER RESOLVED, That the secretary of state shall cause notice of this constitutional amendment to be published at least four times during the four weeks next preceding the election in every legal newspaper in the state.

Passed by the Senate, March 12, 2007.

Passed by the House, April 10, 2007.

Filed in the Office of Secretary of State, April 16, 2007.

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PROPOSED CONSTITUTIONAL AMENDMENT  
ADOPTED AT THE 2007 REGULAR SESSION  
FOR SUBMISSION TO THE VOTERS  
AT THE STATE GENERAL ELECTION, NOVEMBER 2007

**ENGROSSED HOUSE JOINT RESOLUTION 4204**

BE IT RESOLVED, BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE STATE OF WASHINGTON, IN LEGISLATIVE SESSION ASSEMBLED:

THAT, At the next general election to be held in this state the secretary of state shall submit to the qualified voters of the state for their approval and ratification, or rejection, an amendment to Article VII, section 2 of the Constitution of the state of Washington to read as follows:

Article VII, section 2. Except as hereinafter provided and notwithstanding any other provision of this Constitution, the aggregate of all tax levies upon real

**EHJR 4204            PROPOSED CONSTITUTIONAL AMENDMENT, 2007**

and personal property by the state and all taxing districts now existing or hereafter created, shall not in any year exceed one percent of the true and fair value of such property in money(~~(= Provided, however, That)~~). Nothing herein shall prevent levies at the rates now provided by law by or for any port or public utility district. The term "taxing district" for the purposes of this section shall mean any political subdivision, municipal corporation, district, or other governmental agency authorized by law to levy, or have levied for it, ad valorem taxes on property, other than a port or public utility district. Such aggregate limitation or any specific limitation imposed by law in conformity therewith may be exceeded only as follows:

(a) By any taxing district when specifically authorized so to do by a majority of at least three-fifths of the voters of the taxing district voting on the proposition to levy such additional tax submitted not more than twelve months prior to the date on which the proposed initial levy is to be made and not oftener than twice in such twelve month period, either at a special election or at the regular election of such taxing district, at which election the number of voters voting "yes" on the proposition shall constitute three-fifths of a number equal to forty percent of the total number of voters voting in such taxing district at the last preceding general election when the number of voters voting on the proposition does not exceed forty percent of the total number of voters voting in such taxing district in the last preceding general election; or by a majority of at least three-fifths of the voters of the taxing district voting on the proposition to levy when the number of voters voting on the proposition exceeds forty percent of the number of voters voting in such taxing district in the last preceding general election(~~(= Provided, That)~~). Notwithstanding any other provision of this Constitution, any proposition pursuant to this subsection to levy additional tax for the support of the common schools or fire protection districts may provide such support for a period of up to four years and any proposition to levy an additional tax to support the construction, modernization, or remodelling of school facilities or fire facilities may provide such support for a period not exceeding six years. Notwithstanding any other provision of this subsection, a proposition under this subsection to levy an additional tax for a school district shall be authorized by a majority of the voters voting on the proposition, regardless of the number of voters voting on the proposition;

(b) By any taxing district otherwise authorized by law to issue general obligation bonds for capital purposes, for the sole purpose of making the required payments of principal and interest on general obligation bonds issued solely for capital purposes, other than the replacement of equipment, when authorized so to do by majority of at least three-fifths of the voters of the taxing district voting on the proposition to issue such bonds and to pay the principal and interest thereon by annual tax levies in excess of the limitation herein provided during the term of such bonds, submitted not oftener than twice in any calendar year, at an election held in the manner provided by law for bond elections in such taxing district, at which election the total number of voters voting on the proposition shall constitute not less than forty percent of the total number of voters voting in such taxing district at the last preceding general election(~~(= Provided, That)~~). Any such taxing district shall have the right by vote of its governing body to refund any general obligation bonds of said district issued for capital purposes only, and to provide for the interest thereon and amortization

**PROPOSED CONSTITUTIONAL AMENDMENT, 2007      EHJR 4204**

thereof by annual levies in excess of the tax limitation provided for herein(~~(, And provided further, That)~~). The provisions of this section shall also be subject to the limitations contained in Article VIII, Section 6, of this Constitution;

(c) By the state or any taxing district for the purpose of preventing the impairment of the obligation of a contract when ordered so to do by a court of last resort.

BE IT FURTHER RESOLVED, That the secretary of state shall cause notice of this constitutional amendment to be published at least four times during the four weeks next preceding the election in every legal newspaper in the state.

Passed by the House, March 12, 2007.

Passed by the Senate, April 12, 2007.

Filed in the Office of Secretary of State, April 18, 2007.

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PROPOSED CONSTITUTIONAL AMENDMENT  
ADOPTED AT THE 2007 REGULAR SESSION  
FOR SUBMISSION TO THE VOTERS  
AT THE STATE GENERAL ELECTION, NOVEMBER 2007

**SUBSTITUTE HOUSE JOINT RESOLUTION 4215**

BE IT RESOLVED, BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE STATE OF WASHINGTON, IN LEGISLATIVE SESSION ASSEMBLED:

THAT, At the next general election to be held in this state the secretary of state shall submit to the qualified voters of the state for their approval and ratification, or rejection, an amendment to Article XVI of the Constitution of the state of Washington by adding a new section to read as follows:

Article XVI, section ..... **INVESTMENT OF HIGHER EDUCATION PERMANENT FUNDS.** Notwithstanding the provisions of Article VIII, sections 5 and 7 and Article XII, section 9, or any other section or article of the Constitution of the state of Washington, the moneys of the permanent funds established for any of the institutions of higher education in this state may be invested as authorized by law. Without limitation, this shall include the authority to invest permanent funds held for the benefit of institutions of higher education in stocks or bonds issued by any association, company, or corporation if authorized by law.

BE IT FURTHER RESOLVED, That the secretary of state shall cause notice of this constitutional amendment to be published at least four times during the four weeks next preceding the election in every legal newspaper in the state.

Passed by the House, March 8, 2007.

Passed by the Senate, April 11, 2007.

Filed in the Office of Secretary of State, April 18, 2007.

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**ESSJR 8206      PROPOSED CONSTITUTIONAL AMENDMENT, 2007**

PROPOSED CONSTITUTIONAL AMENDMENT  
ADOPTED AT THE 2007 REGULAR SESSION  
FOR SUBMISSION TO THE VOTERS  
AT THE STATE GENERAL ELECTION, NOVEMBER 2007

**ENGROSSED SUBSTITUTE SENATE JOINT RESOLUTION 8206**

BE IT RESOLVED, BY THE SENATE AND HOUSE OF REPRESENTATIVES OF THE STATE OF WASHINGTON, IN LEGISLATIVE SESSION ASSEMBLED:

THAT, At the next general election to be held in this state the secretary of state shall submit to the qualified voters of the state for their approval and ratification, or rejection, an amendment to Article VII of the Constitution of the state of Washington by adding a new section to read as follows:

Article VII, section .... (a) A budget stabilization account shall be established and maintained in the state treasury.

(b) By June 30th of each fiscal year, an amount equal to one percent of the general state revenues for that fiscal year shall be transferred to the budget stabilization account. Nothing in this subsection (b) shall prevent the appropriation of additional amounts to the budget stabilization account.

(c) Each fiscal quarter, the state economic and revenue forecast council appointed and authorized as provided by statute, or successor entity, shall estimate state employment growth for the current and next two fiscal years.

(d) Moneys may be withdrawn and appropriated from the budget stabilization account as follows:

(i) If the governor declares a state of emergency resulting from a catastrophic event that necessitates government action to protect life or public safety, then for that fiscal year moneys may be withdrawn and appropriated from the budget stabilization account, via separate legislation setting forth the nature of the emergency and containing an appropriation limited to the above-authorized purposes as contained in the declaration, by a favorable vote of a majority of the members elected to each house of the legislature.

(ii) If the employment growth forecast for any fiscal year is estimated to be less than one percent, then for that fiscal year moneys may be withdrawn and appropriated from the budget stabilization account by the favorable vote of a majority of the members elected to each house of the legislature.

(iii) Any amount may be withdrawn and appropriated from the budget stabilization account at any time by the favorable vote of at least three-fifths of the members of each house of the legislature.

(e) Amounts in the budget stabilization account may be invested as provided by law and retained in that account. When the balance in the budget stabilization account, including investment earnings, equals more than ten percent of the estimated general state revenues in that fiscal year, the legislature by the favorable vote of a majority of the members elected to each house of the legislature may withdraw and appropriate the balance to the extent that the balance exceeds ten percent of the estimated general state revenues. Appropriations under this subsection (e) may be made solely for deposit to the education construction fund.



**PROPOSED CONSTITUTIONAL AMENDMENT, 2007      ESSJR 8206**

(f) As used in this section, "general state revenues" has the meaning set forth in Article VIII, section 1 of the Constitution. Forecasts and estimates shall be made by the state economic and revenue forecast council appointed and authorized as provided by statute, or successor entity.

(g) The legislature shall enact appropriate laws to carry out the purposes of this section.

(h) This section takes effect July 1, 2008.

BE IT FURTHER RESOLVED, That the secretary of state shall cause notice of this constitutional amendment to be published at least four times during the four weeks next preceding the election in every legal newspaper in the state.

Passed by the Senate, February 21, 2007.

Passed by the House, April 20, 2007.

Filed in the Office of Secretary of State, April 23, 2007.



**BILL NO. TO CHAPTER NO. OF 2007 STATUTES**

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Init	937	.....	1	
Washington Citizens' Commission on Salaries for Elected Officials		.....	524	
<b>SENATE</b>				
SSB	5002	.....	450	
SSB	5009	.....	443	
SB	5011	.....	9	
SB	5014	.....	280	
SSB	5032	.....	138	
SB	5036	.....	28	
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SSB	5050	.....	426	
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SSB	5053	.....	281	
ESB	5063	.....	218	
SSB	5074	.....	245	
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SB	5084	.....	422	
SSB	5085	.....	513	
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SB	5088	.....	423	
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2SSB	5093	.....	5	
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2SSB	5188	.....	246	
SSB	5190	.....	91	
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SSB	5193	.....	219	
SB	5199	.....	81	
SSB	5202	.....	379	
ESB	5204	.....	71	
SB	5206	.....	140	
SSB	5207	.....	514	
SSB	5219	.....	141	
SSB	5224	.....	444	
SSB	5225	.....	142	
SSB	5227	.....	376	
SSB	5228	.....	66	
SSB	5231	.....	31	
SSB	5236	.....	247	
SSB	5242	.....	92	
SSB	5243	.....	203	
SSB	5244	.....	143	
SB	5247	.....	95	
SSB	5248	.....	353	
SSB	5250	.....	96	
ESB	5251	.....	75	
SB	5253	.....	11	
SB	5258	.....	144	
SB	5259	.....	145	
SSB	5263	.....	32	
SB	5264	.....	33	
ESSB	5269	.....	319	
SB	5272	.....	515	PV
SB	5273	.....	97	
SSB	5288	.....	407	
ESSB	5290	.....	282	
ESSB	5292	.....	98	
ESSB	5297	.....	265	
ESSB	5311	.....	484	
ESSB	5312	.....	377	
SB	5313	.....	87	PV
SSB	5315	.....	252	
ESSB	5317	.....	415	
SSB	5320	.....	364	PV
SSB	5321	.....	220	
SB	5332	.....	204	
SSB	5336	.....	156	
ESSB	5339	.....	476	
SSB	5340	.....	317	
SB	5351	.....	34	
ESSB	5372	.....	341	
ESSB	5373	.....	146	
SB	5382	.....	35	
ESB	5385	.....	36	
SB	5389	.....	100	
SSB	5391	.....	101	

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Number	Chapter Number Laws of 2007	Number	Chapter Number Laws of 2007
SB	5398	102	
ESB	5401	335	
SB	5402	462	
ESSB	5403	70	
SSB	5405	37	
SB	5408	38	
SSB	5412	516	
SB	5421	104	
SB	5429	365	
SB	5434	477	
SSB	5435	198	
SSB	5443	77	
SSB	5445	188	
SSB	5447	479	
SSB	5461	109	
SSB	5463	110	
2SSB	5467	283	
SB	5468	111	
2SSB	5470	496	
SSB	5475	147	
SSB	5481	39	
SSB	5483	148	
SB	5490	40	
ESB	5498	380	
SSB	5503	253	
ESB	5508	231	
SSB	5511	112	
SB	5512	266	
ESB	5513	41	
SB	5525	42	
SSB	5533	375	
SSB	5534	366	
SB	5551	221	
SB	5552	347	
SSB	5554	113	
E2SSB	5557	478	
SSB	5568	189	
SB	5572	381	
2SSB	5597	502	
SB	5607	90	
SB	5613	149	
SB	5620	12	
SSB	5625	13	
E2SSB	5627	399	
SSB	5634	382	
SB	5635	14	
SSB	5639	222	
SB	5640	114	
SSB	5647	497	
2SSB	5652	322	
SSB	5653	248	
E2SSB	5659	357	
ESB	5669	308	
SSB	5674	383	
ESB	5675	284	
SSB	5676	190	
SSB	5688	78	
SSB	5702	386	
SB	5711	116	
SSB	5715	117	
ESSB	5717	82	
SSB	5718	368	PV
SSB	5720	103	
SSB	5721	369	
ESSB	5726	498	
SSB	5731	397	
SB	5732	105	
SB	5759	15	
ESSB	5770	495	
SB	5773	191	
ESSB	5774	387	PV
SB	5775	115	
SB	5778	150	
ESSB	5788	388	
2SSB	5790	463	PV
SB	5798	152	
2SSB	5806	151	
SSB	5826	499	
ESSB	5827	93	
E2SSB	5828	394	
SSB	5830	466	
ESSB	5836	285	
SSB	5839	118	
E2SSB	5841	400	PV
E2SSB	5843	401	
E2SSB	5859	370	
E2SSB	5862	223	
SB	5879	99	
SSB	5881	286	
SSB	5882	523	
2SSB	5883	106	
ESSB	5894	343	
SSB	5895	107	
SSB	5898	16	
SSB	5910	119	
ESSB	5915	287	
SB	5918	108	
SSB	5919	153	

“PV” Denotes partial veto by Governor [ 3150 ]

**BILL NO. TO CHAPTER NO. OF 2007 STATUTES**

Number	Chapter Number Laws of 2007		Number	Chapter Number Laws of 2007	
ESSB	5920		SHB	1041	
E2SSB	5923	PV	HB	1042	
SB	5926		ESHB	1047	
E2SSB	5930	PV	ESHB	1050	
SSB	5937		HB	1051	PV
SSB	5952		ESHB	1052	
SB	5953		HB	1054	
2SSB	5955	PV	HB	1064	
SB	5957		HB	1065	
E2SSB	5958		HB	1069	
SSB	5972		HB	1073	
SSB	5984		HB	1077	
SSB	5987		SHB	1079	
2SSB	5995		SHB	1082	
ESSB	6001	PV	HB	1084	
SB	6014		2SHB	1088	
2SSB	6016		SHB	1091	
ESB	6018		ESHB	1092	PV
ESSB	6023	PV	ESHB	1094	PV
ESSB	6032		2SHB	1095	
E2SSB	6044		2SHB	1096	
SB	6059		SHB	1097	
SB	6075		SHB	1098	
SB	6090		SHB	1099	
ESSB	6099	PV	2SHB	1106	
SSB	6100		ESHB	1114	
E2SSB	6117	PV	SHB	1124	
SB	6119		SHB	1128	PV
ESB	6128		ESHB	1131	
SB	6129		SHB	1135	
SSB	6141		HB	1137	
SSB	6156	PV	SHB	1138	
ESSB	6157		SHB	1140	
ESSB	6158		SHB	1144	
SB	6167		HB	1145	
			HB	1166	
			HB	1168	
	<b>HOUSE</b>		ESHB	1179	
HB	1000	PV	HB	1181	
E3SHB	1001		HB	1185	
SHB	1002		2SHB	1201	
HB	1005		EHB	1214	
ESHB	1008		EHB	1217	
2SHB	1009		HB	1218	
ESHB	1024		HB	1220	
HB	1025		HB	1224	
SHB	1029		HB	1231	
SHB	1037		SHB	1233	
HB	1038		HB	1235	
SHB	1039				

“PV” Denotes partial veto by Governor [ 3151 ]

**BILL NO. TO CHAPTER NO. OF 2007 STATUTES**

Number	Chapter Number Laws of 2007		Number	Chapter Number Laws of 2007		
HB	1236	.127	SHB	1381	.54	
SHB	1244	.297	SHB	1396	.509	
HB	1247	.161	SHB	1397	.272	
ESHB	1249	.163	SHB	1398	.24	
SHB	1255	.298	2SHB	1401	.428	
SHB	1256	.299	SHB	1407	.327	
SHB	1258	.164	SHB	1409	.236	
SHB	1259	.441	HB	1412	.170	
ESHB	1260	.300	EHB	1413	.328	
SHB	1261	.49	ESHB	1414	.273	
SHB	1262	.50	HB	1416	.237	
SHB	1264	.207	SHB	1417	.488	PV
SHB	1266	.487	HB	1418	.238	
SHB	1267	.418	E2SHB	1422	.384	
HB	1270	.208	HB	1430	.230	
SHB	1276	.228	HB	1431	.171	
2SHB	1277	.229	E2SHB	1432	.403	
SHB	1278	.51	HB	1437	.55	
SHB	1279	.128	HB	1443	.330	
2SHB	1280	.129	SHB	1445	.197	
SHB	1287	.409	HB	1447	.162	PV
ESHB	1289	.7	HB	1449	.470	
HB	1291	.209	HB	1450	.301	
HB	1292	.43	SHB	1456	.360	
HB	1293	.468	HB	1457	.464	
SHB	1298	.270	SHB	1458	.68	
E2SHB	1303	.348	EHB	1460	.8	PV
SHB	1304	.419	E2SHB	1461	.431	
HB	1305	.52	SHB	1472	.465	
HB	1311	.122	HB	1475	.56	
SHB	1312	.234	HB	1476	.442	
SHB	1319	.201	2SHB	1488	.346	
SHB	1328	.210	ESHB	1497	.130	
HB	1331	.235	SHB	1500	.172	
SHB	1333	.410	HB	1501	.255	
2SHB	1334	.411	HB	1505	.262	
SHB	1337	.23	2SHB	1506	.494	
SHB	1338	.211	SHB	1507	.25	
HB	1341	.165	SHB	1508	.58	
HB	1343	.420	ESHB	1512	.500	
HB	1344	.168	SHB	1513	.48	
HB	1349	.53	HB	1520	.202	
E2SHB	1359	.427	EHB	1525	.239	
HB	1366	.196	HB	1526	.385	
ESHB	1368	.469	HB	1528	.157	
HB	1370	.169	HB	1543	.250	
HB	1371	.372	HB	1549	.131	
HB	1377	.412	SHB	1555	.212	
EHB	1379	.271	HB	1556	.137	

“PV” Denotes partial veto by Governor [ 3152 ]

**BILL NO. TO CHAPTER NO. OF 2007 STATUTES**

Number	Chapter Number Laws of 2007		Number	Chapter Number Laws of 2007		
SHB	1565	213	HB	1831	180	
SHB	1566	485	SHB	1832	455	
E2SHB	1569	260	ESHB	1833	490	PV
2SHB	1573	408	SHB	1837	305	
SHB	1574	256	SHB	1843	436	
SHB	1583	390	SHB	1848	60	
HB	1592	363	ESHB	1858	329	
HB	1598	257	HB	1859	456	
HB	1599	452	HB	1870	61	
ESHB	1624	413	ESHB	1883	458	PV
2SHB	1636	482	HB	1888	181	
SHB	1642	173	SHB	1891	447	
HB	1644	302	SHB	1892	242	
HB	1645	274	2SHB	1896	453	
SHB	1646	337	SHB	1897	391	
EHB	1648	331	EHB	1898	437	
ESHB	1649	123	EHB	1902	332	
SHB	1651	311	2SHB	1906	396	
SHB	1654	373	SHB	1909	392	
2SHB	1656	345	E2SHB	1910	430	PV
HB	1666	275	ESHB	1916	278	
SHB	1669	174	2SHB	1922	316	
HB	1670	175	SHB	1929	349	
HB	1671	489	HB	1939	472	
HB	1674	320	HB	1940	62	
HB	1676	132	HB	1949	324	
2SHB	1677	176	SHB	1953	258	
SHB	1679	303	SHB	1965	433	
HB	1680	304	HB	1966	264	
EHB	1688	177	ESHB	1968	435	
SHB	1693	160	HB	1972	63	
SHB	1694	421	2SHB	1980	459	
E2SHB	1705	251	ESHB	1981	182	
HB	1706	321	SHB	1988	306	
HB	1722	263	HB	1994	183	
HB	1747	166	HB	2004	511	
ESHB	1756	178	SHB	2007	310	
SHB	1761	446	SHB	2008	69	
SHB	1777	471	SHB	2010	133	
E2SHB	1779	214	HB	2032	243	
SHB	1784	215	HB	2034	393	
HB	1789	240	SHB	2049	344	
HB	1793	59	2SHB	2055	356	
SHB	1802	276	SHB	2056	244	
SHB	1805	429	EHB	2070	205	
2SHB	1811	434	HB	2079	438	
HB	1813	241	SHB	2087	279	
HB	1820	510	SHB	2103	26	
SHB	1826	179	EHB	2105	134	

**BILL NO. TO CHAPTER NO. OF 2007 STATUTES**

Number	Chapter Number Laws of 2007		Number	Chapter Number Laws of 2007		
ESHB	2111	.184	2SHB	2262	398	
EHB	2113	.473	SHB	2275	340	PV
SHB	2115	.333	HB	2281	454	
SHB	2118	.432	E2SHB	2284	361	
SHB	2129	.338	SHB	2286	167	
SHB	2130	.474	SHB	2300	186	
HB	2135	.425	SHB	2304	440	
SHB	2147	.57	HB	2319	395	
HB	2152	.374	SHB	2335	21	
HB	2154	.460	ESHB	2352	334	
SHB	2158	.135	HB	2357	503	
HB	2161	.64	ESHB	2358	512	
HB	2163	.507	SHB	2361	136	
ESHB	2164	.185	SHB	2366	506	
ESHB	2171	.27	SHB	2378	481	
SHB	2209	.439	EHB	2388	486	
2SHB	2220	.216	EHB	2391	491	
HB	2236	.475	SHB	2394	519	
HB	2240	.217	HB	2395	504	PV
SHB	2261	.339	HB	2396	505	



**RCW SECTIONS AFFECTED BY 2007 STATUTES**

LEGEND			RCW	CH.	SEC.
ADD	=	Add a new section	8.04	ADD	68 2
AMD	=	Amend existing law	8.08	ADD	68 3
DECD	=	Decodify existing law	8.12	ADD	68 4
RECD	=	Recodify existing law	8.12.530	AMD	68 7
REEN	=	Reenact existing law	8.16	ADD	68 5
REMD	=	Reenact and amend	8.20	ADD	68 6
REP	=	Repeal existing law	8.25	ADD	68 1
			9.40.130	AMD	218 62
			9.41.250	AMD	379 1
			9.46.0209	AMD	452 1
			9.46.070	AMD	206 1
			9.46.36001	AMD	321 1
			9.68A	ADD	368 4,5,7
			9.68A.001	AMD	368 1
			9.68A.100	AMD	368 2
			9.68A.105	AMD	368 11
			9.68A.110	AMD	368 3
			9.91.110	REP	377 12
			9.94A	ADD	368 10
			9.94A.515	REMD	199 10
			9.94A.515	REMD	368 14
			9.94A.525	REMD	116 1
			9.94A.525	REMD	199 8
			9.94A.533	REMD	368 9
			9.94A.535	AMD	377 10
			9.94A.537	AMD	205 2
			9.94A.637	AMD	171 1
			9.94A.728	AMD	483 304
			9.94A.734	AMD	199 9
			9.94A.737	AMD	483 305
			9.95.003	AMD	362 1
			9.95.011	AMD	363 1
			9.95.420	AMD	363 2
			9.95.435	AMD	363 3
			9.96.050	AMD	171 2
			9.96.050	AMD	363 4
			9A.04.110	AMD	79 3
			9A.36.021	AMD	79 2
			9A.44.010	AMD	20 3
			9A.44.050	AMD	20 1
			9A.44.100	AMD	20 2
			9A.46.110	AMD	201 1
			9A.48.020	AMD	218 63
			9A.56	ADD	199 2,5,18
			9A.56	ADD	393 1
			9A.56.030	AMD	199 3
			9A.56.040	AMD	199 4
			9A.56.070	AMD	199 16
			9A.56.096	AMD	199 17
			9A.56.150	AMD	199 6

  

RCW		CH.	SEC.
1.08.110	AMD	456	2
1.16.050	AMD	19	2
1.16.050	AMD	61	2
1.20	ADD	137	1
1.20	ADD	224	1
1.20	ADD	351	1
2	ADD	364	1-4 6-8
2.06	ADD	34	2
2.06.040	AMD	34	1
2.08.065	AMD	95	1
2.14.100	AMD	108	1
2.14.110	AMD	108	2
2.53	ADD	496	306
2.56.030	REMD	496	302
2.56.180	AMD	496	202
3.62.060	AMD	46	3
3.66.020	AMD	46	1
3.66.040	AMD	46	2
4.16.040	AMD	124	1
4.20.020	AMD	156	29
4.20.060	AMD	156	30
4.24	ADD	174	1,2
4.84.010	AMD	121	1
5	ADD	196	1
5.60.060	REMD	472	1
6.13.030	AMD	429	1
6.13.080	AMD	429	2
6.13.090	AMD	429	3
6.15.020	REMD	492	1
6.17.160	AMD	37	1
7.48.305	REMD	331	2
7.48.310	AMD	331	3
7.70.060	AMD	259	3
7.70.065	AMD	156	11
7.70.100	AMD	119	1
7.90	ADD	55	2
7.90.005	AMD	212	1
7.90.020	AMD	55	1
7.90.030	AMD	212	2
7.90.110	AMD	212	3

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
9A.56.160	AMD	199	7	13.40.0357	AMD	199	11
9A.84.030	AMD	2	1	13.40.160	REMD	199	14
9A.88.070	AMD	368	13	13.40.210	AMD	199	13
9A.88.120	AMD	368	12	13.40.210	AMD	203	1
9A.88.140	AMD	368	8	15	ADD	181	1-8
10.01	ADD	367	1	15.13	ADD	335	5-8
10.01.160	AMD	367	3	15.13.250	AMD	335	1
10.31	ADD	375	2	15.13.260	AMD	335	2
10.58	ADD	202	1	15.13.265	AMD	335	3
10.77	ADD	375	3-5	15.13.270	AMD	335	4
10.77.090	REP	375	17	15.13.340	AMD	335	9
10.101.080	AMD	59	1	15.13.370	AMD	335	10
11	ADD	475	7-18	15.13.390	AMD	335	11
11.02.005	AMD	475	1	15.13.400	AMD	335	12
11.04.015	AMD	156	27	15.13.420	AMD	335	13
11.05.010	REP	475	6	15.13.430	AMD	335	14
11.05.020	REP	475	6	15.13.440	AMD	335	15
11.05.030	REP	475	6	15.13.455	AMD	335	16
11.05.040	REP	475	6	15.13.470	AMD	335	17
11.05.050	REP	475	6	15.13.490	AMD	335	18
11.05.900	REP	475	6	15.64.050	AMD	122	1
11.05.910	REP	475	6	15.64.050	AMD	522	947
11.07.010	AMD	156	13	15.65.055	REP	181	9
11.07.010	AMD	475	2	15.65.610	REP	234	102
11.12.260	AMD	475	3	15.66.025	REP	181	9
11.24.010	AMD	475	4	15.66.270	AMD	234	100
11.28.120	AMD	156	28	15.89.070	AMD	211	1
11.94.010	AMD	156	31	15.110.005	RECD	348	502
11.94.080	AMD	156	14	15.110.010	AMD	348	301
11.96A.150	AMD	475	5	15.110.010	RECD	348	502
12.04.130	AMD	46	4	15.110.020	AMD	348	302
13.32A.200	AMD	213	1	15.110.020	RECD	348	502
13.34	ADD	409	1,2	15.110.030	RECD	348	502
13.34	ADD	410	6	15.110.040	AMD	348	303
13.34	ADD	411	2	15.110.040	RECD	348	502
13.34	ADD	413	1	15.110.050	AMD	348	305
13.34.025	AMD	410	2	15.110.050	RECD	348	502
13.34.060	AMD	413	3	15.110.060	RECD	348	502
13.34.062	AMD	409	5	15.110.900	RECD	348	502
13.34.062	AMD	413	4	15.110.901	RECD	348	502
13.34.065	AMD	413	5	16	ADD	238	1-9
13.34.110	AMD	220	9	16.36	ADD	71	1,3,4,8
13.34.130	AMD	412	2	16.36.010	AMD	71	5
13.34.130	AMD	413	6	16.36.050	AMD	71	2
13.34.136	AMD	413	7	16.36.092	RECD	71	8
13.34.138	AMD	410	1	16.52.011	AMD	376	2
13.34.138	AMD	413	8	16.52.207	AMD	376	1
13.34.145	AMD	413	9	18	ADD	70	1-10
13.34.200	AMD	413	2	18	ADD	253	1-11
13.40	ADD	199	12,15				

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW	CH.	SEC.	RCW	CH.	SEC.
18	ADD	269	18.74.160	AMD	98
			18.74.170	AMD	98
18	ADD	435	18.85.343	REP	256
18.20	ADD	162	18.88A.085	AMD	361
18.22.015	AMD	273	18.92	ADD	235
18.27	ADD	436	18.92.013	AMD	235
18.27.010	AMD	436	18.92.015	AMD	235
18.27.020	AMD	436	18.92.021	AMD	235
18.27.030	AMD	436	18.92.030	AMD	235
18.27.040	AMD	436	18.92.140	AMD	235
18.27.080	AMD	436	18.92.145	AMD	235
18.27.090	AMD	436	18.108	ADD	272
18.27.104	AMD	436	18.108.010	AMD	272
18.27.114	AMD	436	18.108.100	REP	165
18.27.200	AMD	436	18.108.210	AMD	165
18.27.210	AMD	436	18.130.040	AMD	70
18.27.230	AMD	436	18.130.040	AMD	253
18.27.240	AMD	436	18.130.040	AMD	269
18.27.250	AMD	436	18.130.070	AMD	273
18.27.270	AMD	436	18.140.160	AMD	256
18.27.290	AMD	436	18.140.175	REP	256
18.27.310	AMD	436	18.165.170	AMD	256
18.29	ADD	269	18.170	ADD	306
18.29	ADD	270	18.170.010	AMD	154
18.29.056	AMD	270	18.170.010	AMD	306
18.29.220	AMD	270	18.170.020	AMD	154
18.32.030	AMD	269	18.170.100	REP	306
18.32.0351	AMD	269	18.170.180	AMD	256
18.35.040	AMD	271	18.180	ADD	121
18.43.020	AMD	193	18.185.110	AMD	256
18.43.040	AMD	193	18.185.120	AMD	256
18.57.005	AMD	273	18.220.040	AMD	256
18.57A	ADD	264	18.220.050	AMD	256
18.71.017	AMD	273	18.220.130	AMD	256
18.71.0195	AMD	273	18.220.140	REP	256
18.71A	ADD	264	18.220.150	REP	256
18.73.180	AMD	305	18.220.170	REP	256
18.74	ADD	98	18.220.180	REP	256
18.74.010	AMD	98	18.235.005	AMD	256
18.74.020	AMD	98	18.235.010	AMD	256
18.74.030	AMD	98	18.235.020	AMD	256
18.74.035	AMD	98	18.235.040	AMD	256
18.74.040	AMD	98	18.235.050	AMD	256
18.74.060	AMD	98	18.235.080	AMD	256
18.74.070	AMD	98	18.235.090	AMD	256
18.74.073	AMD	98	18.235.100	AMD	256
18.74.090	AMD	98	18.235.110	AMD	256
18.74.120	AMD	98	18.235.130	AMD	256
18.74.130	AMD	98	18.235.150	AMD	256
18.74.150	AMD	98	18.235.210	AMD	256

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
19	ADD	1	1-12	19.112.120	AMD	309	2
19	ADD	67	1-4	19.118.021	AMD	425	1
19	ADD	377	1-9	19.118.041	AMD	426	1
19.02.110	AMD	52	1	19.122.020	AMD	142	9
19.09	ADD	471	11-17	19.138.340	AMD	368	6
19.09.010	AMD	471	1	19.150.010	AMD	113	1
19.09.020	AMD	471	2	19.150.040	AMD	113	2
19.09.075	AMD	471	3	19.150.060	AMD	113	3
19.09.076	AMD	471	4	19.150.070	AMD	113	4
19.09.079	AMD	471	5	19.150.080	AMD	113	5
19.09.085	AMD	471	6	19.150.100	AMD	113	6
19.09.095	REP	471	18	19.182.020	AMD	93	1
19.09.097	AMD	471	7	19.182.170	AMD	499	1
19.09.100	AMD	218	64	20.01.380	AMD	71	7
19.09.100	AMD	471	8	20.01.610	AMD	71	6
19.09.210	AMD	471	9	23B.07	ADD	467	6
19.09.440	AMD	471	10	23B.08.030	AMD	467	1
19.16.410	AMD	256	4	23B.08.050	AMD	467	2
19.27.500	AMD	434	1	23B.08.070	AMD	467	3
19.27.510	AMD	434	2	23B.08.100	AMD	467	4
19.28.261	AMD	218	83	23B.10	ADD	467	5
19.28.321	AMD	218	84	23B.10.200	AMD	467	7
19.29.010	AMD	218	81	23B.19.040	AMD	45	1
19.32.005	REP	52	3	26	ADD	156	1,2
19.32.010	REP	52	3				4-8
19.32.020	REP	52	3	26.04.050	AMD	29	1
19.32.030	REP	52	3	26.09	ADD	496	102,301
19.32.040	REP	52	3				304,401
19.32.050	REP	52	3				701
19.32.055	REP	52	3	26.09.002	AMD	496	101
19.32.060	REP	52	3	26.09.015	AMD	496	501,602
19.32.090	REP	52	3	26.09.020	AMD	496	203
19.32.100	REP	52	3	26.09.173	AMD	313	2
19.32.110	REP	52	3	26.09.184	AMD	496	601
19.32.150	REP	52	3	26.09.187	AMD	496	603
19.32.160	REP	52	3	26.09.191	AMD	496	303
19.32.165	REP	52	3	26.09.197	AMD	496	604
19.32.170	REP	52	3	26.10.195	AMD	313	3
19.32.180	REP	52	3	26.12	ADD	496	201
19.32.900	REP	52	3	26.12.177	AMD	496	305
19.48	ADD	390	1	26.18	ADD	496	702
19.60.060	AMD	125	1	26.18.170	AMD	143	1
19.60.061	AMD	125	2	26.18.210	AMD	313	4
19.85.020	AMD	239	2	26.19	ADD	313	6
19.85.030	AMD	239	3	26.19.025	AMD	313	5
19.85.040	AMD	239	4	26.23.035	AMD	143	2
19.86.080	AMD	66	1	26.23.050	AMD	143	3
19.86.090	AMD	66	2	26.23.110	AMD	143	4
19.112.010	AMD	309	1	26.28.060	AMD	464	1
19.112.100	AMD	310	1	26.33.190	AMD	387	2

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
26.44	ADD	118	2	28A.300.460	AMD	459	2
26.44	ADD	410	3	28A.300.470	AMD	459	4
26.44.020	AMD	220	1	28A.300.801	AMD	291	2
26.44.030	AMD	220	2	28A.305	ADD	396	1,2
26.44.030	AMD	387	3	28A.310.080	AMD	460	1
26.44.031	AMD	220	3	28A.310.350	AMD	402	8
26.44.060	AMD	118	1	28A.320	ADD	396	11
26.50.110	AMD	173	2	28A.320	ADD	401	4
27.34	ADD	138	2,3	28A.320.125	AMD	406	1
27.34	ADD	333	2-4	28A.320.330	AMD	129	2
27.34.020	AMD	333	5	28A.320.330	AMD	503	2
28A	ADD	463	2-6	28A.400.303	AMD	35	1
28A.150	ADD	400	2	28A.400.305	AMD	35	2
28A.150.210	AMD	400	1	28A.405	ADD	398	2
28A.150.410	AMD	403	1	28A.410	ADD	175	2
28A.155	ADD	318	2	28A.410	ADD	319	2
28A.155	ADD	400	8	28A.410.070	AMD	401	7
28A.155.010	AMD	115	1	28A.415	ADD	396	4
28A.155.020	AMD	115	2	28A.415	ADD	402	1,7
28A.155.030	AMD	115	3				9,10
28A.155.040	AMD	115	4	28A.415.020	AMD	319	3
28A.155.045	AMD	354	3	28A.415.200	REP	402	11
28A.155.050	AMD	115	5	28A.415.205	REP	402	11
28A.155.060	AMD	115	6	28A.515	ADD	505	3
28A.155.065	AMD	115	7	28A.515.300	AMD	505	2
28A.155.070	AMD	115	8,9	28A.600	ADD	355	4
28A.155.080	AMD	115	10	28A.630	ADD	400	3,4
28A.155.090	AMD	115	11	28A.630	ADD	522	959
28A.155.100	AMD	115	12	28A.655	ADD	354	4
28A.155.115	AMD	115	13	28A.655	ADD	396	16
28A.155.140	AMD	115	14	28A.655.061	AMD	354	2
28A.155.160	AMD	115	15	28A.655.061	AMD	355	5
28A.160.170	AMD	139	1	28A.655.063	AMD	354	7
28A.175	ADD	408	2-7	28A.655.065	AMD	354	6
28A.210	ADD	5	5	28A.655.070	AMD	354	5
28A.210.080	AMD	276	1	28A.655.200	AMD	354	8
28A.215	ADD	400	5	28A.660	ADD	396	6,7
28A.220.080	AMD	97	4	28A.660.005	AMD	396	5
28A.230	ADD	459	3	28A.660.050	AMD	396	8
28A.230.130	AMD	396	13,14	28B	ADD	24	1-5
28A.300	ADD	265	2	28B	ADD	214	1-11
28A.300	ADD	291	3	28B	ADD	314	1-10
28A.300	ADD	348	101	28B	ADD	405	1-7
28A.300	ADD	384	5	28B.07	ADD	36	2-13
28A.300	ADD	396	3,15	28B.07.020	AMD	218	86
28A.300	ADD	401	2,5	28B.07.030	AMD	36	14
28A.300	ADD	406	2	28B.10	ADD	186	1
28A.300.285	AMD	407	1	28B.10	ADD	396	10
28A.300.350	REP	402	11	28B.10.350	AMD	495	1
28A.300.455	AMD	459	1	28B.10.590	AMD	457	1

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
28B.15	ADD	151	1,2	29A.60.160	REMD	373	1
28B.15.067	AMD	355	7	29A.60.160	AMD	373	2
28B.15.385	AMD	450	3	29A.60.170	AMD	373	3
28B.15.520	AMD	355	6	29A.68.011	AMD	374	3
28B.15.558	AMD	461	1	29A.68.020	AMD	374	4
28B.15.621	AMD	450	1	29A.68.030	AMD	374	5
28B.15.820	AMD	404	4	29A.68.120	AMD	374	6
28B.15.910	AMD	130	1	30.04.285	AMD	167	1
28B.15.910	AMD	450	2	31.04.125	AMD	208	1
28B.15.910	AMD	522	948	31.45	ADD	81	1
28B.20	ADD	216	1,2	34.05.210	AMD	456	3
28B.30	ADD	348	402	34.05.312	AMD	456	4
28B.30.632	AMD	341	64	34.05.380	AMD	456	5
28B.50	ADD	277	101,102 201,202	34.12	ADD	431	9
				35	ADD	251	1-10
28B.50	ADD	355	3	35.13.270	AMD	285	1
28B.50.030	AMD	277	301	35.17.100	AMD	218	65
28B.50.330	AMD	495	2	35.21	ADD	31	5
28B.50.535	AMD	355	2	35.21	ADD	348	208
28B.76	ADD	73	1	35.21.228	AMD	422	1
28B.76	ADD	396	17	35.21.688	AMD	17	9
28B.76.050	AMD	458	101	35.21.712	AMD	6	1016
28B.76.090	AMD	458	102	35.21.714	AMD	6	1017
28B.76.100	AMD	458	103				1018
28B.76.200	AMD	458	201	35.21.715	AMD	6	1019
28B.76.210	AMD	458	202	35.21.735	AMD	230	2
28B.92	ADD	404	3	35.21.755	AMD	104	16
28B.92.060	AMD	404	2	35.21.860	AMD	6	1020
28B.92.080	AMD	404	1	35.23.121	AMD	218	75
28B.95	ADD	214	12	35.27.220	AMD	218	76
28B.95.020	AMD	405	8	35.27.240	AMD	218	67
28B.95.060	AMD	214	13	35.57.010	AMD	486	1
28B.102.080	AMD	396	9	35.61.150	AMD	469	1
28B.108.060	AMD	73	2	35.61.210	AMD	295	1
28B.116.060	AMD	73	3	35.63.185	AMD	17	10
28C.10.020	AMD	462	1	35.66.040	AMD	218	68
28C.10.050	AMD	462	2	35.75.050	AMD	218	69
28C.10.120	AMD	462	3	35.82	ADD	483	603
28C.18.060	AMD	149	1	35.88.020	AMD	218	70
29A.04.008	AMD	38	1	35.92	ADD	348	209
29A.04.133	AMD	374	1	35.92	ADD	349	2
29A.08	ADD	157	1	35.95A.120	AMD	516	12
29A.08.660	REP	171	3	35.102.020	AMD	6	1021
29A.24	ADD	383	2	35A.11.020	AMD	218	66
29A.36	ADD	509	4	35A.14.801	AMD	285	2
29A.36.104	AMD	38	2	35A.21.300	AMD	422	2
29A.36.106	AMD	38	3	35A.40.050	AMD	64	1
29A.52.151	AMD	38	4	35A.63.215	AMD	17	11
29A.52.360	AMD	374	2	35A.82.055	AMD	6	1012
29A.56.040	AMD	385	1				

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
35A.82.060	AMD	6	1013	39.06	ADD	133	3
			1014	39.08.010	AMD	210	3
35A.82.065	AMD	6	1015	39.08.010	AMD	218	88
36	ADD	344	1-6	39.08.030	AMD	218	89
36.01	ADD	349	6	39.10	ADD	494	104-109
36.01.210	AMD	422	3				204
36.18.010	REMD	523	2				302-308
36.18.016	AMD	496	204				402-405
36.22.178	AMD	427	1				502,503
36.22.179	AMD	427	4				511
36.28A	ADD	199	19	39.10.010	AMD	494	1
36.28A	ADD	252	1	39.10.010	RECD	494	511
36.28A.040	AMD	204	1	39.10.020	AMD	494	101
36.28A.110	AMD	10	3	39.10.020	RECD	494	511
36.28A.120	AMD	10	4	39.10.030	REP	494	509
36.32.245	REMD	88	1	39.10.040	REP	494	509
36.33A.040	AMD	195	1	39.10.051	REMD	494	201
36.35.020	AMD	295	2	39.10.051	RECD	494	511
36.35.100	AMD	295	3	39.10.061	REMD	494	301
36.54	ADD	223	7	39.10.061	RECD	494	511
36.54.110	AMD	223	5	39.10.063	REP	494	509
36.54.130	AMD	223	6	39.10.065	REP	494	509
36.55.060	AMD	31	6	39.10.067	REP	494	509
36.57.120	AMD	422	4	39.10.068	REP	494	509
36.57A.050	AMD	469	14	39.10.070	AMD	494	203
36.57A.170	AMD	422	5	39.10.070	RECD	494	511
36.57A.220	AMD	223	1	39.10.080	AMD	494	202
36.70.757	AMD	17	12	39.10.080	RECD	494	511
36.70A	ADD	159	1	39.10.090	RECD	494	511
36.70A	ADD	194	1	39.10.100	RECD	494	511
36.70A	ADD	236	2	39.10.115	REP	494	509
36.70A	ADD	353	2	39.10.117	REP	494	509
36.70A.367	AMD	433	1	39.10.120	AMD	494	501
36.70A.450	AMD	17	13	39.10.120	RECD	494	511
36.73.050	AMD	329	3	39.10.130	AMD	494	401
36.73.065	AMD	329	1	39.10.130	RECD	494	511
36.73.120	AMD	329	4	39.10.800	AMD	494	102
36.89.090	AMD	295	4	39.10.800	RECD	494	511
36.94.010	AMD	343	14	39.10.810	AMD	494	103
36.120.070	AMD	509	2	39.10.810	RECD	494	511
38.52.010	AMD	292	1	39.10.900	RECD	494	511
38.52.180	AMD	292	2	39.10.901	RECD	494	511
38.52.570	REP	292	3	39.10.902	REP	494	508
39.04	ADD	133	2	39.12.020	AMD	169	1
39.04.010	AMD	133	1	39.12.040	AMD	210	4
39.04.155	AMD	133	4	39.35A.010	AMD	39	1
39.04.155	AMD	210	1	39.35A.020	AMD	39	2
39.04.155	AMD	218	87	39.35A.030	AMD	39	3
39.04.310	AMD	437	1	39.35B	ADD	506	3
39.04.320	AMD	437	2	39.35C.010	AMD	39	4

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
39.42.070	AMD	215	2	41.05.320	AMD	492	6
39.42.090	AMD	215	3	41.05.540	AMD	259	40
39.100.010	AMD	266	2	41.06	ADD	76	1
39.100.020	AMD	266	3	41.06	ADD	112	1
39.100.030	AMD	266	4	41.06	ADD	341	45
39.100.040	AMD	266	5	41.06.152	AMD	489	1
39.100.050	AMD	266	6	41.06.475	AMD	387	8
39.102	ADD	229	13,14	41.08.020	AMD	218	2
39.102.020	AMD	229	1	41.08.030	AMD	218	3
39.102.040	AMD	229	2	41.08.075	AMD	218	4
39.102.050	AMD	229	3	41.08.080	AMD	218	5
39.102.060	AMD	229	4	41.08.090	AMD	218	6
39.102.090	AMD	229	5	41.08.100	AMD	218	7
39.102.110	AMD	229	6	41.08.150	AMD	218	8
39.102.120	AMD	229	7	41.08.220	AMD	218	9
39.102.130	AMD	229	11	41.12.020	AMD	218	10
39.102.140	AMD	229	9	41.12.030	AMD	218	11
39.102.150	AMD	229	10	41.12.075	AMD	218	12
39.102.180	REP	229	12	41.12.080	AMD	218	13
40.04.031	AMD	456	1	41.12.090	AMD	218	14
41.04	ADD	25	1	41.12.100	AMD	218	15
41.04.007	AMD	448	1	41.12.150	AMD	218	16
41.04.010	AMD	449	1	41.12.220	AMD	218	17
41.04.017	AMD	487	1	41.14.050	AMD	12	1
41.04.190	AMD	42	1	41.16.010	AMD	218	18
41.04.230	AMD	99	1	41.16.020	AMD	218	19
41.04.410	AMD	492	2	41.16.030	AMD	218	20
41.04.440	AMD	492	3	41.16.040	AMD	218	21
41.04.445	AMD	492	4	41.16.050	AMD	218	22
41.04.450	AMD	492	5	41.16.070	AMD	218	23
41.04.665	AMD	25	2	41.16.080	AMD	218	24
41.04.665	AMD	454	1	41.16.100	AMD	218	25
41.04.810	AMD	184	4	41.16.110	AMD	218	26
41.05	ADD	156	9	41.16.120	AMD	218	27
41.05	ADD	259	2,9,10	41.16.130	AMD	218	28
			15,18	41.16.140	AMD	218	29
			41	41.16.145	AMD	218	30
41.05.011	AMD	114	2	41.16.150	AMD	218	31
41.05.011	AMD	488	2	41.16.160	AMD	218	32
41.05.017	AMD	502	2	41.16.170	AMD	218	33
41.05.021	AMD	114	3	41.16.180	AMD	218	34
41.05.021	AMD	274	1	41.16.190	AMD	218	35
41.05.050	AMD	114	4	41.16.200	AMD	218	36
41.05.053	AMD	302	2	41.16.210	AMD	218	37
41.05.065	AMD	114	5	41.16.220	AMD	218	38
41.05.065	AMD	156	10	41.16.230	AMD	218	39
41.05.075	AMD	259	34	41.16.250	AMD	218	40
41.05.080	AMD	114	6	41.18.010	AMD	218	41
41.05.143	AMD	507	1	41.18.015	AMD	218	42
41.05.195	AMD	114	7	41.18.020	AMD	218	43



**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
41.18.030	AMD	218	44	41.35.070	AMD	49	3
41.18.040	AMD	218	45	41.35.115	AMD	487	4
41.18.045	AMD	218	46	41.35.420	AMD	491	6
41.18.050	AMD	218	47	41.35.610	AMD	491	7
41.18.060	AMD	218	48	41.35.680	AMD	491	8
41.18.080	AMD	218	49	41.37.010	AMD	294	1
41.18.090	AMD	218	50	41.37.010	AMD	492	11
41.18.100	AMD	218	51	41.37.060	AMD	49	4
41.18.102	AMD	218	52	41.37.110	AMD	487	5
41.18.130	AMD	218	53	41.40	ADD	123	6
41.18.140	AMD	218	54	41.40	ADD	491	11
41.18.150	AMD	218	55	41.40.010	AMD	50	4
41.18.160	AMD	218	56	41.40.037	AMD	50	5
41.18.165	AMD	218	57	41.40.0931	AMD	487	6
41.18.170	AMD	218	58	41.40.0932	AMD	487	7
41.18.180	AMD	218	59	41.40.113	AMD	294	2
41.18.190	AMD	218	60	41.40.124	AMD	123	1
41.18.210	AMD	218	61	41.40.127	AMD	123	2
41.24	ADD	57	1	41.40.197	AMD	89	1
41.24.250	AMD	56	1	41.40.630	AMD	491	9
41.24.400	AMD	492	7	41.40.700	AMD	487	8
41.26	ADD	49	1	41.40.820	AMD	491	10
41.26	ADD	303	2	41.40.870	AMD	123	3
41.26.048	AMD	487	2	41.40.873	AMD	123	4
41.26.080	AMD	492	8	41.44.060	AMD	218	71
41.26.195	AMD	492	9	41.45.030	AMD	280	1
41.26.547	AMD	304	1	41.45.060	AMD	280	2
41.26.715	AMD	303	1	41.45.0604	AMD	280	3
41.31.010	REP	491	13	41.45.061	AMD	280	4
41.31.020	REP	491	13	41.45.0631	AMD	280	5
41.31.030	REP	491	13	41.45.0631	AMD	300	1
41.31A.010	REP	491	13	41.45.070	AMD	491	12
41.31A.020	AMD	491	1	41.45.110	AMD	280	6
41.31A.020	REP	491	13	41.45.203	AMD	492	12
41.31A.020	AMD	492	10	41.48.030	AMD	218	72
41.31A.030	REP	491	13	41.50	ADD	493	1
41.31A.040	REP	491	13	41.54.010	AMD	207	1
41.32	ADD	49	2	41.54.030	AMD	207	2
41.32	ADD	123	7	41.54.070	AMD	207	3
41.32	ADD	491	5	41.56	ADD	136	1
41.32.010	REMD	50	1	41.56	ADD	184	1
41.32.010	REMD	398	3	41.56.028	AMD	278	2
41.32.053	AMD	487	3	41.56.030	AMD	184	2
41.32.055	AMD	50	2	41.56.070	AMD	75	1,2
41.32.489	AMD	89	2	41.56.113	AMD	184	3
41.32.570	AMD	50	3	41.56.465	AMD	278	1
41.32.584	AMD	123	5	42.17.020	AMD	180	1
41.32.765	AMD	491	2	42.17.020	AMD	358	1
41.32.835	AMD	491	3	42.17.040	AMD	358	2
41.32.875	AMD	491	4	42.17.070	AMD	358	3

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
42.17.2401	AMD	15	1	43.07.370	AMD	523	3
42.17.2401	AMD	241	2	43.08.250	REMD	522	950
42.17.2401	AMD	341	48	43.09	ADD	41	1
42.17.400	AMD	455	1	43.10.180	AMD	522	951
42.17.410	AMD	455	2	43.17	ADD	62	2
42.17.760	AMD	438	1	43.17.010	AMD	341	46
42.23.030	AMD	298	1	43.17.020	AMD	341	47
42.48.010	AMD	17	6	43.19	ADD	62	12
42.52	ADD	452	2	43.19	ADD	348	202,203
42.56	ADD	197	6	43.19.125	AMD	520	6014
42.56	ADD	198	2	43.19.642	AMD	348	201
42.56.010	AMD	197	1	43.20.050	AMD	343	11
42.56.030	AMD	197	2	43.21A.690	AMD	94	10
42.56.270	REMD	197	3,4	43.21B.300	AMD	147	9
42.56.270	REMD	251	12,13	43.21C	ADD	308	1
42.56.270	REMD	470	1,2	43.21J.030	AMD	241	4
42.56.330	AMD	197	5	43.21J.030	AMD	341	62
42.56.360	REMD	259	49	43.21J.040	AMD	341	63
42.56.360	REMD	261	4	43.22	ADD	287	2
42.56.360	REMD	273	25	43.22.431	AMD	432	6
42.56.380	REMD	177	1	43.22.495	AMD	432	7
42.56.400	REMD	82	17	43.30.490	AMD	94	11
42.56.400	REMD	117	36	43.30.490	AMD	188	1
42.56.400	REMD	197	7	43.33A.150	AMD	215	4
42.56.430	AMD	293	1	43.33A.220	REP	484	8
42.56.570	REMD	197	8	43.41	ADD	85	1
42.56.580	AMD	456	6	43.41	ADD	401	3
42.56.590	AMD	197	9	43.41.270	AMD	241	5
43	ADD	228	101-105	43.41.270	AMD	444	7
			205	43.42.005	AMD	94	1
43	ADD	259	50-54	43.42.010	AMD	94	2
43	ADD	348	204,205	43.42.010	AMD	231	5
			304,307	43.42.020	AMD	94	3
			403,502	43.42.030	AMD	94	4
43	ADD	432	13	43.42.040	AMD	94	5
43	ADD	482	1-3	43.42.050	AMD	94	6
43	ADD	501	3-8	43.42.060	AMD	94	7
43	ADD	521	1-5	43.42.070	AMD	94	8
43.01	ADD	76	2	43.42.080	AMD	94	9
43.01	ADD	348	206	43.42.905	DECD	94	17
43.01.047	AMD	184	5	43.43	ADD	387	1
43.03.011	AMD	524	1	43.43	ADD	488	4
43.03.012	AMD	524	2	43.43.250	AMD	87	1
43.03.013	AMD	524	3	43.43.285	AMD	487	9
43.03.028	AMD	241	3	43.43.285	AMD	488	1
43.04.100	AMD	453	4	43.43.400	AMD	350	1
43.06	ADD	69	2,3	43.43.751	AMD	10	6
43.06.460	AMD	320	1	43.43.830	AMD	387	9
43.07	ADD	156	3	43.43.832	AMD	387	10
43.07	ADD	523	1,4	43.43.838	AMD	17	5

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
43.43.842	AMD	387	4	43.70.530	REP	466	5
43.43.944	AMD	290	1	43.70.630	AMD	94	12
43.43.944	AMD	520	6034	43.70.670	AMD	259	38
43.46	ADD	128	2,3	43.70.900	AMD	52	2
43.60A	ADD	11	1	43.79	ADD	25	3
43.60A	ADD	451	3	43.79	ADD	484	1,2
			5-8	43.79.010	AMD	215	5
43.60A.150	AMD	241	6	43.79.060	AMD	215	6
43.60A.150	AMD	451	2	43.79.110	AMD	215	7
43.60A.165	AMD	522	952	43.79.130	AMD	215	8
43.63A	ADD	316	2-7	43.79.160	AMD	215	9
43.63A	ADD	384	6	43.79A.040	REMD	214	14
43.63A.460	AMD	432	1	43.79A.040	REMD	357	21
43.63A.460	RECD	432	13	43.79A.040	REMD	523	5
43.63A.465	AMD	432	2	43.82	ADD	506	2
43.63A.465	RECD	432	13				4-6
43.63B.005	RECD	432	13	43.82.010	AMD	506	8
43.63B.010	AMD	432	3	43.82.150	AMD	506	7
43.63B.010	RECD	432	13	43.83C.040	AMD	241	7
43.63B.020	RECD	432	13	43.84	ADD	505	1
43.63B.030	RECD	432	13	43.84.092	REMD	356	9
43.63B.035	RECD	432	13	43.84.092	REMD	484	4
43.63B.040	RECD	432	13	43.84.092	REMD	513	1
43.63B.050	RECD	432	13	43.84.092	REMD	514	3
43.63B.060	RECD	432	13	43.84.170	AMD	505	4
43.63B.070	AMD	432	11	43.86A.030	AMD	500	1
43.63B.070	RECD	432	13	43.86A.060	AMD	500	2
43.63B.080	RECD	432	13	43.99A.070	AMD	241	8
43.63B.090	RECD	432	13	43.99B.016	AMD	241	9
43.63B.100	RECD	432	13	43.99B.032	AMD	241	10
43.63B.110	RECD	432	13	43.99N.060	AMD	241	11
43.63B.120	RECD	432	13	43.99N.120	AMD	241	12
43.63B.130	RECD	432	13	43.101	ADD	410	4
43.63B.140	RECD	432	13	43.101.220	AMD	382	1
43.63B.150	AMD	432	4	43.101.350	AMD	382	2
43.63B.150	RECD	432	13	43.103.090	REMD	200	1
43.63B.160	RECD	432	13	43.103.110	AMD	10	2
43.63B.170	AMD	432	5	43.105.032	AMD	158	1
43.63B.170	RECD	432	13	43.117.070	AMD	19	3
43.63B.800	RECD	432	13	43.121	ADD	466	1-4
43.63B.900	RECD	432	13	43.121.020	AMD	144	1
43.63B.901	RECD	432	13	43.131	ADD	494	506,507
43.70	ADD	259	5,12	43.131.393	AMD	147	10
			60-63	43.131.394	AMD	147	11
			65	43.131.397	REP	28	1
43.70	ADD	261	2,5	43.131.398	REP	28	1
43.70	ADD	279	1	43.131.401	AMD	94	15
43.70.110	AMD	259	11	43.131.401	AMD	231	6
43.70.510	REMD	273	21	43.131.402	AMD	94	16
43.70.520	AMD	259	64	43.131.402	AMD	231	7

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
43.135.035	AMD	484	6	44.04.170	AMD	31	7
43.135.045	REMD	484	5	44.28	ADD	6	905
43.135.045	REMD	520	6035	44.68	ADD	18	6,7
43.135.051	REP	484	8	44.68.010	AMD	18	1
43.155	ADD	341	25	44.68.030	AMD	18	2
43.155.050	REMD	520	6036	44.68.040	AMD	18	3
43.155.050	AMD	520	6037	44.68.050	AMD	18	4
43.155.070	AMD	231	2	44.68.060	AMD	18	5
43.155.070	AMD	341	24	44.68.070	REP	18	9
43.160.060	AMD	231	3	46	ADD	199	20-27
43.160.230	AMD	231	4	46.04	ADD	510	2
43.162	ADD	232	3,5	46.04.272	AMD	140	1
43.162.005	AMD	232	1	46.04.320	REMD	510	1
43.162.010	AMD	232	2	46.04.480	AMD	419	4
43.162.020	AMD	232	4	46.09.020	AMD	241	13
43.162.030	AMD	232	7	46.09.110	AMD	241	14
43.185A	ADD	428	2	46.09.165	AMD	241	15
43.185C	ADD	427	2,5	46.09.170	AMD	241	16
43.185C	ADD	483	604	46.09.170	AMD	522	953
43.185C.010	AMD	427	3	46.09.240	AMD	241	17
43.185C.060	AMD	427	6	46.09.250	AMD	241	18
43.215	ADD	17	1,3,4,7 15,16	46.09.280	AMD	241	19
43.215	ADD	299	1	46.12.030	AMD	420	1
43.215	ADD	384	4	46.12.040	AMD	420	2
43.215	ADD	394	3,4,6,7	46.12.101	AMD	96	1
43.215	ADD	415	4,5,8,9	46.12.170	AMD	96	2
43.215.005	AMD	415	1	46.16	ADD	340	1
43.215.010	AMD	394	2	46.16	ADD	419	3,5
43.215.010	AMD	415	2	46.16.010	AMD	242	2
43.215.010	AMD	415	2	46.16.045	AMD	155	1
43.215.020	AMD	394	5	46.16.160	REMD	419	6
43.215.200	AMD	415	3	46.16.381	AMD	44	1
43.215.2201	REP	17	8	46.16.381	AMD	262	1
43.215.300	AMD	17	2	46.16.606	AMD	246	2
43.215.525	AMD	415	6	46.16.685	AMD	518	704
43.215.530	AMD	415	7	46.16.725	REMD	518	711
43.215.535	AMD	415	10	46.20	ADD	7	1,2
43.300	ADD	62	6	46.20	ADD	85	2,3
43.300.080	AMD	94	13	46.20	ADD	356	7
43.330	ADD	227	1,2	46.20.291	AMD	393	2
43.330	ADD	249	3-5	46.20.293	AMD	424	1
43.330	ADD	322	3	46.20.505	AMD	97	1
43.330.010	AMD	322	2	46.25.060	AMD	418	1
43.330.080	AMD	249	2	46.29.050	AMD	424	2
43.330.090	AMD	228	201	46.32	ADD	419	14
43.330.094	AMD	228	202	46.32.010	AMD	419	7
43.330.095	REP	228	203	46.32.020	AMD	419	8
43.330.096	AMD	228	107	46.32.040	AMD	419	9
43.330.096	RECD	228	205	46.32.080	AMD	419	10
44	ADD	453	1-3	46.32.090	AMD	419	11

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
46.32.100	AMD	419	12	47.01.370	REP	516	13
46.37.185	AMD	218	73	47.01.390	AMD	518	705
46.37.420	AMD	140	2	47.04	ADD	516	14
46.37.4215	AMD	140	3	47.05.030	AMD	516	7
46.37.4216	AMD	140	4	47.05.035	AMD	516	8
46.37.430	AMD	168	1	47.05.051	REP	516	13
46.44.105	REMD	419	13	47.06.020	AMD	516	9
46.52.130	AMD	424	3	47.06.030	REP	516	13
46.55.113	AMD	86	1	47.06.050	AMD	516	10
46.55.113	AMD	242	1	47.06.140	AMD	512	2
46.61	ADD	416	1	47.06.140	AMD	516	11
46.61	ADD	417	2	47.06B	ADD	421	6
46.61	ADD	423	1	47.06B.010	AMD	421	1
46.61	ADD	510	3	47.06B.015	REP	421	11
46.61.100	AMD	83	2	47.06B.020	AMD	421	2
46.61.120	AMD	83	3	47.06B.030	REMD	421	3
46.61.212	AMD	83	1	47.06B.040	AMD	421	4
46.61.5055	AMD	474	1	47.06B.900	AMD	421	8
46.61.687	REMD	510	4	47.06B.901	AMD	421	9
46.61.688	AMD	510	5	47.10.812	AMD	519	1
46.63	ADD	367	2	47.10.813	AMD	519	2
46.63.030	AMD	101	1	47.10.861	AMD	519	3
46.63.073	AMD	372	1	47.10.873	AMD	519	4
46.63.110	REMD	199	28	47.10.877	AMD	519	5
46.63.110	AMD	356	8	47.12	ADD	62	9
46.63.160	AMD	101	2	47.12.244	AMD	518	707
46.63.160	AMD	372	2	47.17.020	AMD	348	405
46.63.170	AMD	372	3	47.17.135	AMD	348	406
46.68	ADD	424	4	47.17.140	AMD	348	407
46.68	ADD	514	2	47.20.780	AMD	152	1
46.68.060	AMD	518	714	47.24.020	AMD	84	1
46.68.110	REMD	148	1	47.26.080	AMD	148	2
46.68.170	AMD	518	701	47.26.164	AMD	148	3
46.70.136	AMD	432	8	47.26.340	AMD	148	4
46.70.136	RECD	432	13	47.26.420	AMD	519	6
46.70.180	AMD	155	2	47.26.425	AMD	519	7
46.81A.020	AMD	97	2	47.28.030	AMD	218	90
46.82.420	AMD	97	3	47.29.170	AMD	518	702
46.87.294	AMD	419	15	47.48	ADD	252	2
46.87.296	AMD	419	16	47.48.040	AMD	252	3
47.01	ADD	33	1	47.56	ADD	62	10
47.01	ADD	92	1	47.60	ADD	481	2
47.01	ADD	516	6	47.60	ADD	512	3,4,6,7
47.01	ADD	517	2,3,6,7				9-15
47.01.011	AMD	516	2	47.60.150	REP	512	16
47.01.012	AMD	516	3	47.60.290	AMD	512	5
47.01.012	RECD	516	14	47.60.326	REP	512	16
47.01.071	AMD	516	4	47.60.330	AMD	512	8
47.01.075	AMD	516	5	47.60.658	AMD	223	8
47.01.350	AMD	223	2	47.60.662	AMD	223	3

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
47.64.170	AMD	160	1	48.17.170	AMD	117	12
47.64.210	AMD	160	2	48.17.180	AMD	117	15
47.64.230	AMD	160	3	48.17.190	REP	117	39
47.64.300	AMD	160	4	48.17.200	REP	117	39
47.76.230	AMD	234	94	48.17.210	REP	117	39
47.76.240	AMD	234	95	48.17.230	REP	117	39
47.80.023	AMD	421	5	48.17.240	REP	117	39
47.80.060	AMD	511	1	48.17.250	AMD	117	16
48	ADD	82	2-16	48.17.260	REP	117	39
			18	48.17.270	AMD	117	17
48	ADD	267	1	48.17.280	REP	117	39
			3-14	48.17.290	REP	117	39
48.02.065	REMD	126	1	48.17.300	REP	117	39
48.02.190	AMD	153	3	48.17.310	REP	117	39
48.02.190	AMD	468	1	48.17.320	REP	117	39
48.03	ADD	82	1	48.17.330	REP	117	39
48.05.310	REP	117	39	48.17.340	REP	117	39
48.05.340	AMD	127	1	48.17.380	AMD	117	18
48.11	ADD	80	5	48.17.390	AMD	117	19
48.12.010	AMD	80	2	48.17.410	AMD	117	20
48.12.120	REP	80	15	48.17.420	AMD	117	21
48.12.130	REP	80	15	48.17.450	AMD	117	22
48.13.120	AMD	80	6	48.17.460	AMD	117	23
48.13.265	AMD	80	7	48.17.470	AMD	117	24
48.13.275	AMD	80	8	48.17.475	AMD	117	25
48.14.010	AMD	117	37	48.17.480	AMD	117	26
48.14.040	AMD	153	4	48.17.490	AMD	117	27
48.14.050	REP	80	15	48.17.500	REP	117	39
48.17	ADD	117	3,13,14	48.17.510	AMD	117	28
			32	48.17.520	REP	117	39
			34,35	48.17.530	AMD	117	29
48.17.010	AMD	117	1	48.17.565	AMD	117	30
48.17.020	REP	117	39	48.17.591	AMD	117	31
48.17.030	REP	117	39	48.17.600	AMD	117	33
48.17.040	REP	117	39	48.18.170	AMD	153	1
48.17.050	REP	117	39	48.18.180	AMD	153	2
48.17.055	REP	117	39	48.19.460	AMD	258	1
48.17.060	AMD	117	2	48.20	ADD	8	1
48.17.063	AMD	117	4	48.20	ADD	259	19
48.17.065	AMD	117	5	48.20	ADD	296	2,3
48.17.067	AMD	117	6	48.21	ADD	259	20
48.17.070	REP	117	39	48.21	ADD	296	4,5
48.17.090	AMD	117	7	48.21.045	AMD	260	7
48.17.100	REP	117	39	48.21.200	AMD	80	3
48.17.110	AMD	117	8	48.21.240	REP	8	7
48.17.120	REP	117	39	48.21.241	AMD	8	2
48.17.125	AMD	117	9	48.22.030	REMD	80	14
48.17.130	REP	117	39	48.24.070	AMD	80	9
48.17.150	AMD	117	10	48.30	ADD	74	1
48.17.160	AMD	117	11	48.30	ADD	498	3

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
48.30.010	AMD	498	2	49.60.130	AMD	187	6
48.31.045	AMD	80	10	49.60.175	AMD	187	7
48.31.131	AMD	80	11	49.60.176	AMD	187	8
48.31.155	AMD	80	12	49.60.180	AMD	187	9
48.36A.260	AMD	80	4	49.60.190	AMD	187	10
48.41	ADD	8	6	49.60.200	AMD	187	11
48.41.037	AMD	259	29	49.60.215	AMD	187	12
48.41.100	AMD	259	30	49.60.222	AMD	187	13
48.41.110	AMD	8	5	49.60.223	AMD	187	14
48.41.110	AMD	259	26	49.60.224	AMD	187	15
48.41.120	AMD	259	31	49.60.225	AMD	187	16
48.41.160	AMD	259	27	50.04	ADD	146	8,15,16
48.41.190	AMD	259	33	50.04	ADD	366	1
48.41.200	AMD	259	28	50.04.080	AMD	146	19
48.43	ADD	5	7	50.04.090	AMD	146	20
48.43	ADD	23	1	50.04.165	AMD	146	4
48.43	ADD	259	24	50.04.240	AMD	218	85
48.43	ADD	296	6	50.04.245	AMD	146	14
48.43	ADD	502	1	50.04.310	AMD	146	5
48.43.005	AMD	259	32	50.12	ADD	146	9,12
48.43.005	AMD	296	1	50.12	ADD	287	1
48.43.018	AMD	80	13	50.12.070	AMD	146	1
48.43.018	AMD	259	37	50.12.220	AMD	146	3
48.43.045	AMD	98	18	50.16.010	AMD	327	4
48.43.045	AMD	253	12	50.20	ADD	248	1
48.44	ADD	259	21	50.20.070	AMD	146	7
48.44.010	AMD	267	2	50.20.095	AMD	248	2
48.44.023	AMD	260	8	50.20.190	AMD	327	1
48.44.340	REP	8	7	50.24	ADD	146	11,18
48.44.341	AMD	8	3	50.24.014	AMD	327	2
48.46	ADD	259	22	50.24.160	AMD	146	6
48.46.066	AMD	260	9	50.24.170	AMD	146	17
48.46.120	AMD	468	2	50.29	ADD	146	10
48.46.290	REP	8	7	50.29.021	AMD	146	2
48.46.291	AMD	8	4	50.29.025	AMD	51	1
48.111.020	AMD	80	1	50.29.063	AMD	327	3
48.140.020	AMD	32	1	50.44	ADD	386	2
49	ADD	357	1	50.44.040	AMD	386	1
			3-20	51.04.080	AMD	78	1
			26-28	51.08.178	AMD	297	1
49.17	ADD	27	2-6	51.12.100	AMD	324	1
49.19.010	AMD	375	10	51.14	ADD	281	1-10
49.19.010	AMD	414	3				12
49.44.120	AMD	14	1	51.28	ADD	263	1
49.60.010	AMD	187	1	51.28.010	AMD	77	1
49.60.020	AMD	187	2	51.28.025	AMD	77	2
49.60.030	AMD	187	3	51.28.050	AMD	77	3
49.60.040	AMD	187	4	51.32	ADD	72	2,3
49.60.040	AMD	317	2	51.32.050	AMD	284	1
49.60.120	AMD	187	5	51.32.060	AMD	284	2

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
51.32.080	AMD	172	1	66.04.010	REMD	370	10
51.32.090	REMD	190	1	66.08	ADD	221	1
51.32.090	REMD	284	3	66.08.150	AMD	370	3
51.32.095	AMD	72	1	66.08.180	AMD	370	14
51.32.185	AMD	490	2	66.08.220	AMD	370	15
51.32.220	AMD	255	1	66.20.010	AMD	370	16
51.36	ADD	282	1,2	66.20.310	AMD	370	17
51.36.010	AMD	134	1	66.24	ADD	370	11
51.44.033	AMD	357	23	66.24.010	AMD	473	1
51.44.150	AMD	281	11	66.24.170	AMD	16	2
51.52.120	AMD	490	3	66.24.206	AMD	16	1
51.52.130	AMD	490	4	66.24.240	REMD	370	6
52.14.010	AMD	469	2	66.24.240	AMD	370	7
53.08.040	AMD	348	103	66.24.244	REMD	222	1
53.08.255	AMD	476	1	66.24.244	AMD	222	2
53.12.260	AMD	469	3	66.24.244	REMD	370	4
54.04	ADD	348	210	66.24.244	AMD	370	5
54.12.080	AMD	469	4	66.24.320	REMD	370	9
54.16	ADD	349	4	66.24.360	AMD	226	2
54.52.010	AMD	132	1	66.24.375	AMD	370	1
54.52.020	AMD	132	2	66.24.400	AMD	53	1
57.08.005	AMD	31	8	66.24.400	AMD	370	13
57.08.120	AMD	31	9	66.24.410	AMD	370	18
57.12	ADD	383	1	66.24.420	REMD	370	8,19
57.12.010	AMD	469	5	66.24.440	AMD	370	20
57.24	ADD	31	1-4	66.24.570	AMD	369	2
59	ADD	431	1-8	66.28.010	REMD	217	1
59.12.110	AMD	218	77	66.28.010	REMD	222	3
59.18	ADD	483	602	66.28.010	REMD	369	1
59.22.050	AMD	432	9	66.28.010	REMD	370	2
59.22.070	AMD	432	10	66.28.150	AMD	217	2
60.28.010	AMD	218	91	66.28.200	AMD	53	2
60.28.011	AMD	218	92	66.28.220	AMD	53	3
60.28.011	AMD	494	504	66.44.310	AMD	370	12
60.28.020	AMD	218	93	67.16.200	AMD	100	1
60.28.021	AMD	218	94	67.16.260	AMD	209	1
60.28.051	AMD	210	2	67.28	ADD	476	2
63.29.130	AMD	183	1	67.28	ADD	497	2
63.32.050	AMD	219	1	67.28.080	AMD	497	1
63.35	ADD	219	2	67.28.180	AMD	189	1
63.40.060	AMD	219	3	67.40.040	AMD	228	106
64	ADD	104	1-15	68.32.020	AMD	156	15
64.06	ADD	107	5	68.32.030	AMD	156	16
64.06.005	AMD	107	2	68.32.040	AMD	156	17
64.06.010	AMD	107	3	68.32.060	AMD	156	18
64.06.020	AMD	107	4	68.32.110	AMD	156	19
65.16.130	AMD	103	1	68.32.130	AMD	156	20
65.16.140	REP	103	3	68.50.100	AMD	156	21
65.16.150	AMD	103	2	68.50.101	AMD	156	22
66.04.010	REMD	226	1	68.50.105	AMD	156	23



**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
68.50.105	AMD	439	1	70.93	ADD	244	2
68.50.160	AMD	156	24	70.93.030	AMD	244	1
68.50.200	AMD	156	25	70.94	ADD	339	2,3
68.50.320	REMD	10	5	70.94.017	AMD	348	102
68.50.550	AMD	156	26	70.94.085	AMD	94	14
68.52.220	AMD	469	6	70.94.094	AMD	164	1
69.04.240	AMD	226	3	70.94.473	AMD	339	1
69.50.511	AMD	104	17	70.95.521	AMD	518	708
69.51A	ADD	371	8	70.95M.115	AMD	268	1
69.51A.005	AMD	371	2	70.96B	ADD	120	2
69.51A.010	AMD	371	3	70.96B.050	AMD	120	1
69.51A.030	AMD	371	4	70.105D	ADD	341	31
69.51A.040	AMD	371	5	70.105D.020	AMD	104	18
69.51A.060	AMD	371	6	70.105D.030	AMD	104	19
69.51A.070	AMD	371	7	70.105D.030	AMD	225	1
70	ADD	65	1-12	70.105D.030	AMD	446	1
70	ADD	259	42-48	70.105D.060	AMD	104	20
70	ADD	273	1-6	70.105D.070	AMD	341	30
			8-19	70.105D.070	AMD	446	2
70	ADD	343	1-8	70.105D.070	AMD	520	6033
70.02.050	AMD	156	12	70.105D.070	AMD	522	954
70.05.070	AMD	343	10	70.118	ADD	341	66
70.14	ADD	60	1	70.118	ADD	343	9
70.38	ADD	440	1	70.118.090	AMD	341	61
70.38.015	AMD	259	55	70.128	ADD	184	6
70.38.135	AMD	259	57	70.128.010	REMD	184	7
70.38.919	REP	259	67	70.128.040	AMD	184	8
70.41	ADD	102	2	70.128.225	AMD	40	1
70.41.200	REMD	261	3	70.146	ADD	233	1
70.41.200	REMD	273	22	70.146	ADD	341	27
70.44.050	AMD	469	7	70.146.030	REMD	522	955
70.47.020	AMD	259	35	70.146.070	AMD	341	26,60
70.47.060	AMD	259	36	70.146.080	AMD	522	956
70.47A	ADD	260	4,5	70.149	ADD	240	2
70.47A.010	AMD	260	1	70.149.040	AMD	240	1
70.47A.020	AMD	260	2	70.150.070	AMD	494	505
70.47A.030	AMD	259	58	71.05	ADD	360	2
70.47A.040	AMD	260	6				4-6
70.47A.050	AMD	260	12	71.05	ADD	375	8
70.47A.060	AMD	260	13	71.05.020	AMD	191	2
70.47A.080	AMD	260	14	71.05.020	AMD	375	6
70.48.090	AMD	13	1	71.05.150	AMD	375	7
70.48.130	AMD	259	66	71.05.157	AMD	375	9
70.56.010	AMD	273	20	71.05.160	AMD	375	13
70.56.030	AMD	259	13	71.05.360	AMD	375	14
70.58	ADD	156	32	71.05.390	REMD	375	15
70.58.107	REMD	91	2	71.05.630	AMD	191	1
70.58.107	REMD	200	2	71.24	ADD	359	7
70.83	ADD	259	8	71.24.025	AMD	414	1
70.83.040	AMD	259	7	71.24.035	AMD	375	12

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
71.24.035	AMD	410	8	74.13.285	AMD	409	7
71.24.035	AMD	414	2	74.13.330	AMD	410	7
71.34.600	AMD	375	11	74.13.650	AMD	220	7
71.36	ADD	359	3,6	74.13.660	AMD	220	8
71.36.005	AMD	359	1	74.15.020	REMD	412	1
71.36.010	AMD	359	2	74.15.030	REMD	17	14
71.36.020	REP	359	13	74.15.030	REMD	387	5
71.36.030	REP	359	13	74.15.035	REP	17	8
71A.12	ADD	283	2	74.15.130	AMD	220	6
72	ADD	483	101-107	74.20.040	AMD	143	5
72.09	ADD	384	2	74.20.330	AMD	143	6
72.09	ADD	483	203	74.20A.030	AMD	143	7
			302,303	74.20A.055	AMD	143	8
			403	74.20A.056	REMD	143	9
72.09.015	AMD	483	202	74.34	ADD	312	4,9,10
72.09.111	AMD	483	605	74.34.020	AMD	312	1
72.09.300	AMD	483	108	74.34.067	AMD	312	2
72.09.460	AMD	483	402	74.34.110	AMD	312	3
72.09.480	AMD	91	1	74.34.120	AMD	312	5
72.09.480	AMD	365	1	74.34.130	REMD	312	6
72.09.480	AMD	483	404	74.34.145	AMD	312	7
72.36	ADD	43	2	74.34.150	AMD	312	8
73.08.060	REP	448	2	74.34.210	AMD	312	11
74	ADD	356	1-6	74.39A	ADD	361	3-6
74.04	ADD	161	1	74.39A.009	AMD	361	2
74.04	ADD	384	3	74.39A.190	REP	361	10
74.08A.270	AMD	289	1	74.39A.270	AMD	278	3
74.08A.340	AMD	522	957	74.39A.270	AMD	361	7
74.09	ADD	5	2-4	74.39A.310	AMD	361	8
74.09	ADD	259	4,16	74.46	ADD	508	6
74.09	ADD	359	5,8,11	74.46.020	AMD	508	7
74.09.010	AMD	3	2	74.46.410	AMD	508	1
74.09.402	AMD	5	1	74.46.431	AMD	508	2
74.09.405	REP	5	8	74.46.506	AMD	508	3
74.09.415	REP	5	8	74.46.511	AMD	508	4
74.09.425	REP	5	8	74.46.521	AMD	508	5
74.09.435	REP	5	8	76.04.005	AMD	480	12
74.09.450	REP	5	8	76.04.610	AMD	110	1
74.09.510	REMD	315	1	76.04.660	AMD	480	13
74.09.520	AMD	3	1	76.06	ADD	480	5-7
74.09.530	AMD	315	2				9,10
74.09A	ADD	179	4	76.06.020	AMD	480	2
74.09A.005	AMD	179	1	76.06.030	AMD	480	3
74.09A.010	AMD	179	2	76.06.040	AMD	480	4
74.09A.020	AMD	179	3	76.06.050	REP	480	14
74.13	ADD	220	5	76.06.060	REP	480	14
74.13.031	REMD	413	10	76.06.070	REP	480	14
74.13.0903	RECD	17	7	76.06.080	REP	480	14
74.13.280	AMD	220	4	76.06.090	REP	480	14
74.13.280	AMD	409	6	76.06.110	REP	480	14

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
76.06.140	AMD	480	1	77.85.090	AMD	444	5
76.09	ADD	106	2,3	77.85.110	AMD	241	20
76.09.060	AMD	106	1	77.85.120	AMD	241	21
76.09.060	AMD	480	11	77.85.130	REMD	257	1
76.09.067	AMD	106	5	77.85.130	REMD	341	36
76.09.070	AMD	106	4	77.85.140	AMD	241	22
76.09.220	AMD	480	8	77.85.150	AMD	444	6
76.09.240	AMD	106	6	77.115.040	AMD	216	6
76.09.240	AMD	236	1	77.120	ADD	350	13-15
76.09.405	AMD	48	1	77.120.010	AMD	350	8
76.09.405	AMD	54	3	77.120.020	AMD	350	9
76.48.020	AMD	392	3	77.120.030	AMD	350	10
76.48.030	AMD	392	4	77.120.060	REP	350	17
76.48.130	AMD	392	1	77.120.070	AMD	350	12
77.04	ADD	62	7	77.120.080	REP	350	17
77.08.010	AMD	254	1	77.120.090	REP	350	17
77.08.010	AMD	350	2	78.44	ADD	192	1,3,4
77.12	ADD	62	8	78.44.190	AMD	192	2
77.12	ADD	246	3-5	78.44.210	AMD	192	5
77.12	ADD	293	2	78.60.070	AMD	338	1
77.12	ADD	337	2	78.60.100	AMD	338	2
77.12	ADD	350	4	78.60.130	AMD	338	3
77.12	ADD	442	2	78.60.200	AMD	338	4
77.12.879	AMD	350	3	78.60.210	AMD	338	5
77.15	ADD	350	7	78.60.230	AMD	338	6
77.15.253	AMD	350	5	79.10.140	AMD	241	23
77.15.290	AMD	350	6	79.11	ADD	62	3
77.15.360	AMD	337	3	79.13.010	AMD	504	1
77.15.568	AMD	337	4	79.13.060	AMD	504	2
77.15.700	AMD	163	2	79.13.110	AMD	504	3
77.32.155	AMD	163	1	79.15.540	AMD	109	2
77.32.237	AMD	254	6	79.17	ADD	62	4
77.32.238	AMD	254	5	79.22	ADD	62	5
77.32.400	AMD	254	2	79.64.040	AMD	522	958
77.32.470	AMD	442	5	79.64.110	AMD	503	1
77.32.480	AMD	254	3	79.70.070	AMD	241	24
77.32.490	REP	254	7	79.100	ADD	342	3
77.32.520	AMD	336	1	79.100.010	AMD	342	1
77.32.550	AMD	254	4	79.100.040	AMD	342	2
77.60.130	AMD	341	59	79.100.100	AMD	342	4
77.60.160	AMD	341	44	79.105	ADD	341	33
77.65.150	AMD	442	3	79.105.150	REMD	341	32
77.65.210	AMD	442	4	79.105.500	AMD	341	58
77.85	ADD	341	37	79.135.100	AMD	216	3
77.85	ADD	444	8	79A.05	ADD	62	11
77.85.010	AMD	444	1	79A.05	ADD	176	2
77.85.020	AMD	444	2	79A.05.065	AMD	441	1
77.85.030	AMD	444	3	79A.05.165	AMD	441	2
77.85.040	AMD	444	4	79A.05.175	AMD	145	1
77.85.090	AMD	341	49	79A.05.215	AMD	340	2

**RCW SECTIONS AFFECTED BY 2007 STATUTES**

RCW		CH.	SEC.	RCW		CH.	SEC.
79A.05.785	AMD	241	25	79A.40.100	AMD	234	98
79A.15	ADD	341	35	79A.60	ADD	311	1-3
79A.15.010	AMD	241	26	79A.60.510	AMD	341	57
79A.15.020	AMD	241	27	79A.60.520	AMD	341	56
79A.15.030	AMD	241	28	79A.60.590	AMD	241	72
79A.15.040	AMD	241	29	80	ADD	307	1-5
79A.15.040	AMD	341	34				7-10
79A.15.050	AMD	241	30	80.01.040	AMD	234	1
79A.15.060	AMD	241	31	80.28.205	REP	142	11
79A.15.065	AMD	241	32	80.28.207	REP	142	11
79A.15.070	AMD	241	33	80.28.210	REP	142	11
79A.15.080	AMD	241	34	80.28.212	REP	142	11
79A.15.100	AMD	241	35	80.28.215	REP	142	11
79A.15.110	AMD	241	36	80.36	ADD	26	2
79A.15.120	AMD	241	37	80.36.330	AMD	26	1
79A.15.130	AMD	241	38	80.50	ADD	325	3,4
79A.25	ADD	247	1	80.50	ADD	326	2
79A.25.005	AMD	241	39	80.50.020	REMD	325	1
79A.25.010	AMD	241	40	80.50.060	AMD	325	2
79A.25.020	AMD	241	41	80.60.010	AMD	323	1
79A.25.030	AMD	241	42	80.60.020	AMD	323	2
79A.25.060	AMD	241	43	80.60.030	AMD	323	3
79A.25.080	AMD	241	44	81.04	ADD	234	2,3
79A.25.090	AMD	241	45	81.04.010	AMD	234	4
79A.25.100	AMD	241	46	81.04.080	AMD	234	5
79A.25.110	AMD	241	47	81.04.130	AMD	234	6
79A.25.120	AMD	241	48	81.04.150	AMD	234	7
79A.25.130	AMD	241	49	81.04.160	AMD	234	8
79A.25.140	AMD	241	50	81.04.170	REP	234	102
79A.25.150	AMD	241	51	81.04.180	REP	234	102
79A.25.190	AMD	241	52	81.04.190	REP	234	102
79A.25.200	AMD	241	53	81.04.220	AMD	234	9
79A.25.210	AMD	241	54	81.04.240	AMD	234	10
79A.25.220	AMD	241	55	81.04.250	AMD	234	11
79A.25.230	AMD	241	56	81.04.270	AMD	234	12
79A.25.240	AMD	241	57	81.04.280	AMD	234	13
79A.25.250	AMD	241	58	81.04.300	AMD	234	14
79A.25.310	AMD	241	61	81.04.330	AMD	234	15
79A.25.370	AMD	241	62	81.04.350	AMD	234	16
79A.25.820	AMD	241	59	81.04.360	AMD	234	17
79A.25.830	AMD	241	60	81.04.490	AMD	142	10
79A.35.010	AMD	241	63	81.04.520	REP	234	102
79A.35.030	AMD	241	64	81.08.010	AMD	234	18
79A.35.050	AMD	241	65	81.08.070	REP	234	102
79A.35.060	AMD	241	66	81.12.010	AMD	234	19
79A.35.070	AMD	241	67	81.16.010	AMD	234	20
79A.35.090	AMD	241	68	81.24.010	AMD	234	21
79A.35.100	AMD	241	69	81.28.010	AMD	234	22
79A.35.110	AMD	241	70	81.28.020	AMD	234	23
79A.35.120	AMD	241	71	81.28.030	AMD	234	24

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RCW		CH.	SEC.	RCW		CH.	SEC.
81.28.040	AMD	234	25	81.52.010	REP	234	102
81.28.050	AMD	234	26	81.52.020	REP	234	102
81.28.080	AMD	218	74	81.52.030	REP	234	102
81.28.080	AMD	234	27	81.52.040	REP	234	102
81.28.180	AMD	234	28	81.53.261	AMD	234	99
81.28.190	AMD	234	29	81.56.010	REP	234	102
81.28.200	AMD	234	30	81.56.020	REP	234	102
81.28.210	AMD	234	31	81.56.030	REP	234	102
81.28.220	AMD	234	32	81.56.040	REP	234	102
81.28.230	AMD	234	33	81.56.050	REP	234	102
81.28.250	AMD	234	34	81.56.060	REP	234	102
81.28.260	AMD	234	35	81.56.070	REP	234	102
81.29.010	AMD	234	36	81.56.080	REP	234	102
81.29.020	AMD	234	37	81.56.100	REP	234	102
81.36.070	REP	234	102	81.56.110	REP	234	102
81.40.040	REP	234	102	81.56.120	RECD	234	101
81.40.095	AMD	218	82	81.56.130	REP	234	102
81.40.100	REP	234	102	81.56.140	REP	234	102
81.44.010	AMD	234	38	81.56.150	REP	234	102
81.44.020	AMD	234	39	81.56.160	REP	234	102
81.44.031	REP	234	102	81.61.020	AMD	234	41
81.44.032	REP	234	102	81.66	ADD	234	42
81.44.040	AMD	234	40	81.66.040	AMD	234	43
81.44.050	REP	234	102	81.66.060	AMD	234	44
81.44.060	REP	234	102	81.68	ADD	234	45
81.44.065	REP	234	102	81.68.010	AMD	234	46
81.44.091	REP	234	102	81.68.015	AMD	234	47
81.44.092	REP	234	102	81.68.020	AMD	234	48
81.44.093	REP	234	102	81.68.030	AMD	234	96
81.44.094	REP	234	102	81.68.040	AMD	234	49
81.44.095	REP	234	102	81.68.060	AMD	234	50
81.44.096	REP	234	102	81.68.065	AMD	234	51
81.44.097	REP	234	102	81.68.070	REP	234	102
81.44.0971	REP	234	102	81.68.080	AMD	234	52
81.44.0972	REP	234	102	81.68.090	AMD	234	53
81.44.098	REP	234	102	81.70	ADD	234	54
81.44.0981	REP	234	102	81.70.020	AMD	234	55
81.44.0982	REP	234	102	81.70.030	AMD	234	56
81.44.099	REP	234	102	81.70.230	AMD	234	57
81.44.100	REP	234	102	81.70.250	AMD	234	58
81.44.101	REP	234	102	81.70.280	AMD	234	59
81.44.102	REP	234	102	81.70.290	AMD	234	60
81.44.103	REP	234	102	81.70.300	REP	234	102
81.44.104	REP	234	102	81.70.320	AMD	234	61
81.44.105	REP	234	102	81.70.330	AMD	234	62
81.44.110	REP	234	102	81.70.340	AMD	234	63
81.44.120	REP	234	102	81.77	ADD	234	64
81.48	ADD	234	101	81.77.010	AMD	234	65
81.48.010	REP	234	102	81.77.015	REP	234	102
81.48.015	REP	234	102	81.77.040	AMD	234	66

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RCW		CH.	SEC.	RCW		CH.	SEC.
81.77.070	REP	234	102	81.88.040	AMD	142	2
81.77.100	AMD	234	67	81.88.050	AMD	142	3
81.80	ADD	234	91	81.88.060	AMD	142	4
81.80.010	AMD	234	68	81.88.080	AMD	142	6
81.80.020	AMD	234	69	81.88.090	AMD	142	7
81.80.030	REP	234	102	81.88.100	AMD	142	8
81.80.045	AMD	234	70	81.88.150	REP	142	11
81.80.060	AMD	234	71	81.104.115	AMD	422	7
81.80.070	AMD	234	72	81.112.030	AMD	509	3
81.80.080	AMD	234	73	81.112.060	AMD	166	1
81.80.130	AMD	234	74	81.112.180	AMD	422	6
81.80.140	AMD	234	75	82.02.210	AMD	6	105
81.80.150	AMD	234	76	82.04	ADD	48	3
81.80.170	AMD	234	77	82.04	ADD	221	5
81.80.175	REP	234	102	82.04	ADD	334	1
81.80.190	AMD	234	78	82.04	ADD	381	1
81.80.220	AMD	234	79	82.04	ADD	447	1
81.80.230	AMD	234	80	82.04	ADD	477	2
81.80.240	REP	234	102	82.04.050	REMD	6	1004
81.80.250	AMD	234	81	82.04.050	REMD	54	4
81.80.260	AMD	234	82	82.04.060	AMD	6	1007
81.80.270	AMD	234	83	82.04.065	AMD	6	1002
81.80.272	AMD	234	84				1003
81.80.280	AMD	234	85	82.04.190	AMD	6	1008
81.80.301	REP	234	102	82.04.250	AMD	54	5
81.80.305	AMD	234	86	82.04.260	REMD	48	2
81.80.312	REP	234	102	82.04.260	REMD	54	6
81.80.318	REP	234	102	82.04.261	AMD	48	4
81.80.330	AMD	234	87	82.04.261	AMD	54	7
81.80.340	REP	234	102	82.04.294	AMD	54	8
81.80.346	REP	234	102	82.04.310	AMD	58	1
81.80.370	AMD	234	88	82.04.332	AMD	131	1
81.80.371	AMD	234	89	82.04.333	AMD	48	5
81.80.375	REP	234	102	82.04.4281	AMD	54	9
81.80.380	REP	234	102	82.04.4334	AMD	309	3
81.80.381	REP	234	102	82.04.440	AMD	54	10
81.80.391	REP	234	102	82.04.4461	AMD	54	11
81.80.395	REP	234	102	82.04.4462	AMD	54	12
81.80.400	REP	234	102	82.04.470	AMD	6	1201
81.80.410	REP	234	102	82.04.530	AMD	6	1022
81.80.420	REP	234	102	82.04.530	AMD	54	13
81.80.430	AMD	234	90	82.08	ADD	6	801
81.80.440	REP	234	102				1401
81.80.450	REP	234	102				1402
81.80.460	REP	234	102	82.08	ADD	22	1
81.84.010	REMD	234	92	82.08	ADD	182	1
81.84.020	AMD	234	93	82.08	ADD	381	2
81.84.060	AMD	234	97	82.08	ADD	477	3
81.88	ADD	142	5	82.08.010	AMD	6	1301
81.88.010	AMD	142	1				1302

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RCW		CH.	SEC.	RCW		CH.	SEC.
82.08.0255	AMD	223	9	82.24.135	AMD	111	103
82.08.0264	AMD	135	1	82.24.280	AMD	111	104
82.08.0273	AMD	135	2	82.26.105	AMD	221	3
82.08.02745	AMD	54	14	82.26.110	AMD	221	4
82.08.0283	AMD	6	1101	82.29A	ADD	21	1
82.08.0289	AMD	6	1005	82.29A.130	REMD	90	1
			1006	82.32	ADD	6	104,201
82.08.037	AMD	6	102				301,302
82.08.050	REMD	6	1202				401,501
82.08.803	AMD	6	1103				601
82.08.855	AMD	332	1				701-703
82.08.865	AMD	443	1				1601
82.08.955	AMD	309	4				1602
82.12	ADD	6	802	82.32	ADD	111	113
			1403	82.32.020	AMD	6	101
82.12	ADD	22	2	82.32.030	AMD	6	202
82.12	ADD	182	2	82.32.033	AMD	111	105
82.12	ADD	381	3	82.32.050	AMD	111	106
82.12.0256	AMD	223	10	82.32.100	AMD	111	107
82.12.0277	AMD	6	1102	82.32.130	AMD	111	108
82.12.0284	AMD	54	15	82.32.140	AMD	111	109
82.12.035	AMD	6	1203	82.32.160	AMD	111	110
82.12.037	AMD	6	103	82.32.170	AMD	111	111
82.12.803	AMD	6	1104	82.32.330	AMD	6	1502
82.12.855	AMD	332	2	82.32.430	AMD	6	1501
82.12.865	AMD	443	2	82.32.520	AMD	6	1001
82.12.955	AMD	309	5	82.32.520	AMD	54	18
82.14	ADD	6	503	82.32.545	AMD	54	19
			902,903	82.32.550	AMD	54	20
82.14	ADD	251	11	82.32.555	AMD	6	1011
82.14	ADD	486	3	82.32.555	AMD	54	21
82.14.020	AMD	6	502	82.32.600	REEN	54	22,23
82.14.370	AMD	250	1	82.32.630	AMD	48	6
82.14.370	AMD	478	1	82.32.700	AMD	266	9
82.14.390	AMD	6	904	82.33	ADD	484	3
82.14.390	AMD	486	2	82.33A.010	AMD	232	8
82.14.450	AMD	380	1	82.33A.020	AMD	232	9
82.14.465	AMD	266	7	82.36	ADD	515	5,14,20
82.14.470	AMD	266	8	82.36.010	AMD	515	1
82.14.475	AMD	229	8	82.36.020	AMD	515	2
82.14B.020	AMD	6	1009	82.36.025	AMD	515	3
82.14B.020	AMD	54	16	82.36.026	AMD	515	4
82.14B.030	REMD	6	1024	82.36.027	AMD	515	6
82.14B.030	REMD	54	17	82.36.031	AMD	515	8
82.16	ADD	334	2	82.36.042	REP	515	34
82.16.010	AMD	6	1023	82.36.045	AMD	515	9
82.16.050	AMD	330	1	82.36.060	AMD	515	10
82.16.120	AMD	111	101	82.36.080	AMD	515	11
82.24	ADD	221	2	82.36.160	AMD	515	12
82.24.120	AMD	111	102	82.36.180	AMD	515	13

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RCW		CH.	SEC.	RCW		CH.	SEC.
82.36.273	REP	515	34	84.14.060	AMD	185	2
82.36.305	REP	515	34	84.14.060	AMD	430	8
82.36.320	AMD	515	15	84.14.090	AMD	430	9
82.36.340	AMD	515	16	84.14.100	AMD	430	10
82.36.360	REP	515	34	84.14.110	AMD	430	11
82.36.370	AMD	515	17	84.16.036	AMD	111	202
82.36.373	REP	515	34	84.33	ADD	69	4
82.36.380	AMD	515	18	84.33.081	AMD	69	5
82.36.407	REP	515	34	84.33.088	AMD	47	1
82.36.450	AMD	515	19	84.33.140	AMD	54	24
82.38	ADD	515	33	84.34.055	AMD	241	73
82.38.030	AMD	515	21	84.34.108	AMD	54	25
82.38.032	AMD	515	22	84.36.560	AMD	301	1
82.38.035	AMD	515	23	84.36.660	AMD	434	3
82.38.050	AMD	515	24	84.36.815	AMD	111	301
82.38.070	REP	515	34	84.36.820	AMD	111	302
82.38.071	REP	515	34	84.36.825	AMD	111	303
82.38.081	REP	515	34	84.36.830	AMD	111	304
82.38.100	AMD	419	17	84.36.840	AMD	111	305
82.38.100	AMD	515	25	84.40.030	AMD	301	2
82.38.130	AMD	515	26	84.52.010	AMD	54	26
82.38.140	AMD	515	27	84.52.053	AMD	129	3
82.38.150	AMD	515	28	84.52.054	AMD	54	27
82.38.165	REP	515	34	84.55.012	REP	54	28
82.38.180	AMD	515	29	84.55.0121	REP	54	28
82.38.185	REP	515	34	84.55.050	AMD	380	2
82.38.230	AMD	218	78	84.56.010	AMD	105	1
82.38.270	AMD	515	30	84.56.020	AMD	105	2
82.38.285	REP	515	34	84.56.070	AMD	295	5
82.38.310	AMD	515	31	84.56.090	AMD	295	6
82.38.320	AMD	515	32	84.64.200	AMD	295	7
82.45	ADD	48	7	85.05.410	AMD	469	8
82.45.100	AMD	111	112	85.06.380	AMD	469	9
82.62.010	AMD	485	1	85.08.320	AMD	469	10
82.62.020	AMD	485	2	85.24.080	AMD	469	11
82.62.030	AMD	485	3	85.28.130	AMD	218	95
82.62.045	AMD	485	4	85.28.140	AMD	218	96
82.62.050	AMD	485	5	85.38.075	AMD	469	15
82.72.010	AMD	6	1010	86.09.283	AMD	469	12
82.80.140	AMD	329	2	87.03.020	AMD	218	79
84.09.030	AMD	285	3	87.03.460	AMD	469	13
84.12.260	AMD	111	201	87.06.080	AMD	63	1
84.14.005	AMD	430	1	87.84.020	AMD	218	80
84.14.007	AMD	430	2	88.02	ADD	342	7
84.14.010	AMD	185	1	88.02.030	AMD	22	3
84.14.010	AMD	430	3	88.02.050	AMD	342	5,6
84.14.020	AMD	430	4	88.02.230	AMD	378	1
84.14.030	AMD	430	5	88.16.090	AMD	518	706
84.14.040	AMD	430	6	88.40.011	AMD	347	4
84.14.050	AMD	430	7	88.46.010	AMD	347	5



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RCW		CH.	SEC.	RCW		CH.	SEC.
89	ADD	352	1-3	90.71.010	AMD	341	2
			8	90.71.015	REP	341	67
89.08	ADD	341	29	90.71.020	REP	341	67
89.08	ADD	348	207	90.71.030	REP	341	67
89.08.520	AMD	341	28	90.71.040	REP	341	67
89.08.530	AMD	352	4	90.71.050	REP	341	67
89.08.540	AMD	352	5	90.71.060	AMD	341	22
90.16.050	AMD	286	1	90.71.070	REP	341	67
90.16.090	AMD	286	2	90.71.080	REP	341	67
90.46	ADD	445	10,11	90.71.100	AMD	341	43
90.46.005	AMD	445	2	90.71.100	RECD	341	66
90.46.120	AMD	445	3	90.71.900	REP	341	67
90.48	ADD	30	1	90.71.901	REP	341	67
90.48.110	AMD	343	13	90.71.902	DECD	341	65
90.48.162	AMD	343	12	90.71.903	DECD	341	65
90.48.260	AMD	341	55	90.72.030	AMD	150	1
90.48.366	AMD	347	1	90.72.045	AMD	150	2
90.48.368	AMD	347	2	90.76.005	AMD	147	1
90.50A	ADD	341	40	90.76.010	AMD	147	2
90.50A.030	AMD	341	38	90.76.020	AMD	147	3
90.50A.040	AMD	341	39	90.76.050	AMD	147	4
90.54.020	AMD	445	8	90.76.070	AMD	147	5
90.54.180	AMD	445	9	90.76.080	AMD	147	6
90.56.010	AMD	347	6	90.76.090	AMD	147	7
90.56.330	AMD	347	3	90.76.110	AMD	147	8
90.58.030	AMD	328	1	90.76.120	REP	147	12
90.58.080	AMD	170	1	90.82.043	AMD	445	6
90.71	ADD	341	1	90.82.060	AMD	245	1
			3-21	90.88.005	AMD	341	50
			23	90.88.020	AMD	341	51
			41,42	90.88.030	AMD	341	52
90.71	ADD	345	3	90.88.901	AMD	341	53
90.71.005	REP	341	67	90.88.902	AMD	341	54



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<u>LAWS 2002</u>			<u>LAWS 2007</u>		84	9	AMD	54	29
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	196	2	REP	325	5
67	18	REP	54	2	255	10	REP	260	16
<u>LAWS 2003</u>			<u>LAWS 2007</u>		255	10	REP	259	67
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	279	3	AMD	445	5
168	503	REP	54	2	302	14	AMD	9	1
168	902	REP	54	2	308	1	AMD	302	1
293	2	AMD	304	3	332	2	AMD	223	4
<u>LAWS 2004</u>			<u>LAWS 2007</u>		370	205	AMD	518	804
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	370	208	AMD	518	805
65	19	REP	275	1	370	209	AMD	518	806
153	502	REP	54	2	370	210	AMD	518	807
153	502	AMD	6	1701	370	215	AMD	518	808
218	10	REP	109	3	370	218	AMD	518	809
264	1	AMD	178	1	370	221	AMD	518	810
<u>LAWS 2005</u>			<u>LAWS 2007</u>		370	224	AMD	518	811
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	370	225	AMD	518	812
234	1	AMD	237	1	370	226	AMD	518	813
257	1	AMD	451	1	370	227	AMD	518	814
276	1	AMD	361	1	370	228	AMD	518	815
313		ADD	518	802	370	229	AMD	518	816
313		ADD	518	803	370	301	AMD	518	901
459	3	AMD	304	2	370	302	AMD	518	902
488	165	AMD	520	6043	370	303	AMD	518	903
488	347	AMD	520	6045	370	304	AMD	518	905
488	357	AMD	520	6046	370	305	AMD	518	906
488	955	AMD	520	6040	370	306	AMD	518	904
513	14	AMD	243	1	370	308	AMD	518	908
514	112	REP	54	2	370	309	AMD	518	909
514	113	REP	54	2	370	401	AMD	518	1001
518		ADD	522	1611	370	402	AMD	518	1002
518		ADD	522	1612	370	404	AMD	518	1003
518		ADD	522	1613	370	405	AMD	518	1004
518		ADD	522	1614	370	406	AMD	518	1005
518		ADD	522	1615	371		ADD	520	6041
518		ADD	522	1616	371		ADD	520	6044
518		ADD	522	1617	371		ADD	520	6047
518		ADD	522	1618	371		ADD	520	6048
518		ADD	522	1619	371		ADD	520	6049
518		ADD	522	1621	371		ADD	520	6050
518		ADD	522	1622	371		ADD	520	6051
518		ADD	522	1623	371	106	AMD	520	6052
518		ADD	522	1624	371	191	AMD	520	6042
518	707	AMD	522	1607	371	192	AMD	520	6054
518	729	AMD	522	1620	372		ADD	522	6053
<u>LAWS 2006</u>			<u>LAWS 2007</u>		372		ADD	522	1416
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	372	108	AMD	522	1001
53	2	AMD	518	801	372	111	AMD	522	1002
<u>LAWS 2007</u>			<u>LAWS 2007</u>		372	112	AMD	522	1003
<u>LAWS 2007</u>			<u>LAWS 2007</u>		372	114	AMD	522	1004
<u>LAWS 2007</u>			<u>LAWS 2007</u>		372	118	AMD	522	1005
<u>LAWS 2007</u>			<u>LAWS 2007</u>		372	122	AMD	522	1006

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372	126	AMD	522	1008	372	309	AMD	522	1206
372	127	AMD	522	1009	372	402	AMD	522	1301
372	128	AMD	522	1010	372	501	AMD	522	1401
372	129	AMD	522	1011	372	502	AMD	522	1402
372	135	AMD	522	1012	372	504	AMD	522	1403
372	137	AMD	522	1013	372	505	AMD	522	1404
372	138	AMD	522	1014	372	506	AMD	522	1405
372	147	AMD	522	1015	372	507	AMD	522	1406
372	150	AMD	522	1016	372	509	AMD	522	1407
372	152	AMD	522	1017	372	510	AMD	522	1408
372	154	AMD	522	1018	372	511	AMD	522	1409
372	201	AMD	522	1101	372	512	AMD	522	1410
372	202	AMD	522	1102	372	513	AMD	522	1411
372	203	AMD	522	1103	372	514	AMD	522	1412
372	204	AMD	522	1104	372	515	AMD	522	1413
372	205	AMD	522	1105	372	516	AMD	522	1414
372	206	AMD	522	1106	372	518	AMD	522	1415
372	207	AMD	522	1107	372	603	AMD	522	1501
372	208	AMD	522	1108	372	604	AMD	522	1502
372	209	AMD	522	1109	372	606	AMD	522	1503
372	210	AMD	522	1110	372	616	AMD	522	1504
372	211	AMD	522	1111	372	701	AMD	522	1601
372	212	AMD	522	1112	372	703	AMD	522	1602
372	213	AMD	522	1113	372	704	AMD	522	1603
372	214	AMD	522	1114	372	705	AMD	522	1604
372	216	AMD	522	1115	372	706	AMD	522	1605
372	217	AMD	522	1116	372	707	AMD	522	1606
372	219	AMD	522	1117	372	708	AMD	522	1608
372	221	AMD	522	1118	372	712	AMD	522	1609
372	222	AMD	522	1119	372	715	AMD	522	1610
372	225	AMD	522	1120	372	801	AMD	522	1701
372	302	AMD	522	1201	372	802	AMD	522	1702
372	303	AMD	522	1202	372	803	AMD	522	1703
372	306	AMD	522	1203	372	804	AMD	522	1704
372	307	AMD	522	1204	372	805	AMD	522	1705

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## HISTORY OF STATE MEASURES FILED WITH THE SECRETARY OF STATE

### INITIATIVES TO THE PEOPLE

(SUPPLEMENTING 2005 LAWS, PAGE 2885 AND 2006 LAWS, PAGE 2175)

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INITIATIVE MEASURE NO. 913 **Statement of Subject: Initiative Measure No. 913 concerns revenues and fees for state and local governments. Concise Description: This measure would require state and local governments to receive either two-thirds legislative approval or majority voter approval to increase taxes or fees, and would require both approvals for certain state tax increases.** Filed on January 9, 2006 by Tim D. Eyman, M. J. Fagan, Leo J. Fagan. Withdrawn by the sponsors. No signatures submitted.

INITIATIVE MEASURE NO. 914 **Statement of Subject: Initiative Measure No. 914 concerns prohibiting discrimination and preferential treatment. Concise Description: This measure would prohibit public and private entities from using race, sex, color, ethnicity, or national origin in decisions about employment, contracting, subcontracting, college admissions and school assignment, and limit collection of data.** Filed on January 9, 2006 by Tim D. Eyman, M. J. Fagan, Leo J. Fagan. Withdrawn by the sponsors. No signatures submitted.

INITIATIVE MEASURE NO. 915 **Statement of Subject: Initiative Measure No. 915 concerns limiting motor vehicle charges. Concise Description: This measure would cap motor vehicle registration charges at \$30 per year, repeal taxes and fees exceeding the \$30 limit, calculate vehicle taxes and fees based on purchase price, and retire certain bonds.** Filed on January 9, 2006 by Tim D. Eyman, M. J. Fagan, Leo J. Fagan. Withdrawn by the sponsors January 30, 2006. No signatures submitted.

INITIATIVE MEASURE NO. 916 **(relating to transportation)** Filed January 9, 2006 by Tim D. Eyman, M. J. Fagan, Leo J. Fagan. Withdrawn by the sponsors January 17, 2006. No signatures submitted.

INITIATIVE MEASURE NO. 917 **Statement of Subject: Initiative Measure No. 917 concerns limiting motor vehicle charges. Concise Description: This measure would cap motor vehicle registration charges at \$30 per year, repeal taxes and fees exceeding the \$30 limit, calculate vehicle taxes and fees based on purchase price, and retire certain bonds.** Filed January 9, 2006 by Tim D. Eyman, M. J. Fagan, Leo J. Fagan. 266,035 signatures were filed, with 219,175 acceptable signatures and 46,859 invalid signatures. The percentage of invalid signatures was 17.61% . The measure did not qualify to the ballot.

INITIATIVE MEASURE NO. 918 **Revised Ballot Title Statement of Subject: Initiative Measure No. 918 concerns transportation. Concise Description: This measure would open carpool lanes during off-peak hours, dedicate state motor vehicle sales and use taxes to fund road expansion projects, and require the state issue \$10 billion in bonds for this.** Filed January 9, 2006 by Tim D. Eyman, M. J. Fagan, Leo J. Fagan. No signatures submitted.

INITIATIVE MEASURE NO. 919 **Statement of Subject: Initiative Measure No.919 concerns a process to provide citizen's opinions to governments. Concise Description: This measure would establish a network of citizen councilors, coordinated by the State Auditor's office, where volunteers would meet in small groups and share their opinions on topics of public interest for tabulation.** Filed January 9, 2006 by Richard J. Spady. No signatures submitted.

## INITIATIVES TO THE PEOPLE

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- INITIATIVE MEASURE NO. 920 **Revised Ballot Title Statement of Subject: Initiative Measure No. 920 concerns estate tax. Concise Description: This measure would repeal Washington's state laws imposing tax, currently dedicated for the education legacy trust fund, on transfers of estates of persons dying on or after the effective date of this measure.** Filed January 9, 2006, by Dennis Falk. 395,219 signatures were filed and the measure was submitted to the voters at the November 7, 2006, General Election and was rejected by the following vote: **Yes** — 778,047, **No** — 1,258,110.
- INITIATIVE MEASURE NO. 921 **Statement of Subject: Initiative Measure No. 921 concerns punishment for certain crimes. Concise Description: This measure would classify certain crimes as violent sex offenses and would impose life imprisonment without possibility of release on adults who are convicted of such offenses, or of sexually violent predator escape.** Filed on January 9, 2006, by Tracy Oetting of Skykomish. No signatures submitted.
- INITIATIVE MEASURE NO. 922 **Statement of Subject: Initiative Measure No. 922 concerns prohibiting "dangerous" initiatives and referendums. Concise Description: This measure would prohibit "dangerous" ballot measures, require sponsors to research the effects of their measures, prohibit certain donations and payments, authorize criminal penalties, and authorize a 1-2% sales tax increase if necessary.** Filed 01/13/2006, by Ms. Gretchen Sand. No signatures submitted.
- INITIATIVE MEASURE NO. 923 **Statement of Subject: Initiative Measure No. 923 concerns creation of a universal health care system. Concise Description: This measure would establish a department of universal health care to operate a health care system open to all legal residents and funded by the state and by patient copayments based on income.** Filed 01/09/2006, by Mr. Kris Craig. No signatures submitted.
- INITIATIVE MEASURE NO. 924 **Statement of Subject: Initiative Measure No. 924 concerns expenditures by school districts. Concise Description: This measure would require, beginning with the 2007-2008 school year, that school districts spend at least 65% of "operational expenditures" on "classroom instructional expenditures," as defined by the initiative, with certain waivers available.** Filed 01/10/2006, by Mr. Brian Janssen. No signatures submitted.
- INITIATIVE MEASURE NO. 925 **Statement of Subject: Initiative Measure No. 925 concerns giving notice of insolvency proceedings. Concise Description: This measure would amend receivership laws to require notice to all employees if their business employer files an insolvency proceeding such as a receivership, assignment for the benefit of creditors, bankruptcy or liquidation.** Filed 01/13/2006, by Mr. Dale D. DeWalt. No signatures submitted.
- INITIATIVE MEASURE NO. 926 **Statement of Subject: Initiative Measure No. 926 concerns public employee collective bargaining agreements. Concise Description: This measure would prohibit collective bargaining agreements for certain public employees from requiring the employee to pay any fees, dues or other obligations to a bargaining representative as a condition of employment.** Filed 01/09/2006, by Mr. John M. Smith. No signatures submitted.
- INITIATIVE MEASURE NO. 927 **Relating to prohibiting preferential treatment.** Withdrawn by Sponsor. Filed 1/18/2006, by Mr. Tim Eyman, Mr. M. J. Fagan, Mr. Leo J. Fagan. Withdrawn by sponsors. No signatures submitted.



## INITIATIVES TO THE PEOPLE

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INITIATIVE MEASURE NO. 928 **Statement of Subject: Initiative Measure No. 928 concerns sex offender registration. Concise Description: This measure would set minimum terms of ten years (first conviction) and twenty years (second conviction) for felony sex offenders who fail to register, and would require electronic monitoring of certain sex offenders.** Filed 01/17/2006, by Ms. Anne Hogenson. No signatures submitted.

INITIATIVE MEASURE NO. 929 **Statement of Subject: Initiative Measure No. 929 concerns vehicle license plates. Concise Description: This measure would require a car, truck, or other vehicle to have only one license plate, mounted on the rear of the vehicle. Existing statutes would be amended to reflect this change.** Filed 01/23/2006, by Ms. Amber Garrett. No signatures submitted.

INITIATIVE MEASURE NO. 930 **Statement of Subject: Initiative Measure No. 930 concerns revenues and fees for state and local governments. Concise Description: This measure would require two-thirds approval by the legislative body, or majority approval by the legislative body and voter approval, for state and local governments to increase taxes, fees or other revenue.** Filed 01/19/2006, by Mr. Tim Eyman, Mr. M. J. Fagan, Mr. Leo J. Fagan. No signatures submitted.

INITIATIVE MEASURE NO. 931 **Relating to transportation.** Filed 01/17/2006, by Mr. Tim Eyman, Mr. M. J. Fagan, Mr. Leo J. Fagan. Withdrawn by Sponsor. No signatures submitted.

INITIATIVE MEASURE NO. 932 **Statement of Subject: Initiative Measure No. 932 concerns creation or consolidation of counties. Concise Description: This measure would establish procedures for forming or consolidating counties, including a petition, approval by either the legislature or local voters, division of county assets and liabilities, and electing initial county officers.** Filed 01/19/2006, by Mr. Steven Pyeatt. No signatures submitted.

INITIATIVE MEASURE NO. 933 **Statement of Subject: Initiative Measure 933 concerns government regulation of private property. Concise Description: This measure would require compensation when government regulation damages the use or value of private property, would forbid regulations that prohibit existing legal uses of private property, and would provide exceptions or payments.** Filed 01/24/2006, by Mr. Daniel W. Wood. 317,353 signatures were filed and the measure was submitted to the voters at the November 7, 2006 General Election and was rejected by the following vote: **Yes** — 839,992, **No** — 1,199,679.

INITIATIVE MEASURE NO. 934 **Statement of Subject: Initiative Measure No. 934 concerns qualifications for state elective office. Concise Description: This measure would require every candidate for state elective office to pass the tenth grade Washington assessment of student learning (WASL) test, and to file an affidavit so certifying before filing for office.** Filed 02/03/2006, by Mr. Donald D. Hansler. No signatures submitted.

INITIATIVE MEASURE NO. 935 **Statement of Subject: Initiative Measure No. 935 concerns providing bonus compensation to teachers based on parent ratings. Concise Description: This measure would provide yearly bonus payments for public school teachers based on parent/guardian ratings, calculated as a percentage of average teacher salary, and funded by a sales tax increase of 0.15 percent.** Filed 02/03/2006, by Mr. Donald D. Hansler. No signatures submitted.

INITIATIVE MEASURE NO. 936 **Statement of Subject: Initiative Measure No. 936 concerns criminal sentences for certain sex offenders. Concise Description: This measure would establish minimum sentences for certain sex offenses against children, developmentally disabled persons, mentally disordered persons, frail elderly persons or vulnerable**

## INITIATIVES TO THE PEOPLE

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**adults, and restrict eligibility for treatment-based alternative sex offender sentencing.** Filed 02/01/2006, by Mr. James M. Hines. No signatures submitted.

**\*INITIATIVE MEASURE NO. 937 Statement of Subject: Initiative Measure No. 937 concerns energy resource use by certain electric utilities. Concise Description: This measure would require certain electric utilities with 25,000 or more customers to meet certain targets for energy conservation and use of renewable energy resources, as defined, including energy credits, or pay penalties.** Filed 01/25/2006, by Mr. Robert Jay Pregulman. 337,804 signatures were filed and the measure was submitted to the voters at the November 7, 2006 General Election and was passed by the following vote: **Yes** — 1,042,679, **No** — 972,747.

**INITIATIVE MEASURE NO. 938 Statement of Subject: Initiative Measure No. 938 concerns sex offender monitoring. Concise Description: This measure would require constant electronic monitoring for any sex offender who is convicted of failure to register, is classified as risk level III, or registers as "transient" or with "no known address."** Filed 02/10/2006, by Ms. Anne Hogenson. No signatures submitted.

**INITIATIVE MEASURE NO. 939 Statement of Subject: Initiative Measure No. 939 concerns sex offender registration. Concise Description: This measure would establish mandatory minimum sentences for failure to register after conviction of a felony sex offense: up to twelve months in prison (first conviction) and at least seventeen months (subsequent convictions).** Filed 2/10/2006, by Ms. Anne Hogenson. No signatures submitted.

**INITIATIVE MEASURE NO. 940 Relating to open ballot voting.** Filed 02/17/2006, by Mr. Timothy J. Janssen. Withdrawn by Sponsor. No signatures submitted.

**INITIATIVE MEASURE NO. 941 Statement of Subject: Initiative Measure No. 941 concerns nominations of candidates for elective office. Concise Description: This measure would permit minor political parties or independent groups to nominate a candidate even if another party nominates the candidate. A candidate could still receive only one vote per ballot.** Filed 02/17/2006, by Mr. Timothy J. Janssen. No signatures submitted.

**INITIATIVE MEASURE NO. 942 Statement of Subject: Initiative Measure No. 942 concerns rainwater. Concise Description: This measure would provide that collection of rainwater for storage and reuse on the same property where collected shall not be restricted, regulated, or require water rights. Certain local safety regulations would apply.** Filed 02/15/2006, by Ms. Tamara Seasholtz. No signatures submitted.

**INITIATIVE MEASURE NO. 943 Statement of Subject: Initiative Measure No. 943 concerns prohibiting discrimination and preferential treatment. Concise Description: This measure would prohibit government from considering race, sex, color, ethnicity or national origin as factors in employment, contracting, college admission and public school assignment decisions, and limit collecting information regarding these factors.** Filed 03/02/2006, by Mr. Tim Eyman, Mr. Leo J. Fagan, Mr. M. J. Fagan. The measure was withdrawn by the sponsors. No signatures submitted.

**INITIATIVE MEASURE NO. 944 Statement of Subject: Initiative Measure No. 944 concerns taxes, revenues and fees for state and local governments. Concise Description: This measure would require state and local governments to receive two-thirds approval by the legislative body, or majority approval by the legislative body and voter approval to increase taxes, fees or other revenue.** Filed 03/02/2006, by Mr. Tim Eyman, Mr. Leo J. Fagan, Mr. M. J. Fagan. No signatures submitted.

## INITIATIVES TO THE PEOPLE

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INITIATIVE MEASURE NO. 945 **Relating to citizens' rights in the initiative and referendum process.** Filed 03/02/2006, by Mr. Tim Eyman, Mr. Leo J. Fagan, Mr. M. J. Fagan. Withdrawn by sponsor. No signatures submitted.

INITIATIVE MEASURE NO. 946 **Statement of Subject: Initiative Measure No. 946 concerns identity verification and immigration status of applicants for public benefits. Concise Description: This measure would require state and local government employees to verify identity and immigration status of every applicant for non-federally mandated public benefits, and report immigration violations, making failure to report a misdemeanor.** Filed 03/15/2006, by Mr. Robert D. Baker. No signatures submitted.

INITIATIVE MEASURE NO. 947 **Statement of Subject: Initiative Measure No. 947 concerns the initiative and referendum process. Concise Description: This measure would direct a two-thirds legislative vote on emergency clauses or bills affecting the initiative and referendum process; provide judicial review of emergency clauses; define and provide penalties for interference with petition-signing.** Filed 03/30/2006, by Mr. Tim Eyman, Mr. Leo J. Fagan, Mr. M. J. Fagan. No signatures submitted.

INITIATIVE MEASURE NO. 948 **Statement of Subject: Initiative Measure No. 948 concerns prohibiting discrimination and preferential treatment. Concise Description: This measure would prohibit government from considering race, sex, color, ethnicity or national origin as factors in employment, contracting, college admission and public school assignment decisions, and limit collecting information regarding these factors.** Filed 03/23/2006, by Mr. Tim Eyman, Mr. Leo J. Fagan, Mr. M. J. Fagan. This measure was withdrawn by the sponsors. No signatures submitted.

INITIATIVE MEASURE NO. 949 **Statement of Subject: Initiative Measure No. 949 concerns amendments to the law against discrimination. Concise Description: This measure would amend the laws against discrimination by removing all references extending coverage of the law to discrimination based on "sexual orientation" or "sexual preference" in employment, housing, and public accommodations.** Filed 03/28/2006, by Mr. Tim Eyman, Mr. Leo J. Fagan, Mr. M. J. Fagan. This measure was withdrawn by the sponsors. No signatures submitted.

INITIATIVE MEASURE NO. 950 **Relating to prohibiting discrimination and preferential treatment.** Filed 05/02/2006, by Mr. Tim Eyman, Mr. Leo J. Fagan, Mr. M. J. Fagan. Withdrawn by sponsor. No signatures submitted.

INITIATIVE MEASURE NO. 951 **Statement of Subject: Initiative Measure No. 951 concerns prohibiting discrimination and preferential treatment. Concise Description: This measure would prohibit government from using race, sex, color, ethnicity or national origin as factors in employment, contracting and education, including school admissions and assignments, and limit collecting information regarding these factors.** Filed 05/05/2006, by Mr. Tim Eyman, Mr. Leo J. Fagan, Mr. M. J. Fagan. This measure was withdrawn by the sponsors. No signatures submitted.

INITIATIVE MEASURE NO. 952 **Statement of Subject: Initiative Measure No. 952 concerns use of video lottery terminal revenue for "green power" projects. Concise Description: This measure would direct the lottery commission to operate up to 10,000 video lottery terminals and create a board to distribute revenues for "green power" tax incentives, home improvement loans, and educational grants.** Filed 05/11/2006, by Mr. Jon T. Haugen. No signatures submitted.

## INITIATIVES TO THE LEGISLATURE

(SUPPLEMENTING 2005 LAWS, PAGE 2954 AND 2006 LAWS, PAGE 2177)

For 2006 information on Initiatives to the Legislature, see <http://www.secstate.wa.gov/elections/initiatives/legislature.aspx?y=2006>. For additional information, call the Office of the Secretary of State at (360) 902-4180.

**HISTORY OF CONSTITUTIONAL AMENDMENTS  
ADOPTED SINCE STATEHOOD  
(SUPPLEMENTING 2005 LAWS, PAGE 2997 AND 2006 LAWS, PAGE 2181)**

No. 98. Section 1, Article VII. Re: **Taxation**. Adopted November 2006.

