

2019

SESSION LAWS

OF THE

STATE OF WASHINGTON

2019 REGULAR SESSION
SIXTY-SIXTH LEGISLATURE
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Kathleen Buchli
Code Reviser

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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 \$25.00 per set plus applicable state and local sales taxes and \$7.00 shipping and handling. All orders must be accompanied by payment.

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

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

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

3. PARTIAL VETOES.

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

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

5. EFFECTIVE DATE OF LAWS.

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

6. INDEX AND TABLES.

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

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CHAPTER 415

[Engrossed Substitute House Bill 1109]

OPERATING BUDGET

AN ACT Relating to fiscal matters; amending RCW 28B.20.476, 28B.115.070, 28C.04.535, 38.52.105, 41.06.280, 41.26.450, 41.45.230, 41.60.050, 41.80.010, 43.08.190, 43.09.475, 43.43.839, 43.60A.140, 43.70.250, 43.70.445, 43.79.445, 43.101.200, 43.101.220, 43.101.435, 43.330.250, 43.372.070, 43.380.020, 50.16.010, 70.155.120, 76.04.610, 77.12.203, 79.105.150, 79A.25.210, 82.14.310, 82.19.040, 83.100.230, 86.26.007, 90.50A.090, 90.56.500, and 90.56.510; amending 2018 c 299 ss 109, 112, 113, 115, 116, 118, 119, 121, 124, 125, 127, 129, 130, 135, 138, 141, 142, 147, 148, 144, 201, 203, 204, 205, 206, 207, 209, 210, 211, 212, 213, 215, 216, 217, 218, 219, 220, 223, 302, 303, 306, 307, 308, 309, 310, 311, 401, 402, 501, 502, 503, 504, 505, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 601, 602, 603, 604, 605, 606, 607, 609, 610, 612, 613, 615, 701, 702, 703, 801, and 802 and 2017 3rd sp.s. c 1 ss 146 and 702 (uncodified); reenacting and amending RCW 43.155.050, 43.320.110, 69.50.540, 71.24.580, 76.09.405, 79.64.040, and 79.64.110; adding a new section to 2018 c 299 (uncodified); creating new sections; making appropriations; providing an effective date; 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, 2019, and ending June 30, 2021, 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 2020" or "FY 2020" means the fiscal year ending June 30, 2020.

(b) "Fiscal year 2021" or "FY 2021" means the fiscal year ending June 30, 2021.

(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 2020)	\$40,202,000
General Fund—State Appropriation (FY 2021)	\$43,039,000
Pension Funding Stabilization Account—State	
Appropriation	\$4,266,000
TOTAL APPROPRIATION	\$87,507,000

The appropriations in this section are subject to the following conditions and limitations: \$50,000 of the general fund—state appropriation for fiscal year 2020 and \$50,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Substitute House Bill No. 2018 (harassment/legislature). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

NEW SECTION. Sec. 102. FOR THE SENATE

General Fund—State Appropriation (FY 2020)	\$28,693,000
General Fund—State Appropriation (FY 2021)	\$32,675,000
Pension Funding Stabilization Account—State	
Appropriation.	\$2,932,000
TOTAL APPROPRIATION	\$64,300,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$50,000 of the general fund—state appropriation for fiscal year 2020 and \$50,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Substitute House Bill No. 2018 (harassment/legislature). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(2) \$175,000 of the general fund—state appropriation for fiscal year 2020 and \$175,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a human resource officer consistent with the implementation of the senate's appropriate workplace conduct policy.

***NEW SECTION. Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**

Performance Audits of Government Account—State	
Appropriation.	\$9,867,000
TOTAL APPROPRIATION	\$9,867,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Notwithstanding the provisions of this section, the joint legislative audit and review committee may adjust the due dates for projects included on the committee's 2019-2021 work plan as necessary to efficiently manage workload.

(2) \$19,000 of the performance audits of government account—state appropriation is provided solely for implementation of Engrossed Third Substitute House Bill No. 1324 (rural development, zones). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(3) \$266,000 of the performance audit of governments account—state appropriation is provided solely for implementation of Second Substitute House Bill No. 1216 (school safety & well-being). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(4) \$17,000 of the performance audits of government account—state appropriation is provided solely for the implementation of Substitute Senate Bill No. 5025 (self-help housing development and taxes). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(5)(a) \$342,000 of the performance audits of government account—state appropriation is provided solely for the joint legislative audit and review

committee to conduct a performance audit of the department of health's ambulatory surgical facility regulatory program. The study must explore:

- (i) A comparison of state survey requirements and process and the centers for medicare and medicaid services survey requirements and process;
- (ii) The licensing fees required of ambulatory surgical facilities as they relate to actual department of health costs for regulating the facilities;
- (iii) Payments received by the department of health from the centers for medicare and medicaid services for surveys conducted on behalf of the centers for medicare and medicaid services; and
- (iv) Staffing for the survey program, including any need for an increase or reduction of staff.

(b) The audit must be completed and provided to the legislature by January 1, 2021.

**Sec. 103 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 104. FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

Performance Audits of Government Account—State

Appropriation	\$4,573,000
TOTAL APPROPRIATION	\$4,573,000

NEW SECTION. Sec. 105. FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE

General Fund—State Appropriation (FY 2020)	\$12,081,000
General Fund—State Appropriation (FY 2021)	\$12,233,000
Pension Funding Stabilization Account—State	
Appropriation	\$822,000
TOTAL APPROPRIATION	\$25,136,000

NEW SECTION. Sec. 106. FOR THE OFFICE OF THE STATE ACTUARY

General Fund—State Appropriation (FY 2020)	\$333,000
General Fund—State Appropriation (FY 2021)	\$347,000
State Health Care Authority Administrative Account—	
State Appropriation	\$471,000
Pension Funding Stabilization Account—State	
Appropriation	\$28,000
Department of Retirement Systems Expense	
Account—State Appropriation	\$5,700,000
TOTAL APPROPRIATION	\$6,879,000

NEW SECTION. Sec. 107. FOR THE STATUTE LAW COMMITTEE

General Fund—State Appropriation (FY 2020)	\$5,002,000
General Fund—State Appropriation (FY 2021)	\$5,503,000
Pension Funding Stabilization Account—State	
Appropriation	\$566,000
TOTAL APPROPRIATION	\$11,071,000

NEW SECTION. Sec. 108. FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES

General Fund—State Appropriation (FY 2020)	\$4,212,000
General Fund—State Appropriation (FY 2021)	\$4,681,000
Pension Funding Stabilization Account—State	

Appropriation.....	\$436,000
TOTAL APPROPRIATION.....	\$9,329,000

NEW SECTION. Sec. 109. FOR THE REDISTRICTING COMMISSION

General Fund—State Appropriation (FY 2021)	\$1,000,000
TOTAL APPROPRIATION.....	\$1,000,000

The appropriation in this section is subject to the following conditions and limitations: Prior to the appointment of the redistricting commission, the secretary of the senate and chief clerk of the house of representatives may jointly authorize the expenditure of these funds to facilitate preparations for the 2022 redistricting effort. Following the appointment of the commission, the house of representatives and senate shall enter into an interagency agreement with the commission authorizing the continued expenditure of these funds for legislative redistricting support.

NEW SECTION. Sec. 110. 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, joint transportation committee, office of the state actuary, joint legislative systems committee, statute law committee, and office of legislative support services.

NEW SECTION. Sec. 111. FOR THE SUPREME COURT

General Fund—State Appropriation (FY 2020).....	\$8,989,000
General Fund—State Appropriation (FY 2021).....	\$9,397,000
Pension Funding Stabilization Account—State	
Appropriation.....	\$674,000
TOTAL APPROPRIATION.....	\$19,060,000

The appropriations in this section are subject to the following conditions and limitations: \$163,000 of the general fund—state appropriation for fiscal year 2020 and \$167,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for salary increases for staff attorneys and law clerks based on a 2014 salary survey.

NEW SECTION. Sec. 112. FOR THE LAW LIBRARY

General Fund—State Appropriation (FY 2020).....	\$1,707,000
General Fund—State Appropriation (FY 2021).....	\$1,728,000
Pension Funding Stabilization Account—State	
Appropriation.....	\$128,000
TOTAL APPROPRIATION.....	\$3,563,000

NEW SECTION. Sec. 113. FOR THE COMMISSION ON JUDICIAL CONDUCT

General Fund—State Appropriation (FY 2020).....	\$1,217,000
General Fund—State Appropriation (FY 2021).....	\$1,280,000
Pension Funding Stabilization Account—State	
Appropriation.....	\$130,000

TOTAL APPROPRIATION \$2,627,000

NEW SECTION. Sec. 114. FOR THE COURT OF APPEALS

General Fund—State Appropriation (FY 2020) \$20,390,000
 General Fund—State Appropriation (FY 2021) \$21,313,000
 Pension Funding Stabilization Account—State
 Appropriation. \$1,492,000
 TOTAL APPROPRIATION \$43,195,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$229,000 of the general fund—state appropriation for fiscal year 2020 and \$311,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for salary step increases for eligible employees.

(2) \$606,000 of the general fund—state appropriation for fiscal year 2020 and \$606,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for salary increases for court of appeals law clerks based on a 2014 salary survey.

NEW SECTION. Sec. 115. FOR THE ADMINISTRATOR FOR THE COURTS

General Fund—State Appropriation (FY 2020) \$64,569,000
 General Fund—State Appropriation (FY 2021) \$66,736,000
 General Fund—Federal Appropriation. \$2,203,000
 General Fund—Private/Local Appropriation \$681,000
 Judicial Stabilization Trust Account—State
 Appropriation. \$6,692,000
 Pension Funding Stabilization Account—State
 Appropriation. \$4,572,000
 Judicial Information Systems Account—State
 Appropriation. \$63,220,000
 TOTAL APPROPRIATION \$208,673,000

The appropriations in this section are subject to the following conditions and limitations:

(1) 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.

(2) \$1,399,000 of the general fund—state appropriation for fiscal year 2020 and \$1,399,000 of the general fund—state appropriation for fiscal year 2021 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 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) \$7,000,000 of the general fund—state appropriation for fiscal year 2020 and \$7,000,000 of the general fund—state appropriation for fiscal year 2021 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 must 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 2019-21 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 forty-five 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 and senate fiscal committees no later than sixty days after a fiscal year ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

(4) \$96,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1517 (domestic violence). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse

(5) \$66,000 of the general fund—state appropriation for fiscal year 2020 and \$66,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for DNA testing for alleged fathers in dependency and termination of parental rights cases.

(6) \$237,000 of the general fund—state appropriation for fiscal year 2020 and \$1,923,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the expansion of the state interpreter reimbursement program.

(7) \$300,000 of the general fund—state appropriation for fiscal year 2020 and \$360,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of public guardianship for guardianship fees, initial assessments, average annual legal fees, and for less restrictive options to support decision-making.

(8) \$1,094,000 of the general fund—state appropriation for fiscal year 2020 and \$1,094,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the statewide fiscal impact on Thurston county courts.

(9) \$25,808,000 of the judicial information systems account—state appropriation is provided solely for judicial branch information technology projects. Expenditures from the judicial information systems account shall not exceed available resources. Judicial branch information technology project prioritization shall be determined by the judicial information system committee.

(10) \$1,027,000 of the general fund—state appropriation for fiscal year 2020 and \$377,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Second Substitute Senate Bill No. 5604 (uniform guardianship, etc.). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

NEW SECTION. Sec. 116. FOR THE OFFICE OF PUBLIC DEFENSE

General Fund—State Appropriation (FY 2020)	\$46,538,000
General Fund—State Appropriation (FY 2021)	\$46,394,000
Judicial Stabilization Trust Account—State	
Appropriation	\$3,805,000
Pension Funding Stabilization Account—State	
Appropriation	\$278,000
TOTAL APPROPRIATION	\$97,015,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The amounts provided include funding for expert and investigative services in death penalty personal restraint petitions.

(2) \$900,000 of the general fund—state appropriation for fiscal year 2020 and \$900,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the purpose of improving the quality of trial court public defense services. The department must allocate these amounts so that \$450,000 per fiscal year is distributed to counties, and \$450,000 per fiscal year is distributed to cities, for grants under chapter 10.101 RCW.

(3) The office of public defense shall enter into an interagency agreement with the department of children, youth, and families to facilitate the use of federal title IV-E reimbursement for parent representation services.

(4) \$288,000 of the general fund—state appropriation for fiscal year 2020 and \$244,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the parents for parents program. Funds must be used to expand services in new sites and maintain and improve service models for the current programs.

(5)(a) \$305,000 of the general fund—state appropriation for fiscal year 2020 and \$305,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office to contract with a nonprofit organization for:

(i) Continuing legal education and case-specific resources for public defense attorneys; and

(ii) The incarcerated parents project to support incarcerated parents and their families, and public defenders representing incarcerated parents in the child welfare, juvenile, and criminal systems.

(b) The nonprofit organization must have experience providing statewide training and services to state-funded public defense attorneys for indigent clients.

(6) \$4,532,000 of the general fund—state appropriation for fiscal year 2020 and \$4,532,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for salary increases for state-contracted public defense attorneys representing indigent persons on appeal and indigent parents involved in dependency and termination cases.

(7) \$1,389,000 of the general fund—state appropriation for fiscal year 2020 and \$1,388,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for additional attorneys, social workers, and staff support, for the parents' representation program.

NEW SECTION. Sec. 117. FOR THE OFFICE OF CIVIL LEGAL AID

General Fund—State Appropriation (FY 2020).....	\$20,348,000
General Fund—State Appropriation (FY 2021).....	\$22,142,000
Judicial Stabilization Trust Account—State	
Appropriation.....	\$1,464,000
Pension Funding Stabilization Account—State	
Appropriation.....	\$44,000
TOTAL APPROPRIATION.....	\$43,998,000

The appropriations in this section are subject to the following conditions and limitations:

(1) An amount not to exceed \$40,000 of the general fund—state appropriation for fiscal year 2020 and an amount not to exceed \$40,000 of the general fund—state appropriation for fiscal year 2021 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.

(2) \$759,000 of the general fund—state appropriation for fiscal year 2020 and \$2,275,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office to continue implementation of the civil justice reinvestment plan.

(3) \$400,000 of the general fund—state appropriation for fiscal year 2020 and \$105,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the children's representation study authorized in chapter 20, Laws of 2017 3rd sp. sess. The report of initial findings to the legislature must be submitted by December 31, 2020.

(4) The office of civil legal aid shall enter into an interagency agreement with the department of children, youth, and families to facilitate the use of federal title IV-E reimbursement for child representation services.

(5) \$150,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a contract with the international families justice coalition to expand private capacity to provide legal services for indigent foreign nationals in contested domestic relations and family law cases. Amounts provided in this section may not be expended for direct private legal representation of clients in domestic relations and family law cases.

(6) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Senate Bill No. 5651 (kinship care legal aid). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(7) \$150,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for closing compensation differentials between volunteer legal aid programs and the northwest justice project.

(8) \$1,205,000 of the general fund—state appropriation for fiscal year 2020 and \$1,881,000 of the general fund—state appropriation for fiscal year 2021 are

provided solely for a vendor rate increase resulting from a collective bargaining agreement between the northwest justice project and its staff union.

(9) \$300,000 of the general fund—state appropriation for fiscal year 2020 and \$300,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a research-based controlled comparative study of the differences in outcomes for tenants facing eviction who receive legal representation and tenants facing eviction without legal representation in unlawful detainer cases filed under the residential landlord tenant act. Funding must be used to underwrite both the research and the costs of legal representation provided to tenants associated with the study. Researchers will identify four counties to study. A preliminary report must be submitted to the appropriate committees of the legislature by January 31, 2021, and a final report on the study, which includes findings on demographics and outcomes, must be submitted to the appropriate committees of the legislature by March 31, 2021.

NEW SECTION. Sec. 118. FOR THE OFFICE OF THE GOVERNOR

General Fund—State Appropriation (FY 2020)	\$10,871,000
General Fund—State Appropriation (FY 2021)	\$8,900,000
Economic Development Strategic Reserve Account—State	
Appropriation.	\$2,000,000
Pension Funding Stabilization Account—State	
Appropriation.	\$674,000
TOTAL APPROPRIATION	\$22,445,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$703,000 of the general fund—state appropriation for fiscal year 2020 and \$703,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the education ombuds.

(2) \$61,000 of the general fund—state appropriation for fiscal year 2020 and \$30,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Substitute House Bill No. 1130 (pub. school language access). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(3) \$311,000 of the general fund—state appropriation for fiscal year 2020 and \$301,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5356 (LGBTQ commission). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(4) \$375,000 of the general fund state—appropriation for fiscal year 2020 and \$375,000 of the general fund state—appropriation for fiscal year 2021 are provided solely for the office to contract with a neutral third party to establish a process for local, state, tribal, and federal leaders and stakeholders to address issues associated with the possible breaching or removal of the four lower Snake river dams in order to recover the Chinook salmon populations that serve as a vital food source for southern resident orcas. The contract is exempt from the competitive procurement requirements in chapter 39.26 RCW.

(5) \$110,000 of the general fund—state appropriation in fiscal year 2020 is provided solely for the office of regulatory innovations and assistance to convene agencies and stakeholders to develop a small business bill of rights. Of

this amount, a report must be submitted to appropriate legislative policy and fiscal committees by November 1, 2019, to include:

(a) Recommendations of rights and protections for small business owners when interacting with state agencies, boards, commissions, or other entities with regulatory authority over small businesses; and

(b) Recommendations on communication plans that state regulators should consider when communicating these rights and protections to small business owners in advance or at the time of any audit, inspection, interview, site visit, or similar oversight or enforcement activity.

(6) \$2,003,000 of the general fund—state appropriation in fiscal year 2020 is provided solely for executive protection unit costs.

(7) \$15,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the clemency and pardons board to expedite the review of applications where the petitioner indicates an urgent need for the pardon or commutation, including, but not limited to, a pending deportation order or deportation proceeding.

NEW SECTION. Sec. 119. FOR THE LIEUTENANT GOVERNOR

General Fund—State Appropriation (FY 2020)	\$1,276,000
General Fund—State Appropriation (FY 2021)	\$1,312,000
General Fund—Private/Local Appropriation	\$90,000
Pension Funding Stabilization Account—State Appropriation	\$54,000
TOTAL APPROPRIATION	\$2,732,000

The appropriations in this section are subject to the following conditions and limitations: \$180,000 of the general fund—state appropriation for fiscal year 2020 and \$179,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the continuation of the complete Washington program and to add new pathways, such as the healthcare industry, to the program.

NEW SECTION. Sec. 120. FOR THE PUBLIC DISCLOSURE COMMISSION

General Fund—State Appropriation (FY 2020)	\$5,229,000
General Fund—State Appropriation (FY 2021)	\$5,109,000
Public Disclosure Transparency Account—State Appropriation	\$574,000
Pension Funding Stabilization Account—State Appropriation	\$260,000
TOTAL APPROPRIATION	\$11,172,000

The appropriations in this section are subject to the following conditions and limitations: (1) \$45,000 of the public disclosure transparency account—state appropriation is provided solely for implementation of Substitute Senate Bill No. 5861 (legislature/code of conduct). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(2) \$85,000 of the general fund—state appropriation for fiscal year 2020 and \$83,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the commission to develop a training course for individuals acting as treasurers or deputy treasurers for candidates pursuant to RCW 42.17A.210. Out of this amount:

- (a) The course must provide, at a minimum, a comprehensive overview of:
 - (i) The responsibilities of treasurers and deputy treasurers;
 - (ii) The reporting requirements necessary for candidate compliance with chapter 42.17A RCW, including triggers and deadlines for reporting;
 - (iii) Candidate campaign contribution limits and restrictions under chapter 42.17A RCW;
 - (iv) The use of the commission's electronic filing system;
 - (v) The consequences for violation of chapter 42.17A RCW; and
 - (vi) Any other subjects or topics the commission deems necessary for encouraging effective compliance with chapter 42.17A RCW.
- (b) The commission must make the course available to all interested individuals no later than September 1, 2019. The course must be provided in a format able to be used both in person and remotely via the internet.

NEW SECTION. Sec. 121. FOR THE SECRETARY OF STATE

General Fund—State Appropriation (FY 2020)	\$33,449,000
General Fund—State Appropriation (FY 2021)	\$18,313,000
General Fund—Federal Appropriation	\$8,097,000
Public Records Efficiency, Preservation, and Access	
Account—State Appropriation	\$9,363,000
Charitable Organization Education Account—State	
Appropriation	\$900,000
Washington State Heritage Center Account—State	
Appropriation	\$11,498,000
Local Government Archives Account—State	
Appropriation	\$11,019,000
Pension Funding Stabilization Account—State	
Appropriation	\$960,000
Election Account—Federal Appropriation	\$4,887,000
TOTAL APPROPRIATION	\$98,486,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,801,000 of the general fund—state appropriation for fiscal year 2020 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)(a) \$2,932,000 of the general fund—state appropriation for fiscal year 2020 and \$3,011,000 of the general fund—state appropriation for fiscal year 2021 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 2019-2021 fiscal 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.

(3) Any reductions to funding for the Washington talking book and Braille library may not exceed in proportion any reductions taken to the funding for the library as a whole.

(4) \$13,600,000 of the general fund—state appropriation for fiscal year 2020 is provided solely to reimburse counties for the state's share of presidential primary election costs.

(5) \$50,000 of the general fund—state appropriation for fiscal year 2020 and \$50,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for humanities Washington speaker's bureau community conversations to expand programming in underserved areas of the state.

(6) \$2,295,000 of the general fund—state appropriation for fiscal year 2020 and \$2,526,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Substitute Senate Bill No. 5063 (ballots, prepaid postage). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(7) \$1,227,000 of the local government archives account—state appropriation and \$28,000 of the public records efficiency, preservation, and access account—state appropriation are provided solely to implement Engrossed Substitute House Bill No. 1667 (public records request administration). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(8) \$114,000 public records efficiency, preservation, and access account—state appropriation and \$114,000 local government archives account—state appropriation are provided solely for digital archives functionality and is subject to the conditions, limitations, and review provided in section 719 of this act.

(9) \$198,000 of the general fund—state appropriation for fiscal year 2020, \$198,000 of the general fund—state appropriation for fiscal year 2021, and \$500,000 of the election account—federal appropriation are provided solely for election security improvements.

(10) \$82,000 of the general fund—state appropriation for fiscal year 2020 and \$77,000 of the general fund—state appropriation for fiscal year 2021 are

provided solely for election reconciliation reporting. Funding provides for one staff to compile county reconciliation reports, analyze the data, and to complete an annual statewide election reconciliation report for every state primary and general election. The report must be submitted annually on July 31, beginning July 31, 2020, to legislative policy and fiscal committees. The annual report must include reasons for ballot rejection and an analysis of the ways ballots are received, counted, and rejected that can be used by policymakers to better understand election administration.

(11) \$500,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for civic engagement. The secretary of state and county auditors will collaborate to increase voter participation and educate voters about improvements to state election laws that will impact the 2019 and 2020 elections.

NEW SECTION. Sec. 122. FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS

General Fund—State Appropriation (FY 2020)	\$365,000
General Fund—State Appropriation (FY 2021)	\$352,000
Pension Funding Stabilization Account—State	
Appropriation.	\$28,000
TOTAL APPROPRIATION	\$745,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The office shall assist the department of enterprise services 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 enterprise services shall be responsible for all of the administrative aspects of the training, including the billing and collection of the fees for the training.

(2) \$33,000 of the general fund—state appropriation for fiscal year 2020 and \$22,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1713 (Native American women). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

NEW SECTION. Sec. 123. FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS

General Fund—State Appropriation (FY 2020)	\$318,000
General Fund—State Appropriation (FY 2021)	\$330,000
Pension Funding Stabilization Account—State	
Appropriation.	\$26,000
TOTAL APPROPRIATION	\$674,000

The appropriation in this section is subject to the following conditions and limitations: \$3,000 of the general fund—state appropriation for fiscal year 2020 and \$2,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Substitute Senate Bill No. 5023 (ethnic

studies). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

NEW SECTION. Sec. 124. FOR THE STATE TREASURER

State Treasurer's Service Account—State Appropriation	\$19,982,000
TOTAL APPROPRIATION	\$19,982,000

NEW SECTION. Sec. 125. FOR THE STATE AUDITOR

General Fund—State Appropriation (FY 2020)	\$28,000
General Fund—State Appropriation (FY 2021)	\$32,000
State Auditing Services Revolving Account—State Appropriation	\$12,650,000
Performance Audits of Government Account—State Appropriation	\$1,679,000
TOTAL APPROPRIATION	\$14,389,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,585,000 of the performance audit of government account—state appropriation is 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.

(2) Within existing resources of the performance audits of government account, the state auditor's office shall conduct a performance audit or accountability audit of Washington charter public schools to satisfy the requirement to contract for an independent performance audit pursuant to RCW 28A.710.030(2).

(3) The state auditor must conduct a performance and accountability audit of practices related to awarding, tracking, and reporting contracts with outside entities and contracts between the University of Washington and affiliated entities. Utilizing the information gathered under section 606(1)(z) of this act, similar provisions from prior biennia, and best practices in contract management and oversight, the auditor must recommend a plan to make contract information, including those for contracted services and consulting, available in a centralized and searchable form. The recommendations of the auditor must be reported to the fiscal committees of the legislature and the office of financial management no later than December 30, 2020.

NEW SECTION. Sec. 126. FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS

General Fund—State Appropriation (FY 2020)	\$226,000
General Fund—State Appropriation (FY 2021)	\$243,000
Pension Funding Stabilization Account—State Appropriation	\$30,000
TOTAL APPROPRIATION	\$499,000

***NEW SECTION. Sec. 127. FOR THE ATTORNEY GENERAL**

General Fund—State Appropriation (FY 2020)	\$14,972,000
General Fund—State Appropriation (FY 2021)	\$14,940,000

General Fund—Federal Appropriation	\$15,992,000
Public Service Revolving Account—State Appropriation	\$4,195,000
New Motor Vehicle Arbitration Account—State Appropriation	\$1,693,000
Medicaid Fraud Penalty Account—State Appropriation	\$5,556,000
Child Rescue Fund—State Appropriation	\$500,000
Legal Services Revolving Account—State Appropriation	\$276,544,000
Local Government Archives Account—State Appropriation	\$348,000
Local Government Archives Account—Local	\$330,000
Pension Funding Stabilization Account—State Appropriation	\$1,602,000
Tobacco Prevention and Control Account—State Appropriation	\$273,000
TOTAL APPROPRIATION	\$336,945,000

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. As part of its by agency report to the legislative fiscal committees and the office of financial management, the office of the attorney general shall include information detailing the agency's expenditures for its agency-wide overhead and a breakdown by division of division administration expenses.

(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) The attorney general shall annually report to the fiscal committees of the legislature all new cy pres awards and settlements and all new accounts, disclosing their intended uses, balances, the nature of the claim or account, proposals, and intended timeframes for the expenditure of each amount. The report shall be distributed electronically and posted on the attorney general's web site. The report shall not be printed on paper or distributed physically.

(4) \$58,000 of the general fund—state appropriation for fiscal year 2020 and \$58,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1166 (sexual assault kits). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(5) \$63,000 of the legal services revolving account—state appropriation is provided solely for implementation of Substitute House Bill No. 1399 (paid family and medical leave). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(6) \$44,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1224 (rx drug cost transparency). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(7) \$79,000 of the legal services revolving account—state appropriation is provided solely for implementation of House Bill No. 2052 (marijuana product testing). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(8) \$330,000 of the local government archives account—local appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 1667 (public records request admin). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(9) \$161,000 of the general fund—state appropriation for fiscal year 2020 and \$161,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the civil rights unit to provide additional services in defense and protection of civil and constitutional rights for people in Washington.

(10) \$88,000 of the general fund—state appropriation for fiscal year 2020, \$85,000 of the general fund—state appropriation for fiscal year 2021, and \$344,000 of the legal services revolving account—state appropriation are provided solely for implementation of Substitute Senate Bill No. 5297 (assistant AG bargaining). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(11) \$700,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5497 (immigrants in the workplace). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(12) \$592,000 of the public service revolving account—state appropriation and \$47,000 of the legal services revolving account—state appropriation are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5116 (clean energy). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(13) \$108,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5740 (retirement savings program). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(14) \$200,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for a work group to study and institute a statewide program for receiving reports and other information for the public regarding potential self-harm, potential harm, or criminal acts including but not limited to sexual abuse, assault, or rape. Out of this amount:

(a) The work group must review the aspects of similar programs in Arizona, Michigan, Colorado, Idaho, Nevada, Oregon, Utah, Wisconsin, and Wyoming; and must incorporate the most applicable aspects of those programs to the program proposal;

(b) The program proposal must include a plan to implement a twenty-four hour hotline or app for receiving such reports and information; and

(c) The program proposal and recommendations must be submitted to legislative fiscal committees by July 31, 2020.

(15) \$75,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the attorney general to develop an implementation plan to collect and disseminate data on the use of force by public law enforcement agencies and private security services.

(a) The plan must identify how to effectively collect data on the occasions of justifiable homicide or uses of deadly force by a public officer, peace officer, or person aiding under RCW 9A.16.040 by all general authority Washington law enforcement agencies and the department of corrections. The plan must address any necessary statutory changes, possible methods of collection, and any other needs that must be addressed to collect the following information:

- (i) The number of tort claims filed and moneys paid in use of force cases;
 - (ii) The number of incidents in which peace officers discharged firearms at citizens;
 - (iii) The demographic characteristics of the officers and citizens involved in each incident, including sex, age, race, and ethnicity;
 - (iv) The agency or agencies employing the involved officers and location of each incident;
 - (v) The particular weapon or weapons used by peace officers and citizens;
- and
- (vi) The injuries, if any, suffered by officers and citizens.

(b) The implementation plan must also identify how to effectively collect data on the occasions of the use of force requiring the discharge of a firearm by any private security guard employed by any private security company licensed under chapter 18.170 RCW. The plan must address any necessary statutory changes, possible methods of collection, and any other needs that must be addressed to collect the following information:

- (i) The number of incidents in which security guards discharged firearms at citizens;
 - (ii) The demographic characteristics of the security guards and citizens involved in each incident, including sex, age, race, and ethnicity;
 - (iii) The company employing the involved security guards and the location of each incident;
 - (iv) The particular weapon or weapons used by security guards and citizens;
- and
- (v) The injuries, if any, suffered by security guards and citizens.

(c) The attorney general must compile reports received pursuant to this subsection and make public the data collected.

(d) The department of licensing, department of corrections, Washington state patrol, and criminal justice training commission must assist the attorney general as necessary to complete the implementation plan.

(16) \$4,220,000 of the general fund—federal appropriation and \$1,407,000 of the medicaid fraud penalty account—state appropriation are provided solely for additional staffing and program operations in the medicaid fraud control division.

(17) \$4,292,000 of the legal services revolving account—state appropriation is provided solely for child welfare and permanency staff.

(18) \$141,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5035 (prevailing wage laws). If the bill is not enacted by June 30, 2019, 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 CASELOAD FORECAST COUNCIL

General Fund—State Appropriation (FY 2020)	\$1,907,000
General Fund—State Appropriation (FY 2021)	\$1,922,000
Pension Funding Stabilization Account—State Appropriation	\$168,000
TOTAL APPROPRIATION	\$3,997,000

The appropriations within this section are subject to the following conditions and limitations: \$43,000 of the general fund—state appropriation for fiscal year 2020 and \$27,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the caseload forecast council to provide information, data analysis, and other necessary assistance upon the request of the task force established in section 952 of this act.

***NEW SECTION. Sec. 129. FOR THE DEPARTMENT OF COMMERCE**

General Fund—State Appropriation (FY 2020)	\$94,046,000
General Fund—State Appropriation (FY 2021)	\$92,285,000
General Fund—Federal Appropriation	\$327,876,000
General Fund—Private/Local Appropriation	\$9,107,000
Public Works Assistance Account—State Appropriation	\$8,207,000
Lead Paint Account—State Appropriation	\$251,000
Building Code Council Account—State Appropriation	\$16,000
Liquor Excise Tax Account—State Appropriation	\$1,291,000
Economic Development Strategic Reserve Account—State Appropriation	\$5,000,000
Home Security Fund Account—State Appropriation	\$60,422,000
Energy Freedom Account—State Appropriation	\$5,000
Affordable Housing for All Account—State Appropriation	\$13,895,000
Financial Fraud and Identity Theft Crimes Investigation and Prosecution Account—State Appropriation	\$1,975,000
Low-Income Weatherization and Structural Rehabilitation Assistance Account—State Appropriation	\$1,399,000
Statewide Tourism Marketing Account—State Appropriation	\$3,028,000
Community and Economic Development Fee Account—State Appropriation	\$4,200,000
Growth Management Planning and Environmental Review Fund—State Appropriation	\$5,800,000
Pension Funding Stabilization Account—State Appropriation	\$1,616,000
Liquor Revolving Account—State Appropriation	\$5,918,000
Washington Housing Trust Account—State Appropriation	\$12,944,000
Prostitution Prevention and Intervention Account—State Appropriation	\$26,000
Public Facility Construction Loan Revolving Account— State Appropriation	\$903,000
TOTAL APPROPRIATION	\$650,210,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Repayments of outstanding mortgage and rental assistance program loans administered by the department under RCW 43.63A.640 shall be remitted to the department, including any current revolving account balances. The

department shall collect payments on outstanding loans, and deposit them into the state general fund. Repayments of funds owed under the program shall be remitted to the department according to the terms included in the original loan agreements.

(2) \$1,000,000 of the general fund—state appropriation for fiscal year 2020 and \$1,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant to resolution Washington to build statewide capacity for alternative dispute resolution centers and dispute resolution programs that guarantee that citizens have access to low-cost resolution as an alternative to litigation.

(3) \$375,000 of the general fund—state appropriation for fiscal year 2020 and \$375,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant to the retired senior volunteer program.

(4) The department shall administer its growth management act technical assistance and pass-through grants so that smaller cities and counties receive proportionately more assistance than larger cities or counties.

(5) \$375,000 of the general fund—state appropriation for fiscal year 2020 and \$375,000 of the general fund—state appropriation for fiscal year 2021 are provided solely as pass-through funding to Walla Walla Community College for its water and environmental center.

(6) \$804,000 of the general fund—state appropriation for fiscal year 2020 and \$804,000 of the general fund—state appropriation for fiscal year 2021 and \$5,000,000 of the economic development strategic reserve account—state appropriation are provided solely for associate development organizations. During the 2019-2021 biennium, the department shall consider an associate development organization's total resources when making contracting and fund allocation decisions, in addition to the schedule provided in RCW 43.330.086.

(7) \$5,907,000 of the liquor revolving account—state appropriation is provided solely for the department to contract with the municipal research and services center of Washington.

(8) The department is authorized to require an applicant to pay an application fee to cover the cost of reviewing the project and preparing an advisory opinion on whether a proposed electric generation project or conservation resource qualifies to meet mandatory conservation targets.

(9) Within existing resources, the department shall provide administrative and other indirect support to the developmental disabilities council.

(10) \$300,000 of the general fund—state appropriation for fiscal year 2020 and \$300,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the northwest agriculture business center.

(11) \$150,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the regulatory roadmap program for the construction industry and to identify and coordinate with businesses in key industry sectors to develop additional regulatory roadmap tools.

(12) \$1,000,000 of the general fund—state appropriation for fiscal year 2020 and \$1,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Washington new Americans program. The department may require a cash match or in-kind contributions to be eligible for state funding.

(13) \$643,000 of the general fund—state appropriation for fiscal year 2020 and \$643,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to contract with a private, nonprofit organization to provide developmental disability ombuds services.

(14) \$1,000,000 of the home security fund—state appropriation, \$2,000,000 of the Washington housing trust account—state appropriation, and \$1,000,000 of the affordable housing for all account—state appropriation are provided solely for the department of commerce for services to homeless families and youth through the Washington youth and families fund.

(15) \$2,000,000 of the home security fund—state appropriation is provided solely for the administration of the grant program required in chapter 43.185C RCW, linking homeless students and their families with stable housing.

(16) \$1,980,000 of the general fund—state appropriation for fiscal year 2020 and \$1,980,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for community beds for individuals with a history of mental illness. Currently, there is little to no housing specific to populations with these co-occurring disorders; therefore, the department must consider how best to develop new bed capacity in combination with individualized support services, such as intensive case management and care coordination, clinical supervision, mental health, substance abuse treatment, and vocational and employment services. Case-management and care coordination services must be provided. Increased case-managed housing will help to reduce the use of jails and emergency services and will help to reduce admissions to the state psychiatric hospitals. The department must coordinate with the health care authority and the department of social and health services in establishing conditions for the awarding of these funds. The department must contract with local entities to provide a mix of (a) shared permanent supportive housing; (b) independent permanent supportive housing; and (c) low and no-barrier housing beds for people with a criminal history, substance abuse disorder, and/or mental illness.

Priority for permanent supportive housing must be given to individuals on the discharge list at the state psychiatric hospitals or in community psychiatric inpatient beds whose conditions present significant barriers to timely discharge.

(17) \$557,000 of the general fund—state appropriation for fiscal year 2020 and \$557,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to design and administer the achieving a better life experience program.

(18) The department is authorized to suspend issuing any nonstatutorily required grants or contracts of an amount less than \$1,000,000 per year.

(19) \$1,070,000 of the general fund—state appropriation for fiscal year 2020 and \$1,070,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the small business export assistance program. The department must ensure that at least one employee is located outside the city of Seattle for purposes of assisting rural businesses with export strategies.

(20) \$60,000 of the general fund—state appropriation for fiscal year 2020 and \$60,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to submit the necessary Washington state membership dues for the Pacific Northwest economic region.

(21) \$1,500,000 of the general fund—state appropriation for fiscal year 2020 and \$1,500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to contract with organizations and attorneys to provide either legal representation or referral services for legal representation, or both, to indigent persons who are in need of legal services for matters related to their immigration status. Persons eligible for assistance under any contract entered into pursuant to this subsection must be determined to be indigent under standards developed under chapter 10.101 RCW.

(22)(a) \$3,500,000 of the general fund—state appropriation for fiscal year 2020 and \$3,500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for grants to support the building operation, maintenance, and service costs of permanent supportive housing projects or units within housing projects that have or will receive funding from the housing trust fund—state account or other public capital funding that:

- (i) Is dedicated as permanent supportive housing units;
 - (ii) Is occupied by low-income households with incomes at or below thirty percent of the area median income; and
 - (iii) Requires a supplement to rent income to cover ongoing property operating, maintenance, and service expenses.
- (b) Permanent supportive housing projects receiving federal operating subsidies that do not fully cover the operation, maintenance, and service costs of the projects are eligible to receive grants as described in this subsection.
- (c) The department may use a reasonable amount of funding provided in this subsection to administer the grants.

(23)(a) \$2,735,000 of the general fund—state appropriation for fiscal year 2020, \$2,265,000 of the general fund—state appropriation for fiscal year 2021, and \$7,000,000 of the home security fund—state appropriation are provided solely for the office of homeless youth prevention and protection programs to:

- (i) Expand outreach, services, and housing for homeless youth and young adults including but not limited to secure crisis residential centers, crisis residential centers, and HOPE beds, so that resources are equitably distributed across the state;
- (ii) Contract with other public agency partners to test innovative program models that prevent youth from exiting public systems into homelessness; and
- (iii) Support the development of an integrated services model, increase performance outcomes, and enable providers to have the necessary skills and expertise to effectively operate youth programs.

(b) Of the amounts provided in this subsection:

(i) \$2,000,000 of the general fund—state appropriation for fiscal year 2020 and \$2,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to build infrastructure and services to support a continuum of interventions including but not limited to prevention, crisis response, and long-term housing in reducing youth homelessness in four identified communities as part of the anchor community initiative; and

(ii) \$625,000 of the general fund—state appropriation for fiscal year 2020 and \$625,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a contract with one or more nonprofit organizations to provide youth services and young adult housing on a multi-acre youth campus located in the city of Tacoma. Youth services include, but are not limited to,

HOPE beds and crisis residential centers to provide temporary shelter and permanency planning for youth under the age of eighteen. Young adult housing includes, but is not limited to, rental assistance and case management for young adults ages eighteen to twenty-four.

(24) \$36,650,000 of the general fund—state appropriation for fiscal year 2020 and \$36,650,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the essential needs and housing support program.

(25) \$1,436,000 of the general fund—state appropriation for fiscal year 2020 and \$1,436,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to identify and invest in strategic growth areas, support key sectors, and align existing economic development programs and priorities. The department must consider Washington's position as the most trade-dependent state when identifying priority investments. The department must engage states and provinces in the northwest as well as associate development organizations, small business development centers, chambers of commerce, ports, and other partners to leverage the funds provided. Sector leads established by the department must include the industries of: (a) Aerospace; (b) clean technology and renewable and nonrenewable energy; (c) wood products and other natural resource industries; (d) information and communication technology; (e) life sciences and global health; (f) maritime; and (g) military and defense. The department may establish these sector leads by hiring new staff, expanding the duties of current staff, or working with partner organizations and other agencies to serve in the role of sector lead.

(26) \$1,237,000 of the liquor excise tax account—state appropriation is provided solely for the department to provide fiscal note assistance to local governments, including increasing staff expertise in multiple subject matter areas, including but not limited to criminal justice, taxes, election impacts, transportation and land use, and providing training and staff preparation prior to legislative session.

(27) The department must develop a model ordinance for cities and counties to utilize for siting community based behavioral health facilities.

(28) \$198,000 of the general fund—state appropriation for fiscal year 2020 and \$198,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to retain a behavioral health facilities siting administrator within the department to coordinate development of effective behavioral health housing options and provide technical assistance in siting of behavioral health treatment facilities statewide to aide in the governor's plan to discharge individuals from the state psychiatric hospitals into community settings. This position must work closely with the local government legislative authorities, planning departments, behavioral health providers, health care authority, department of social and health services, and other entities to facilitate linkages among disparate behavioral health community bed capacity-building efforts. This position must work to integrate building behavioral health treatment and infrastructure capacity in addition to ongoing supportive housing benefits.

(29)(a) During the 2019-2021 fiscal biennium, the department must revise its agreements and contracts with vendors to include a provision to require that each vendor agrees to equality among its workers by ensuring similarly employed individuals are compensated as equals as follows:

(i) Employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed;

(ii) Vendors may allow differentials in compensation for its workers based in good faith on any of the following:

(A) A seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels.

(B) A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience, that is: Consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential.

(C) A bona fide regional difference in compensation level must be: Consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential.

(b) The provision must allow for the termination of the contract if the department or department of enterprise services determines that the vendor is not in compliance with this agreement or contract term.

(c) The department must implement this provision with any new contract and at the time of renewal of any existing contract.

(30)(a) \$150,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—local appropriation are provided solely for the department to contract with a consultant to study the current and ongoing impacts of the SeaTac international airport. The general fund—state funding provided in this subsection serves as a state match and may not be spent unless \$150,000 of local matching funds is transferred to the department. The department must seek feedback on project scoping and consultant selection from the cities listed in (b) of this subsection.

(b) The study must include, but not be limited to:

(i) The impacts that the current and ongoing airport operations have on quality of life associated with air traffic noise, public health, traffic, congestion, and parking in residential areas, pedestrian access to and around the airport, public safety and crime within the cities, effects on residential and nonresidential property values, and economic development opportunities, in the cities of SeaTac, Burien, Des Moines, Tukwila, Federal Way, Normandy Park, and other impacted neighborhoods; and

(ii) Options and recommendations for mitigating any negative impacts identified through the analysis.

(c) The department must collect data and relevant information from various sources including the port of Seattle, listed cities and communities, and other studies.

(d) The study must be delivered to the legislature by June 1, 2020.

(31) Within amounts appropriated in this section, the office of homeless youth prevention and protection must make recommendations to the appropriate committees of the legislature by October 31, 2019, regarding rights that all unaccompanied homeless youth and young adults should have for appropriate care and treatment in licensed and unlicensed residential runaway and homeless youth programs.

(32) \$787,000 of the general fund—state appropriation for fiscal year 2020 and \$399,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1344 (child care access work group). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(33) \$144,000 of the general fund—state appropriation for fiscal year 2020 and \$144,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to contract with a nonprofit organization with offices located in the cities of Maple Valley, Enumclaw, and Auburn to provide street outreach and connect homeless young adults ages eighteen through twenty-four to services in south King county.

(34) \$218,000 of the general fund—state appropriation for fiscal year 2020 and \$61,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1444 (appliance efficiency). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(35) \$100,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1114 (food waste reduction). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(36) \$75,000 of the general fund—state appropriation for fiscal year 2020 and \$75,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a contract with the city of Federal Way to support after-school recreational and educational programs.

(37) \$61,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1110 (greenhouse gas/transportation fuels). If this bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(38) \$150,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the department to convene a work group regarding the development of Washington's green economy based on the state's competitive advantages. The work group must focus on developing economic, education, business, and investment opportunities in energy, water, and agriculture. The work group must consist of at least one representative from the department, the department of natural resources, the department of agriculture, the Washington state department of transportation, a four-year research university, a technical college, the private sector, an economic development council, a city government, a county government, a tribal government, a non-government organization, a statewide environmental advocacy organization, and up to two energy utility providers. The work group must:

(a) Develop an inventory of higher education resources including research, development, and workforce training to foster green economic development in energy, water, and agriculture;

(b) Identify investment opportunities in higher education research, development, and workforce training to enhance and accelerate green economic development;

(c) Make recommendations for green economic development investment opportunities and how state government may serve as a clearing house, or

economic center, to support private investments and build the green economy in Washington to serve national and global markets;

(d) Identify opportunities for integrating technology in energy, water, natural resources, and agriculture, and create resource efficiencies including water and energy conservation and smart grid technologies;

(e) Recommend policies at the state and local government level to promote and accelerate development of the green economy in Washington state;

(f) Submit an interim report with the work group recommendations to the appropriate legislative committees by December 1, 2019; and

(g) Submit a final report with the work group recommendations to the appropriate legislative committees by June 30, 2020.

(39) \$75,000 of the general fund—state appropriation for fiscal year 2020 and \$75,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant to a nonprofit organization focused on supporting pregnant women and single mothers who are homeless or at risk of being homeless throughout Pierce county. The grant must be used for providing classes relating to financial literacy, renter rights and responsibilities, parenting, and physical and behavioral health.

(40) \$200,000 of the general fund—state appropriation for fiscal year 2020 and \$200,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to provide capacity-building grants through the Latino community fund for educational programs and human services support for children and families in rural and underserved communities.

(41) \$400,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the city of Bothell to complete the canyon park regional growth center subarea plan.

(42) \$172,000 of the general fund—state appropriation for fiscal year 2020 and \$165,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Washington statewide reentry council for operational staff support, travel, and administrative costs.

(43) \$300,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the department to contract with the University of Washington for a feasibility study on constructing a biorefinery in southwest Washington.

(44) \$964,000 of the general fund—state appropriation for fiscal year 2020 and \$1,045,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Third Substitute House Bill No. 1257 (energy efficiency). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(45) \$1,500,000 of the general fund—state appropriation for fiscal year 2020 and \$1,500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 16, Laws of 2017 3rd sp. sess. (E2SSB 5254).

(46) General fund—federal appropriations provided in this section assume continued receipt of the federal Byrne justice assistance grant for state and local government drug and gang task forces.

(47) \$450,000 of the general fund—state appropriation for fiscal year 2020 and \$450,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant to a nonprofit organization for an initiative to advance

affordable housing projects and education centers on public or tax-exempt land in Washington state. The department must award the grant to an organization with an office located in a city with a population of more than six hundred thousand that partners in equitable, transit-oriented development. The grant must be used to:

(a) Produce an inventory of potentially developable public or tax-exempt properties;

(b) Analyze the suitability of properties for affordable housing, early learning centers, or community space;

(c) Organize community partners and build capacity to develop sites, as well as coordinate negotiations among partners and public owners;

(d) Facilitate collaboration and co-development between affordable housing, early learning centers, or community space;

(e) Catalyze the redevelopment of ten sites to create approximately fifteen hundred affordable homes; and

(f) Subcontract with the University of Washington to facilitate public, private, and non-profit partnerships to create a regional vision and strategy for building affordable housing at a scale to meet the need.

(48) \$500,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the department to contract with an entity located in the Beacon hill/Chinatown international district area of Seattle to provide low income housing, low income housing support services, or both. To the extent practicable, the chosen location must be colocated with other programs supporting the needs of children, the elderly, or persons with disabilities.

(49) \$800,000 of the general fund—state appropriation for fiscal year 2020 and \$800,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to provide a grant for a criminal justice diversion center pilot program in Spokane county. Spokane county must report collected data from the pilot program to the department. The department must submit a report to the appropriate committees of the legislature by October 1, 2020. The report must contain, at a minimum:

(a) An analysis of the arrests and bookings for individuals served in the pilot program;

(b) An analysis of the connections to behavioral health services made for individuals who were served by the pilot program;

(c) An analysis of the impacts on housing stability for individuals served by the pilot program; and

(d) The number of individuals served by the pilot program who were connected to a detoxification program, completed a detoxification program, completed a chemical dependency assessment, completed chemical dependency treatment, or were connected to housing.

(50)(a) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for one or more better health through housing pilot project. The department must contract with one or more accountable communities of health to work with hospitals and permanent supportive housing providers in their respective accountable community of health regions to plan for and implement the better health through housing pilot project. The accountable

communities of health must have established partnerships with permanent supportive housing providers, hospitals, and community health centers.

(b) The pilot project must prioritize providing permanent supportive housing assistance to people who:

- (i) Are homeless or are at imminent risk of homelessness;
- (ii) Have complex physical health or behavioral health conditions; and
- (iii) Have a medically necessary condition, risk of death, negative health outcomes, avoidable emergency department utilization, or avoidable hospitalization without the provision of permanent supportive housing, as determined by a vulnerability assessment tool.

(c) Permanent supportive housing assistance may include rental assistance, permanent supportive housing service funding, or permanent supportive housing operations and maintenance funding. The pilot program shall work with permanent supportive housing providers to determine the best permanent supportive housing assistance local investment strategy to expedite the availability of permanent supportive housing for people eligible to receive assistance through the pilot project.

(d) Within the amounts provided in this subsection, the department must contract with the Washington state department of social and health services division of research and data analysis to design and conduct a study to evaluate the impact of the better health through housing pilot project or projects. The division shall submit a final study report to the governor and appropriate committees of the legislature by June 30, 2021. The study objectives must include:

(i) Baseline data collection of the physical health conditions, behavioral health conditions, housing status, and health care utilization of people who receive permanent supportive housing assistance through the pilot project;

(ii) The impact on physical health and behavioral health outcomes of people who receive permanent supportive housing assistance through the pilot project as compared to people with similar backgrounds who did not receive permanent supportive housing assistance; and

(iii) The impact on health care costs and health care utilization of people who receive permanent supportive housing assistance through the pilot project as compared to people with similar backgrounds who did not receive permanent supportive housing assistance.

(e) A reasonable amount of the amounts provided in this subsection may be used to pay for costs to administer the pilot contracts and housing assistance.

(f) Amounts provided in this subsection do not include funding provided under title XIX or title XXI of the federal social security act, funding from the general fund—federal appropriation, or funding from the general fund—local appropriation for transformation through accountable communities of health, as described in initiative one of the medicaid transformation demonstration waiver under healthier Washington.

(g) The accountable communities of health must annually report the progress and impact of the better health through housing pilot project or projects to the joint select committee on health care oversight by December 1st of each year.

(51) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are

provided solely for the department to contract for the promotion of leadership development, community building, and other services for the Native American community in south King county.

(52)(a) \$50,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the department to provide to Chelan county to collaborate with the department of fish and wildlife and the Stemilt partnership on the following activities:

(i) Identifying and evaluating possible land exchanges in the Stemilt basin that provide mutual benefits to outdoor recreation and the mission of a public agency; and

(ii) Completing independent appraisals of all properties that may be included in a possible land exchange by June 30, 2020.

(b) \$20,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the department to provide to the department of fish and wildlife to complete technical studies, assessments, environmental review, and due diligence for lands included in any potential exchange and for project review for near-and long-term facility replacement and expansion of the mission ridge ski and board resort.

(c) The department must require the department of fish and wildlife, in collaboration with Chelan county, to submit recommendations for potential land exchange and supporting appraisals and environmental analysis to the Chelan county board of commissioners and the appropriate committees of the legislature by December 1, 2020.

(53) \$500,000 of the general fund—state appropriation for fiscal year 2020, \$500,000 of the general fund—state appropriation for fiscal year 2021 and \$4,500,000 of the home security fund—state appropriation are provided solely for the consolidated homeless grant program. Of the amounts provided in this subsection, \$4,500,000 of the home security fund—state appropriation is provided solely for permanent supportive housing targeted at those families who are chronically homeless and where at least one member of the family has a disability. The department will also connect these families to medicaid supportive services.

(54) \$1,275,000 of the general fund—state appropriation for fiscal year 2020 and \$1,227,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5116 (clean energy). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(55) \$47,000 of the general fund—state appropriation for fiscal year 2020 and \$47,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5223 (electrical net metering). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(56) \$81,000 of the general fund—state appropriation for fiscal year 2020 and \$76,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Substitute Senate Bill No. 5324 (homeless student support). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(57) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are

provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5497 (immigrants in the workplace). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(58) \$264,000 of the general fund—state appropriation for fiscal year 2020 and \$264,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute Senate Bill No. 5511 (broadband service). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(59) \$272,000 of the general fund—state appropriation for fiscal year 2020 and \$272,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the lead based paint enforcement activities within the department.

(60) \$250,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for a one-time grant to the port of Port Angeles for a stormwater management project to protect ancient tribal burial sites and to maintain water quality.

(61) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant to municipalities using a labor program model designed for providing jobs to individuals experiencing homelessness to lead to full-time employment and stable housing.

(62) \$75,000 of the general fund—state appropriation for fiscal year 2020 and \$75,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of the recommendations by the joint transportation committee's Washington state air cargo movement study to support an air cargo marketing program and assistance program. The department must coordinate promotion activities at domestic and international trade shows, air cargo events, and other activities that support the promotion, marketing, and sales efforts of the air cargo industry.

(63) \$125,000 of the general fund—state appropriation for fiscal year 2020 and \$125,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant to a nonprofit for a smart buildings education program to educate building owners and operators on smart building practices and technologies, including the development of onsite and digital trainings that detail how to operate residential and commercial facilities in an energy efficient manner. The grant recipient must be located in a city with a population of more than seven hundred thousand and serve anyone within Washington with an interest in better understanding energy efficiency in commercial and institutional buildings.

(64)(a) \$150,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to provide a grant to a nonprofit organization to assist fathers transitioning from incarceration to family reunification. The grant recipient must have experience contracting with:

- (i) The department of corrections to support offender betterment projects; and
- (ii) The department of social and health services to provide access and visitation services.

(65) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant to a nonprofit organization to promote public education around wildfires to public school students of all ages and to expand outreach on issues related to forest health and fire suppression. The grant recipient shall sponsor projects including, but not limited to, a multi-media traveling presentation.

(66) \$125,000 of the general fund—state appropriation for fiscal year 2020 and \$125,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant to a nonprofit organization to help reduce crime and violence in neighborhoods and school communities. The grant recipient must promote safe streets and community engagement in the city of Tacoma through neighborhood organizing, law enforcement-community partnerships, neighborhood watch programs, youth mobilization, and business engagement.

(67) \$125,000 of the general fund—state appropriation for fiscal year 2020 and \$125,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant to increase the financial stability of low income Washingtonians through participation in children's education savings accounts, earned income tax credits, and the Washington retirement marketplace. The grant recipient must be a statewide association of local asset building coalitions that promotes policies and programs in Washington to assist low-and-moderate income residents build, maintain, and preserve assets through investments in education, homeownership, personal savings and entrepreneurship.

(68) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant to a nonprofit organization to catalyze a market for mass timber and promote forest health, workforce development, and updates to building codes. The grant recipient must have at least twenty-five years of experience in land acquisition and program management to conserve farmland, create jobs, revitalize small towns, reduce wildfires, and reduce greenhouse emissions.

(69) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant to assist people with limited incomes in nonmetro areas of the state start and sustain small businesses. The grant recipient must be a nonprofit organization involving a network of microenterprise organizations and professionals to support micro entrepreneurship and access to economic development resources.

(70) \$270,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for a grant to a nonprofit organization within the city of Tacoma for social services and educational programming to assist Latino and indigenous communities in honoring heritage and culture through the arts, and overcoming barriers to social, political, economic, and cultural community development.

(71) \$5,800,000 of the growth management planning and environmental review fund—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1923 (urban residential building). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse. Of the amounts provided in this subsection:

(a) \$5,000,000 is provided solely for grants to cities for costs associated with the bill;

(b) \$500,000 is provided solely for administration costs to the department; and

(c) \$300,000 is provided solely for a grant to the Washington real estate research center.

(72) \$100,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the department to produce a proposal and recommendations for establishing an industrial waste coordination program by December 1, 2019.

(73) The appropriations in this section include sufficient funding for the implementation of Engrossed Substitute Senate Bill No. 5600 (residential tenants).

**Sec. 129 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 130. FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL

General Fund—State Appropriation (FY 2020)	\$860,000
General Fund—State Appropriation (FY 2021)	\$888,000
Pension Funding Stabilization Account—State Appropriation	\$102,000
Lottery Administrative Account—State Appropriation	\$50,000
TOTAL APPROPRIATION	\$1,900,000

***NEW SECTION. Sec. 131. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

General Fund—State Appropriation (FY 2020)	\$28,833,000
General Fund—State Appropriation (FY 2021)	\$12,303,000
General Fund—Federal Appropriation	\$32,512,000
General Fund—Private/Local Appropriation	\$5,526,000
Economic Development Strategic Reserve Account—State Appropriation.	\$330,000
Personnel Service Account—State Appropriation	\$35,133,000
Higher Education Personnel Services Account—State Appropriation.	\$1,497,000
Statewide Information Technology System Development Revolving Account—State Appropriation	\$13,298,000
Office of Financial Management Central Service Account— State Appropriation	\$20,710,000
Pension Funding Stabilization Account—State Appropriation.	\$2,446,000
Performance Audits of Government Account—State Appropriation.	\$678,000
TOTAL APPROPRIATION	\$153,266,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) The student achievement council and all institutions of higher education as defined in RCW 28B.92.030 and eligible for state financial aid programs under chapters 28B.92 and 28B.118 RCW shall ensure that data needed to analyze and evaluate the effectiveness of state financial aid programs

are promptly transmitted to the education data center so that it is available and easily accessible. The data to be reported must include but not be limited to:

- (i) The number of state need grant and college bound recipients;
 - (ii) The number of students on the unserved waiting list of the state need grant;
 - (iii) Persistence and completion rates of state need grant recipients and college bound recipients as well as students on the state need grant unserved waiting list, disaggregated by institution of higher education;
 - (iv) State need grant recipients and students on the state need grant unserved waiting list grade point averages; and
 - (v) State need grant and college bound scholarship program costs.
- (b) The student achievement council shall submit student unit record data for state financial aid program applicants and recipients to the education data center.

(c) The education data center shall enter data sharing agreements with the joint legislative audit and review committee and the Washington state institute for public policy to ensure that legislatively directed research assignments regarding state financial aid programs may be completed in a timely manner.

(2)(a) \$10,000,000 of the statewide information technology system development revolving account—state appropriation is provided solely for continuation of readiness activities for the one Washington program. Of the amounts provided in this subsection:

(i) \$7,082,000 of the statewide information technology system development revolving account—state appropriation is provided solely for organizational enterprise resource planning, organizational change management, and procurement contracts in fiscal year 2020.

(ii) \$459,000 of the statewide information technology system development revolving account—state appropriation is provided solely for staff in fiscal year 2020.

(iii) \$1,000,000 of the statewide information technology system development revolving account—state appropriation is provided solely for other contractual services or project staffing in fiscal year 2020.

(iv) \$459,000 of the statewide information technology system development revolving account—state appropriation is provided solely for staff in fiscal year 2021.

(v) \$1,000,000 of the statewide information technology system development revolving account—state appropriation is provided solely for other contractual services or project staffing in fiscal year 2021.

(b) Beginning September 30, 2019, the office of financial management shall provide written quarterly reports on the one Washington program to the legislative fiscal committees and the legislative evaluation and accountability program committee to include how funding was spent for the prior quarter.

(c) Prior to spending any funds, the director of the office of financial management must agree to the spending and sign off on the spending.

(d) This subsection is subject to the conditions, limitations, and review requirements of section 719 of this act.

(3) Within existing resources, the labor relations section shall produce a report annually on workforce data and trends for the previous fiscal year. At a minimum, the report must include a workforce profile; information on employee

compensation, including salaries and cost of overtime; and information on retention, including average length of service and workforce turnover.

(4) \$12,741,000 of the personnel service account—state appropriation in this section is provided solely for administration of orca pass benefits included in the 2019-2021 collective bargaining agreements and provided to nonrepresented employees as identified in section 996 of this act. The office of financial management must bill each agency for that agency's proportionate share of the cost of orca passes. The payment from each agency must be deposited in to the personnel service account and used to purchase orca passes. The office of financial management may consult with the Washington state department of transportation in the administration of these benefits.

(5) \$12,485,000 of the personnel service fund appropriation is provided solely for the administration of a flexible spending arrangement (FSA) plan. Agencies shall pay their proportional cost for the program as determined by the office of financial management. Total amounts billed by the office of financial management for this purpose may not exceed the amount provided in this subsection. The office of financial management may, through interagency agreement, delegate administration of the program to the health care authority.

(6) \$1,536,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5741 (all payer claims database), and is subject to the conditions, limitations, and review provided in section 719 of this act. If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(7) \$157,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the implementation of Substitute House Bill No. 1949 (firearm background checks). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(8) Within amounts appropriated in this section, funding is provided to implement Second Substitute House Bill No. 1497 (foundational public health).

(9) \$110,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the office of financial management to determine annual primary care medical expenditures in Washington, by insurance carrier, in total and as a percentage of total medical expenditure. Where feasible, this determination must also be broken down by relevant characteristics such as whether expenditures were for in-patient or out-patient care, physical or mental health, by type of provider, and by payment mechanism.

(a) The determination must be made in consultation with statewide primary care provider organizations using the state's all payer claims database and other existing data.

(b) For purposes of this section:

(i) "Primary care" means family medicine, general internal medicine, and general pediatrics.

(ii) "Primary care provider" means a physician, naturopath, nurse practitioner, physician assistant, or other health professional licensed or certified in Washington state whose clinical practice is in the area of primary care.

(iii) "Primary care medical expenditures" means payments to reimburse the cost of physical and mental health care provided by a primary care provider, excluding prescription drugs, vision care, and dental care, whether paid on a fee-

for-service basis or as a part of a capitated rate or other type of payment mechanism.

(iv) "Total medical expenditure" means payments to reimburse the cost of all health care and prescription drugs, excluding vision care and dental care, whether paid on a fee-for-service basis or as part of a capitated rate or other type of payment mechanism.

(c) By December 1, 2019, the office of financial management shall report its findings to the legislature, including an explanation of its methodology and any limits or gaps in existing data which affected its determination.

(10) \$1,200,000 of the office of financial management central services—state appropriation is provided solely for the education research and data center to set up a data enclave and to work on complex data sets. This is subject to the conditions, limitations and review requirements of section 719 of this act. The data enclave for customer access must include twenty-five users, to include one user from each of the following entities:

- (a) The house;
- (b) The senate;
- (c) The legislative evaluation and accountability program committee;
- (d) The joint legislative audit and review committee; and
- (e) The Washington state institute for public policy.

(11) \$345,000 of the statewide information technology system development revolving account—state appropriation is provided solely for modifications to the facilities portfolio management tool to expand the ability to track leases of land, buildings, equipment, and vehicles. This is subject to the conditions, limitations, and review requirements of section 719 of this act.

(12) \$2,000 of the general fund—state appropriation for fiscal year 2020 and \$2,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the state agency facility oversight program. Of these amounts, effective December 31, 2019, the state agency facility oversight program must provide a report to fiscal committees of the legislature by December 31st of each calendar year that reflects expenditure data for the prior fiscal year period. The report must include:

- (a) The total expenditure amounts by fund source for each lease facility contractual obligation;***
- (b) The total expenditure amounts for each lease facility contractual obligation;***
- (c) The total expenditure amounts by state agency; and***
- (d) The total expenditure amounts statewide by fund and in total.***

(13) The office, in collaboration with the institutions of higher education, shall create appropriate standards and procedures to allow the institutions of higher education to report additional revenue, spending and allotment information to the state's accounting system. The office shall notify the fiscal committees of the legislature of the updated standards and procedures by June 1, 2020. The standards and procedures must enable, at a minimum, institutions of higher education to report detail in the following areas:

- (a) Spending and staffing levels for different types of faculty, including part-time and adjunct faculty;***
- (b) Spending by campus or community and technical college district and department;***

(c) Spending by degree program as defined by the classification of instructional programs;

(d) Tuition revenue by campus or community and technical college district, student residency status, and tuition type;

(e) Revenue and spending for auxiliary activities such as housing, dining, and intercollegiate athletics;

(f) Spending and forgone revenue for financial aid and tuition waivers by award type;

(g) Spending on information technology consistent with the office of the chief information officer policies on technology business management; and

(h) Revenue and spending of student fees by type.

(14) \$250,000 of the office of financial management central service—state appropriation is provided solely for a dedicated budget staff for the work associated with the information technology cost pool projects. The staff will be responsible for providing a monthly financial report after each fiscal month close to fiscal staff of the senate ways and means and house appropriations committees to reflect at least:

(a) Fund balance of the information technology pool account;

(b) Amount by project of funding approved to date and for the last fiscal month;

(c) Amount by agency of funding approved to date and for the last fiscal month;

(d) Total amount approved to date and for the last fiscal month; and

(e) Amount of expenditure on each project by the agency to date and for the last fiscal month.

(15) \$15,000,000 of the general fund—state appropriation for fiscal year 2020, \$159,000 of the general fund—state appropriation for fiscal year 2021, and \$5,000,000 of the general fund—private/local appropriation are provided solely for the office of financial management to prepare for the 2020 census. No funds provided under this subsection may be used for political purposes. The office must:

(a) Complete outreach and a communication campaign that reaches the state's hardest to count residents;

(b) Perform frequent outreach to the hard-to-count population both in person through community messengers and through various media avenues;

(c) Establish deliverable-based outreach contracts with nonprofit organizations and local and tribal contracts;

(d) Consider the recommendations of the statewide complete count committee;

(e) Prepare documents in multiple languages to promote census participation;

(f) Provide technical assistance with the electronic census forms; and

(g) Hold in reserve \$5,000,000 of the general fund—state appropriation for fiscal year 2020 and \$5,000,000 of the general fund—private/local appropriation, until January 1, 2020, for contracting with community based organizations with historical access to and credibility with hard-to-count people to support outreach to the hardest to count and last-mile efforts.

**Sec. 131 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 132. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS

Administrative Hearings Revolving Account—State	
Appropriation	\$45,688,000
TOTAL APPROPRIATION	\$45,688,000

The appropriation in this section is subject to the following conditions and limitations: \$173,000 of the administrative hearing revolving account—state appropriation is provided solely for the implementation of chapter 13, Laws of 2019 (SHB 1399).

NEW SECTION. Sec. 133. FOR THE WASHINGTON STATE LOTTERY

Lottery Administrative Account—State Appropriation	\$29,854,000
TOTAL APPROPRIATION	\$29,854,000

The appropriation in this section is subject to the following conditions and limitations:

(1) No portion of this appropriation may be used for acquisition of gaming system capabilities that violate state law.

(2) Pursuant to RCW 67.70.040, the commission shall take such action necessary to reduce retail commissions to an average of 5.1 percent of sales.

NEW SECTION. Sec. 134. FOR THE COMMISSION ON HISPANIC AFFAIRS

General Fund—State Appropriation (FY 2020)	\$401,000
General Fund—State Appropriation (FY 2021)	\$413,000
Pension Funding Stabilization Account—State Appropriation	\$26,000
TOTAL APPROPRIATION	\$840,000

The appropriations in this section are subject to the following conditions and limitations: \$3,000 of the general fund—state appropriation for fiscal year 2020 and \$2,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Substitute Senate Bill No. 5023 (ethnic studies). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

NEW SECTION. Sec. 135. FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS

General Fund—State Appropriation (FY 2020)	\$318,000
General Fund—State Appropriation (FY 2021)	\$301,000
Pension Funding Stabilization Account—State Appropriation	\$26,000
TOTAL APPROPRIATION	\$645,000

NEW SECTION. Sec. 136. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—OPERATIONS

Department of Retirement Systems Expense	
Account—State Appropriation	\$60,059,000
TOTAL APPROPRIATION	\$60,059,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$160,000 of the department of retirement systems—state appropriation is provided solely for the administrative costs associated with implementation of

Substitute House Bill No. 1661 (higher education retirement). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(2) \$106,000 of the department of retirement systems—state appropriation is provided solely for the administrative costs associated with implementation of Senate Bill No. 5350 (optional life annuity). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(3) \$139,000 of the department of retirement systems—state appropriation is provided solely for the administrative costs associated with implementation of Engrossed Substitute House Bill No. 1308 or Senate Bill No. 5360 (retirement system defaults). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(4) \$44,000 of the department of retirement systems—state appropriation is provided solely for the administrative costs associated with implementation of House Bill No. 1408 (survivorship benefit options). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

NEW SECTION. Sec. 137. FOR THE DEPARTMENT OF REVENUE

General Fund—State Appropriation (FY 2020)	\$150,681,000
General Fund—State Appropriation (FY 2021)	\$144,287,000
Timber Tax Distribution Account—State Appropriation	\$7,289,000
Business License Account—State Appropriation.	\$20,606,000
Waste Reduction, Recycling, and Litter Control Account—State Appropriation	\$168,000
Model Toxics Control Operating Account— State Appropriation	\$119,000
Financial Services Regulation Account—State Appropriation.	\$5,000,000
Pension Funding Stabilization Account—State Appropriation.	\$13,486,000
TOTAL APPROPRIATION	\$341,636,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$142,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the implementation of Second Substitute House Bill No. 1059 (B&O return filing due date). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(2) \$4,150,000 of the general fund—state appropriation for fiscal year 2020 and \$1,921,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to implement 2019 revenue legislation.

(b) Within the amounts provided in this subsection, sufficient funding is provided for the department to implement section 11 of Engrossed Substitute Senate Bill No. 5183 (manufactured/mobile homes).

(c)(i) Of the amounts provided in this subsection, \$1,061,000 of the general fund—state appropriation for fiscal year 2020 and \$977,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to facilitate a tax structure work group, initially created within chapter 1, Laws of 2017 3rd sp. sess. (SSB 5883) and hereby reauthorized.

(ii) In addition to the membership as set forth in chapter 1, Laws of 2017 3rd sp. sess., the tax structure work group is expanded to include nonvoting members as follows:

(A) The president of the senate must appoint two members from each of the two largest caucuses of the senate;

(B) The speaker of the house of representatives must appoint two members from each of the two largest caucuses of the house of representatives; and

(C) The governor must appoint one member who represents the office of the governor.

(iii) The work group must include the following nonvoting members:

(A) One representative of the department;

(B) One representative of the association of Washington cities; and

(C) One representative of the Washington state association of counties.

(iv) All voting members of the work group must indicate, in writing, their interest in serving on the tax structure work group and provide a statement of understanding that the commitment to serve on the tax structure work group is through December 31, 2024. Elected officials not reelected to their respective offices may be relieved of their responsibilities on the tax structure work group. Vacancies on the tax structure work group must be filled within sixty days of notice of the vacancy. The work group must choose a chair or cochairs from among its legislative membership. The chair is, or cochairs are, responsible for convening the meetings of the work group no less than quarterly each year. Recommendations and other decisions of the work group may be approved by a simple majority vote. All work group members may have a representative attend meetings of the tax structure work group in lieu of the member, but voting by proxy is not permitted. Staff support for the work group must be provided by the department. The department may engage one or more outside consultants to assist in providing support for the work group. Members of the work group must serve without compensation but may be reimbursed for travel expenses under RCW 44.04.120, 43.03.050, and 43.03.060.

(v) The duties of the work group are to:

(A) By December 1, 2019, convene no less than one meeting to elect a chair, or cochairs, and conduct other business of the work group;

(B) By December 1, 2020, the department and technical advisory group must prepare a summary report of their preliminary findings and alternatives described in (c)(vii) of this subsection;

(C) By May 1, 2021, the work group must:

(I) Hold no less than one meeting in Olympia to review the preliminary findings described in (c)(vii) of this subsection. At least one meeting must engage stakeholder groups, as described in (c)(vi)(A) of this subsection;

(II) Begin to plan strategies to engage taxpayers and key stakeholder groups to encourage participation in the public meetings described in (c)(vii) of this subsection;

(III) Present the summary report described in (c)(vii) of this subsection in compliance with RCW 43.01.036 to the appropriate committees of the legislature;

(IV) Be available to deliver a presentation to the appropriate committees of the legislature including the elements described in (c)(vi)(B) of this subsection; and

(V) Finalize the logistics of the engagement strategies described in (c)(v)(D) of this subsection; and

(D) After the conclusion of the 2021 legislative session, the work group must:

(I) Hold no less than five public meetings in geographically dispersed areas of the state;

(II) Present the findings described in (c)(vii) of this subsection and alternatives to the state's current tax structure at the public meetings;

(III) Provide an opportunity at the public meetings for taxpayers to engage in a conversation about the state tax structure including, but not limited to, providing feedback on possible recommendations for changes to the state tax structure and asking questions about the report and findings and alternatives to the state's current tax structure presented by the work group;

(IV) Utilize methods to collect taxpayer feedback before, during, or after the public meetings that may include, but is not limited to: Small group discussions, in-person written surveys, in-person visual surveys, online surveys, written testimony, and public testimony;

(V) Encourage legislators to inform their constituents about the public meetings that occur within and near their legislative districts;

(VI) Inform local elected officials about the public meetings that occur within and near their communities; and

(VII) Summarize the feedback that taxpayers and other stakeholders communicated during the public meetings and other public engagement methods, and submit a final summary report, in accordance with RCW 43.01.036, to the appropriate committees of the legislature. This report may be submitted as an appendix or update to the summary report described in (c)(vii) of this subsection.

(vi)(A) The stakeholder groups referenced by (c)(v)(C)(I) of this subsection must include, at a minimum, organizations and individuals representing the following:

(I) Small, start-up, or low-margin business owners and employees or associations expressly dedicated to representing these businesses, or both; and

(II) Individual taxpayers with income at or below one hundred percent of area median income in their county of residence or organizations expressly dedicated to representing low-income and middle-income taxpayers, or both;

(B) The presentation referenced in (c)(v)(C)(IV) of this subsection must include the following elements:

(I) The findings and alternatives included in the summary report described in (c)(vii) of this subsection; and

(II) The preliminary plan to engage taxpayers directly in a robust conversation about the state's tax structure including, presenting the findings described in (c)(vii) of this subsection and alternatives to the state's current tax structure, and collecting feedback to inform development of recommendations.

(vii) The duties of the department, with assistance of one or more technical advisory groups, are to:

(A) With respect to the final report of findings and alternatives submitted by the Washington state tax structure study committee to the legislature under section 138, chapter 7, Laws of 2001 2nd sp. sess.:

(I) Update the data and research that informed the recommendations and other analysis contained in the final report;

(II) Estimate how much revenue all the revenue replacement alternatives recommended in the final report would have generated for the 2017-2019 fiscal biennium if the state had implemented the alternatives on January 1, 2003;

(III) Estimate the tax rates necessary to implement all recommended revenue replacement alternatives in order to achieve the revenues generated during the 2017-2019 fiscal biennium as reported by the economic and revenue forecast council;

(IV) Estimate the impact on taxpayers, including tax paid as a share of household income for various income levels, and tax paid as a share of total business revenue for various business activities, for (c)(vii)(A)(II) and (III) of this subsection; and

(V) Estimate how much revenue would have been generated in the 2017-2019 fiscal biennium, if the incremental revenue alternatives recommended in the final report would have been implemented on January 1, 2003, excluding any recommendations implemented before the effective date of this section;

(B) With respect to the recommendations in the final report of the 2018 tax structure work group:

(I) Conduct economic modeling or comparable analysis of replacing the business and occupation tax with an alternative, such as corporate income tax or margins tax, and estimate the impact on taxpayers, such as tax paid as a share of total business revenue for various business activities, assuming the same revenues generated by business and occupation taxes during the 2017-2019 fiscal biennium as reported by the economic and revenue forecast council; and

(II) Estimate how much revenue would have been generated for the 2017-2019 fiscal biennium if the one percent revenue growth limit on regular property taxes was replaced with a limit based on population growth and inflation if the state had implemented this policy on January 1, 2003;

(C) To analyze our economic competitiveness with border states:

(I) Estimate the revenues that would have been generated during the 2017-2019 fiscal biennium, had Washington adopted the tax structure of those states, assuming the economic tax base for the 2017-2019 fiscal biennium as reported by the economic and revenue forecast council; and

(II) Estimate the impact on taxpayers, including tax paid as a share of household income for various income levels, and tax paid as a share of total business revenue for various business activities for (c)(vii)(C)(I) of this subsection;

(D) To analyze our economic competitiveness in the context of a national and global economy, provide comparisons of the effective state and local tax rate of the tax structure during the 2017-2019 fiscal biennium and various alternatives under consideration, as they compare to other states and the federal government, as well as consider implications of recent changes to federal tax law;

(E) To the degree it is practicable, conduct tax incidence analysis of the various alternatives under consideration to account for the impacts of tax shifting, such as business taxes passed along to consumers and property taxes passed along to renters;

(F) To the degree it is practicable, present findings and alternatives by geographic area, in addition to statewide; and

(G) Conduct other analysis as directed by the work group.

(3) \$63,000 of the general fund—state appropriation for fiscal year 2020 and \$7,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5497 (immigrants in the workplace). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(4) Within existing resources, the department must compile a report on the annual amount of state retail sales tax collected under chapter 82.08 RCW on sales occurring at area fairs and county fairs as described in RCW 15.76.120. The report must be submitted to the appropriate committees of the legislature by December 1, 2019.

NEW SECTION. Sec. 138. FOR THE BOARD OF TAX APPEALS

General Fund—State Appropriation (FY 2020)	\$2,382,000
General Fund—State Appropriation (FY 2021)	\$2,421,000
Pension Funding Stabilization Account—State Appropriation	\$162,000
TOTAL APPROPRIATION	\$4,965,000

The appropriations in this section are subject to the following conditions and limitations: \$30,000 of the general fund—state appropriation for fiscal year 2020 and \$9,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the board to continue maintaining its legacy case management software and conduct a feasibility study to determine how best to update or replace the case management software.

NEW SECTION. Sec. 139. FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

General Fund—State Appropriation (FY 2020)	\$109,000
General Fund—State Appropriation (FY 2021)	\$101,000
Minority and Women's Business Enterprises	
Account—State Appropriation	\$5,347,000
TOTAL APPROPRIATION	\$5,557,000

NEW SECTION. Sec. 140. FOR THE INSURANCE COMMISSIONER

General Fund—Federal Appropriation	\$4,661,000
Insurance Commissioner's Regulatory Account—State	
Appropriation	\$69,673,000
TOTAL APPROPRIATION	\$74,334,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$536,000 of the insurance commissioners regulatory account—state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5526 (individual health insurance market). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(2) \$45,000 of the insurance commissioners regulatory account—state appropriation is provided solely to implement Engrossed Substitute House Bill No. 1879 (Rx drug utilization management). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(3) \$397,000 of the insurance commissioners regulatory account—state appropriation is provided solely to implement Substitute House Bill No. 1075 (consumer competitive group insurance). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(4) \$1,015,000 of the insurance commissioners regulatory account—state appropriation is provided solely to implement Second Substitute House Bill No. 1065 (out-of-network health). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(5) \$60,000 of the insurance commissioners regulatory account—state appropriation is provided solely for implementation of chapter 16, Laws of 2019 (HB 1001) (service contract providers).

(6) \$84,000 of the insurance commissioners regulatory account—state appropriation is provided solely for implementation of chapter 56, Laws of 2019 (SSB 5889) (insurance communications confidentiality).

(7) \$125,000 of the insurance commissioners regulatory account—state appropriation is provided solely for implementation of Second Substitute Senate Bill No. 5602 (reproductive health care). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(8) \$125,000 of the insurance commissioner's regulatory account—state appropriation is provided solely for staffing and supporting the work of the natural disaster and resiliency workgroup for Substitute Senate Bill No. 5106 (natural disaster mitigation). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(9) Within the amounts appropriated in this section, the commissioner shall review how pharmacy benefit managers are regulated in other states and report the findings to the governor and appropriate committees of the legislature by September 15, 2019.

NEW SECTION. Sec. 141. FOR THE LAW ENFORCEMENT OFFICERS' AND FIREFIGHTERS' PLAN 2 RETIREMENT BOARD

General Fund—State Appropriation (FY 2020) \$50,000

The \$50,000 appropriation in this section is for the law enforcement officers' and firefighters' retirement system plan 2 board to study the tax, legal, fiscal, policy, and administrative issues related to allowing tribal law enforcement officers to become members of the law enforcement officers' and firefighters' plan 2 retirement system. This funding is in addition to other expenditures in the nonappropriated law enforcement officers' and firefighters' retirement system plan 2 expense account. In preparing this study, the department of retirement systems, the attorney general's office, and the office of the state actuary shall provide the board with any information or assistance the board requests. The board shall also receive stakeholder input as part of its deliberation. The board shall submit a report of the results of this study to the legislature by January 1, 2020.

NEW SECTION. Sec. 142. FOR THE STATE INVESTMENT BOARD

State Investment Board Expense Account—State
Appropriation. \$60,028,000
TOTAL APPROPRIATION \$60,028,000

NEW SECTION. Sec. 143. FOR THE LIQUOR AND CANNABIS BOARD

General Fund—State Appropriation (FY 2020)	\$356,000
General Fund—State Appropriation (FY 2021)	\$392,000
General Fund—Federal Appropriation	\$3,034,000
General Fund—Private/Local Appropriation	\$75,000
Dedicated Marijuana Account—State Appropriation (FY 2020)	\$11,662,000
Dedicated Marijuana Account—State Appropriation (FY 2021)	\$11,625,000
Pension Funding Stabilization Account—State Appropriation	\$80,000
Liquor Revolving Account—State Appropriation	\$74,514,000
TOTAL APPROPRIATION	\$101,738,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The liquor and cannabis board may require electronic payment of the marijuana excise tax levied by RCW 69.50.535. The liquor and cannabis board may allow a waiver to the electronic payment requirement for good cause as provided by rule.

(2) The traceability system is subject to the conditions, limitations, and review provided in section 719 of this act.

(3) \$70,000 of the liquor revolving account—state appropriation is provided solely to implement chapter 61, Laws of 2019 (SHB 1034) (restaurant/soju endorsement).

(4) \$23,000 of the dedicated marijuana account—state appropriation for fiscal year 2020 and \$23,000 of the dedicated marijuana account—state appropriation for fiscal year 2021 are provided solely to implement Engrossed Substitute House Bill No. 1794 (marijuana business agreements). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(5) \$722,000 of the dedicated marijuana account—state appropriation for fiscal year 2020 and \$591,000 of the dedicated marijuana account—state appropriation for fiscal year 2021 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5318 (marijuana license compliance). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(6) \$350,000 of the dedicated marijuana account—state appropriation for fiscal year 2020 and \$350,000 of the dedicated marijuana account—state appropriation for fiscal year 2021 are provided solely for the board to hire additional staff for cannabis enforcement and licensing activities.

(7) \$100,000 of the dedicated marijuana account—state appropriation for fiscal year 2020 is provided solely for the board to convene a work group to determine the feasibility of and make recommendations for varying the marijuana excise tax rate based on product potency. The work group must submit a report of its findings to the appropriate committees of the legislature by December 1, 2019.

***NEW SECTION. Sec. 144. FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

General Fund—State Appropriation (FY 2020)	\$173,000
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General Fund—State Appropriation (FY 2021)	\$123,000
General Fund—Private/Local Appropriation	\$16,725,000
Public Service Revolving Account—State Appropriation	\$41,545,000
Pipeline Safety Account—State Appropriation	\$3,506,000
Pipeline Safety Account—Federal Appropriation	\$3,202,000
TOTAL APPROPRIATION	\$65,274,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Up to \$800,000 of the public service revolving account—state appropriation in this section is for the utilities and transportation commission to supplement funds committed by a telecommunications company to expand rural broadband service on behalf of an eligible governmental entity. The amount in this subsection represents payments collected by the utilities and transportation commission pursuant to the Qwest performance assurance plan.

(2) \$330,000 of the public service revolving account—state appropriation is provided solely for implementation of Engrossed Third Substitute House Bill No. 1257 (energy efficiency). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(3) \$92,000 of the general fund—local appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 1332 (energy site eval. council). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(4) \$95,000 of the public service revolving account—state appropriation is provided solely for implementation of Substitute House Bill No. 1512 (transportation electrification). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(5) \$182,000 of the public service revolving account—state appropriation is provided solely for implementation of House Bill No. 1841 (crew size on certain trains). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(6) \$50,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the commission to convene a work group on preventing underground utility damage. The work group is subject to the following requirements:

(a) The utilities and transportation commission shall contract with an independent facilitator for the work group to facilitate and moderate meetings, provide objective facilitation and negotiation between work group members, ensure participants receive information and guidance so that they respond in a timely manner, and synthesize agreements and points under negotiation.

(b) The work group shall discuss topics such as, but not limited to: How facility operators and excavators schedule meeting times and places; new requirements for marking locatable underground facilities; a definition of "noninvasive methods"; the procedures that must take place when an excavator discovers (and may or may not damage) an underground facility; positive response procedures; utility identification procedures for newly constructed and replacement underground facilities; the membership composition of the dig law safety committee; liability for damage occurring from an excavation when either the excavator or the facility operator fails to comply with the statutory

requirements relating to notice requirements or utility marking requirements; and ensuring consistency with the pipeline and hazardous materials safety administration towards a uniform national standard.

(c) The work group shall include, but is not limited to, members representing cities, counties, public and private utility companies, construction and excavator communities, water-sewer districts, and other government entities with underground facilities.

(d) The work group shall meet a minimum of four times and produce a report with recommendations to the governor and legislature by December 1, 2019.

(7) \$123,000 of the general fund—state appropriation for fiscal year 2020, \$123,000 of the general fund—state appropriation for fiscal year 2021, and \$814,000 of the public services revolving account—state appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5116 (clean energy). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(8) \$14,000 of the public service revolving account—state appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1112 (hydrofluorocarbons emissions). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(9) The appropriations in this section include sufficient funding for the implementation of Second Substitute Senate Bill No. 5511 (broadband service).

**Sec. 144 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 145. FOR THE MILITARY DEPARTMENT

General Fund—State Appropriation (FY 2020)	\$9,900,000
General Fund—State Appropriation (FY 2021)	\$10,269,000
General Fund—Federal Appropriation	\$118,165,000
Enhanced 911 Account—State Appropriation	\$43,745,000
Disaster Response Account—State Appropriation	\$28,774,000
Disaster Response Account—Federal Appropriation	\$97,048,000
Military Department Rent and Lease Account—State Appropriation	\$615,000
Military Department Active State Service Account—State Appropriation	\$400,000
Oil Spill Prevention Account—State Appropriation	\$1,040,000
Worker and Community Right to Know Fund—State Appropriation	\$1,848,000
Pension Funding Stabilization Account—State Appropriation	\$1,244,000
TOTAL APPROPRIATION	\$313,048,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The military department shall submit a report to the office of financial management and the legislative fiscal committees on February 1st and October 31st of each year 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 2019-2021 biennium based on current revenue and expenditure patterns.

(2) \$40,000,000 of the general fund—federal appropriation is provided solely for homeland security, subject to the following conditions: Any communications equipment purchased by local jurisdictions or state agencies shall be consistent with standards set by the Washington state interoperability executive committee.

(3) \$625,000 of the general fund—state appropriation for fiscal year 2020 and \$625,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the conditional scholarship program pursuant to chapter 28B.103 RCW.

(4) \$11,000,000 of the enhanced 911 account—state appropriation is provided solely for financial assistance to counties.

(5) \$784,000 of the disaster response account—state appropriation is provided solely for fire suppression training, equipment, and supporting costs to national guard soldiers and airmen.

(6) \$100,000 of the enhanced 911 account—state appropriation is provided solely for the department, in collaboration with a representative group of counties, public service answering points, and first responder organizations, to submit a report on the 911 system to the appropriate legislative committees by October 1, 2020. The report must include:

(a) The actual cost per fiscal year for the state, including all political subdivisions, to operate and maintain the 911 system including, but not limited to, the ESInet, call handling equipment, personnel costs, facility costs, contractual costs, administrative costs, and legal fees.

(b) The difference between the actual state and local costs and current state and local 911 funding.

(c) Potential cost-savings and efficiencies through the consolidation of equipment, regionalization of services or merging of facilities, positive and negative impacts on the public, legal or contractual restrictions, and appropriate actions to alleviate these constraints.

(7) \$118,000 of the general fund—state appropriation for fiscal year 2020 and \$118,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Substitute Senate Bill No. 5012 (governmental continuity). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(8) \$464,000 of the general fund—state appropriation for fiscal year 2020 and \$464,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to procure and install sixteen all-hazard alert broadcast sirens to increase inundation zone coverage to alert individuals of an impending tsunami or other disaster.

(9) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to procure and install seismic monitoring stations and global navigation satellite systems that integrate with the early warning system known as ShakeAlert.

(10) \$120,000 of the general fund—state appropriation for fiscal year 2020 and \$120,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to support an education and public outreach

program in advance of the new early earthquake warning system known as ShakeAlert.

(11) \$80,000 of the general fund—state appropriation for fiscal year 2020 and \$23,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementing Substitute Senate Bill No. 5106 (natural disaster mitigation). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

NEW SECTION. Sec. 146. FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION

General Fund—State Appropriation (FY 2020)	\$2,238,000
General Fund—State Appropriation (FY 2021)	\$2,283,000
Personnel Service Account—State Appropriation	\$4,282,000
Higher Education Personnel Services Account—State Appropriation.	\$1,410,000
Pension Funding Stabilization Account—State Appropriation	\$228,000
TOTAL APPROPRIATION	\$10,441,000

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 2020 and \$112,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the administrative costs associated with implementation of Substitute House Bill No. 1575 (collective bargaining/dues). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(2) The appropriations in this section include sufficient funding for the implementation of Senate Bill No. 5022 (granting interest arbitration to certain higher education uniformed personnel).

***NEW SECTION. Sec. 147. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

Volunteer Firefighters' and Reserve Officers' Administrative Account—State Appropriation	\$1,020,000
TOTAL APPROPRIATION	\$1,020,000

The appropriation in this section is subject to the following conditions and limitations: \$3,000 of the volunteer firefighters' and reserve officers' administrative account—state appropriation is provided solely for the implementation of Engrossed House Bill No. 1912 (pension benefits and contributions). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

**Sec. 147 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 148. FOR THE BOARD OF ACCOUNTANCY

Certified Public Accountants' Account—State Appropriation.	\$3,631,000
TOTAL APPROPRIATION	\$3,631,000

NEW SECTION. Sec. 149. FOR THE FORENSIC INVESTIGATION COUNCIL

Death Investigations Account—State Appropriation	\$692,000
TOTAL APPROPRIATION	\$692,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$250,000 of the death investigations account—state 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.

(2) \$210,000 of the death investigations account—state appropriation is provided solely for providing financial assistance to local jurisdictions in identifying human remains.

NEW SECTION. Sec. 150. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

General Fund—State Appropriation (FY 2020)	\$4,732,000
General Fund—State Appropriation (FY 2021)	\$4,795,000
General Fund—Private/Local Appropriation	\$102,000
Building Code Council Account—State Appropriation	\$1,519,000
TOTAL APPROPRIATION	\$11,148,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$4,371,000 of the general fund—state appropriation for fiscal year 2020 and \$4,371,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the payment of facilities and services charges to include campus rent, utilities, parking, and contracts, public and historic facilities charges, and capital projects surcharges allocable to the senate, house of representatives, statute law committee, legislative support services, and joint legislative systems committee. The department shall allocate charges attributable to these agencies among the affected revolving funds. The department shall maintain an interagency agreement with these agencies to establish performance standards, prioritization of preservation and capital improvement projects, and quality assurance provisions for the delivery of services under this subsection. The legislative agencies named in this subsection shall continue to enjoy all of the same rights of occupancy and space use on the capitol campus as historically established.

(2) In accordance with RCW 46.08.172 and 43.135.055, the department is authorized to increase parking fees in fiscal years 2020 and 2021 as necessary to meet the actual costs of conducting business.

(3) Before any agency may purchase a passenger motor vehicle as defined in RCW 43.19.560, the agency must have written approval from the director of the department of enterprise services. Agencies that are exempted from the requirement are the Washington state patrol, Washington state department of transportation, and the department of natural resources.

(4) From the fee charged to master contract vendors, the department shall transfer to the office of minority and women's business enterprises in equal monthly installments \$1,500,000 in fiscal year 2020 and \$1,300,000 in fiscal year 2021.

(5) \$100,000 of the general fund—state appropriation in fiscal year 2020 and \$100,000 of the general fund—state appropriation in fiscal year 2021 is

provided solely for the agency to procure cyber incident insurance on behalf of forty-three small to medium sized agencies that are currently without this coverage.

(6)(a) During the 2019-2021 fiscal biennium, the department must revise its master contracts with vendors, including cooperative purchasing agreements under RCW 39.26.060, to include a provision to require that each vendor agrees to equality among its workers by ensuring similarly employed individuals are compensated as equals as follows:

(i) Employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed;

(ii) Vendors may allow differentials in compensation for its workers based in good faith on any of the following:

(A) A seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels.

(B) A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience, that is: Consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential.

(C) A bona fide regional difference in compensation level must be: Consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential.

(b) The provision must allow for the termination of the contract if the public entity using the contract or agreement of the department of enterprise services determines that the vendor is not in compliance with this agreement or contract term.

(c) The department must implement this provision with any new contract and at the time of renewal of any existing contract.

(d) Any cost for the implementation of this section must be recouped from the fees charged to master contract vendors.

(7) \$10,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the department to query and inventory all state agency use and amounts of glyphosate. Within amounts provided, the department must offer to pay to state agencies the difference in costs for using alternatives for vegetation control. A report to the appropriate committees of the legislature on the findings of the query and inventory must be made by December 31, 2019.

(8)(a) \$5,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for a legislative work group to study and make recommendations on a monument on the capital campus to honor residents who died in the global war in terror. The department of enterprise services must staff the work group, which shall be composed of:

(i) One member from each of the four major caucuses of the legislature;

(ii) The director of the department of veterans affairs or his or her designee;

(iii) The director of the Washington state parks and recreation commission or his or her designee;

(iv) The director of the department of enterprise services or his or her designee;

(v) The director of the Washington state military department or his or her designee;

(vi) The secretary of state or his or her designee;

(vii) The state archivist or his or her designee;

(viii) A representative of the capitol campus design advisory committee that is not the secretary of state or a legislative member already designated to be part of the work group; and

(ix) Two representatives from veterans organizations appointed by the governor.

(b) The work group shall choose two cochairs from among its legislative membership. The legislative membership shall convene the initial meeting of the work group before November 1, 2019.

(c) The work group shall:

(i) Conduct a study of the feasibility of establishing a new memorial on the capitol campus to honor fallen service members from the global war on terrorism;

(ii) Provide the names of the recommended individuals to be honored at the memorial;

(iii) Recommend locations where the memorial could be constructed on the capitol campus and provide any permit requirements or other restrictions that may exist for each location;

(iv) Provide potential draft designs that could be used for the memorial;

(v) Provide information regarding the anticipated funding needed for:

(A) The design, construction, and placement of the memorial;

(B) Any permits that may be required;

(C) Anticipated ongoing maintenance cost for the memorial based on potential materials used and historical maintenance of other memorials on campus; and

(D) An unveiling ceremony or other expenses that may be necessary for the memorial;

(vi) Make recommendations regarding the funding sources that may be available, which may include solicitation of private funds or a method for obtaining the necessary funds; and

(vii) Make recommendations regarding an agency, committee, or commission to coordinate the design, construction, and placement of a memorial on the capitol campus.

(d) Legislative members of the work group shall be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members shall be reimbursed for travel expenses in accordance with chapter 43.03 RCW.

(e) The work group shall submit a report of its recommendations to the appropriate committees of the legislature in accordance with RCW 43.01.036 by November 1, 2020.

(9) The department may expend private local funds for new signage designating the Joan Benoit Samuelson marathon park if the private local funds are received for that specific purpose.

(10)(a) Within existing resources, beginning October 31, 2019, the department, in collaboration with consolidated technology services, must provide a report to fiscal committees of the legislature by October 31st of each calendar year that reflects information technology contract information based on

a contract snapshot from June 30 of that calendar year. The department will coordinate to receive contract information for all contracts to include those where the department has delegated authority so that the report includes statewide contract information. The report must contain a list of all information technology contracts to include the agency name, contract number, vendor name, the contract term start and end dates, the contract dollar amount in total, contract dollar amount by state fiscal year, and type of service delivered. The list of contracts must be provided electronically in excel and sortable by all fields.

(b) In determining the type of service delivered, groupings must include agreed upon items by the department, the office of the chief information officer, senate fiscal staff, and house fiscal staff. This grouping criteria must be agreed upon by August 31, 2019.

(11) The department must use any new resources provided for civic education solely for the free-to-schools civic education program.

NEW SECTION. Sec. 151. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

General Fund—State Appropriation (FY 2020)	\$1,926,000
General Fund—State Appropriation (FY 2021)	\$1,979,000
General Fund—Federal Appropriation	\$2,150,000
General Fund—Private/Local Appropriation	\$14,000
Pension Funding Stabilization Account—State Appropriation	\$136,000
TOTAL APPROPRIATION	\$6,205,000

The appropriations in this section are subject to the following conditions and limitations: \$103,000 of the general fund—state appropriation for fiscal year 2020 and \$103,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for archaeological determinations and excavations of inadvertently discovered skeletal human remains, and removal and reinterment of such remains when necessary.

NEW SECTION. Sec. 152. FOR THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY

General Fund—State Appropriation (FY 2020)	\$188,000
General Fund—State Appropriation (FY 2021)	\$188,000
Consolidated Technology Services Revolving Account— State Appropriation	\$25,048,000
Consolidated Technology Services Revolving Nonappropriated Account—State Appropriation	\$244,176,000
TOTAL APPROPRIATION	\$269,600,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$12,297,000 of the consolidated technology services revolving account—state appropriation is provided solely for the office of the chief information officer. Of this amount:

(a) \$2,000,000 of the consolidated technology services revolving account—state appropriation is provided solely for experienced information technology project managers to provide critical support to agency IT projects that are subject to the provisions of section 719 of this act. The staff will:

(i) Provide master level project management guidance to agency IT stakeholders;

(ii) Consider statewide best practices from the public and private sectors, independent review and analysis, vendor management, budget and timing quality assurance and other support of current or past IT projects in at least Washington state and share these with agency IT stakeholders; and

(iii) Beginning December 31, 2019, provide independent recommendations to legislative fiscal committees by December of each calendar year on oversight of IT projects.

(b)(i) \$250,000 of the consolidated technology services revolving account—state appropriation is provided solely to ensure that the state has a more nimble, extensible information technology dashboard. Dashboard elements must include at the minimum:

(A) Start date of the project;

(B) End date of the project when the project will close out and implementation will occur;

(C) Term of the project in fiscal years across all biennia to reflect the start of the project through the end of the project;

(D) Total project cost from start date through end date in total dollars, and a subtotal of near general fund outlook;

(E) Estimated annual fiscal year cost for maintenance and operations after implementation and close out;

(F) Actual spend by fiscal year and in total for fiscal years that are closed; and

(G) Date a feasibility study was completed.

(ii) The office of the chief information officer may recommend additional elements be included but must have agreement with legislative fiscal committees and the office of financial management prior to including the additional elements.

(2) \$12,751,000 of the consolidated technology services revolving account—state appropriation is provided solely for the office of cyber security. Of this amount:

(a) \$800,000 of the consolidated technology services revolving account—state appropriation is provided solely for the computer emergency readiness to review security designs of computer systems and to complete security evaluations of state agency systems and applications to identify vulnerabilities and opportunities for system hardening.

(b) \$768,000 of the consolidated technology services revolving account—state appropriation is provided solely for the office of cyber security to decrypt network traffic to identify and evaluate network traffic for malicious activity and threats, and is subject to the conditions, limitations, and review provided in section 719 of this act.

(c) \$608,000 of the consolidated technology services revolving account—state appropriation is provided solely for the office of cyber security to complete cyber security designs for new platforms, databases, and applications.

(3) The consolidated technology services agency shall work with customer agencies using the Washington state electronic records vault (WASERV) to identify opportunities to:

(a) Reduce storage volumes and costs associated with vault records stored beyond the agencies' record retention schedules; and

(b) Assess a customized service charge as defined in chapter 304, Laws of 2017 for costs of using WASERV to prepare data compilations in response to public records requests.

(4)(a) In conjunction with the office of the chief information officer's prioritization of proposed information technology expenditures, agency budget requests for proposed information technology expenditures must include the following:

- (i) The agency's priority ranking of each information technology request;
- (ii) The estimated cost by fiscal year and by fund for the current biennium;
- (iii) The estimated cost by fiscal year and by fund for the ensuing biennium;
- (iv) The estimated total cost for the current and ensuing biennium;
- (v) The total cost by fiscal year, by fund, and in total, of the information technology project since it began;
- (vi) The estimated cost by fiscal year and by fund over all biennia through implementation and close out and into maintenance and operations;
- (vii) The estimated cost by fiscal year and by fund for service level agreements once the project is implemented;
- (viii) The estimated cost by fiscal year and by fund for agency staffing for maintenance and operations once the project is implemented; and
- (ix) The expected fiscal year when the agency expects to complete the request.

(b) The office of the chief information officer and the office of financial management may request agencies to include additional information on proposed information technology expenditure requests.

(5) The consolidated technology services agency must not increase fees charged for existing services without prior approval by the office of financial management. The agency may develop fees to recover the actual cost of new infrastructure to support increased use of cloud technologies.

(6) Within existing resources, the agency must provide oversight of state procurement and contracting for information technology goods and services by the department of enterprise services.

(7) Within existing resources, the agency must host, administer, and support the state employee directory in an online format to provide public employee contact information.

(8) \$1,524,000 of the consolidated technology services revolving account-non-appropriated is provided solely to the logging and monitoring project and is subject to the conditions, limitations, and review provided in section 719 of this act.

(9) \$750,000 of the general fund—state appropriation for fiscal year 2020 is provided for the office to conduct a statewide cloud computing readiness assessment to prepare for the migration of core services to cloud services, including ways it can leverage cloud computing to reduce costs. The assessment must:

- (a) Inventory state agency assets, associated service contracts, and other relevant information;
- (b) Identify impacts to state agency staffing resulting from the migration to cloud computing including:

(i) Skill gaps between current on-premises computing practices and how cloud services are procured, secured, administered, maintained, and developed; and

(ii) Necessary retraining and ongoing training and development to ensure state agency staff maintain the skills necessary to effectively maintain information security and understand changes to enterprise architectures;

(c) Identify additional resources needed by the agency to enable sufficient cloud migration support to state agencies; and

(d) Be submitted as a report, by June 30, 2020, to the governor and the appropriate committees of the legislature that summarizes statewide cloud migration readiness and makes recommendations for migration goals.

(10) The health care authority, the health benefit exchange, the department of social and health services, the department of health, and the department of children, youth, and families shall work together within existing resources to establish the health and human services enterprise coalition (the coalition). The coalition, led by the health care authority, must be a multi-organization collaborative that provides strategic direction and federal funding guidance for projects that have cross-organizational or enterprise impact, including information technology projects that affect organizations within the coalition. By October 31, 2019, the coalition must submit a report to the governor and the legislature that describes the coalition's plan for projects affecting the coalition organizations. The report must include any information technology projects impacting coalition organizations and, in collaboration with the office of the chief information officer, provide: (a) The status of any information technology projects currently being developed or implemented that affect the coalition; (b) funding needs of these current and future information technology projects; and (c) next steps for the coalition's information technology projects. The office of the chief information officer shall maintain a statewide perspective when collaborating with the coalition to ensure that the development of projects identified in this report are planned for in a manner that ensures the efficient use of state resources and maximizes federal financial participation. The work of the coalition is subject to the conditions, limitations, and review provided in section 719 of this act.

NEW SECTION. Sec. 153. FOR THE BOARD OF REGISTRATION OF PROFESSIONAL ENGINEERS AND LAND SURVEYORS

Professional Engineers' Account—State Appropriation	\$4,863,000
TOTAL APPROPRIATION	\$4,863,000

The appropriation in this section is subject to the following conditions and limitations: \$4,172,000 of the professional engineers' account—state appropriation is provided solely for implementation of House Bill No. 1176 (businesses and professions). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

**PART II
HUMAN SERVICES**

NEW SECTION. Sec. 201. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

(1) 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.

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 legislature finds that medicaid payment rates, as calculated by the department pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

(4) The department shall to the maximum extent practicable use the same system for delivery of spoken-language interpreter services for social services appointments as the one established for medical appointments in the health care authority. When contracting directly with an individual to deliver spoken language interpreter services, the department shall only contract with language access providers who are working at a location in the state and who are state-certified or state-authorized, except that when such a provider is not available, the department may use a language access provider who meets other certifications or standards deemed to meet state standards, including interpreters in other states.

(5) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management, and authorization systems within the department of social and health services are subject to technical oversight by the office of the chief information officer.

(6)(a) The department shall facilitate enrollment under the medicaid expansion for clients applying for or receiving state funded services from the department and its contractors. Prior to open enrollment, the department shall coordinate with the health care authority to provide referrals to the Washington health benefit exchange for clients that will be ineligible for medicaid.

(b) To facilitate a single point of entry across public and medical assistance programs, and to maximize the use of federal funding, the health care authority, the department of social and health services, and the health benefit exchange will coordinate efforts to expand HealthPlanfinder access to public assistance and medical eligibility staff. The department shall complete medicaid applications in the HealthPlanfinder for households receiving or applying for public assistance benefits.

(7) The health care authority, the health benefit exchange, the department of social and health services, the department of health, and the department of children, youth, and families shall work together within existing resources to establish the health and human services enterprise coalition (the coalition). The coalition, led by the health care authority, must be a multi-organization collaborative that provides strategic direction and federal funding guidance for projects that have cross-organizational or enterprise impact, including information technology projects that affect organizations within the coalition. By October 31, 2019, the coalition must submit a report to the governor and the legislature that describes the coalition's plan for projects affecting the coalition organizations. The report must include any information technology projects impacting coalition organizations and, in collaboration with the office of the chief information officer, provide: (a) The status of any information technology projects currently being developed or implemented that affect the coalition; (b) funding needs of these current and future information technology projects; and (c) next steps for the coalition's information technology projects. The office of the chief information officer shall maintain a statewide perspective when collaborating with the coalition to ensure that the development of projects identified in this report are planned for in a manner that ensures the efficient use of state resources and maximizes federal financial participation. The work of the coalition is subject to the conditions, limitations, and review provided in section 719 of this act.

NEW SECTION. Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MENTAL HEALTH PROGRAM

(1) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2020)	\$400,740,000
General Fund—State Appropriation (FY 2021)	\$417,578,000
General Fund—Federal Appropriation	\$117,745,000
General Fund—Private/Local Appropriation	\$27,800,000
Pension Funding Stabilization Account—State Appropriation	\$33,300,000
TOTAL APPROPRIATION	\$997,163,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The state psychiatric hospitals may use funds appropriated in this subsection to purchase goods, services, and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(b) \$311,000 of the general fund—state appropriation for fiscal year 2020 and \$310,000 of the general fund—state appropriation for fiscal year 2021 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 (1)(b) 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. The department must collect data from the city of Lakewood on the use of the funds and the number of calls responded to by the community policing program and submit a report with this information to the office of financial management and the appropriate fiscal committees of the legislature each December of the fiscal biennium.

(c) \$45,000 of the general fund—state appropriation for fiscal year 2020 and \$45,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for payment to the city of Lakewood for police services provided by the city at western state hospital and adjacent areas.

(d) \$19,000 of the general fund—state appropriation for fiscal year 2020 and \$19,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for payment to the city of Medical Lake for police services provided by the city at eastern state hospital and adjacent areas. The city must submit a proposal to the department for a community policing program for eastern state hospital and adjacent areas by September 30, 2019.

(e) \$135,000 of the general fund—state appropriation for fiscal year 2020 and \$135,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to hire an on-site safety compliance officer, stationed at Western State Hospital, to provide oversight and accountability of the hospital's response to safety concerns regarding the hospital's work environment.

(f) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to track compliance with RCW 71.05.365 requirements for transition of state hospital patients into community settings within fourteen days of the determination that they no longer require active psychiatric treatment at an inpatient level of care. The department must use these funds to track the following elements related to this requirement: (i) The date on which an individual is determined to no longer require active psychiatric treatment at an inpatient level of care; (ii) the date on which the behavioral health entities and other organizations responsible for resource management services for the person is notified of this determination; and (iii) the date on which either the individual is transitioned to the community or has been re-evaluated and determined to again require active psychiatric treatment at an inpatient level of care. The department must provide this information in regular intervals to behavioral health entities and other organizations responsible for resource management services. The department must summarize the information and provide a report to the office of financial management and the appropriate committees of the legislature on progress toward meeting the fourteen day standard by December 1, 2019 and December 1, 2020.

(g) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department, in collaboration with the health care authority, to develop and implement a predictive modeling tool which identifies clients who are at high risk of future involvement with the criminal justice

system and for developing a model to estimate demand for civil and forensic state hospital bed needs pursuant to the following requirements.

(i) The predictive modeling tool must be developed to leverage data from a variety of sources and identify factors that are strongly associated with future criminal justice involvement. The department must submit a report to the office of financial management and the appropriate committees of the legislature which describes the following: (A) The proposed data sources to be used in the predictive model and how privacy issues will be addressed; (B) modeling results including a description of measurable factors most strongly predictive of risk of future criminal justice involvement; (C) an assessment of the accuracy, timeliness, and potential effectiveness of the tool; (D) identification of interventions and strategies that can be effective in reducing future criminal justice involvement of high risk patients; and (E) the timeline for implementing processes to provide monthly lists of high-risk client to contracted managed care organizations and behavioral health entities.

(ii) The model for civil and forensic state hospital bed need must be developed and updated in consultation with staff from the office of financial management and the appropriate fiscal committees of the state legislature. The model shall incorporate factors for capacity in state hospitals as well as contracted facilities, which provide similar levels of care, referral patterns, wait lists, lengths of stay, and other factors identified as appropriate for predicting the number of beds needed to meet the demand for civil and forensic state hospital services. Factors should include identification of need for the services and analysis of the effect of community investments in behavioral health services and other types of beds that may reduce the need for long-term civil commitment needs. The department must submit a report to the legislature by October 1, 2019, with an update of the model and the estimated civil and forensic state hospital bed need through the end of fiscal year 2027. The department must continue to update the model on a calendar quarterly basis and provide updates to the office of financial management and the appropriate committees of the legislature accordingly.

(h) \$2,982,000 of the general fund—state appropriation for fiscal year 2020 and \$2,199,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the phase-in of the settlement agreement under *Trueblood, et al. v. Department of Social and Health Services, et al.*, United States District Court for the Western District of Washington, Cause No. 14-cv-01178-MJP. The department, in collaboration with the health care authority and the criminal justice training commission, must implement the provisions of the settlement agreement pursuant to the timeline and implementation plan provided for under the settlement agreement. This includes implementing provisions related to competency evaluations, competency restoration, crisis diversion and supports, education and training, and workforce development.

(i) \$6,450,000 of the general fund—state appropriation for fiscal year 2020 and \$7,147,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to maintain and further increase implementation of efforts to improve the timeliness of competency evaluation services for individuals who are in local jails pursuant to chapter 5, Laws of 2015 (SSB 5889) (timeliness of competency treatment and evaluation services). This funding must be used solely to maintain increases in the number of competency evaluators that began

in fiscal year 2016 and further increase the number of staff providing competency evaluation services. During the 2019-2021 fiscal biennium, the department must use a portion of these amounts to increase the number of forensic evaluators pursuant to the settlement agreement under *Trueblood, et al. v. Department of Social and Health Services, et al.*, United States District Court for the Western District of Washington, Cause No. 14-cv-01178-MJP.

(j) \$56,441,000 of the general fund—state appropriation for fiscal year 2020, \$63,159,000 of the general fund—state appropriation for fiscal year 2021, and \$2,127,000 of the general fund—federal appropriation are provided solely for implementation of efforts to improve the timeliness of competency restoration services pursuant to chapter 5, Laws of 2015 (SSB 5889) (timeliness of competency treatment and evaluation services). These amounts must be used to maintain increases that began in fiscal year 2016 and further increase the number of forensic beds at western state hospital and eastern state hospital. Pursuant to chapter 7, Laws of 2015 1st sp. sess. (2E2SSB 5177) (timeliness of competency treatment and evaluation services), the department may contract some of these amounts for services at alternative locations if the secretary determines that there is a need. During the 2019-2021 fiscal biennium, the department must use a portion of these amounts to increase forensic bed capacity at the state hospitals pursuant to the settlement agreement under *Trueblood, et al. v. Department of Social and Health Services, et al.*, United States District Court for the Western District of Washington, Cause No. 14-cv-01178-MJP.

(k) \$67,463,000 of the general fund—state appropriation for fiscal year 2020 and \$67,463,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to continue to implement an acuity based staffing tool at western state hospital and eastern state hospital in collaboration with the hospital staffing committees. Of the amounts provided in each fiscal year, \$33,102,000 is provided on a one-time basis.

(i) The staffing tool must be designed and implemented to identify, on a daily basis, the clinical acuity on each patient ward and determine the minimum level of direct care staff by profession to be deployed to meet the needs of the patients on each ward. The department must also continue to update, in collaboration with the office of financial management's labor relations office, the staffing committees, and state labor unions, an overall state hospital staffing plan that looks at all positions and functions of the facilities and that is informed by a review of the Oregon state hospital staffing model.

(ii) Within these amounts, the department must establish, monitor, track, and report monthly staffing and expenditures at the state hospitals, including overtime and use of locums, to the functional categories identified in the recommended staffing plan. The allotments and tracking of staffing and expenditures must include all areas of the state hospitals, must be done at the ward level, and must include contracted facilities providing forensic restoration services as well as the office of forensic mental health services. By December 1, 2019, the department and hospital staffing committees must submit a report to the office of financial management and the appropriate committees of the legislature that includes the following: (A) Progress in implementing the acuity based staffing tool; (B) a comparison of average monthly staffing expenditures to budgeted staffing levels and to the recommended state hospital staffing plan by function and at the ward level; and (C) metrics and facility performance for

the use of overtime and extra duty pay, patient length of stay, discharge management, active treatment planning, medication administration, patient and staff aggression, and staff recruitment and retention. The department must use information gathered from implementation of the clinical staffing tool and the hospital-wide staffing model to provide budget oversight and accountability and inform and prioritize future budget requests for staffing at the state hospitals.

(iii) The department must submit calendar quarterly reports to the office of financial management and the appropriate committees of the legislature that include monitoring of monthly spending, staffing levels, overtime and use of locums compared to allotments and to the recommended state hospital staffing model. The format for these reports must be developed in consultation with staff from the office of financial management and the appropriate committees of the legislature. The reports must include an update from the hospital staffing committees.

(iv) Monthly staffing levels and related expenditures at the state hospitals must not exceed official allotments without prior written approval from the director of the office of financial management. In the event the director of the office of financial management approves an increase in monthly staffing levels and expenditures beyond what is budgeted, notice must be provided to the appropriate committees of the legislature within thirty days of such approval. The notice must identify the reason for the authorization to exceed budgeted staffing levels and the time frame for the authorization. Extensions of authorizations under this subsection must also be submitted to the director of the office of financial management for written approval in advance of the expiration of an authorization. The office of financial management must notify the appropriate committees of the legislature of any extensions of authorizations granted under this subsection within thirty days of granting such authorizations and identify the reason and time frame for the extension.

(l) \$11,285,000 of the general fund—state appropriation for fiscal year 2020 and \$10,581,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to implement strategies to improve patient and staff safety at eastern and western state hospitals. These amounts must be used for implementing a new intensive care model program at western state hospital. Remaining amounts may be used for enclosure of nursing stations, increasing the number of security guards, and provision of training on patient and staff safety. The department must provide implementation reports to the office of financial management and the appropriate committees of the legislature as follows:

(i) A report must be submitted by December 1, 2019, which includes a description of the intensive care model being implemented, a profile of the types of patients being served at the program, the staffing model being used for the program, and preliminary information on outcomes associated with the program. The outcomes section should include tracking data on facility wide metrics related to patient and staff safety as well as individual outcomes related to the patients served on the unit.

(ii) A report must be submitted by December 1, 2020, which provides an update on the implementation of the intensive care model, any changes that have occurred, and updated information on the outcomes associated with implementation of the program.

(m) \$4,262,000 of the general fund—state appropriation for fiscal year 2021 and \$2,144,000 of the general fund—federal appropriation are provided solely to open a new unit at the child study treatment center which shall serve up to eighteen children.

(n) \$2,593,000 of the general fund—state appropriation for fiscal year 2020 and \$2,593,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to increase services to patients found not guilty by reason of insanity under the *Ross v. Laswhay* settlement agreement.

(2) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2020)	\$5,884,000
General Fund—State Appropriation (FY 2021)	\$5,763,000
General Fund—Federal Appropriation	\$315,000
TOTAL APPROPRIATION	\$11,962,000

***NEW SECTION. Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—DEVELOPMENTAL DISABILITIES PROGRAM**

(1) COMMUNITY SERVICES

General Fund—State Appropriation (FY 2020)	\$737,825,000
General Fund—State Appropriation (FY 2021)	\$803,041,000
General Fund—Federal Appropriation	\$1,591,789,000
General Fund—Private/Local Appropriation	\$4,024,000
Pension Funding Stabilization Account—State Appropriation	\$6,364,000
TOTAL APPROPRIATION	\$3,143,043,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) Individuals receiving services as supplemental security income (SSI) state supplemental payments may not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and 43.135.055, the department is authorized to increase nursing facility, assisted living facility, and adult family home fees as necessary to fully support the actual costs of conducting the licensure, inspection, and regulatory programs. The license fees may not exceed the department's annual licensing and oversight activity costs and shall include the department's cost of paying providers for the amount of the license fee attributed to medicaid clients.

(i) The current annual renewal license fee for adult family homes is \$225 per bed beginning in fiscal year 2020 and \$225 per bed beginning in fiscal year 2021. A processing fee of \$2,750 must be charged to each adult family home when the home is initially licensed. This fee is nonrefundable. A processing fee of \$700 must be charged when adult family home providers file a change of ownership application.

(ii) The current annual renewal license fee for assisted living facilities is \$116 per bed beginning in fiscal year 2020 and \$116 per bed beginning in fiscal year 2021.

(iii) The current annual renewal license fee for nursing facilities is \$359 per bed beginning in fiscal year 2020 and \$359 per bed beginning in fiscal year 2021.

(c) \$7,527,000 of the general fund—state appropriation for fiscal year 2020, \$16,092,000 of the general fund—state appropriation for fiscal year 2021, and \$29,989,000 of the general fund—federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw under the provisions of chapters 74.39A and 41.56 RCW for the 2019-2021 fiscal biennium.

(d) \$1,058,000 of the general fund—state appropriation for fiscal year 2020, \$2,245,000 of the general fund—state appropriation for fiscal year 2021, and \$4,203,000 of the general fund—federal appropriation are provided solely for the homecare agency parity impacts of the agreement between the governor and the service employees international union healthcare 775nw.

(e) The department may authorize a one-time waiver of all or any portion of the licensing and processing fees required under RCW 70.128.060 in any case in which the department determines that an adult family home is being relicensed because of exceptional circumstances, such as death or incapacity of a provider, and that to require the full payment of the licensing and processing fees would present a hardship to the applicant. In these situations the department is also granted the authority to waive the required residential administrator training for a period of 120 days if necessary to ensure continuity of care during the relicensing process.

(f) Community residential cost reports that are submitted by or on behalf of contracted agency providers are required to include information about agency staffing including health insurance, wages, number of positions, and turnover.

(g) \$1,705,000 of the general fund—state appropriation for fiscal year 2020, \$1,688,000 of the general fund—state appropriation for fiscal year 2021, and \$1,465,000 of the general fund—federal appropriation are provided solely for the development and implementation of thirteen enhanced respite beds across the state for children. These services are intended to provide families and caregivers with a break in caregiving, the opportunity for behavioral stabilization of the child, and the ability to partner with the state in the development of an individualized service plan that allows the child to remain in his or her family home. The department must provide the legislature with a respite utilization report in January of each year that provides information about the number of children who have used enhanced respite in the preceding year, as well as the location and number of days per month that each respite bed was occupied.

(h) \$2,025,000 of the general fund—state appropriation for fiscal year 2020 and \$2,006,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the development and implementation of thirteen community respite beds across the state for adults. These services are intended to provide families and caregivers with a break in caregiving and the opportunity for stabilization of the individual in a community-based setting as an alternative to using a residential habilitation center to provide planned or emergent respite. The department must provide the legislature with a respite utilization report by January of each year that provides information about the number of individuals

who have used community respite in the preceding year, as well as the location and number of days per month that each respite bed was occupied.

(i) \$4,005,000 of the general fund—state appropriation for fiscal year 2020, \$6,084,000 of the general fund—state appropriation for fiscal year 2021, and \$9,826,000 of the general fund—federal appropriation are provided solely to continue community alternative placement beds that prioritize the transition of clients who are ready for discharge from the state psychiatric hospitals, but who have additional long-term care or developmental disability needs.

(i) Community alternative placement beds include enhanced service facility beds, adult family home beds, skilled nursing facility beds, shared supportive housing beds, state operated living alternative beds, and assisted living facility beds.

(ii) Each client must receive an individualized assessment prior to leaving one of the state psychiatric hospitals. The individualized assessment must identify and authorize personal care, nursing care, behavioral health stabilization, physical therapy, or other necessary services to meet the unique needs of each client. It is the expectation that, in most cases, staffing ratios in all community alternative placement options described in (i)(i) of this subsection will need to increase to meet the needs of clients leaving the state psychiatric hospitals. If specialized training is necessary to meet the needs of a client before he or she enters a community placement, then the person centered service plan must also identify and authorize this training.

(iii) When reviewing placement options, the department must consider the safety of other residents, as well as the safety of staff, in a facility. An initial evaluation of each placement, including any documented safety concerns, must occur within thirty days of a client leaving one of the state psychiatric hospitals and entering one of the community placement options described in (i)(i) of this subsection. At a minimum, the department must perform two additional evaluations of each placement during the first year that a client has lived in the facility.

(iv) In developing bed capacity, the department shall consider the complex needs of individuals waiting for discharge from the state psychiatric hospitals.

(j) \$1,029,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for state-operated behavioral health group training homes for clients with developmental disabilities who require a short-term placement for crisis stabilization following a hospital stay. The developmental disabilities administration shall research and assess options to claim federal medicaid funds for state-operated behavioral health group training homes and report its findings to the governor and appropriate legislative committees by December 1, 2019.

(k) \$605,000 of the general fund—state appropriation for fiscal year 2020, \$1,627,000 of the general fund—state appropriation for fiscal year 2021, and \$1,797,000 of the general fund—federal appropriation are provided solely for expanding the number of clients receiving services under the basic plus medicaid waiver. Approximately three hundred fifty additional clients are anticipated to graduate from high school during the 2019-2021 fiscal biennium and will receive employment services under this expansion.

(l) \$20,243,000 of the general fund—state appropriation for fiscal year 2020, \$41,933,000 of the general fund—state appropriation for fiscal year 2021, and \$60,976,000 of the general fund—federal appropriation are provided solely

to increase rates for community residential service providers offering supported living, group home, and licensed staff residential services to individuals with development disabilities. The amounts in this subsection (1)(l) include funding to increase the rate by 13.5 percent effective January 1, 2020.

The amounts provided in this subsection must be used to improve the recruitment and retention of quality direct care staff to better protect the health and safety of clients with developmental disabilities.

(m) The developmental disabilities administration shall undertake the following efforts to expand the array of community placements that may serve residents in transition from residential habilitation centers:

(i) Assess the feasibility of adding enhanced service facilities to the menu of medicaid waiver services for residents in transition from residential habilitation centers to the community, and report to the governor and appropriate legislative committees by November 1, 2019, on recommendations to make enhanced service facilities an option for this population; and

(ii) Make good-faith efforts to place residential habilitation center residents who wish to move to the community with supported living or other contracted community-based providers. For any residential habilitation center residents who wish to move to the community but whom the developmental disabilities administration is unable to place with a contracted community-based provider, the developmental disabilities administration shall report to the governor and appropriate legislative committees by November 1, 2019, on the number of such residents, the specific barriers to placement, and any recommendations for policies that would incentivize contracted community-based providers to serve residents who wish to transition from residential habilitation centers.

(n) \$50,000 of the general fund—state appropriation for fiscal year 2020 and \$50,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to establish parent-to-parent programs for parents of children with developmental disabilities in Ferry, Pend Oreille, Stevens, San Juan, and Wahkiakum counties.

(o) \$401,000 of the general fund—state appropriation for fiscal year 2020, \$424,000 of the general fund—state appropriation for fiscal year 2021, and \$1,043,000 of the general fund—federal appropriation are provided solely to assist home care agencies with implementing electronic visit verification systems that are compliant with the federal 21st century cures act no later than January 1, 2020.

(p) \$3,626,000 of the general fund—state appropriation for fiscal year 2020, \$4,757,000 of the general fund—state appropriation for fiscal year 2021, and \$10,444,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the adult family home council under the provisions of chapter 41.56 RCW for the 2019-2021 fiscal biennium.

(q) \$63,000 of the general fund—state appropriation for fiscal year 2020 and \$62,000 of the general fund—federal appropriation are provided solely to begin implementing an asset verification system that is compliant with the federal medicaid extenders act by January 1, 2021 and is subject to the conditions, limitation, and review provided in section 719 of this act.

(r) \$13,000 of the general fund—state appropriation for fiscal year 2020, \$20,000 of the general fund—state appropriation for fiscal year 2021, and \$23,000 of the general fund—federal appropriation are provided solely to implement chapter 70, Laws of 2019 (SHB 1199).

(s) \$153,000 of the general fund—state appropriation for fiscal year 2020, \$356,000 of the general fund—state appropriation for fiscal year 2021, and \$643,000 of the general fund—federal appropriation are provided solely to increase rates for assisted living facility providers consistent with chapter 225, Laws of 2018 (SHB 2515) and for a rate add-on to providers that serve sixty percent or more medicaid clients.

(t) \$193,000 of the general fund—state appropriation for fiscal year 2020, \$385,000 of the general fund—state appropriation for fiscal year 2021, and \$654,000 of the general fund—federal appropriation are provided solely for a ten percent rate increase, effective January 1, 2020, for nurse delegation, private duty nursing, and supported living nursing services.

(u) \$3,490,000 of the general fund—local appropriation and \$3,490,000 of the general fund—federal appropriation are provided solely to implement Senate Bill No. 5359 (residential services and supports). The annual certification renewal fee for community residential service businesses is \$847 per client in fiscal year 2020 and \$859 per client in fiscal year 2021. The annual certification renewal fee may not exceed the department's annual licensing and oversight activity costs. If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(v) Within amounts appropriated in this section, the developmental disabilities administration shall evaluate the availability of services for clients and families in rural areas, and develop recommendations for policies to maximize service delivery and increase client flexibility to self-direct service in rural areas. As part of its evaluation, the administration shall consider options to leverage federal funding through existing or new medicaid waiver agreements. The administration shall report its findings and recommendations to the legislature no later than December 1, 2019.

(w) The appropriations in this section include sufficient funding to implement Second Substitute Senate Bill No. 5672 (adult family hopes specialty services).

(x) The appropriations in this section include sufficient funding to implement Substitute House Bill No. 1023 (adult family homes/8 beds). A nonrefundable fee of \$455 shall be charged for each application to increase bed capacity at an adult family home to seven or eight beds.

(y) \$100,000 of the general fund—state appropriation for fiscal year 2020, \$95,000 of the general fund—state appropriation for fiscal year 2021, and \$195,000 of the general fund—federal appropriation are provided solely for discharge case managers stationed at the state psychiatric hospitals. Discharge case managers will transition clients ready for hospital discharge into less restrictive alternative community placements. The transition of clients ready for discharge will free up bed capacity at the state psychiatric hospitals.

(z) \$4,886,000 of the general fund—state appropriation for fiscal year 2020, \$7,150,000 of the general fund—state appropriation for fiscal year 2021, and \$11,894,000 of the general fund—federal appropriation are provided solely to

complete the three-year phase in of forty-seven clients from residential habilitation centers to state operated living alternatives.

(aa) \$2,279,000 of the general fund—state appropriation for fiscal year 2020, \$2,279,000 of the general fund—state appropriation for fiscal year 2021, and \$4,558,000 of the general fund—federal appropriation are provided solely for additional staffing resources for the transition of clients living in the intermediate care facilities at Rainier school, Fircrest school, and Lakeland village to state operated living alternatives to address deficiencies identified by the centers for medicare and medicaid services.

(bb) \$51,000 of the general fund—state appropriation for fiscal year 2020, \$54,000 of the general fund—state appropriation for fiscal year 2021, and \$134,000 of the general fund—federal appropriation are provided solely to increase the administrative rate for home care agencies by five cents per hour effective July 1, 2019.

(cc) \$1,798,000 of the general fund—state appropriation for fiscal year 2020, \$2,422,000 of the general fund—state appropriation for fiscal year 2021, and \$4,219,000 of the general fund—federal appropriation are provided solely for state-operated living alternative homes.

(i) Of the amounts provided in this subsection, \$480,000 of the general fund—state appropriation for fiscal year 2020, \$646,000 of the general fund—state appropriation for fiscal year 2021, and \$1,125,000 of the general fund—federal appropriation are provided solely to place residents in transition from the Rainier PAT A intermediate care facility.

(ii) Of the amounts provided in this subsection, \$420,000 of the general fund—state appropriation for fiscal year 2020, \$565,000 of the general fund—state appropriation for fiscal year 2021, and \$985,000 of the general fund—federal appropriation are provided solely to place developmental disability administration clients upon discharge from a hospital stay when the clients' previous providers are unable to manage the clients' care needs.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2020)	\$119,201,000
General Fund—State Appropriation (FY 2021)	\$120,511,000
General Fund—Federal Appropriation	\$233,122,000
General Fund—Private/Local Appropriation	\$27,041,000
Pension Funding Stabilization Account—State Appropriation	\$11,396,000
TOTAL APPROPRIATION	\$511,271,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) Individuals receiving services as supplemental security income (SSI) state supplemental payments may not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(b) \$495,000 of the general fund—state appropriation for fiscal year 2020 and \$495,000 of the general fund—state appropriation for fiscal year 2021 are for the department to fulfill its contracts with the school districts under chapter 28A.190 RCW to provide transportation, building space, and other support

services as are reasonably necessary to support the educational programs of students living in residential habilitation centers.

(c) The residential habilitation centers may use funds appropriated in this subsection to purchase goods, services, and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(d) \$830,000 of the general fund—state appropriation for fiscal year 2020 and \$135,000 of the general fund—federal appropriation are provided solely for the loss of federal revenue and the transition of residents due to the decertification of the Rainier school PAT A intermediate care facility by the centers for medicare and medicaid services in calendar year 2019. It is the intent of the legislature that the developmental disabilities administration complete the transitions of Rainier PAT A residents by September 2019.

(e) \$3,455,000 of the general fund—state appropriation for fiscal year 2020, \$3,455,000 of the general fund—state appropriation for fiscal year 2021, and \$6,910,000 of the general fund—federal appropriation are provided solely for additional staffing resources for clients living in the intermediate care facilities at Rainier school, Fircrest school, and Lakeland village to address deficiencies identified by the centers for medicare and medicaid services and to gather information for the 2020 legislative session that will support appropriate levels of care for residential habilitation center clients.

(i) The department of social and health services must contract with the William D. Ruckelshaus center or other neutral third party to continue the facilitation of meetings and discussions about how to support appropriate levels of care for residential habilitation center clients based on the clients' needs and ages. The options explored in the meetings and discussions must include, but are not limited to, the longer-term issues identified in the January 2019 report to the legislature, including shifting care and staffing needs, crisis stabilization, alternative uses of residential habilitation center campus, and transforming adult family homes. An agreed-upon preferred longer term vision must be included within a report to the office of financial management and appropriate fiscal and policy committees of the legislature before December 1, 2019. The report must describe the policy rationale, implementation plan, timeline, and recommended statutory changes for the preferred long-term vision.

(ii) The parties invited to participate in the meetings and discussions must include:

(A) One member from each of the two largest caucuses in the senate, who shall be appointed by the majority leader and minority leader of the senate;

(B) One member from each of the two largest caucuses in the house of representatives, who shall be appointed by the speaker and minority leader of the house of representatives;

(C) One member from the office of the governor, appointed by the governor;

(D) One member from the developmental disabilities council;

(E) One member from the ARC of Washington;

(F) One member from the Washington federation of state employees;

(G) One member from the service employees international union 1199;

(H) One member from the developmental disabilities administration within the department of social and health services;

(I) One member from the aging and long term support administration within the department of social and health services; and

(J) Two members who are family members or guardians of current residential habilitation center residents.

(K) Staff support for the work group must be provided by the department of social and health services.

(3) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2020)	\$2,558,000
General Fund—State Appropriation (FY 2021)	\$2,660,000
General Fund—Federal Appropriation	\$3,080,000
Pension Funding Stabilization Account—State Appropriation	\$270,000
TOTAL APPROPRIATION	\$8,568,000

(4) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2020)	\$62,000
General Fund—State Appropriation (FY 2021)	\$62,000
General Fund—Federal Appropriation	\$1,092,000
Pension Funding Stabilization Account—State Appropriation	\$4,000
TOTAL APPROPRIATION	\$1,220,000

*Sec. 203 was partially vetoed. See message at end of chapter.

***NEW SECTION. Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—AGING AND ADULT SERVICES PROGRAM**

General Fund—State Appropriation (FY 2020)	\$1,313,688,000
General Fund—State Appropriation (FY 2021)	\$1,454,323,000
General Fund—Federal Appropriation	\$3,465,113,000
General Fund—Private/Local Appropriation	\$37,765,000
Traumatic Brain Injury Account—State Appropriation	\$4,558,000
Skilled Nursing Facility Safety Net Trust Account— State Appropriation	\$133,360,000
Pension Funding Stabilization Account—State Appropriation	\$12,392,000
Long-Term Services and Supports Trust Account—State Appropriation	\$2,437,000
TOTAL APPROPRIATION	\$6,423,636,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate may not exceed \$220.37 for fiscal year 2020 and may not exceed \$251.49 for fiscal year 2021.

(b) The department shall provide a medicaid rate add-on to reimburse the medicaid share of the skilled nursing facility safety net assessment as a medicaid allowable cost. The nursing facility safety net rate add-on may not be included in the calculation of the annual statewide weighted average nursing facility payment rate.

(2) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and 43.135.055, the department is authorized to increase nursing facility, assisted living facility, and adult family home fees as necessary to fully support the actual

costs of conducting the licensure, inspection, and regulatory programs. The license fees may not exceed the department's annual licensing and oversight activity costs and shall include the department's cost of paying providers for the amount of the license fee attributed to medicaid clients.

(a) The current annual renewal license fee for adult family homes is \$225 per bed beginning in fiscal year 2020 and \$225 per bed beginning in fiscal year 2021. A processing fee of \$2,750 must be charged to each adult family home when the home is initially licensed. This fee is nonrefundable. A processing fee of \$700 shall be charged when adult family home providers file a change of ownership application.

(b) The current annual renewal license fee for assisted living facilities is \$116 per bed beginning in fiscal year 2020 and \$116 per bed beginning in fiscal year 2021.

(c) The current annual renewal license fee for nursing facilities is \$359 per bed beginning in fiscal year 2020 and \$359 per bed beginning in fiscal year 2021.

(3) The department is authorized to place long-term care clients residing in nursing homes and paid for with state-only funds into less restrictive community care settings while continuing to meet the client's care needs.

(4) \$1,858,000 of the general fund—state appropriation for fiscal year 2020 and \$1,857,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for operation of the volunteer services program. Funding must be prioritized towards serving populations traditionally served by long-term care services to include senior citizens and persons with disabilities.

(5) \$15,748,000 of the general fund—state appropriation for fiscal year 2020, \$33,024,000 of the general fund—state appropriation for fiscal year 2021, and \$62,298,000 of the general fund—federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw under the provisions of chapters 74.39A and 41.56 RCW for the 2019-2021 fiscal biennium.

(6) \$6,320,000 of the general fund—state appropriation for fiscal year 2020, \$13,142,000 of the general fund—state appropriation for fiscal year 2021, and \$24,768,000 of the general fund—federal appropriation are provided solely for the homecare agency parity impacts of the agreement between the governor and the service employees international union healthcare 775nw.

(7) \$5,094,000 of the general fund—state appropriation for fiscal year 2020 and \$5,094,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for services and support to individuals who are deaf, hard of hearing, or deaf-blind.

(8) The department may authorize a one-time waiver of all or any portion of the licensing and processing fees required under RCW 70.128.060 in any case in which the department determines that an adult family home is being relicensed because of exceptional circumstances, such as death or incapacity of a provider, and that to require the full payment of the licensing and processing fees would present a hardship to the applicant. In these situations the department is also granted the authority to waive the required residential administrator training for a period of 120 days if necessary to ensure continuity of care during the relicensing process.

(9) In accordance with RCW 18.390.030, the biennial registration fee for continuing care retirement communities shall be \$900 for each facility.

(10) \$479,000 of the general fund—state appropriation for fiscal year 2020 and \$479,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the kinship navigator program in the Colville Indian reservation, Yakama Nation, and other tribal areas.

(11) Within available funds, the aging and long term support administration must maintain a unit within adult protective services that specializes in the investigation of financial abuse allegations and self-neglect allegations.

(12) Within amounts appropriated in this subsection, the department shall assist the legislature to continue the work of the joint legislative executive committee on planning for aging and disability issues.

(a) A joint legislative executive committee on aging and disability is continued, with members as provided in this subsection.

(i) Four members of the senate, with the leaders of the two largest caucuses each appointing two members, and four members of the house of representatives, with the leaders of the two largest caucuses each appointing two members;

(ii) A member from the office of the governor, appointed by the governor;

(iii) The secretary of the department of social and health services or his or her designee;

(iv) The director of the health care authority or his or her designee;

(v) A member from disability rights Washington and a member from the office of long-term care ombuds;

(vi) The insurance commissioner or his or her designee, who shall serve as an ex officio member; and

(vii) Other agency directors or designees as necessary.

(b) The committee must make recommendations and continue to identify key strategic actions to prepare for the aging of the population in Washington, including state budget and policy options, and may conduct, but are not limited to, the following tasks:

(i) Identify strategies to better serve the health care needs of an aging population and people with disabilities to promote healthy living and palliative care planning;

(ii) Identify strategies and policy options to create financing mechanisms for long-term service and supports that allow individuals and families to meet their needs for service;

(iii) Identify policies to promote financial security in retirement, support people who wish to stay in the workplace longer, and expand the availability of workplace retirement savings plans;

(iv) Identify ways to promote advance planning and advance care directives and implementation strategies for the Bree collaborative palliative care and related guidelines;

(v) Identify ways to meet the needs of the aging demographic impacted by reduced federal support;

(vi) Identify ways to protect the rights of vulnerable adults through assisted decision-making and guardianship and other relevant vulnerable adult protections;

(vii) Identify options for promoting client safety through residential care services and consider methods of protecting older people and people with disabilities from physical abuse and financial exploitation; and

(viii) Identify other policy options and recommendations to help communities adapt to the aging demographic in planning for housing, land use, and transportation.

(c) Staff support for the committee shall be provided by the office of program research, senate committee services, the office of financial management, and the department of social and health services.

(d) Within existing appropriations, the cost of meetings must be paid jointly by the senate, house of representatives, and the office of financial management. Joint committee expenditures and meetings are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees. Meetings of the task force must be scheduled and conducted in accordance with the rules of both the senate and the house of representatives. The joint committee members may be reimbursed for travel expenses as authorized under RCW 43.03.050 and 43.03.060, and chapter 44.04 RCW as appropriate. Advisory committee members may not receive compensation or reimbursement for travel and expenses.

(13) \$315,000 of the general fund—state appropriation for fiscal year 2020, \$315,000 of the general fund—state appropriation for fiscal year 2021, and \$630,000 of the general fund—federal appropriation are provided solely for discharge case managers stationed at the state psychiatric hospitals. Discharge case managers will transition clients ready for hospital discharge into less restrictive alternative community placements. The transition of clients ready for discharge will free up bed capacity at the state psychiatric hospitals.

(14) \$135,000 of the general fund—state appropriation for fiscal year 2020, \$135,000 of the general fund—state appropriation for fiscal year 2021, and \$270,000 of the general fund—federal appropriation are provided solely for financial service specialists stationed at the state psychiatric hospitals. Financial service specialists will help to transition clients ready for hospital discharge into alternative community placements. The transition of clients ready for discharge will free up bed capacity at the state hospitals.

(15)(a) No more than \$102,880,000 of the general fund—federal appropriation may be expended for tailored support for older adults and medicaid alternative care described in initiative 2 of the medicaid transformation demonstration waiver under healthier Washington. The department shall not increase general fund—state expenditures on this initiative. The secretary in collaboration with the director of the health care authority shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The secretary in cooperation with the director shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(b) No more than \$2,525,000 of the general fund—federal appropriation may be expended for supported housing and employment services described in initiative 3a and 3b of the medicaid transformation demonstration waiver under healthier Washington. Under this initiative, the department and the health care authority shall ensure that allowable and necessary services are provided to

eligible clients as identified by the department or its providers third party administrator. The department and the authority in consultation with the medicaid forecast work group shall ensure that reasonable reimbursements are established for services deemed necessary within an identified limit per individual. The department shall not increase general fund—state expenditures under this initiative. The secretary in cooperation with the director shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes.

The secretary in cooperation with the director shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(16) \$13,303,000 of the general fund—state appropriation for fiscal year 2020, \$15,891,000 of the general fund—state appropriation for fiscal year 2021, and \$36,390,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the adult family home council under the provisions of chapter 41.56 RCW for the 2019-2021 fiscal biennium.

(17) \$40,000 of the general fund—state appropriation for fiscal year 2020, \$40,000 of the general fund—state appropriation for fiscal year 2021, and \$80,000 of the general fund—federal appropriation are provided solely for the department, in partnership with the department of health and the health care authority, to assist a collaborative public-private entity with implementation of recommendations in the state plan to address alzheimer's disease and other dementias.

(18) \$428,000 of the general fund—state appropriation for fiscal year 2020, \$446,000 of the general fund—state appropriation for fiscal year 2021, and \$896,000 of the general fund—federal appropriation are provided solely for case managers at the area agencies on aging to coordinate care for medicaid clients with mental illness who are living in their own homes. Work shall be accomplished within existing standards for case management and no requirements will be added or modified unless by mutual agreement between the department of social and health services and area agencies on aging.

(19) \$117,000 of the general fund—state appropriation for fiscal year 2020 and \$116,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to contract with an organization to provide educational materials, legal services, and attorney training to support persons with dementia. The funding provided in this subsection must be used for:

(a) An advance care and legal planning toolkit for persons and families living with dementia, designed and made available online and in print. The toolkit should include educational topics including, but not limited to:

- (i) The importance of early advance care, legal, and financial planning;
- (ii) The purpose and application of various advance care, legal, and financial documents;
- (iii) Dementia and capacity;
- (iv) Long-term care financing considerations;
- (v) Elder and vulnerable adult abuse and exploitation;
- (vi) Checklists such as "legal tips for caregivers," "meeting with an attorney," and "life and death planning;"

(vii) Standardized forms such as general durable power of attorney forms and advance health care directives; and

(viii) A selected list of additional resources.

(b) Webinars about the dementia legal and advance care planning toolkit and related issues and topics with subject area experts. The subject area expert presenters must provide their services in-kind, on a volunteer basis.

(c) Continuing legal education programs for attorneys to advise and assist persons with dementia. The continuing education programs must be offered at no cost to attorneys who make a commitment to participate in the pro bono program.

(d) Administrative support costs to develop intake forms and protocols, perform client intake, match participating attorneys with eligible clients statewide, maintain records and data, and produce reports as needed.

(20) \$18,000 of the traumatic brain injury account—state appropriation is provided solely to implement Substitute House Bill No. 1532 (domestic violence TBIs). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(21) \$543,000 of the general fund—state appropriation for fiscal year 2020 and \$543,000 of the general fund—federal appropriation are provided solely to begin implementing an asset verification system that is compliant with the federal medicaid extenders act by January 1, 2021 and is subject to the conditions, limitation, and review provided in section 719 of this act. Of the amounts provided in this subsection, \$75,000 of the general fund—state appropriation in fiscal year 2020 and \$75,000 of the general fund—federal appropriation are provided solely for a feasibility study of information technology solutions for an asset verification system. The feasibility study shall consider the department's existing case management systems that may be required to interface with the asset verification system. The department shall work with the health care authority to develop a long-term strategy for an asset verification system that complies with federal requirements, maximizes efficient use of staff time, supports accurate client financial eligibility determinations, and incorporates relevant findings from the feasibility study, and shall report its findings and recommendation to the governor and appropriate legislative committees no later than December 1, 2019.

(22) \$2,437,000 of the long-term services and supports trust account—state appropriation is provided solely to implement Second Substitute House Bill No. 1087 (long-term services and support). Of the amounts provided in this subsection, \$217,000 is provided solely for a contract with the state actuary. If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(23) \$2,373,000 of the general fund—state appropriation for fiscal year 2020, \$2,459,000 of the general fund—state appropriation for fiscal year 2021, and \$6,215,000 of the general fund-federal appropriation are provided solely to assist home care agencies with implementing electronic visit verification systems that are compliant with the federal 21st century cures act no later than January 1, 2020.

(24) \$727,000 of the general fund—state appropriation for fiscal year 2020, \$1,455,000 of the general fund—state appropriation for fiscal year 2021, and \$2,469,000 of the general fund—federal appropriation are provided solely for a

ten percent rate increase, effective January 1, 2020, for in-home skilled nursing services, nurse delegation, in-home private duty nursing, and adult family home private duty nursing.

(25) \$3,353,000 of the general fund—local appropriation and \$1,055,000 of the general fund—federal appropriation are provided solely to implement Senate Bill No. 5359 (residential services and supports). The annual certification renewal fee for community residential service businesses is \$847 per client in fiscal year 2020 and \$859 per client in fiscal year 2021. The annual certification renewal fee may not exceed the department's annual licensing and oversight activity costs. If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(26) \$17,481,000 of the general fund—state appropriation for fiscal year 2020, \$28,471,000 of the general fund—state appropriation for fiscal year 2021, and \$41,031,000 of the general fund—federal appropriation are provided solely to continue community alternative placement beds that prioritize the transition of clients who are ready for discharge from the state psychiatric hospitals, but who have additional long-term care or developmental disability needs.

(a) Community alternative placement beds include enhanced service facility beds, adult family home beds, skilled nursing facility beds, shared supportive housing beds, state operated living alternative beds, assisted living facility beds, and specialized dementia beds.

(b) Each client must receive an individualized assessment prior to leaving one of the state psychiatric hospitals. The individualized assessment must identify and authorize personal care, nursing care, behavioral health stabilization, physical therapy, or other necessary services to meet the unique needs of each client. It is the expectation that, in most cases, staffing ratios in all community alternative placement options described in (a) of this subsection will need to increase to meet the needs of clients leaving the state psychiatric hospitals. If specialized training is necessary to meet the needs of a client before he or she enters a community placement, then the person centered service plan must also identify and authorize this training.

(c) When reviewing placement options, the department must consider the safety of other residents, as well as the safety of staff, in a facility. An initial evaluation of each placement, including any documented safety concerns, must occur within thirty days of a client leaving one of the state psychiatric hospitals and entering one of the community placement options described in (a) of this subsection. At a minimum, the department must perform two additional evaluations of each placement during the first year that a client has lived in the facility.

(d) In developing bed capacity, the department shall consider the complex needs of individuals waiting for discharge from the state psychiatric hospitals.

(27) \$1,344,000 of the general fund—state appropriation for fiscal year 2020 and \$1,344,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the kinship care support program.

(28) \$306,000 of the general fund—state appropriation for fiscal year 2020, \$317,000 of the general fund—state appropriation for fiscal year 2021, and \$794,000 of the general fund—federal appropriation are provided solely to increase the administrative rate for home care agencies by five cents per hour effective July 1, 2019.

(29) \$94,000 of the general fund—state appropriation for fiscal year 2020 and \$94,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to establish a pilot project to provide personal care services to homeless seniors and persons with disabilities from the time the person presents at a shelter to the time the person becomes eligible for medicaid personal care services.

(a) The department shall contract with a single nonprofit organization that provides personal care services to homeless persons and operates a twenty-four hour homeless shelter, and that is currently partnering with the department to bring medicaid personal care services to homeless seniors and persons with disabilities.

(b) The department shall submit a report by December 1, 2020, to the governor and appropriate legislative committees. The report shall address findings and outcomes of the pilot and recommendations.

(30) Within existing resources, the department shall convene a work group to establish the requirements and regulations for a pediatric skilled nursing facility for temporary admittance of medically fragile children with complex medical conditions. The work group members must include a representative from the department of social and health services, the department of health, the department of children, youth, and families, and the health care authority. The work group may include community experts knowledgeable about children with complex and acute medical conditions and their families. The work group shall submit a report of its findings and recommendations to the governor and appropriate committees of the legislature by December 15, 2019.

(31) \$3,669,000 of the general fund—state appropriation for fiscal year 2020, \$8,543,000 of the general fund—state appropriation for fiscal year 2021, and \$15,434,000 of the general fund—federal appropriation are provided solely to increase rates for assisted living facility providers consistent with chapter 225, Laws of 2018 (SHB 2515) and to provide a rate add-on to providers that serve sixty percent or more medicare clients.

(32) \$375,000 of the general fund—state appropriation for fiscal year 2020, \$375,000 of the general fund—state appropriation for fiscal year 2021, and \$750,000 of the general fund—federal appropriation are provided solely to increase rates for adult day health and adult day care providers effective July 1, 2019.

(33) The appropriations in this section include sufficient funding for the implementation of Second Substitute Senate Bill No. 5672 (adult family homes specialty services).

(34) \$78,000 of the general fund—private/local appropriation is provided solely to implement Substitute House Bill No. 1023 (adult family homes/8 beds). A nonrefundable fee of \$455 must be charged for each application to increase bed capacity at an adult family home to seven or eight beds.

**Sec. 204 was partially vetoed. See message at end of chapter.*

***NEW SECTION. Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ECONOMIC SERVICES PROGRAM**

General Fund—State Appropriation (FY 2020)	\$362,649,000
General Fund—State Appropriation (FY 2021)	\$365,538,000
General Fund—Federal Appropriation	\$1,453,819,000

General Fund—Private/Local Appropriation	\$5,416,000
Domestic Violence Prevention Account—State Appropriation.	\$2,404,000
Pension Funding Stabilization Account—State Appropriation.	\$26,754,000
Administrative Contingency Account—State Appropriation.	\$4,000,000
TOTAL APPROPRIATION	\$2,220,580,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) \$77,346,000 of the general fund—state appropriation for fiscal year 2020, \$74,058,000 of the general fund—state appropriation for fiscal year 2021, \$808,761,000 of the general fund—federal appropriation, \$4,000,000 of the administrative contingency account—state appropriation, and \$5,662,000 of the pension funding stabilization account—state 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. The department must create a WorkFirst budget structure that allows for transparent tracking of budget units and subunits of expenditures where these units and subunits are mutually exclusive from other department budget units. The budget structure must include budget units for the following: Cash assistance, child care, WorkFirst activities, and administration of the program. Within these budget units, the department must develop program index codes for specific activities and develop allotments and track expenditures using these codes. The department shall report to the office of financial management and the relevant fiscal and policy committees of the legislature prior to adopting a structure change.

(b)(i) \$266,668,000 of the amounts in (a) of this subsection is for assistance to clients, including grants, diversion cash assistance, and additional diversion emergency assistance including but not limited to assistance authorized under RCW 74.08A.210. The department may use state funds to provide support to working families that are eligible for temporary assistance for needy families but otherwise not receiving cash assistance.

(ii) Of the amounts in (a) of this subsection, \$1,213,000 of the general fund—state appropriation for fiscal year 2020 and \$989,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1603 (economic assistance programs). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(c)(i) \$158,316,000 of the amounts in (a) of this subsection is for WorkFirst job search, education and training activities, barrier removal services, limited English proficiency services, and tribal assistance under RCW 74.08A.040. The department must allocate this funding based on client outcomes and cost effectiveness measures. Within amounts provided in this subsection (1)(c), the department shall implement the working family support program.

(ii) \$2,430,000 of the amounts provided in this subsection (1)(c) is for enhanced transportation assistance. The department must prioritize the use of

these funds for the recipients most in need of financial assistance to facilitate their return to work. The department must not utilize these funds to supplant repayment arrangements that are currently in place to facilitate the reinstatement of drivers' licenses.

(iii) Of the amounts in (a) of this subsection, \$864,000 of the general fund—state appropriation for fiscal year 2020 and \$649,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1603 (economic assistance programs). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(d)(i) \$353,402,000 of the general fund—federal appropriation is for the working connections child care program under RCW 43.216.020 within the department of children, youth, and families. The department is the lead agency for and recipient of the federal temporary assistance for needy families grant. A portion of this grant must be used to fund child care subsidies expenditures at the department of children, youth, and families. The department shall work in collaboration with the department of children, youth, and families to track the average monthly child care subsidy caseload and expenditures by fund type including the child care development fund, general fund—state, and the temporary assistance for needy families grant for the purpose of estimating the monthly temporary assistance for needy families grant reimbursement.

(ii) The department, within existing appropriations, must ensure quality control measures for the working connections child care program by maximizing the use of information technology systems and the development or modification of the application and standard operating procedures to ensure that cases are:

(A) Appropriately and accurately processed; and

(B) Routinely monitored for eligibility in a manner that is similar to processes and systems currently in place for regular monitoring in other public assistance programs. Eligibility criteria routinely monitored must include, at a minimum:

(I) Participation in work or other approved activities;

(II) Household composition; and

(III) Maximum number of subsidized child care hours authorized.

(e) \$68,496,000 of the general fund—federal appropriation is for child welfare services within the department of children, youth, and families.

(f)(i) \$122,945,000 of the amounts in (1)(a) of this section is for WorkFirst administration and overhead.

(ii) Of the amounts in (a) of this subsection, \$218,000 of the general fund—state appropriation for fiscal year 2020 and \$39,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1603 (economic assistance programs). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(g) The amounts in subsections (1)(b) through (e) of this section shall be expended for the programs and in the amounts specified. However, the department may transfer up to ten percent of funding between subsections (1)(b) through (f) of this section. The department shall provide notification prior to any transfer to the office of financial management and to the appropriate legislative

committees and the legislative-executive WorkFirst poverty reduction oversight task force. The approval of the director of financial management is required prior to any transfer under this subsection.

(h) Each calendar quarter, the department shall provide a maintenance of effort and participation rate tracking report for temporary assistance for needy families to the office of financial management, the appropriate policy and fiscal committees of the legislature, and the legislative-executive WorkFirst poverty reduction oversight task force. The report must detail the following information for temporary assistance for needy families:

(i) An overview of federal rules related to maintenance of effort, excess maintenance of effort, participation rates for temporary assistance for needy families, and the child care development fund as it pertains to maintenance of effort and participation rates;

(ii) Countable maintenance of effort and excess maintenance of effort, by source, provided for the previous federal fiscal year;

(iii) Countable maintenance of effort and excess maintenance of effort, by source, for the current fiscal year, including changes in countable maintenance of effort from the previous year;

(iv) The status of reportable federal participation rate requirements, including any impact of excess maintenance of effort on participation targets;

(v) Potential new sources of maintenance of effort and progress to obtain additional maintenance of effort;

(vi) A two-year projection for meeting federal block grant and contingency fund maintenance of effort, participation targets, and future reportable federal participation rate requirements; and

(vii) Proposed and enacted federal law changes affecting maintenance of effort or the participation rate, what impact these changes have on Washington's temporary assistance for needy families program, and the department's plan to comply with these changes.

(j) In the 2019-2021 fiscal biennium, it is the intent of the legislature to provide appropriations from the state general fund for the purposes of (b) through (f) of this subsection if the department does not receive additional federal temporary assistance for needy families contingency funds in each fiscal year as assumed in the budget outlook.

(2) \$2,545,000 of the general fund—state appropriation for fiscal year 2020 and \$2,546,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for naturalization services.

(3) \$2,366,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for employment services for refugees and immigrants, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services; and \$2,366,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for employment services for refugees and immigrants, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services.

(4) On January 1, 2020, and annually thereafter, the department must report to the governor and the legislature on all sources of funding available for both refugee and immigrant services and naturalization services during the current

fiscal year and the amounts expended to date by service type and funding source. The report must also include the number of clients served and outcome data for the clients.

(5) To ensure expenditures remain within available funds appropriated in this section, the legislature establishes the benefit under the state food assistance program, pursuant to RCW 74.08A.120, to be one hundred percent of the federal supplemental nutrition assistance program benefit amount.

(6) The department shall review clients receiving services through the aged, blind, or disabled assistance program, to determine whether they 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.

(7) \$3,682,000 of the general fund—state appropriation for fiscal year 2020, \$1,344,000 of the general fund—state appropriation for fiscal year 2021, and \$10,333,000 of the general fund—federal appropriation are provided solely for the continuation of the ESAR project and are subject to the conditions, limitations, and review provided in section 719 of this act.

(8) The department shall continue the interagency agreement with the department of veterans' affairs to establish a process for referral of veterans who may be eligible for veterans' services. This agreement must include out-stationing department of veterans' affairs staff in selected community service office locations in King and Pierce counties to facilitate applications for veterans' services.

(9) \$1,000,000 of the general fund—state appropriation for fiscal year 2020 and \$1,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for operational support of the Washington information network 211 organization.

(10) \$996,000 of the general fund—state appropriation for fiscal year 2020 and \$775,000 of the general fund—federal appropriation are provided solely to begin implementing an asset verification system that is compliant with the federal medicaid extenders act by January 1, 2021.

(11) Within amounts appropriated in this section, the department must conduct a comprehensive study of the WorkFirst transportation pilot. The department must submit a report by November 1, 2020, to the governor and the appropriate fiscal and policy committees that includes a cost benefit analysis of the transportation pilot. At a minimum, the report must include the total annual cost of the pilot since implementation, total annual number of clients accessing transportation services through the pilot, impacts to sanctions and the participation rate, employment outcomes, caseload impacts, department recommendations, and lessons learned.

**Sec. 205 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—VOCATIONAL REHABILITATION PROGRAM

General Fund—State Appropriation (FY 2020)	\$16,656,000
General Fund—State Appropriation (FY 2021)	\$17,605,000
General Fund—Federal Appropriation	\$109,571,000
Pension Funding Stabilization Account—State Appropriation	\$2,024,000

TOTAL APPROPRIATION \$145,856,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The department of social and health services vocational rehabilitation program shall participate in the development of an implementation plan to build statewide capacity among school districts to improve transition planning for students in special education who meet criteria for services from the developmental disabilities administration, pursuant to section 501(3)(c) of this act.

(2) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for supported employment services for additional eligible clients with the most significant disabilities who would otherwise be placed on the federally required order of selection waiting list.

NEW SECTION. Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—SPECIAL COMMITMENT PROGRAM

General Fund—State Appropriation (FY 2020) \$53,965,000
General Fund—State Appropriation (FY 2021) \$54,800,000
Pension Funding Stabilization Account—State
Appropriation \$4,580,000
TOTAL APPROPRIATION \$113,345,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The special commitment center 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.

(2) \$705,000 of the general fund—state appropriation for fiscal year 2020 and \$784,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to expand its King county secure transition facility from six beds to twelve beds beginning January 1, 2020.

(3) \$225,000 of the general fund—state appropriation for fiscal year 2020 and \$210,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to hire staff to provide medical transportation and hospital watch services for individuals in need of medical care outside the main facility.

(4) \$158,000 of the general fund—state appropriation for fiscal year 2020 and \$152,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to hire an administrator to coordinate siting efforts for new secure community transition facilities to house individuals transitioning to the community from the main facility.

NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADMINISTRATION AND SUPPORTING SERVICES PROGRAM

General Fund—State Appropriation (FY 2020) \$31,403,000
General Fund—State Appropriation (FY 2021) \$32,427,000
General Fund—Federal Appropriation \$44,592,000
Pension Funding Stabilization Account—State

Appropriation.....	\$6,044,000
TOTAL APPROPRIATION.....	\$114,466,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Within amounts appropriated in this section, the department shall provide to the department of health, where available, the following data for all nutrition assistance programs funded by the United States department of agriculture and administered by the department. The department must provide the report for the preceding federal fiscal year by February 1, 2020, and February 1, 2021. The report must provide:

- (a) The number of people in Washington who are eligible for the program;
- (b) The number of people in Washington who participated in the program;
- (c) The average annual participation rate in the program;
- (d) Participation rates by geographic distribution; and
- (e) The annual federal funding of the program in Washington.

(2) \$47,000 of the general fund—state appropriation for fiscal year 2020, \$47,000 of the general fund—state appropriation for fiscal year 2021, and \$142,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the Washington federation of state employees for the language access providers under the provisions of chapter 41.56 RCW for the 2019-2021 fiscal biennium.

NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—PAYMENTS TO OTHER AGENCIES PROGRAM

General Fund—State Appropriation (FY 2020).....	\$36,426,000
General Fund—State Appropriation (FY 2021).....	\$38,154,000
General Fund—Federal Appropriation.....	\$41,143,000
TOTAL APPROPRIATION.....	\$115,723,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Within the amounts appropriated in this section, the department must extend master property insurance to all buildings owned by the department valued over \$250,000 and to all locations leased by the department with contents valued over \$250,000.

(2) \$63,000 of the general fund—state appropriation for fiscal year 2020 and \$7,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5497 (immigrants in the workplace). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

NEW SECTION. Sec. 210. FOR THE STATE HEALTH CARE AUTHORITY

During the 2019-2021 fiscal biennium, the health care authority shall provide support and data as required by the office of the state actuary in providing the legislature with health care actuarial analysis, including providing any information in the possession of the health care authority or available to the health care authority through contracts with providers, plans, insurers, consultants, or any other entities contracting with the health care authority.

Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management, and authorization systems within the health care authority are subject to technical oversight by the office of the chief information officer.

The health care authority shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The health care authority 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 health care authority 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.

The health care authority, the health benefit exchange, the department of social and health services, the department of health, and the department of children, youth, and families shall work together within existing resources to establish the health and human services enterprise coalition (the coalition). The coalition, led by the health care authority, must be a multi-organization collaborative that provides strategic direction and federal funding guidance for projects that have cross-organizational or enterprise impact, including information technology projects that affect organizations within the coalition. By October 31, 2019, the coalition must submit a report to the governor and the legislature that describes the coalition's plan for projects affecting the coalition organizations. The report must include any information technology projects impacting coalition organizations and, in collaboration with the office of the chief information officer, provide: (1) The status of any information technology projects currently being developed or implemented that affect the coalition; (2) funding needs of these current and future information technology projects; and (3) next steps for the coalition's information technology projects. The office of the chief information officer shall maintain a statewide perspective when collaborating with the coalition to ensure that the development of projects identified in this report are planned for in a manner that ensures the efficient use of state resources and maximizes federal financial participation. The work of the coalition is subject to the conditions, limitations, and review provided in section 719 of this act.

NEW SECTION. Sec. 211. FOR THE STATE HEALTH CARE AUTHORITY—MEDICAL ASSISTANCE

General Fund—State Appropriation (FY 2020)	\$2,281,076,000
General Fund—State Appropriation (FY 2021)	\$2,325,882,000
General Fund—Federal Appropriation	\$11,597,642,000
General Fund—Private/Local Appropriation	\$285,918,000
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation	\$15,086,000

Hospital Safety Net Assessment Account—State	
Appropriation	\$721,718,000
Medicaid Fraud Penalty Account—State Appropriation	\$10,364,000
Dedicated Marijuana Account—State	
Appropriation (FY 2020)	\$18,951,000
Dedicated Marijuana Account—State	
Appropriation (FY 2021)	\$19,341,000
Pension Funding Stabilization Account—State	
Appropriation	\$4,544,000
Medical Aid Account—State Appropriation	\$538,000
TOTAL APPROPRIATION	\$17,281,060,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The authority shall not accept or expend any federal funds received under a medicaid transformation waiver under healthier Washington except as described in subsections (2) and (3) of this section until specifically approved and appropriated by the legislature. To ensure compliance with legislative directive budget requirements and terms and conditions of the waiver, the authority shall implement the waiver and reporting requirements with oversight from the office of financial management. The legislature finds that appropriate management of the innovation waiver requires better analytic capability, transparency, consistency, timeliness, accuracy, and lack of redundancy with other established measures and that the patient must be considered first and foremost in the implementation and execution of the demonstration waiver. In order to effectuate these goals, the authority shall: (a) Require the Dr. Robert Bree collaborative and the health technology assessment program to reduce the administrative burden upon providers by only requiring performance measures that are nonduplicative of other nationally established measures. The joint select committee on health care oversight will evaluate the measures chosen by the collaborative and the health technology assessment program for effectiveness and appropriateness; (b) develop a patient satisfaction survey with the goal to gather information about whether it was beneficial for the patient to use the center of excellence location in exchange for additional out-of-pocket savings; (c) ensure patients and health care providers have significant input into the implementation of the demonstration waiver, in order to ensure improved patient health outcomes; and (d) in cooperation with the department of social and health services, consult with and provide notification of work on applications for federal waivers, including details on waiver duration, financial implications, and potential future impacts on the state budget, to the joint select committee on health care oversight prior to submitting waivers for federal approval. By federal standard, the medicaid transformation demonstration waiver shall not exceed the duration originally granted by the centers for medicare and medicaid services and any programs created or funded by this waiver do not create an entitlement. Beginning May 15, 2019, and continuing through December 15, 2019, by the 15th of each month, the director in consultation with the secretary shall report to the fiscal chair of the appropriate committees of the legislature in the manner and form requested the status of the medicaid transformation waiver, including any anticipated or proposed changes to accruals or expenditures.

(2) No more than \$305,659,000 of the general fund—federal appropriation and no more than \$157,284,000 of the general fund—local appropriation may be expended for transformation through accountable communities of health described in initiative 1 of the medicaid transformation demonstration waiver under healthier Washington, including preventing youth drug use, opioid prevention and treatment, and physical and behavioral health integration. Under this initiative, the authority shall take into account local input regarding community needs. In order to ensure transparency to the appropriate fiscal committees of the legislature, the authority shall provide fiscal staff of the legislature query ability into any database of the fiscal intermediary that authority staff would be authorized to access. The authority shall not increase general fund—state expenditures under this initiative. The director shall also report to the fiscal committees of the legislature all of the expenditures under this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees. By December 15, 2019, the authority in collaboration with each accountable community of health shall demonstrate how it will be self-sustaining by the end of the demonstration waiver period, including sources of outside funding, and provide this reporting to the joint select committee on health care oversight. If by the third year of the demonstration waiver there are not measurable, improved patient outcomes and financial returns, the Washington state institute for public policy will conduct an audit of the accountable communities of health, in addition to the process set in place through the independent evaluation required by the agreement with centers for medicare and medicaid services.

(3) No more than \$79,829,000 of the general fund—federal appropriation may be expended for supported housing and employment services described in initiative 3a and 3b of the medicaid transformation demonstration waiver under healthier Washington. Under this initiative, the authority and the department of social and health services shall ensure that allowable and necessary services are provided to eligible clients as identified by the department or its third party administrator. The authority and the department in consultation with the medicaid forecast work group, shall ensure that reasonable reimbursements are established for services deemed necessary within an identified limit per individual. The authority shall not increase general fund—state expenditures under this initiative. The director shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The director shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(4) Annually, no later than November 1st, the authority shall report to the governor and appropriate committees of the legislature: (a) Savings attributed to behavioral and physical integration in areas that are scheduled to integrate in the following calendar year, and (b) savings attributed to behavioral and physical health integration and the level of savings achieved in areas that have integrated behavioral and physical health.

(5) Sufficient amounts are appropriated in this subsection to implement the medicaid expansion as defined in the social security act, section 1902(a)(10)(A)(i)(VIII).

(6) The legislature finds that medicaid payment rates, as calculated by the health care authority pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that the cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

(7) Based on quarterly expenditure reports and caseload forecasts, if the health care authority estimates that expenditures for the medical assistance program will exceed the appropriations, the health care authority 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.

(8) In determining financial eligibility for medicaid-funded services, the health care authority is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.

(9) 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.

(10) When a person is ineligible for medicaid solely by reason of residence in an institution for mental diseases, the health care authority 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) \$4,261,000 of the general fund—state appropriation for fiscal year 2020, \$4,261,000 of the general fund—state appropriation for fiscal year 2021, and \$8,522,000 of the general fund—federal appropriation are provided solely for low-income disproportionate share hospital payments.

(12) Within the amounts appropriated in this section, the health care authority shall provide disproportionate share hospital payments to hospitals that provide services to children in the children's health program who are not eligible for services under Title XIX or XXI of the federal social security act due to their citizenship status.

(13) \$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. The supplemental payments are subject to retrospective interim and final cost settlements based on the nursing homes' as-filed and final medicare cost reports. The timing of the interim and final cost settlements shall be at the health care authority's discretion. During either the interim cost settlement or the final cost

settlement, the health care authority shall recoup from the public hospital districts the supplemental payments that exceed the medicaid cost limit and/or the medicare upper payment limit. The health care authority shall apply federal rules for identifying the eligible incurred medicaid costs and the medicare upper payment limit.

(14) The health care authority shall continue the inpatient hospital certified public expenditures program for the 2019-2021 fiscal 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 health care authority shall submit reports to the governor and legislature by November 1, 2020, and by November 1, 2021, that evaluate whether savings continue to exceed costs for this program. If the certified public expenditures (CPE) program in its current form is no longer cost-effective to maintain, the health care authority 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 2020 and fiscal year 2021, hospitals in the program shall be paid and shall retain 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 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. The baseline amount will be determined by the total of (a) the inpatient claim payment amounts that would have been paid during the fiscal year had the hospital not been in the CPE program based on the reimbursement rates developed, implemented, and consistent with policies approved in the 2019-2021 biennial operating appropriations act and in effect on July 1, 2015, (b) one-half of the indigent assistance disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005, and (c) all of the other disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005 to the extent the same disproportionate share hospital programs exist in the 2019-2021 fiscal biennium. 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 distributed in monthly payments. The grants will be recalculated and redistributed as the baseline is updated during the fiscal year. The grant payments are subject to an interim settlement within eleven months after the end of the fiscal year. A final settlement shall be performed. To the extent that either settlement determines that a hospital has received funds in excess of what it would have received as described in this subsection, the hospital must repay the excess amounts to the state when requested. \$537,000 of the general fund—state appropriation for

fiscal year 2020 and \$522,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for state grants for the participating hospitals.

(15) The health care authority shall seek public-private partnerships and federal funds that are or may become available to provide on-going support for outreach and education efforts under the federal children's health insurance program reauthorization act of 2009.

(16) The health care authority shall target funding for maternity support services towards pregnant women with factors that lead to higher rates of poor birth outcomes, including hypertension, a preterm or low birth weight birth in the most recent previous birth, a cognitive deficit or developmental disability, substance abuse, severe mental illness, unhealthy weight or failure to gain weight, tobacco use, or African American or Native American race. The health care authority shall prioritize evidence-based practices for delivery of maternity support services. To the extent practicable, the health care authority shall develop a mechanism to increase federal funding for maternity support services by leveraging local public funding for those services.

(17) The authority shall submit reports to the governor and the legislature by September 15, 2020, and no later than September 15, 2021, that delineate the number of individuals in medicaid managed care, by carrier, age, gender, and eligibility category, receiving preventative services and vaccinations. The reports should include baseline and benchmark information from the previous two fiscal years and should be inclusive of, but not limited to, services recommended under the United States preventative services task force, advisory committee on immunization practices, early and periodic screening, diagnostic, and treatment (EPSDT) guidelines, and other relevant preventative and vaccination medicaid guidelines and requirements.

(18) Managed care contracts must incorporate accountability measures that monitor patient health and improved health outcomes, and shall include an expectation that each patient receive a wellness examination that documents the baseline health status and allows for monitoring of health improvements and outcome measures.

(19) Sufficient amounts are appropriated in this section for the authority to provide an adult dental benefit.

(20) The health care authority shall coordinate with the department of social and health services to provide referrals to the Washington health benefit exchange for clients that will be ineligible for medicaid.

(21) To facilitate a single point of entry across public and medical assistance programs, and to maximize the use of federal funding, the health care authority, the department of social and health services, and the health benefit exchange will coordinate efforts to expand HealthPlanfinder access to public assistance and medical eligibility staff. The health care authority shall complete medicaid applications in the HealthPlanfinder for households receiving or applying for medical assistance benefits.

(22) \$90,000 of the general fund—state appropriation for fiscal year 2020, \$90,000 of the general fund—state appropriation for fiscal year 2021, and \$180,000 of the general fund—federal appropriation are provided solely to continue operation by a nonprofit organization of a toll-free hotline that assists families to learn about and enroll in the apple health for kids program.

(23) Within the amounts appropriated in this section, the authority shall reimburse for primary care services provided by naturopathic physicians.

(24) Within the amounts appropriated in this section, the authority shall continue to provide coverage for pregnant teens that qualify under existing pregnancy medical programs, but whose eligibility for pregnancy related services would otherwise end due to the application of the new modified adjusted gross income eligibility standard.

(25) Sufficient amounts are appropriated in this section to remove the mental health visit limit and to provide the shingles vaccine and screening, brief intervention, and referral to treatment benefits that are available in the medicaid alternative benefit plan in the classic medicaid benefit plan.

(26) The authority shall use revenue appropriated from the dedicated marijuana fund for contracts with community health centers under RCW 69.50.540 in lieu of general fund—state payments to community health centers for services provided to medical assistance clients, and it is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

(27) Beginning no later than January 1, 2018, for any service eligible under the medicaid state plan for encounter payments, managed care organizations at the request of a rural health clinic shall pay the full published encounter rate directly to the clinic. At no time will a managed care organization be at risk for or have any right to the supplemental portion of the claim. Payments will be reconciled on at least an annual basis between the managed care organization and the authority, with final review and approval by the authority.

(28) Sufficient funds are provided for the authority to remove payment and billing limitations identified during the review process required for implementation of chapter 226, Laws of 2017 (behavioral health care - primary care integration) for health and behavior codes, psychotherapy codes, and to continue to offer face-to-face tobacco cessation counseling only for pregnant individuals. Additional funding is provided to increase the rates for the health and behavior codes and psychotherapy codes identified through the stakeholder work group process required under chapter 226, Laws of 2017 (SSB 5779) by ten percent.

(29) By October 15, 2019, the authority shall report to the governor and relevant committees of the legislature the status of rural health clinic reconciliations for calendar years 2011-2013, including any use of available unliquidated prior period accrual balances to refund the federal government for those calendar years. Additionally, the report shall include the status of rural health clinic reconciliations for calendar years 2014-2017, including anticipated amounts owed to or from rural health clinics from the reconciliation process for those fiscal years. The authority shall not recover the state portion of rural health reconciliations for calendar years 2011-2013 for which no general fund state accrual was made. The authority shall not pursue recoveries for calendar years 2014-2017 until after the legislature has an opportunity to take action during the 2020 legislative session. If the legislature does not take any action on rural health clinic reconciliations for calendar years 2014-2017, recoveries shall commence per administrative rule.

(30) Sufficient amounts are appropriated in this section for the authority to provide a medicaid equivalent adult dental benefit to clients enrolled in the medical care service program.

(31) \$300,000 of the general fund—state appropriation for fiscal year 2020 and \$300,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Bree collaborative to support collaborative learning and targeted technical assistance for quality improvement initiatives. The collaborative must use these amounts to hire one full-time staff person to promote the adoption of Bree collaborative recommendations and to hold two conferences focused on the sharing of best implementation practices.

(32) Within the amounts appropriated in this section, the authority shall reimburse for maternity support services provided by doulas.

(33) The authority shall facilitate a home health work group consisting of home health provider associations, hospital associations, managed care organizations, the department of social and health services, and the department of health to develop a new medicaid payment methodology for home health services. The authority must submit a report with final recommendations and a proposed implementation timeline to the appropriate committees of the legislature by November 30, 2019. The work group must consider the following when developing the new payment methodology:

- (a) Reimbursement for telemedicine;
- (b) Reimbursement for social work for clients with behavioral health needs;
- (c) An additional add-on for services in rural or underserved areas;
- (d) Quality metrics for home health providers serving medical assistance clients including reducing hospital readmission;
- (e) The role of home health in caring for individuals with complex, physical, and behavioral health needs who are able to receive care in their own home, but are unable to be discharged from hospital settings; and

(f) Partnerships between home health and other community resources that enable individuals to be served in a cost-effective setting that also meets the individual's needs and preferences.

(34) \$969,000 of the general fund—state appropriation for fiscal year 2020, \$2,607,000 of the general fund—state appropriation for fiscal year 2021, and \$1,268,000 of the general fund—federal appropriation are provided solely to create and operate a tele-behavioral health video call center staffed by the University of Washington's department of psychiatry and behavioral sciences. The center must provide emergency department providers, primary care providers, and county and municipal correctional facility providers with on-demand access to psychiatric and substance use disorder clinical consultation. When clinically appropriate and technically feasible, the clinical consultation may also involve direct assessment of patients using tele-video technology. The center must be available from 8 a.m. to 5 p.m. in fiscal year 2020 and twenty-four hours a day in fiscal year 2021. Of the federal amounts provided in this subsection, \$700,000 is from the substance abuse prevention and treatment federal block grant and is to support addiction medicine services through the call center.

(35) \$300,000 of the general fund—federal appropriation, from the substance abuse prevention and treatment federal block grant amount, is provided solely for medication interaction services through the Washington state poison center.

(36) Within the amounts appropriated in this section, the authority shall review the current diagnosis-related group high outlier claim policies and

examine the impact of increasing the current high outlier threshold. To the extent necessary, the authority shall seek actuarial support for this work. The authority must provide a report to the appropriate committees of the legislature by December 31, 2019, that:

(a) Outlines several options for increasing the threshold;

(b) Describes the impact of these options on hospitals, the state, and medicaid managed care organizations; and

(c) Identifies any technical challenge or limitations of changes to the threshold.

(37) Within the amounts appropriated in this section, the authority to include allergen control bed and pillow covers as part of the durable medical equipment benefit for children with an asthma diagnosis enrolled in medical assistance programs.

(38) Sufficient amounts are appropriated in this section to increase the hourly rate by ten percent for registered nurses and licensed practical nurses providing skilled nursing services for children who require medically intensive care in a home setting. This rate increase begins on January 1, 2020.

(39) Sufficient amounts are appropriated in this section to increase the daily rate by ten percent for registered nurses and licensed practical nurses providing skilled nursing services to medically intensive children's program clients who reside in a group home setting. This rate increase begins on January 1, 2020.

(40) \$400,000 of the general fund—state appropriation for fiscal year 2020 is provided solely to implement Engrossed Substitute Senate Bill No. 5526 (individual health insurance market). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(41) \$22,000 of the general fund—state appropriation for fiscal year 2020, \$159,000 of the general fund—state appropriation for fiscal year 2021, and \$181,000 of the general fund—federal appropriation are provided solely to implement Substitute House Bill No. 1199 (health care/disability). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(42) \$290,000 of the general fund—state appropriation for fiscal year 2020 and \$165,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to implement Engrossed Second Substitute House Bill No. 1224 (Rx drug cost transparency). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(43) \$1,053,000 of the general fund—state appropriation for fiscal year 2020 and \$2,222,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to implement Engrossed Substitute Senate Bill No. 5741 (all payer claims database). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(44) \$2,374,000 of the general fund—state appropriation for fiscal year 2020 and \$2,374,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the kidney disease program.

(45) The authority shall work with the department of health, other state agencies, and other hepatitis C virus medication purchasers to establish a comprehensive procurement strategy. As part of this work, the authority shall estimate, by program, any savings that will result from lower medication costs. It is the intent of the legislature to evaluate reinvesting any savings to expand

treatment for individuals enrolled in state covered groups and to further the public health elimination effort during the 2020 legislative session. By October 31, 2019, the authority and department shall report to the governor and relevant committees of the legislature on:

- (a) The progress of the procurement;
- (b) The estimated savings resulting from lower medication costs;
- (c) Funding needed for public health interventions to eliminate the hepatitis C virus;
- (d) The current status of treatment; and
- (e) A plan to implement the elimination effort.

(46) \$50,000 of the general fund—state appropriation for fiscal year 2020 and \$533,000 for fiscal year 2021 are provided solely for implementation of Engrossed Senate Bill No. 5274 (pacific islanders dental). Open enrollment periods and special enrollment periods must be consistent with the enrollment periods for the COFA medical program, through the health benefit exchange, and program administration must be consistent with the pacific islander medical program. The first open-enrollment period for the COFA dental program must begin no later than November 1, 2020. The dental services must be consistent with the adult medicaid dental coverage, including state payment of premiums, out-of-pocket costs for covered benefits under the qualified dental plan, and costs for noncovered qualified dental plan benefits consistent with, but not to exceed, the medicaid adult dental coverage. If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(47) During the 2019-2021 biennium, sufficient amounts are provided in this section for the authority to provide services identical to those services covered by the Washington state family planning waiver program as of August 2018 to individuals who:

- (a) Are over nineteen years of age;
- (b) Are at or below two hundred and sixty percent of the federal poverty level as established in WAC 182-505-0100;
- (c) Are not covered by other public or private insurance; and
- (d) Need family planning services and are not currently covered by or eligible for another medical assistance program for family planning.

(48) \$282,000 of the general fund—state appropriation for fiscal year 2020 and \$754,000 of the general fund—federal appropriation are provided solely for the implementation of Senate Bill No. 5415 (Indian health improvement). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(49) \$3,150,000 of the general fund—state appropriation for fiscal year 2020 and \$3,500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to reimburse dental health aid therapists for services performed in tribal facilities for medicaid clients. The authority must leverage any federal funding that may become available as a result of appeal decisions from the centers for medicare and medicaid services.

(50) Sufficient amounts are appropriated within this section for the authority to incorporate the expected outcomes and criteria to measure the performance of service coordination organizations as provided in chapter 70.320 RCW into contracts with managed care organizations that provide services to clients. The authority is directed to:

(a) Contract with an external quality improvement organization to annually analyze the performance of managed care organizations providing services to clients under this chapter based on seven performance measures. The analysis required under this subsection must:

(i) Measure managed care performance in four common measures across each managed care organization, including:

(A) At least one common measure must be weighted towards having the potential to impact managed care costs; and

(B) At least one common measure must be weighted towards population health management, as defined by the measure; and

(ii) Measure managed care performance in an additional three quality focus performance measures specific to a managed care organization. Quality focus performance measures chosen by the authority must:

(A) Be chosen from the statewide common measure set;

(B) Reflect specific measures where a managed care organization has poor performance; and

(C) Be substantive and clinically meaningful in promoting health status.

(b) By September 1, 2019, the authority shall set the four common measures to be analyzed across all managed care organizations.

(c) By September 1, 2019, the authority shall set three quality focus performance measures specific to each managed care organization. The authority must determine performance measures for each managed care organization based on the criteria established in (a)(ii) of this subsection.

(d) By September 15, 2019, and annually thereafter, the authority shall notify each managed care organization of the performance measures for the organization for the subsequent plan year.

(e) Beginning in plan year 2020, two percent of the total plan year funding appropriated to each managed care organization that provides services to clients under chapter 70.320 RCW shall be withheld. At least seventy-five percent of the withhold shall be held contingent on each managed care organization's performance on the seven performance measures identified in this section. Each managed care organization may earn back the annual withhold if the external quality improvement organization finds that the managed care organization:

(i) Made statistically significant improvement in the seven performance measures as compared to the preceding plan year; or

(ii) Scored in the top national medicaid quartile of the performance measures.

(f) The amount of withhold annually paid to each managed care organization shall be proportional to findings of statistically significant improvement or top national medicaid quartile scoring by a managed care organization.

(g) For no more than two of the four quality focus performance measures, the authority may use an alternate methodology to approximate top national medicaid quartile performance where top quartile performance data is unavailable.

(h) For the purposes of this subsection, "external quality improvement organization" means an organization that meets the competence and independence requirements under 42 C.F.R. Sec. 438.354, as it existed on the effective date of this section.

(51) \$1,805,727,000 of the general fund—state appropriation for fiscal year 2020 and \$1,876,135,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the authority to implement the recommendations of the centers for medicare and medicaid services center for program integrity as provided to the authority in the January 2019 Washington focused program integrity review final report. The authority is directed to:

(a) Organize all program integrity activities into a centralized unit or under a common protocol addressing provider enrollment, fraud and abuse detection, investigations, and law enforcement referrals that is more reflective of industry standards;

(b) Ensure appropriate resources are dedicated to prevention, detection, investigation, and suspected provider fraud at both the authority and at contracted managed care organizations;

(c) Ensure all required federal regulations are being followed and are incorporated into managed care contracts;

(d) Directly audit managed care encounter data to identify fraud, waste, and abuse issues with managed care organization providers;

(e) Initiate data mining activities in order to identify fraud, waste, and abuse issues with managed care organization providers;

(f) Implement proactive data mining and routine audits of validated managed care encounter data;

(g) Assess liquidated damages to managed care organizations when fraud, waste, or abuse with managed care organization providers is identified;

(h) Require managed care organizations submit accurate reports on overpayments, including the prompt reporting of overpayments identified or recovered, specifying overpayments due to fraud, waste, or abuse;

(i) Implement processes to ensure integrity of data used for rate setting purposes;

(j) Refine payment suspension policies; and

(k) Ensure all federal database exclusion checks are performed at the appropriate intervals. The authority shall update managed care contracts as appropriate to reflect these requirements.

(52) \$96,130,000 of the general fund—state appropriation for fiscal year 2020 and \$100,476,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for fee-for-service dental services. The authority must provide these services through fee-for-service and may not proceed with either a carved-out or carved-in managed care dental option. Any contracts that have been procured or that are in the process of being procured shall not be entered into or implemented. By November 15, 2019, the authority shall report to the governor and appropriate committees of the legislature a plan to improve access to dental services for medicaid clients. This plan should address options for carve-in, carve-out, fee-for-service, and other models that would improve access and outcomes for adults and children. The plan should also include the cost for any options provided.

(53) During the 2019-2021 fiscal biennium, the authority must revise its agreements and contracts with vendors to include a provision to require that each vendor agrees to equality among its workers by ensuring similarly employed individuals are compensated as equals as follows:

(a) Employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed;

(b) Vendors may allow differentials in compensation for its workers based in good faith on any of the following:

(i) A seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels.

(ii) A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience, that is: Consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential.

(iii) A bona fide regional difference in compensation level must be: Consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential.

(c) The provision must allow for the termination of the contract if the authority or department of enterprise services determines that the vendor is not in compliance with this agreement or contract term.

(d) The authority must implement this provision with any new contract and at the time of renewal of any existing contract.

(54) The authority is prohibited to direct any funds to safe-injection sites for the illicit use of drugs.

(55) \$1,400,000 of the general fund—state appropriation for fiscal year 2020, \$1,400,000 of the general fund—state appropriation for fiscal year 2021, and \$7,000,000 of the general fund—federal appropriation are provided solely to increase the rates paid to rural hospitals that meet the criteria in (a) through (d) of this subsection. Payments for state and federal medical assistance programs for services provided by such a hospital, regardless of the beneficiary's managed care enrollment status, must be increased to one hundred fifty percent of the hospital's fee-for-service rates. The authority must discontinue this rate increase after June 30, 2021, and return to the payment levels and methodology for these hospitals that were in place as of January 1, 2018. Hospitals participating in the certified public expenditures program may not receive increased reimbursement for inpatient services. Hospitals qualifying for this rate increase must:

(a) Be certified by the centers for medicare and medicaid services as sole community hospitals as of January 1, 2013;

(b) Have had less than one hundred fifty acute care licensed beds in fiscal year 2011;

(c) Have a level III adult trauma service designation from the department of health as of January 1, 2014; and

(d) Be owned and operated by the state or a political subdivision.

(56) Within the amounts appropriated within this section the authority shall conduct an evaluation of purchasing arrangements and paid claims or encounter data for prescription drugs under managed care contracts for plan years 2017 and 2018 and compare these to contract purchasing agreements under the same years for the prescription drug consortium and identify any cost differences. The authority shall report its findings to the governor and appropriate committees of the legislature by November 15, 2019.

(57) The health care authority is directed to convene a work group on establishing a universal health care system in Washington. \$500,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the health care authority to contract with one or more consultants to perform any actuarial and financial analyses necessary to develop options under (b)(vi) of this subsection.

(a) The work group must consist of a broad range of stakeholders with expertise in the health care financing and delivery system, including but not limited to:

- (i) Consumers, patients, and the general public;
- (ii) Patient advocates and community health advocates;
- (iii) Large and small businesses with experience with large and small group insurance and self-insured models;
- (iv) Labor, including experience with Taft-Hartley coverage;
- (v) Health care providers that are self-employed and health care providers that are otherwise employed;
- (vi) Health care facilities such as hospitals and clinics;
- (vii) Health insurance carriers;
- (viii) The Washington health benefit exchange and state agencies, including the office of financial management, the office of the insurance commissioner, the department of revenue, and the office of the state treasurer; and
- (ix) Legislators from each caucus of the house of representatives and senate.

(b) The work group must study and make recommendations to the legislature on how to create, implement, maintain, and fund a universal health care system that may include publicly funded, publicly administered, and publicly and privately delivered health care that is sustainable and affordable to all Washington residents including, but not limited to:

- (i) Options for increasing coverage and access for uninsured and underinsured populations;
- (ii) Transparency measures across major health system actors, including carriers, hospitals, and other health care facilities, pharmaceutical companies, and provider groups that promote understanding and analyses to best manage and lower costs;
- (iii) Innovations that will promote quality, evidence-based practices leading to sustainability, and affordability in a universal health care system. When studying innovations under this subsection, the work group must develop recommendations on issues related to covered benefits and quality assurance and consider expanding and supplementing the work of the Robert Bree collaborative and the health technology assessment program;

(iv) Options for ensuring a just transition to a universal health care system for all stakeholders including, but not limited to, consumers, businesses, health care providers and facilities, hospitals, health carriers, state agencies, and entities representing both management and labor for these stakeholders;

(v) Options to expand or establish health care purchasing in collaboration with neighboring states; and

(vi) Options for revenue and financing mechanisms to fund the universal health care system. The work group shall contract with one or more consultants to perform any actuarial and financial analyses necessary to develop options under this subsection.

(c) The work group must report its findings and recommendations to the appropriate committees of the legislature by November 15, 2020. Preliminary reports with findings and preliminary recommendations shall be made public and open for public comment by November 15, 2019, and May 15, 2020.

(58) \$23,000 of the general fund—state appropriation for fiscal year 2020, \$2,000 of the general fund—state appropriation for fiscal year 2021, and \$36,000 of the general fund—federal appropriation are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5497 (immigrants in the workplace). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(59) \$1,667,000 of the general fund—state appropriation for fiscal year 2020, \$855,000 of the general fund—state appropriation for fiscal year 2021, and \$1,867,000 of the general fund—federal appropriation are provided solely for the Washington rural health access preservation pilot program.

***NEW SECTION. Sec. 212. FOR THE STATE HEALTH CARE AUTHORITY—PUBLIC EMPLOYEES' BENEFITS BOARD AND EMPLOYEE BENEFITS PROGRAM**

State Health Care Authority Administrative Account—State

Appropriation	\$35,274,000
TOTAL APPROPRIATION	\$35,274,000

The appropriation in this section is subject to the following conditions and limitations:

(1) Any savings resulting from reduced claims costs or other factors identified after March 1, 2019, must be reserved for funding employee benefits in the 2021-2023 fiscal biennium. The health care authority shall deposit any moneys received on behalf of the uniform medical plan resulting from rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys received as a result of prior uniform medical plan claims payments, in the public employees' and retirees' insurance account to be used for insurance benefits.

(2) Any changes to benefits must be approved by the public employees' benefits board. The board shall not make any changes to benefits without considering a comprehensive analysis of the cost of those changes, and shall not increase benefits unless savings achieved under subsection (3) of this section or offsetting cost reductions from other benefit revisions are sufficient to fund the changes. However, the funding provided anticipates that the public employees' benefits board may increase the availability of nutritional counseling in the uniform medical plan by allowing a lifetime limit of up to twelve nutritional counseling visits. The board may also, within the amounts provided, use cost savings to enhance the basic long-term disability benefit.

(3) Except as may be provided in a health care bargaining agreement, to provide benefits within the level of funding provided in part IX of this bill, the public employees' benefits board shall require or make any or all of the following: Employee premium copayments, increases increase in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065.

(4) The board shall collect a surcharge payment of not less than twenty-five dollars per month from members who use tobacco products, and a surcharge

payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than ninety-five percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment.

(5) \$7,000 of the state health care authority administrative account—state appropriation in this section is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5497 (immigrants in the workplace). If the bill is not enacted by June 30, 2019, the amount in this subsection shall lapse.

(6) Within the amounts appropriated in this section, the health care authority shall evaluate benefit options available to medicare-eligible retirees to address the rising cost of prescription drugs and member premiums. By November 1, 2019, the authority must submit a report to the governor and the appropriate fiscal committees of the legislature that outlines the options considered, the long-term fiscal impact to employers and to the state, including the impact on federal subsidies, and the change in cost and benefit levels for retirees. The report may include recommendations and a plan to transition to more affordable options.

**Sec. 212 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 213. FOR THE STATE HEALTH CARE AUTHORITY—SCHOOL EMPLOYEES' BENEFITS BOARD

School Employees' Insurance Administrative Account—State

Appropriation.	\$25,343,000
TOTAL APPROPRIATION	\$25,343,000

The appropriation in this section is subject to the following conditions and limitations:

(1) By February 5, 2020, the health care authority shall report to the appropriate committees of the legislature on the total amount by school district, educational service district, and charter school billed for January benefits and a detailed list of school districts, educational service districts, and charter schools that have not remitted payment for January coverage as of January 31, 2020.

(2) \$2,000 of the appropriation in this section is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5497 (immigrants in the workplace). If the bill is not enacted by June 30, 2019, the amount in this subsection shall lapse.

(3) The health care authority must study the potential cost savings and improved efficiency in providing insurance benefits to the employers and employees participating in the public employees' and school employees' benefits board systems that could be gained by consolidating the systems. The consolidation options studied must maintain separate risk pools for medicare-eligible and non-medicare eligible employees and retirees, assume a consolidation date of January 1, 2022, and incorporate the experiences gained by health care authority during the initial implementation and operation of the school employees' benefits board program. The study must be submitted to the committees of the house of representatives and the senate overseeing health care and the omnibus operating budget by November 15, 2020.

NEW SECTION. Sec. 214. FOR THE STATE HEALTH CARE AUTHORITY—HEALTH BENEFIT EXCHANGE

General Fund—State Appropriation (FY 2020)	\$6,407,000
General Fund—State Appropriation (FY 2021)	\$5,234,000
General Fund—Federal Appropriation	\$52,128,000
Health Benefit Exchange Account—State Appropriation	\$57,720,000
TOTAL APPROPRIATION	\$121,489,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The receipt and use of medicaid funds provided to the health benefit exchange from the health care authority are subject to compliance with state and federal regulations and policies governing the Washington apple health programs, including timely and proper application, eligibility, and enrollment procedures.

(2)(a) By July 15th and January 15th of each year, the authority shall make a payment of one-half the general fund—state appropriation and one-half the health benefit exchange account—state appropriation to the exchange.

(b) The exchange shall monitor actual to projected revenues and make necessary adjustments in expenditures or carrier assessments to ensure expenditures do not exceed actual revenues.

(c) Payments made from general fund—state appropriation and health benefit exchange account—state appropriation shall be available for expenditure for no longer than the period of the appropriation from which it was made. When the actual cost of materials and services have been fully determined, and in no event later than the lapsing of the appropriation, any unexpended balance of the payment shall be returned to the authority for credit to the fund or account from which it was made, and under no condition shall expenditures exceed actual revenue.

(3) \$50,000 of the general fund—state appropriation for fiscal year 2020, \$50,000 of the general fund—state appropriation for fiscal year 2021, and \$1,048,000 of the health benefit exchange account—state appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 5526 (individual health insurance market). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(4) \$1,173,000 of the general fund—state appropriation for fiscal year 2020 is provided for the exchange to enhance Washington healthplanfinder so eligible COFA citizens can obtain dental coverage. Open enrollment periods and special enrollment periods for the COFA dental program shall be consistent with the enrollment periods for the COFA medical program. The first open-enrollment period for the COFA dental program must begin no later than November 1, 2020.

(5) \$426,000 of the health benefit exchange account—state appropriation and \$874,000 of the general fund—federal appropriation are provided solely for cloud platform costs and are subject to the conditions, limitations, and review provided in section 719 of this act.

(6) \$968,000 of the health benefit exchange account—state appropriation and \$1,978,000 of the general fund—federal appropriation are provided solely for system integrator procurement and are subject to the conditions, limitations, and review provided in section 719 of this act.

NEW SECTION. Sec. 215. FOR THE STATE HEALTH CARE AUTHORITY—COMMUNITY BEHAVIORAL HEALTH PROGRAM

General Fund—State Appropriation (FY 2020)	\$556,003,000
General Fund—State Appropriation (FY 2021)	\$604,424,000
General Fund—Federal Appropriation	\$1,966,699,000
General Fund—Private/Local Appropriation	\$36,513,000
Criminal Justice Treatment Account—State Appropriation	\$12,986,000
Problem Gambling Account—State Appropriation	\$1,461,000
Medicaid Fraud Penalty Account—State Appropriation	\$51,000
Dedicated Marijuana Account—State Appropriation (FY 2020)	\$28,490,000
Dedicated Marijuana Account—State Appropriation (FY 2021)	\$28,493,000
Pension Funding Stabilization Account—State Appropriation	\$1,714,000
TOTAL APPROPRIATION	\$3,236,834,000

The appropriations in this section are subject to the following conditions and limitations:

(1) For the purposes of this section, "behavioral health entities" means managed care organizations and administrative services organizations in regions where the authority is purchasing medical and behavioral health services through fully integrated contracts pursuant to RCW 71.24.380, and behavioral health organizations in regions that have not yet transitioned to fully integrated managed care.

(2) Within the amounts appropriated in this section, funding is provided for implementation of the settlement agreement under *Trueblood, et al. v. Department of Social and Health Services, et al.*, United States District Court for the Western District of Washington, Cause No. 14-cv-01178-MJP. In addition to amounts provided solely for implementation of the settlement agreement, class members must have access to supports and services funded throughout this section for which they meet eligibility and medical necessity requirements. The authority must include language in contracts that requires regional behavioral health entities to develop and implement plans for improving access to timely and appropriate treatment for individuals with behavioral health needs and current or prior criminal justice involvement who are eligible for services under these contracts.

(3) \$15,605,000 of the general fund—state appropriation for fiscal year 2020, \$15,754,000 of the general fund—state appropriation for fiscal year 2021, and \$4,789,000 of the general fund—federal appropriation are provided solely for the phase-in of the settlement agreement under *Trueblood, et al. v. Department of Social and Health Services, et al.*, United States District Court for the Western District of Washington, Cause No. 14-cv-01178-MJP. The department, in collaboration with the health care authority and the criminal justice training commission, must implement the provisions of the settlement agreement pursuant to the timeline and implementation plan provided for under the settlement agreement. This includes implementing provisions related to competency evaluations, competency restoration, crisis diversion and supports, education and training, and workforce development.

(4) \$8,777,000 of the general fund—state appropriation for fiscal year 2020, \$10,424,000 of the general fund—state appropriation for fiscal year 2021, and \$20,197,000 of the general fund—federal appropriation are provided solely for the authority and behavioral health entities to continue to contract for implementation of high-intensity programs for assertive community treatment (PACT) teams. In determining the proportion of medicaid and nonmedicaid funding provided to behavioral health entities with PACT teams, the authority shall consider the differences between behavioral health entities in the percentages of services and other costs associated with the teams that are not reimbursable under medicaid. The authority may allow behavioral health entities which have nonmedicaid reimbursable costs that are higher than the nonmedicaid allocation they receive under this section to supplement these funds with local dollars or funds received under subsection (7) of this section. The authority and behavioral health entities shall maintain consistency with all essential elements of the PACT evidence-based practice model in programs funded under this section.

(5) From the general fund—state appropriations in this section, the authority shall assure that behavioral health entities reimburse the department of social and health services aging and long term support administration for the general fund—state cost of medicaid personal care services that enrolled behavioral health entity consumers use because of their psychiatric disability.

(6) \$3,520,000 of the general fund—federal appropriation is provided solely for the authority to maintain a pilot project to incorporate peer bridging staff into behavioral health regional teams that provide transitional services to individuals returning to their communities.

(7) \$81,930,000 of the general fund—state appropriation for fiscal year 2020 and \$81,930,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for persons and services not covered by the medicaid program. To the extent possible, levels of behavioral health entity spending must be maintained in the following priority order: Crisis and commitment services; community inpatient services; and residential care services, including personal care and emergency housing assistance. These amounts must be distributed to behavioral health entities proportionate to the fiscal year 2019 allocation of flexible nonmedicaid funds. The authority must include the following language in medicaid contracts with behavioral health entities unless they are provided formal notification from the center for medicaid and medicare services that the language will result in the loss of federal medicaid participation: "The contractor may voluntarily provide services that are in addition to those covered under the state plan, although the cost of these services cannot be included when determining payment rates unless including these costs are specifically allowed under federal law or an approved waiver."

(8) The authority is authorized to continue to contract directly, rather than through contracts with behavioral health entities for children's long-term inpatient facility services.

(9) \$1,204,000 of the general fund—state appropriation for fiscal year 2020 and \$1,204,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to reimburse Pierce and Spokane counties for the cost of conducting one hundred eighty-day commitment hearings at the state psychiatric hospitals.

(10) Behavioral health entities may use local funds to earn additional federal medicaid match, provided the locally matched rate does not exceed the upper-bound of their federally allowable rate range, and provided that the enhanced funding is used only to provide medicaid state plan or waiver services to medicaid clients. Additionally, behavioral health entities may use a portion of the state funds allocated in accordance with subsection (7) of this section to earn additional medicaid match, but only to the extent that the application of such funds to medicaid services does not diminish the level of crisis and commitment, community inpatient, residential care, and outpatient services presently available to persons not eligible for medicaid.

(11) \$2,291,000 of the general fund—state appropriation for fiscal year 2020 and \$2,291,000 of the general fund—state appropriation for fiscal year 2021 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 authority must collect information from the behavioral health entities on their plan for using these funds, the numbers of individuals served, and the types of services provided and submit a report to the office of financial management and the appropriate fiscal committees of the legislature by December 1st of each year of the biennium.

(12) Within the amounts appropriated in this section, funding is provided for the authority to develop and phase in intensive mental health services for high needs youth consistent with the settlement agreement in *T.R. v. Dreyfus and Porter*.

(13) The authority must establish minimum and maximum funding levels for all reserves allowed under behavioral health organization and administrative services organization contracts and include contract language that clearly states the requirements and limitations. The authority must monitor and ensure that behavioral health organization and administrative services organization reserves do not exceed maximum levels. The authority must monitor revenue and expenditure reports and must require a behavioral health organization or administrative services organization to submit a corrective action plan on how it will spend its excess reserves within a reasonable period of time, when its reported reserves exceed maximum levels established under the contract. The authority must review and approve such plans and monitor to ensure compliance. If the authority determines that a behavioral health organization or administrative services organization has failed to provide an adequate excess reserve corrective action plan or is not complying with an approved plan, the authority must reduce payments to the entity in accordance with remedial actions provisions included in the contract. These reductions in payments must continue until the authority determines that the entity has come into substantial compliance with an approved excess reserve corrective action plan.

(14) During the 2019-2021 fiscal biennium, any amounts provided in this section that are used for case management services for pregnant and parenting women must be contracted directly between the authority and providers rather than through contracts with behavioral health organizations.

(15) Within the amounts appropriated in this section, the authority may contract with the University of Washington and community-based providers for the provision of the parent-child assistance program or other specialized

chemical dependency case management providers for pregnant, post-partum, and parenting women. For all contractors: (a) Service and other outcome data must be provided to the authority by request; and (b) indirect charges for administering the program must not exceed ten percent of the total contract amount.

(16) \$3,500,000 of the general fund—federal appropriation (from the substance abuse prevention and treatment federal block grant) is provided solely for the continued funding of existing county drug and alcohol use prevention programs.

(17) Within the amounts provided in this section, behavioral health entities must provide outpatient chemical dependency treatment for offenders enrolled in the medicaid program who are supervised by the department of corrections pursuant to a term of community supervision. Contracts with behavioral health entities must require that behavioral health entities include in their provider network specialized expertise in the provision of manualized, evidence-based chemical dependency treatment services for offenders. The department of corrections and the authority must develop a memorandum of understanding for department of corrections offenders on active supervision who are medicaid eligible and meet medical necessity for outpatient substance use disorder treatment. The agreement will ensure that treatment services provided are coordinated, do not result in duplication of services, and maintain access and quality of care for the individuals being served. The authority must provide all necessary data, access, and reports to the department of corrections for all department of corrections offenders that receive medicaid paid services.

(18) The criminal justice treatment account—state appropriation is provided solely for treatment and treatment support services for offenders with a substance use disorder pursuant to RCW 71.24.580. The authority must offer counties the option to administer their share of the distributions provided for under RCW 71.24.580(5)(a). If a county is not interested in administering the funds, the authority shall contract with behavioral health entities to administer these funds consistent with the plans approved by local panels pursuant to RCW 71.24.580(5)(b). The authority must provide a report to the office of financial management and the appropriate committees of the legislature which identifies the distribution of criminal justice treatment account funds by September 30, 2019.

(19) No more than \$27,844,000 of the general fund—federal appropriation may be expended for supported housing and employment services described in initiative 3a and 3b of the medicaid transformation demonstration waiver under healthier Washington. Under this initiative, the authority and the department of social and health services shall ensure that allowable and necessary services are provided to eligible clients as identified by the authority or its providers or third party administrator. The department and the authority in consultation with the medicaid forecast work group, shall ensure that reasonable reimbursements are established for services deemed necessary within an identified limit per individual. The authority shall not increase general fund—state expenditures under this initiative. The secretary in collaboration with the director of the authority shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The secretary in cooperation with the director shall also report to the fiscal committees of the

legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(20) \$6,858,000 of the general fund—state appropriation for fiscal year 2020, \$6,858,000 of the general fund—state appropriation for fiscal year 2021, and \$8,046,000 of the general fund—federal appropriation are provided solely to maintain new crisis triage or stabilization centers. Services in these facilities may include crisis stabilization and intervention, individual counseling, peer support, medication management, education, and referral assistance. The authority shall monitor each center's effectiveness at lowering the rate of state psychiatric hospital admissions.

(21) \$1,125,000 of the general fund—federal appropriation is provided solely for the authority to develop a memorandum of understanding with the department of health for implementation of chapter 297, Laws of 2017 (opioid treatment programs). The authority must use these amounts to reimburse the department of health for costs incurred through the implementation of the bill.

(22) \$6,655,000 of the general fund—state appropriation for fiscal year 2020, \$10,015,000 of the general fund—state appropriation for fiscal year 2021, and \$12,965,000 of the general fund—federal appropriation are provided solely for the operation of secure withdrawal management and stabilization facilities. The authority may not use any of these amounts for services in facilities that are subject to federal funding restrictions that apply to institutions for mental diseases, unless they have received a waiver that allows for full federal participation in these facilities. Within these amounts, funding is provided to increase the fee for service rate for these facilities up to \$650 per day. The authority must require in contracts with behavioral health entities that, beginning in calendar year 2020, they pay no lower than the fee for service rate. The authority must coordinate with regional behavioral health entities to identify and implement purchasing strategies or regulatory changes that increase access to services for individuals with complex behavioral health needs at secure withdrawal management and stabilization facilities.

(23) \$23,090,000 of the general fund—state appropriation for fiscal year 2020, \$23,090,000 of the general fund—state appropriation for fiscal year 2021, and \$92,444,000 of the general fund—federal appropriation are provided solely to maintain the enhancement of community-based behavioral health services that was funded in fiscal year 2019. Twenty percent of the general fund—state appropriation amounts for each regional service area must be used to increase their nonmedicaid funding and the remainder must be used to increase medicaid rates above FY 2018 levels. Effective January 2020, the medicaid funding is intended to increase rates for behavioral health services provided by licensed and certified community behavioral health agencies as defined by the department of health. This funding must be allocated to the managed care organizations proportionate to their medicaid enrollees. The authority must require the managed care organizations to provide a report on their implementation of this funding. The authority must submit a report to the legislature by December 1, 2020, summarizing how this funding was used and provide information for future options of increasing behavioral health provider rates through directed payments. The report must identify different mechanisms for implementing directed payment for behavioral health providers including but not limited to minimum fee schedules, across the board percentage increases, and value-based

payments. The report must provide a description of each of the mechanisms considered, the timeline that would be required for implementing the mechanism, and whether and how the mechanism is expected to have a differential impact on different providers. The report must also summarize the information provided by managed care organizations in implementing the funding provided under this section.

(24) \$27,917,000 of the general fund—state appropriation for fiscal year 2020, \$36,095,000 of the general fund—state appropriation for fiscal year 2021, and \$60,644,000 of the general fund—federal appropriation are provided solely for the department to contract with community hospitals or freestanding evaluation and treatment centers to provide long-term inpatient care beds as defined in RCW 71.24.025. Within these amounts, the authority must meet the requirements for reimbursing counties for the judicial services for patients being served in these settings in accordance with RCW 71.05.730. The authority must coordinate with the department of social and health services in developing the contract requirements, selecting contractors, and establishing processes for identifying patients that will be admitted to these facilities. Sufficient amounts are provided in fiscal year 2020 for the authority to reimburse community hospitals serving medicaid clients in long-term inpatient care beds as defined in RCW 71.24.025 at a rate of \$1,171 per day, or the hospital's current psychiatric inpatient per diem rate, whichever is higher. The rate paid to hospitals in this subsection cannot exceed one-hundred percent of the hospitals eligible costs based on their most recently completed medicare cost report. The authority in collaboration with the Washington state hospital association must convene a work group to develop a methodology for reimbursing community hospitals serving these clients. In developing this methodology, the authority must account for cost structure differences between teaching hospitals and other hospital types. The authority must provide a report to the appropriate committees of the legislature by December 1, 2019. The report must:

- (a) Describe the methodology developed by the work group;
- (b) Identify cost differences between teaching hospitals and other hospital types;
- (c) Provide options for incentivizing community hospitals to offer long-term inpatient care beds day beds including a rate recommendation;
- (d) Identify the cost associated with any recommended changes in rates or rate setting methodology; and
- (e) Outline an implementation plan.

(25) \$1,455,000 of the general fund—state appropriation for fiscal year 2020, \$1,401,000 of the general fund—state appropriation for fiscal year 2021, and \$3,210,000 of the general fund—federal appropriation are provided solely for the implementation of intensive behavioral health treatment facilities within the community behavioral health service system pursuant to Second Substitute House Bill No. 1394 (behavioral health facilities).

(26) \$21,000 of the general fund—state appropriation for fiscal year 2020, \$152,000 of the general fund—state appropriation for fiscal year 2021, and \$173,000 of the general fund—federal appropriation are provided solely to implement chapter 70, Laws of 2019 (SHB 1199) (health care/disability).

(27)(a) \$12,878,000 of the dedicated marijuana account—state appropriation for fiscal year 2020 and \$12,878,000 of the dedicated marijuana account—state appropriation for fiscal year 2021 are provided for:

(i) A memorandum of understanding with the department of children, youth, and families to provide substance abuse treatment programs;

(ii) A contract with the Washington state institute for public policy to conduct a cost-benefit evaluation of the implementations of chapter 3, Laws of 2013 (Initiative Measure No. 502);

(iii) Designing and administering the Washington state healthy youth survey and the Washington state young adult behavioral health survey;

(iv) Maintaining increased services to pregnant and parenting women provided through the parent child assistance program;

(v) Grants to the office of the superintendent of public instruction for life skills training to children and youth;

(vi) Maintaining increased prevention and treatment service provided by tribes and federally recognized American Indian organization to children and youth;

(vii) Maintaining increased residential treatment services for children and youth;

(viii) Training and technical assistance for the implementation of evidence-based, research based, and promising programs which prevent or reduce substance use disorder;

(ix) Expenditures into the home visiting services account; and

(x) Grants to community-based programs that provide prevention services or activities to youth.

(b) The authority must allocate the amounts provided in (a) of this subsection amongst the specific activities proportionate to the fiscal year 2019 allocation.

(28)(a) \$1,125,000 of the general fund—state appropriation for fiscal year 2020 and \$1,125,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for Spokane behavioral health entities to implement services to reduce utilization and the census at eastern state hospital. Such services must include:

(i) High intensity treatment team for persons who are high utilizers of psychiatric inpatient services, including those with co-occurring disorders and other special needs;

(ii) Crisis outreach and diversion services to stabilize in the community individuals in crisis who are at risk of requiring inpatient care or jail services;

(iii) Mental health services provided in nursing facilities to individuals with dementia, and consultation to facility staff treating those individuals; and

(iv) Services at the sixteen-bed evaluation and treatment facility.

(b) At least annually, the Spokane county behavioral health entities shall assess the effectiveness of these services in reducing utilization at eastern state hospital, identify services that are not optimally effective, and modify those services to improve their effectiveness.

(29) \$24,819,000 of the general fund—state appropriation for fiscal year 2020 is provided solely to assist behavioral health entities with the costs of providing services to medicaid clients receiving services in psychiatric facilities classified as institutions of mental diseases. The authority must distribute these

amounts proportionate to the number of bed days for medicaid clients in institutions for mental diseases that were excluded from behavioral health organization calendar year 2019 capitation rates because they exceeded the amounts allowed under federal regulations. The authority must also use these amounts to directly pay for costs that are ineligible for medicaid reimbursement in institutions of mental disease facilities for American Indian and Alaska Natives who opt to receive behavioral health services on a fee-for-service basis. The amounts used for these individuals must be reduced from the allocation of the behavioral health organization where the individual resides. If a behavioral health organization receives more funding through this subsection than is needed to pay for the cost of their medicaid clients in institutions for mental diseases, they must use the remainder of the amounts to provide other services not covered under the medicaid program. The authority must submit an application for a waiver to allow, by July 1, 2020, for full federal participation for medicaid clients in mental health facilities classified as institutions of mental diseases. The authority must submit a report on the status of the waiver to the office of financial management and the appropriate committees of the legislature by December 1, 2019.

(30) The authority must require all behavioral health organizations transitioning to full integration to either spend down or return all reserves in accordance with contract requirements and federal and state law. Behavioral health organization reserves may not be used to pay for services to be provided beyond the end of a behavioral health organization's contract or for startup costs in full integration regions except as provided in this subsection. The authority must ensure that any increases in expenditures in behavioral health reserve spend-down plans are required for the operation of services during the contract period and do not result in overpayment to providers. If the nonfederal share of reserves returned during fiscal year 2020 exceeds \$35,000,000, the authority shall use some of the amounts in excess of \$35,000,000 to support the final regions transitioning to full integration of physical and behavioral health care. These amounts must be distributed proportionate to the population of each regional area covered. The maximum amount allowed per region is \$3,175 per 1,000 residents. These amounts must be used to provide a reserve for nonmedicaid services in the region to stabilize the new crisis services system.

(31) \$1,850,000 of the general fund—state appropriation for fiscal year 2020, \$1,850,000 of the general fund—state appropriation for fiscal year 2021, and \$13,312,000 of the general fund—federal appropriation are provided solely for the authority to implement a medicaid state plan amendment which provides for substance use disorder peer support services to be included in behavioral health capitation rates beginning in fiscal year 2020 in accordance with section 213(5)(ss), chapter 299, Laws of 2018. The authority shall require managed care organizations to provide access to peer support services for individuals with substance use disorders transitioning from emergency departments, inpatient facilities, or receiving treatment as part of hub and spoke networks.

(32) \$1,256,000 of the general fund—state appropriation for fiscal year 2021 and \$1,686,000 of the general fund—federal appropriation are provided solely for the authority to increase the number of residential beds for pregnant and parenting women. These amounts may be used for startup funds and

ongoing costs associated with two new sixteen bed pregnant and parenting women residential treatment programs.

(33) Within the amounts appropriated in this section, the authority must maintain a rate increase for community hospitals that provide a minimum of 200 medicaid psychiatric inpatient days pursuant to the methodology adopted to implement section 213(5)(n), chapter 299, Laws of 2018 (ESSB 6032) (partial veto).

(34) \$1,393,000 of the general fund—state appropriation for fiscal year 2020, \$1,423,000 of the general fund—state appropriation for fiscal year 2021, and \$5,938,000 of the general fund—federal appropriation are provided solely for the authority to implement discharge wraparound services for individuals with complex behavioral health conditions transitioning or being diverted from admission to psychiatric inpatient programs. The authority must coordinate with the department of social and health services in establishing the standards for these programs.

(35) \$850,000 of the general fund—federal appropriation is provided solely to contract with a nationally recognized recovery residence organization and to create a revolving fund for loans to operators of recovery residences seeking certification in accordance with Second Substitute House Bill No. 1528 (recovery support services). If the bill is not enacted by June 30, 2019, the amount in this subsection shall lapse.

(36) \$212,000 of the general fund—state appropriation for fiscal year 2020, \$212,000 of the general fund—state appropriation for fiscal year 2021, and \$124,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1874 (adolescent behavioral health). Funding is provided specifically for the authority to provide an online training to behavioral health providers related to state law and best practices in family-initiated treatment, adolescent-initiated treatment, and other services and to conduct an annual survey to measure the impacts of implementing policies resulting from the bill. If the bill is not enacted by June 30, 2019, the amounts in this subsection shall lapse.

(37) \$500,000 of the general fund—state appropriation for fiscal year 2020, \$500,000 of the general fund—state appropriation for fiscal year 2021, and \$1,000,000 of the general fund—federal appropriation are provided solely for the authority to implement a memorandum of understanding with the criminal justice training commission to provide funding for community grants pursuant to Second Substitute House Bill No. 1767 (alternatives to arrest). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(38) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for provision of crisis stabilization services to individuals who are not eligible for medicaid in Whatcom county. The authority must coordinate with crisis stabilization providers, managed care organizations, and behavioral health administrative services organizations throughout the state to identify payment models that reflect the unique needs of crisis stabilization and crisis triage providers. The report must also include an analysis of the estimated gap in nonmedicaid funding for crisis stabilization and triage facilities throughout the state. The authority must provide a report to the office of financial management

and the appropriate committees of the legislature on the estimated nonmedicaid funding gap and payment models by December 1, 2019.

(39) The authority must conduct an analysis to determine whether there is a gap in fiscal year 2020 behavioral health entity funding for services in institutions for mental diseases and submit a report to the office of financial management and the appropriate committees of the legislature by November 1, 2019. The report must be developed in consultation with the office of financial management and staff from the fiscal committees of the legislature and must include the following elements: (a) The increase in the number of nonmedicaid bed days in institutions for mental diseases from fiscal year 2017 to fiscal year 2019 by facility and the estimated annual cost associated with these increased bed days in FY 2020; (b) the increase in the number of medicaid bed days in institutions for mental diseases from fiscal year 2017 to fiscal year 2019 by facility and the estimated annual cost associated with these increased bed days in FY 2020; (c) the amount of funding assumed in current behavioral health entity medicaid capitation rates for institutions for mental diseases bed days that are currently allowable under medicaid regulation or waivers; (d) the amounts provided in subsection (29) of this section to assist with costs in institutions for mental diseases not covered in medicaid capitation rates; and (e) any remaining gap in behavioral health entity funding for institutions for mental diseases for medicaid or nonmedicaid clients.

(40) \$1,968,000 of the general fund—state appropriation for fiscal year 2020, \$3,396,000 of the general fund—state appropriation for fiscal year 2021, and \$12,150,000 of the general fund—federal appropriation are provided solely for support of and to increase clubhouse facilities across the state. The authority shall work with the centers for medicare and medicaid services to review opportunities to include clubhouse services as an optional "in lieu of" service in managed care organization contracts in order to maximize federal participation. The authority must provide a report to the office of financial management and the appropriate committees of the legislature on the status of efforts to implement clubhouse programs and receive federal approval for including these services in managed care organization contracts as an optional "in lieu of" service.

(41) \$1,000,000 of the general fund—federal appropriation (from the substance abuse prevention and treatment federal block grant) is provided solely for the authority to contract on a one-time basis with the University of Washington behavioral health institute to develop and disseminate model programs and curricula for inpatient and outpatient treatment for individuals with substance use disorder and co-occurring disorders. The behavioral health institute will provide individualized consultation to behavioral health agencies in order to improve the delivery of evidence-based and promising practices and overall quality of care. The behavioral health institute will provide training to staff of behavioral health agencies to enhance the quality of substance use disorder and co-occurring treatment delivered.

(42) The number of beds allocated for use by behavioral health entities at eastern state hospital shall be one hundred ninety two per day. The number of nonforensic beds allocated for use by behavioral health entities at western state hospital shall be five hundred twenty-seven per day. During fiscal year 2020, the authority must reduce the number of beds allocated for use by behavioral health

entities at western state hospital by sixty beds to allow for the repurposing of two civil wards at western state hospital to provide forensic services. Contracted community beds provided under subsection (24) of this section shall be allocated to the behavioral health entities in lieu of beds at western state hospital and be incorporated in their allocation of state hospital patient days of care for the purposes of calculating reimbursements pursuant to RCW 71.24.310. It is the intent of the legislature to continue the policy of expanding community based alternatives for long-term civil commitment services that allow for state hospital beds to be prioritized for forensic patients.

(43) \$190,000 of the general fund—state appropriation for fiscal year 2020, \$947,000 of the general fund—state appropriation for fiscal year 2021, and \$1,023,000 of the general fund—federal appropriation are provided solely for the authority to develop a statewide plan to implement evidence-based coordinated specialty care programs that provide early identification and intervention for psychosis in behavioral health agencies in accordance with Second Substitute Senate Bill No. 5903 (children's mental health). If the bill is not enacted by June 30, 2019, the amounts in this subsection shall lapse.

(44) \$708,000 of the general fund—state appropriation for fiscal year 2021 and \$799,000 of the general fund—federal appropriation are provided solely for implementing mental health peer respite centers and a pilot project to implement a mental health drop-in center beginning January 1, 2020, in accordance with Second Substitute House Bill No. 1394 (behavioral health facilities).

(45) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided on a one-time basis solely for a licensed youth residential psychiatric substance abuse and mental health agency located in Clark county to invest in staff training and increasing client census.

(46) \$509,000 of the general fund—state appropriation for fiscal year 2020, \$494,000 of the general fund—state appropriation for fiscal year 2021, and \$4,823,000 of the general fund—federal appropriation are provided solely for diversion grants to establish new law enforcement assisted diversion programs outside of King county consistent with the provisions of Substitute Senate Bill No. 5380 (opioid use disorder).

(47) The authority must compile all previous reports and collaborate with any work groups created during the 2019-2021 fiscal biennium for the purpose of establishing the implementation plan for transferring the full risk of long-term inpatient care for mental illness into the behavioral health entity contracts by January 1, 2020.

(48) \$225,000 of the general fund—state appropriation for fiscal year 2020 and \$225,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to continue funding one pilot project in Pierce county to promote increased utilization of assisted outpatient treatment programs. The authority shall provide a report to the legislature by October 15, 2020, which must include the number of individuals served, outcomes to include changes in use of inpatient treatment and hospital stays, and recommendations for further implementation based on lessons learned from the pilot project.

(49) \$18,000 of the general fund—state appropriation for fiscal year 2020, \$18,000 of the general fund—state appropriation for fiscal year 2021, and \$36,000 of the general fund—federal appropriation are provided solely for the

implementation of Substitute Senate Bill No. 5181 (involuntary treatment procedures). If the bill is not enacted by June 30, 2019, the amounts in this subsection shall lapse.

(50) \$814,000 of the general fund—state appropriation for fiscal year 2020, \$800,000 of the general fund—state appropriation for fiscal year 2021, and \$1,466,000 of the general fund—federal appropriation are provided solely for the authority to implement the recommendations of the state action alliance for suicide prevention, to include suicide assessments, treatment, and grant management.

(51) Within existing appropriations, the authority shall prioritize the prevention and treatment of intravenous opiate-based drug use.

(52) \$446,000 of the general fund—state appropriation for fiscal year 2020, \$446,000 of the general fund—state appropriation for fiscal year 2021, and \$178,000 of the general fund—federal appropriation are provided solely for the University of Washington's evidence-based practice institute which supports the identification, evaluation, and implementation of evidence-based or promising practices. The institute must work with the authority to develop a plan to seek private, federal, or other grant funding in order to reduce the need for state general funds. The authority must collect information from the institute on the use of these funds and submit a report to the office of financial management and the appropriate fiscal committees of the legislature by December 1st of each year of the biennium.

NEW SECTION. Sec. 216. FOR THE HUMAN RIGHTS COMMISSION

General Fund—State Appropriation (FY 2020)	\$2,510,000
General Fund—State Appropriation (FY 2021)	\$2,543,000
General Fund—Federal Appropriation	\$2,613,000
Pension Funding Stabilization Account—State Appropriation	\$190,000
TOTAL APPROPRIATION	\$7,856,000

The appropriations in this section are subject to the following conditions and limitations: \$103,000 of the general fund—state appropriation for fiscal year 2020 and \$97,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute Senate Bill No. 5602 (reproductive health care). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

NEW SECTION. Sec. 217. FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS

Worker and Community Right to Know Fund—State Appropriation	\$10,000
Accident Account—State Appropriation	\$24,326,000
Medical Aid Account—State Appropriation	\$24,327,000
TOTAL APPROPRIATION	\$48,663,000

NEW SECTION. Sec. 218. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

General Fund—State Appropriation (FY 2020)	\$25,649,000
General Fund—State Appropriation (FY 2021)	\$25,697,000
General Fund—Private/Local Appropriation	\$6,630,000
Death Investigations Account—State Appropriation	\$682,000

Municipal Criminal Justice Assistance Account—

State Appropriation	\$460,000
Washington Auto Theft Prevention Authority Account—State Appropriation . .	\$8,167,000
24/7 Sobriety Account—State Appropriation.	\$20,000
Pension Funding Stabilization Account—State Appropriation	\$460,000
TOTAL APPROPRIATION	\$67,765,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$5,000,000 of the general fund—state appropriation for fiscal year 2020 and \$5,000,000 of the general fund—state appropriation for fiscal year 2021, are provided to the Washington association of sheriffs and police chiefs solely to verify the address and residency of registered sex offenders and kidnapping offenders under RCW 9A.44.130.

(2) \$2,248,000 of the general fund—state appropriation for fiscal year 2020 and \$2,269,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for seventy-five percent of the costs of providing nine additional statewide basic law enforcement trainings in each fiscal year. The criminal justice training commission must schedule its funded classes to minimize wait times throughout each fiscal year and meet statutory wait time requirements. The criminal justice training commission must track and report the average wait time for students at the beginning of each class and provide the findings in an annual report to the legislature due in December of each year. At least two classes must be held in Spokane each year.

(3) The criminal justice training commission may not run a basic law enforcement academy class of fewer than 30 students.

(4) \$429,000 of the general fund—state appropriation for fiscal year 2020 and \$429,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for expenditure into the nonappropriated Washington internet crimes against children account for the implementation of chapter 84, Laws of 2015.

(5) \$2,000,000 of the general fund—state appropriation for fiscal year 2020 and \$2,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the mental health field response team program administered by the Washington association of sheriffs and police chiefs. The association must distribute \$3,000,000 in grants to the phase one regions as outlined in the settlement agreement under *Trueblood, et. al. v. Department of Social and Health Services, et. al.*, U.S. District Court-Western District, Cause No. 14-cv-01178-MJP. The association must submit an annual report to the Governor and appropriate committees of the legislature by September 1st of each year of the biennium. The report shall include best practice recommendations on law enforcement and behavioral health field response and include outcome measures on all grants awarded.

(6) \$450,000 of the general fund—state appropriation for fiscal year 2020 and \$449,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for crisis intervention training for the phase one regions as outlined in the settlement agreement under *Trueblood, et. al. v. Department of*

Social and Health Services, et. al., U.S. District Court-Western District, Cause No. 14-cv-01178-MJP.

(7) \$534,000 of the death investigations account—state appropriation is provided solely for the commission to update and expand the medicolegal forensic investigation training currently provided to coroners and medical examiners from eighty hours to two-hundred forty hours to meet the recommendations of the national commission on forensic science for certification and accreditation. Funding is contingent on the death investigation account receiving three dollars of the five dollar increase in vital records fees from the passage of Engrossed Substitute Senate Bill No. 5332 (vital statistics). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(8) \$10,000 of the general fund—state appropriation for fiscal year 2020, \$22,000 of the general fund—state appropriation for fiscal year 2021, and \$10,000 of the general fund—local appropriation are provided solely for an increase in vendor rates on the daily meals provided to basic law enforcement academy recruits during their training.

(9) \$200,000 of the general fund—state appropriation for fiscal year 2020 and \$200,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to implement Second Substitute House Bill No. 1767 (alternatives to arrest/jail). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(10) \$75,000 of the general fund—state appropriation for fiscal year 2020 and \$75,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a vendor rate increase of seven tenths of one percent for the Washington association of sheriffs and police chiefs.

NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

General Fund—State Appropriation (FY 2020)	\$13,107,000
General Fund—State Appropriation (FY 2021)	\$11,696,000
General Fund—Federal Appropriation	\$11,876,000
Asbestos Account—State Appropriation	\$590,000
Electrical License Account—State Appropriation	\$58,068,000
Farm Labor Contractor Account—State Appropriation	\$28,000
Worker and Community Right to Know Fund—	
State Appropriation	\$1,039,000
Construction Registration Inspection Account—	
State Appropriation	\$23,888,000
Public Works Administration Account—State Appropriation	\$10,988,000
Manufactured Home Installation Training Account—	
State Appropriation	\$412,000
Pension Funding Stabilization Account—State Appropriation	\$1,434,000
Accident Account—State Appropriation	\$392,548,000
Accident Account—Federal Appropriation	\$15,674,000
Medical Aid Account—State Appropriation	\$397,545,000
Medical Aid Account—Federal Appropriation	\$3,515,000
Plumbing Certificate Account—State Appropriation	\$2,004,000
Pressure Systems Safety Account—State Appropriation	\$4,667,000
TOTAL APPROPRIATION	\$949,079,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$40,988,000 of the accident account—state appropriation and \$40,986,000 of the medical aid account—state appropriation are provided solely for the labor and industries workers' compensation information system replacement project and are subject to the conditions, limitations, and review provided in section 719 of this act.

(2) \$250,000 of the medical aid account—state appropriation and \$250,000 of the accident account—state appropriation are provided solely for the department of labor and industries safety and health assessment and research for prevention program to conduct research to address the high injury rates of the janitorial workforce. The research must quantify the physical demands of common janitorial work tasks and assess the safety and health needs of janitorial workers. The research must also identify potential risk factors associated with increased risk of injury in the janitorial workforce and measure workload based on the strain janitorial work tasks place on janitors' bodies. The department must conduct interviews with janitors and their employers to collect information on risk factors, identify the tools, technologies, and methodologies used to complete work, and understand the safety culture and climate of the industry. The department must issue an initial report to the legislature, by June 30, 2020, assessing the physical capacity of workers in the context of the industry's economic environment and ascertain usable support tools for employers and workers to decrease risk of injury. After the initial report, the department must produce annual progress reports, beginning in 2021 through the year 2022 or until the tools are fully developed and deployed. The annual progress reports must be submitted to the legislature by December 1st of each year such reports are due.

(3) \$1,700,000 of the accident account—state appropriation and \$300,000 of the medical aid account—state appropriation are provided solely for a contract with a permanently registered Washington sector intermediary to provide supplemental instruction for information technology apprentices. Funds spent for this purpose must be matched by an equal amount of funding from the information technology industry members, except small and mid-sized employers. Up to \$1,000,000 may be spent to provide supplemental instruction for apprentices at small and mid-sized businesses. "Small and mid-sized businesses" means those that have fewer than one hundred employees or have less than five percent annual net profitability. The sector intermediary will collaborate with the state board for community and technical colleges to integrate and offer related supplemental instruction through one or more Washington state community or technical colleges by the 2020-21 academic year.

(4) \$1,360,000 of the accident account—state appropriation and \$240,000 of the medical aid account—state appropriation are provided solely for the department of labor and industries to establish a health care apprenticeship program.

(5) \$273,000 of the accident account—state appropriation and \$273,000 of the medical aid account—state appropriation are provided solely for the department of labor and industries safety and health assessment research for prevention program to conduct research to prevent the types of work-related

injuries that require immediate hospitalization. The department will develop and maintain a tracking system to identify and respond to all immediate in-patient hospitalizations and will examine incidents in defined high-priority areas, as determined from historical data and public priorities. The research must identify and characterize hazardous situations and contributing factors using epidemiological, safety-engineering, and human factors/ergonomics methods. The research must also identify common factors in certain types of workplace injuries that lead to hospitalization. The department must submit an initial report to the governor and appropriate legislative committees by August 30, 2020, and annually thereafter, summarizing work-related immediate hospitalizations and prevention opportunities, actions that employers and workers can take to make workplaces safer, and ways to avoid severe injuries.

(6) \$666,000 of the accident account—state appropriation and \$243,000 of the medical aid account—state appropriation are provided solely for implementation of Substitute Senate Bill No. 5175 (firefighter safety). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(7) \$2,257,000 of the public works administration account—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5035 (prevailing wage laws) and is subject to the conditions, limitations, and review provided in section 719 of this act. If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(8) \$37,000 of the accident account—state appropriation and \$33,000 of the medical aid account—state appropriation are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5497 (immigrants in the workplace). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(9) \$52,000 of the accident account—state appropriation is provided solely for the complaint activity tracking system adjustment project, which will add functionality related to conducting company-wide wage investigations. This funding is subject to the conditions, limitations, and review provided in section 719 of this act.

(10) \$850,000 of the accident account—state appropriation and \$850,000 of the medical aid account—state appropriation are provided solely for issuing and managing contracts with customer-trusted groups to develop and deliver information to small businesses and their workers about workplace rights, regulations and services administered by the agency.

(11) \$4,676,000 of the general fund—state appropriation for fiscal year 2020 and \$2,092,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for increasing rates for medical and health care service providers treating persons in the crime victim compensation program.

(12) \$744,000 of the accident account—state appropriation and \$744,000 of the medical aid account—state appropriation are provided solely for customer service staffing at field offices.

(13) \$3,432,000 of the accident account—state appropriation and \$606,000 of the medical aid account—state appropriation are provided solely for the division of occupational safety and health to add workplace safety and health consultants, inspectors, and investigators.

(14) \$788,000 of the accident account—state appropriation and \$140,000 of the medical aid account—state appropriation are provided solely for apprenticeship staffing to respond to inquiries and process registrations.

(15) \$2,608,000 of the accident account—state appropriation and \$3,541,000 of the medical aid account—state appropriation are provided solely for claims management staffing to reduce caseloads.

(16) \$1,072,000 of the public works administration account—state appropriation is provided solely for implementation of Substitute House Bill No. 1295 (public works contracting). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(17) \$695,000 of the accident account—state appropriation and \$124,000 of the medical aid account—state appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 1817 (high hazard facilities). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(18) \$67,000 of the accident account—state appropriation and \$66,000 of the medical aid account—state appropriation are provided solely for implementation of Substitute House Bill No. 1909 (industrial ins. claim records). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(19) \$313,000 of the accident account—state appropriation and \$312,000 of the medical aid account—state appropriation are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5116 (clean energy). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF VETERANS AFFAIRS

(1) The appropriations in this section are subject to the following conditions and limitations:

(a) The department of veterans affairs 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 must 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.

(b) Each year, there is fluctuation in the revenue collected to support the operation of the state veteran homes. When the department has foreknowledge that revenue will decrease, such as from a loss of census or from the elimination of a program, the legislature expects the department to make reasonable efforts to reduce expenditures in a commensurate manner and to demonstrate that it has made such efforts. By December 31, 2019, the department must: (i) Develop and

implement a sustainable staffing model for the institutional services program to keep expenditures commensurate with the program revenue; and (ii) report to the legislature regarding its expenditures. In response to any request by the department for general fund—state appropriation to backfill a loss of revenue, the legislature shall consider the department's efforts in reducing its expenditures in light of known or anticipated decreases to revenues.

(2) HEADQUARTERS

General Fund—State Appropriation (FY 2020)	\$4,088,000
General Fund—State Appropriation (FY 2021)	\$4,119,000
Charitable, Educational, Penal, and Reformatory Institutions Account—State Appropriation	\$10,000
Pension Funding Stabilization Account—State Appropriation	\$185,000
TOTAL APPROPRIATION	\$8,402,000

(3) FIELD SERVICES

General Fund—State Appropriation (FY 2020)	\$6,602,000
General Fund—State Appropriation (FY 2021)	\$6,770,000
General Fund—Federal Appropriation	\$4,435,000
General Fund—Private/Local Appropriation	\$4,958,000
Veteran Estate Management Account—Private/Local Appropriation	\$708,000
Pension Funding Stabilization Account—State Appropriation	\$444,000
Veterans Stewardship Nonappropriated Account— State Appropriation	\$300,000
Veterans Innovation Program Account—State Appropriation	\$100,000
TOTAL APPROPRIATION	\$24,317,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$1,338,000 of the general fund—federal appropriation and \$120,000 of the general fund—local appropriation are provided solely for the expansion of the transitional housing program at the Washington soldiers home.

(b) \$300,000 of the general fund—state appropriation for fiscal year 2020, \$300,000 of the general fund—state appropriation for fiscal year 2021, and \$100,000 of the veterans innovation account—state appropriation are provided solely for veterans innovation program grants.

(c) \$300,000 of the veterans stewardship nonappropriated account—state appropriation is provided solely for the department's traumatic brain injury program.

(d) \$300,000 of the general fund—state appropriation for fiscal year 2020 and \$300,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to implement Second Substitute House Bill No. 1448 (veterans service officers). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(e)(i) \$140,000 of the general fund—state appropriation for fiscal year 2020 and \$142,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to develop a statewide plan to reduce suicide

among service members, veterans, and their families. In developing the plan, the department shall:

(A) Collaborate with government and nongovernment agencies and organizations to establish promising best practices for suicide awareness and prevention materials, training, and outreach programs targeted to service members, veterans, and their families;

(B) Cultivate peer-led organizations serving veterans in transition and recovery;

(C) Create statewide suicide awareness and prevention training programs with content specific to service members, veterans, and their families; and

(D) Provide safer homes materials and distribute safe firearms storage devices, to the Washington national guard, the Washington state patrol, allied veteran groups, and other organizations serving or employing veterans, following the recommendations of the suicide-safer homes task force.

(ii) The department must report to the legislature regarding the development of the plan no later than December 1, 2020.

(4) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2020)	\$13,379,000
General Fund—State Appropriation (FY 2021)	\$14,565,000
General Fund—Federal Appropriation	\$85,479,000
General Fund—Private/Local Appropriation	\$28,737,000
Pension Funding Stabilization Account—State Appropriation	\$1,464,000
TOTAL APPROPRIATION	\$143,624,000

The appropriations in this subsection are subject to the following conditions and limitations: The amounts provided in this subsection include a general fund—state backfill for a revenue shortfall at the Washington soldiers home in Orting and the Walla Walla veterans home.

(5) CEMETERY SERVICES

General Fund—State Appropriation (FY 2020)	\$100,000
General Fund—State Appropriation (FY 2021)	\$100,000
General Fund—Federal Appropriation	\$688,000
TOTAL APPROPRIATION	\$888,000

NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF HEALTH

General Fund—State Appropriation (FY 2020)	\$75,208,000
General Fund—State Appropriation (FY 2021)	\$72,760,000
General Fund—Federal Appropriation	\$581,269,000
General Fund—Private/Local Appropriation	\$184,174,000
Hospital Data Collection Account—State Appropriation	\$362,000
Health Professions Account—State Appropriation	\$144,746,000
Aquatic Lands Enhancement Account—State Appropriation	\$633,000
Emergency Medical Services and Trauma Care Systems Trust Account—State Appropriation	\$10,091,000
Safe Drinking Water Account—State Appropriation	\$6,050,000
Drinking Water Assistance Account—Federal Appropriation	\$16,974,000
Waterworks Operator Certification Account— State Appropriation	\$1,990,000

Drinking Water Assistance Administrative Account—	
State Appropriation	\$1,228,000
Site Closure Account—State Appropriation	\$183,000
Biotoxin Account—State Appropriation	\$1,693,000
Model Toxics Control Operating Account—	
State Appropriation	\$4,465,000
Medicaid Fraud Penalty Account—State Appropriation	\$1,326,000
Medical Test Site Licensure Account—State Appropriation	\$2,703,000
Youth Tobacco and Vapor Products Prevention Account—	
State Appropriation	\$4,373,000
Dedicated Marijuana Account—State Appropriation	
(FY 2020)	\$10,786,000
Dedicated Marijuana Account—State Appropriation	
(FY 2021)	\$10,616,000
Public Health Supplemental Account—Private/Local	
Appropriation	\$3,668,000
Pension Funding Stabilization Account—State	
Appropriation	\$3,816,000
Accident Account—State Appropriation	\$362,000
Medical Aid Account—State Appropriation	\$54,000
TOTAL APPROPRIATION	\$1,139,530,000

The appropriations in this section are subject to the following conditions and limitations:

(1) 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 of health and the state board of health shall not implement any new or amended rules pertaining to primary and secondary school facilities until the rules and a final cost estimate have been presented to the legislature, and the legislature has formally funded implementation of the rules through the omnibus appropriations act or by statute. 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.

(2) During the 2019-2021 fiscal biennium, each person subject to RCW 43.70.110(3)(c) is required to pay only one surcharge of up to twenty-five dollars annually for the purposes of RCW 43.70.112, regardless of how many professional licenses the person holds.

(3) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to adopt license and certification fees in fiscal years

2020 and 2021 to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower costs of licensing for these programs than for other organizations which are not accredited.

(4) Within the amounts appropriated in this section, and in accordance with RCW 43.20B.110 and 70.41.100, the department shall set fees to include the full costs of the performance of inspections pursuant to RCW 70.41.080.

(5) In accordance with RCW 70.96A.090, 71.24.035, 43.20B.110, and 43.135.055, the department is authorized to adopt fees for the review and approval of mental health and substance use disorder treatment programs in fiscal years 2020 and 2021 as necessary to support the costs of the regulatory program. The department's fee schedule must have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower cost of licensing for these programs than for other organizations which are not accredited.

(6) The health care authority, the health benefit exchange, the department of social and health services, the department of health, and the department of children, youth, and families shall work together within existing resources to establish the health and human services enterprise coalition (the coalition). The coalition, led by the health care authority, must be a multi-organization collaborative that provides strategic direction and federal funding guidance for projects that have cross-organizational or enterprise impact, including information technology projects that affect organizations within the coalition. By October 31, 2019, the coalition must submit a report to the governor and the legislature that describes the coalition's plan for projects affecting the coalition organizations. The report must include any information technology projects impacting coalition organizations and, in collaboration with the office of the chief information officer, provide: (a) The status of any information technology projects currently being developed or implemented that affect the coalition; (b) funding needs of these current and future information technology projects; and (c) next steps for the coalition's information technology projects. The office of the chief information officer shall maintain a statewide perspective when collaborating with the coalition to ensure that the development of projects identified in this report are planned for in a manner that ensures the efficient use of state resources and maximizes federal financial participation. The work of the coalition is subject to the conditions, limitations, and review provided in section 719 of this act.

(7)(a) \$285,000 of the general fund—state appropriation for fiscal year 2020 and \$15,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the governor's interagency coordinating council on health disparities to establish a task force to develop a proposal for the creation of an office of equity. The purpose of the office of equity is to promote access to equitable opportunities and resources that reduce disparities, including racial and ethnic disparities, and improve outcomes statewide across all sectors of government. The council must provide staff support and coordinate community and stakeholder outreach for the task force.

(b) The task force shall include:

(i) The chair of the interagency coordinating council on health disparities, or the chair's designee, who shall serve as the chair of the task force;

(ii) Two members of the house of representatives, appointed by the speaker of the house of representatives;

(iii) Two members from the senate, appointed by the president of the senate;

(iv) A representative from the office of the governor, appointed by the governor;

(v) A representative from the office of financial management's diversity, equity, and inclusion council, appointed by the governor;

(vi) A representative from the office of minority and women's business enterprises, appointed by the director of the office of minority and women's business enterprises;

(vii) A representative from each ethnic commission, appointed by the director of each respective commission;

(viii) A representative from the women's commission, appointed by the director of the commission;

(ix) A representative from the human rights commission, appointed by the director of the commission;

(x) The director of the governor's office of Indian affairs, or the director's designee;

(xi) A member of the disability community, appointed by the chair of the governor's committee on disability issues and employment; and

(xii) A member of the lesbian, gay, bisexual, transgender, and queer community, appointed by the office of the governor.

(c) The task force must submit a preliminary report to the governor and legislature by December 15, 2019. The task force must submit a final proposal to the governor and the legislature by July 1, 2020. The final proposal must include the following recommendations:

(i) A mission statement and vision statement for the office;

(ii) A definition of "equity," which must be used by the office to guide its work;

(iii) The organizational structure of the office, which must include a community liaison for the office;

(iv) A plan to engage executive level management from all agencies;

(v) Mechanisms for facilitating state policy and systems change to promote equity, promoting community outreach and engagement, and establishing standards for the collection, analysis, and reporting of disaggregated data regarding race and ethnicity;

(vi) Mechanisms for accountability to ensure that performance measures around equity are met across all agencies, including recommendations on audits of agencies and other accountability tools as deemed appropriate; and

(vii) A budget proposal including estimates for costs and staffing.

(d) Nonlegislative members of the task force must be reimbursed for expenses incurred in the performance of their duties in accordance with RCW 43.03.050 and 43.03.060. Legislative members must be reimbursed for expenses incurred in accordance with RCW 44.04.120.

(8) \$400,000 of the general fund—state appropriation for fiscal year 2020 and \$400,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to contract with a community-based nonprofit organization located in Yakima valley to develop a Spanish-language public radio media campaign aimed at preventing opioid use disorders through education outreach programs. The goal of the radio media campaign is reaching underserved populations, who may have limited literacy and who may experience cultural and informational isolation, to address prevention, education, and treatment for opioid users or those at risk for opioid use. The nonprofit organization must coordinate with stakeholders who are engaged in promoting healthy and educated choices about drug use and abuse to host four workshops and two conferences that present the latest research and best practices. The department, in coordination with the nonprofit, must provide a preliminary report to the legislature no later than December 31, 2020. A final report must be submitted to the legislature no later than June 30, 2021. Both reports must include: (a) A description of the outreach programs and their implementation; (b) a description of the workshops and conferences held; (c) the number of individuals who participated in or received services in relation to the outreach programs; and (d) any relevant demographic data regarding those individuals.

(9)(a) \$50,000 of the general fund—state appropriation for fiscal year 2020 and \$50,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the nursing care quality assurance commission to continue the work group on nurses in long-term care settings.

(b) The work group must base its work on the assessment of long-term care workforce needs required by chapter 299, Laws of 2018, and included in the long-term care workforce development report to the governor and the legislature submitted in December 2018. The commission shall maintain existing membership of the work group, may add additional stakeholder representation, and may create such technical advisory committees as may be necessary to accomplish its purposes.

(c) Work group priorities for the 2019-2021 fiscal biennium include:

(i) Identifying data sources necessary to ensure workers are achieving timely training, testing, and certification;

(ii) Working with regional workforce development councils to project worker shortages and on-going demands;

(iii) Establishing revised nursing assistant training that aligns directly with the learning outcomes of the competency-based common curriculum, and improves access, reduces costs, increases consistency across evaluators, increases pass rates, and provides support for languages other than English;

(iv) Recommending requirements to improve skilled nursing facility staffing models and address deficiencies in resident care; and

(v) Creating a competency-based common curriculum for nursing assistant training that includes knowledge and skills relevant to current nursing assistant practices; integrated specialty training on mental health, developmental disabilities, and dementia; and removing or revising outdated content. The curriculum must not unnecessarily add additional training hours, and must meet all applicable federal and state laws. The curriculum must be designed with seamless progression from or toward any point on the educational continuum.

(d) The commission must provide an interim report on the activities of the work group and its findings and recommendations for statutory and regulatory changes to the governor and legislature by November 15, 2019, and a final report to the governor and legislature by November 15, 2020.

(10) \$172,000 of the general fund—state appropriation for fiscal year 2020 and \$172,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Substitute Senate Bill No. 5425 (maternal mortality reviews). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(11) \$399,000 of the general fund—local appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5332 (vital statistics). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(12) \$52,000 of the general fund—state appropriation for fiscal year 2020, \$22,000 of the general fund—state appropriation for fiscal year 2021, \$11,000 of the general fund—local appropriation, and \$107,000 of the health professions account—state appropriation are provided solely for implementation of Substitute Senate Bill No. 5380 (opioid use disorder). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(13) \$80,000 of the general fund—state appropriation for fiscal year 2020, \$7,000 of the general fund—state appropriation for fiscal year 2021, and \$32,000 of the health professions account—state appropriation are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5497 (immigrants in the workplace). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(14) \$132,000 of the general fund—state appropriation for fiscal year 2020 and \$132,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Substitute Senate Bill No. 5550 (pesticide application safety). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(15) \$14,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for implementation of Second Substitute Senate Bill No. 5846 (international medical graduates). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(16) \$150,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the midwifery licensure and regulatory program to supplement revenue from fees. The department shall charge no more than five hundred twenty-five dollars annually for new or renewed licenses for the midwifery program.

(17)(a) \$62,000 of the general fund—state appropriation for fiscal year 2020 and \$63,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the King county local health jurisdiction, as part of the foundational public health services, to conduct a study on the population health impact of the SeaTac airport communities.

(b) By December 1, 2020, the King county local health jurisdiction shall submit a report to the appropriate committees of the legislature that must include:

(i) An analysis of existing data sources and an oversample of the best start for kids child health survey to produce airport community health profiles within a one mile, five mile, and ten mile radius of the airport;

(ii) A comprehensive literature review concerning the community health effects of airport operations, including a strength of evidence analysis;

(iii) The findings of the University of Washington school of public health study on ultrafine particulate matter at the airport and surrounding areas; and

(iv) Any recommendations to address health issues related to the impact of the airport on the community.

(18) \$1,000,000 of the youth tobacco and vapor products prevention account—state appropriation is provided solely, as part of foundational public health services, for the department to support local health jurisdictions to provide youth tobacco and vapor prevention programs, including the necessary outreach and education for Engrossed House Bill No. 1074 (tobacco and vapor/age).

(19) \$94,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5116 (clean energy). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(20) The department shall report to the fiscal committees of the legislature by December 1, 2019, and December 1, 2020, if it anticipates that the amounts raised by ambulatory surgical facility licensing fees will not be sufficient to defray the cost of regulating ambulatory surgical facilities. The report shall identify the amount of state general fund money necessary to compensate for the insufficiency.

(21) \$162,000 of the general fund—state appropriation for fiscal year 2020, \$61,000 of the general fund—state appropriation for fiscal year 2021, and \$2,007,000 of the general fund—federal appropriation are provided solely to create a statewide data system to provide early intervention services for all children appropriately screened for developmental delays, to track developmental screenings and delays identified in children, and to assist with care coordination and early intervention; and is subject to the conditions, limitations, and review provided in section 719 of this act.

(22) \$420,000 of the health professions account—state appropriation is provided solely for a work group to develop policy and practice recommendations to increase access to clinical training and supervised practice for the behavioral health workforce. The work group shall include representatives from the department, the workforce training and education coordinating board, and other appropriate stakeholders. The recommendations of the work group must address the following potential barriers: (a) reimbursement and incentives for supervision of interns and trainees; (b) supervision

requirements; (c) competency-based training; (d) licensing reciprocity or the feasibility of an interstate licensing compact, or both; and (e) background checks, including barriers to work related to an applicant's criminal history or substance use disorder. The board must convene and facilitate the work group, and recommendations may be presented in two phases. Recommendations presented in the first phase must be provided by December 1, 2019. Recommendations presented in the second phase must be provided by December 1, 2020.

(23) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Washington poison center. This funding is provided in addition to funding provided pursuant to RCW 69.50.540.

(24) \$21,000 of the general fund—state appropriation for fiscal year 2020 and \$4,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the development of a palliative care road map to provide information and guidance to providers, patients, families, and caregivers of individuals living with a serious or life-threatening illness. The department must work in consultation with appropriate stakeholders, including but not limited to, the health care authority, the department of social and health services, and hospital-based, outpatient, and community-based palliative care providers. The department must complete the document and make hard copies available for distribution no later than September 30, 2020.

(25) \$750,000 of the general fund—state appropriation for fiscal year 2020 is provided to continue the collaboration between local public health, accountable communities of health, and health care providers to reduce potentially preventable hospitalizations in Pierce county. This collaboration will build from year one planning to align care coordination efforts across health care systems and support the accountable communities of health initiatives, including innovative, collaborative models of care. Strategies include the following, to reduce costly hospitalizations: (a) Increasing immunizations for bacterial pneumonia and influenza; (b) screening, brief intervention, and referral to treatment for alcohol, tobacco, and other drugs, and for depression; and (c) the sharing of health system-wide data regarding usage and access patterns. By December 15, 2019, the collaborative shall provide a report to the legislature that illustrates the successes and challenges of the project.

(26) \$55,000 of the health professions account—state appropriation is provided solely to implement Engrossed Substitute House Bill No. 1768 (substance use disorder professionals). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(27) \$14,000 of the health professions account—state appropriation is provided solely to implement Substitute House Bill No. 1865 (acupuncture and Eastern medicine). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(28)(a) \$257,000 of the general fund—state appropriation for fiscal year 2020 and \$304,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the suicide-safer homes task force defined in RCW 43.70.445 to:

(i) Expand support to industries, professions, and workplaces impacted by high rates of suicide, develop and provide online resources to disseminate best

practices in workplace mental health and suicide prevention, and provide trainings for industries with the highest suicide rates and who are unable to pay for trainings;

(ii) Conduct a workplace suicide summit;

(iii) Deliver the task force's SAFER intervention and firearms and medication locking devices in partnership with nongovernment organizations in twelve rural communities across Washington; and

(iv) Develop and distribute a tool kit for suicide prevention and curriculum for firearms safety instructors for their inclusion in firearms safety courses.

(b) The task force shall distribute to all firearms dealers in the state suicide awareness and prevention materials tailored to firearms owners that are developed. Firearms dealers are strongly encouraged to post on the premises and make available to firearms purchasers and transferees the suicide awareness and prevention materials.

(c) The task force shall provide a report to the legislature regarding the directives of this subsection, and the report shall be included in the task force's final report to the legislature by December 1, 2020.

(29) \$16,000 of the general fund—state appropriation for fiscal year 2020 and \$8,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the pharmacy quality assurance commission to:

(a) Distribute or make available through electronic means to all licensed pharmacies suicide awareness and prevention materials developed by the suicide-safer homes task force, and each licensed pharmacy shall, when deemed appropriate through patient evaluation, make available to patients at the point of care the suicide awareness and prevention materials distributed by the commission; and

(b) Survey each pharmacist licensed under this chapter on methods to bridge the gap between practice and suicide awareness and prevention training, including identifying barriers that exist in putting the training into practice. The commission shall consult with the suicide-safer homes task force in developing the survey. The commission may distribute the survey as part of each pharmacist's license renewal. The commission shall compile and analyze the survey data and report the results to the appropriate committees of the legislature by November 15, 2020.

(30) \$1,310,000 of the health professions account—state appropriation is provided solely for the Washington medical commission for clinical health care investigators.

(31) \$3,210,000 of the health professions account—state appropriation is provided solely for the nursing care quality assurance commission to address increased complaints.

(32) Within the amounts appropriated in this section, and in accordance with RCW 43.70.110 and 71.12.470, the department shall set fees to include the full costs of the performance of inspections pursuant to RCW 71.12.485.

(33) \$18,000,000 of the general fund—local appropriation is provided solely for the department to provide core medical services, case management, and support services for individuals living with human immunodeficiency virus.

(34) \$1,606,000 of the general fund—local appropriation is provided solely for staff, equipment, testing supplies, and materials necessary to add Pompe

disease and MPS-I to the mandatory newborn screening panel. The department is authorized to increase the newborn screening fee by \$10.50.

(35) \$332,000 of the general fund—local appropriation is provided solely for testing supplies necessary to perform x-linked adrenoleukodystrophy newborn screening panel testing. The department is authorized to increase the newborn screening fee by \$1.90.

(36) \$150,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to conduct formative research and development regarding dementia and the value and importance of early detection, diagnosis, and planning for the public, including racial and ethnic groups who are at increased risk. Qualified department staff or contracted experts must: (a) Investigate existing evidence-based messages and public awareness campaign strategies; and (b) develop, place, and evaluate messages through a short-term digital awareness campaign in at least two, but no more than four, targeted areas of the state.

(37) \$125,000 of the general fund—state appropriation for fiscal year 2020 and \$125,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to contract with a nonprofit organization that provides support and education for adults, children, and families impacted by cancer. The nonprofit must provide programs and services that include, but are not limited to, adult support groups, camps for children impacted by cancer, education programs for teens to reduce future risk of cancer, and emotional and social support to families dealing with cancer.

(38) \$20,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the department to conduct a study on the state producing generic prescription drugs, with a priority on insulin. By December 1, 2019, the department shall submit a report of its findings and recommendations to the legislature.

(39) \$2,000,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to implement Substitute House Bill No. 1587 (increasing access to fruits and vegetables). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(40) The department must submit an application for an extension or renewal of its current grant pursuant to the federal food insecurity incentives program. If an extension or renewal of the current grant is not permitted, the department must apply for a new grant under the same program, which was reauthorized in December 2018.

(41) \$22,000 of the general fund—state appropriation for fiscal year 2020 and \$22,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to implement Engrossed House Bill No. 1638 (vaccine preventable diseases). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(42) \$207,000 of the health professions account—state appropriation is provided solely to implement chapter 69, Laws of 2019 (SHB 1198) (sexual misconduct notification).

(43) \$203,000 of the general fund—state appropriation for fiscal year 2020 and \$66,000 of the general fund—local appropriation are provided solely to

implement Second Substitute House Bill No. 1394 (behavioral health facilities). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(44) \$36,000 of the health professions account—state appropriation is provided solely to implement House Bill No. 1554 (dental hygienists). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(45) \$189,000 of the dedicated marijuana account—state appropriation for fiscal year 2020 is provided solely to implement Engrossed Substitute House Bill No. 1094 (medical marijuana renewals). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(46) \$200,000 of the general fund—local appropriation is provided solely to implement chapter 68, Laws of 2019 (HB 1177) (dental laboratory registry).

(47) \$88,000 of the general fund—state appropriation for fiscal year 2020 and \$87,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for an online tutorial and link to web-based, continuing education funded by the centers for disease control for training for the primary care health workforce regarding the protocols for perinatal monitoring, birth-dose immunization, early diagnosis, linkage to care, and treatment for persons diagnosed with chronic hepatitis B or hepatitis using the project ECHO telehealth model operated by the University of Washington. Training shall focus on increased provider proficiency and increased number of trained providers in areas with high rates of reported cases of hepatitis B or hepatitis, including regions with high incidence of drug use or upward trend of children who have not received hepatitis B virus vaccinations according to centers for disease control recommendations. All digital and hardcopy training, educational, and outreach materials for this program must be culturally relevant and linguistically diverse.

(48) \$300,000 of the general fund—state appropriation for fiscal year 2020 and \$90,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to the department of health for a task force established to recommend strategies for incorporating environmental justice principles into how state agencies discharge their responsibilities.

(a) The membership of the task force established under this section is as follows:

- (i) The director of the department of commerce, or the director's designee;
- (ii) The director of the department of ecology, or the director's designee;
- (iii) The executive director of the Puget Sound partnership, or the executive director's designee;
- (iv) The secretary of the department of transportation, or the secretary's designee;
- (v) The secretary of the department of health, or the secretary's designee;
- (vi) The chair of the energy facility site evaluation council, or the chair's designee;
- (vii) The chair of the governor's interagency council on health disparities, or the chair's designee;
- (viii) The commissioner of public lands, or the commissioner's designee;
- (ix) A member from an organization representing statewide environmental justice issues, appointed by the governor;

(x) Three members from community-based organizations, appointed by the cochairs specified under (b) of this subsection, the nominations of which are based upon maintaining a balanced and diverse distribution, of representation from census tracts that are ranked at an eight or higher on the cumulative impact analysis and of ethnic, geographic, gender, sexual orientation, age, socioeconomic status, and occupational representation, where practicable;

(xi) A tribal leader, invited by the governor;

(xii) One member from an association representing business interests, appointed by the governor;

(xiii) One member from a union or other organized labor association representing worker interests, appointed by the governor;

(xiv) The director of the department of agriculture, or the director's designee; and

(xv) One member from an organization representing statewide agricultural interests, appointed by the governor.

(b) The representative of statewide environmental justice interests, and the chair of the governor's interagency council on health disparities, or the chair's designee, must cochair the task force.

(c) The governor's interagency council on health disparities shall provide staff support to the task force. The interagency council may work with other agencies, departments, or offices as necessary to provide staff support to the task force.

(d) The task force must submit a final report of its findings and recommendations to the appropriate committees of the legislature and the governor by October 31, 2020, and in compliance with RCW 43.01.036. The goal of the final report is to provide guidance to agencies, the legislature, and the governor, and at a minimum must include the following:

(i) Guidance for state agencies regarding how to use a cumulative impact analysis tool developed by the department of health. Guidance must cover how agencies identify highly impacted communities and must be based on best practices and current demographic data;

(ii) Best practices for increasing public participation and engagement by providing meaningful opportunities for involvement for all people, taking into account barriers to participation that may arise due to race, color, ethnicity, religion, income, or education level;

(iii) Recommendations for establishing measurable goals for reducing environmental health disparities for each community in Washington state and ways in which state agencies may focus their work towards meeting those goals;

(iv) Model policies for prioritizing highly impacted communities and vulnerable populations for the purpose of reducing environmental health disparities and advancing a healthy environment for all residents.

(e) If time and resources permit, the task force may also include in its final report:

(i) Recommendations for creating and implementing equity analysis into all significant planning, programmatic and policy decision making, and investments. The equity analysis methods may include a process for describing potential risks to, benefits to, and opportunities for highly impacted communities and vulnerable populations;

(ii) Best practices and needed resources for cataloging and cross-referencing current research and data collection for programs within all state agencies relating to the health and environment of people of all races, cultures, and income levels, including minority populations and low-income populations of the state.

(f) Members of the task force who are not state employees must be compensated in accordance with RCW 43.03.240 and are entitled to reimbursement individually for travel expenses incurred in the performance of their duties as members of the task force in accordance with RCW 43.03.050 and 43.03.060. The expenses of the task force must be paid by the governor's interagency council on health disparities.

(g) The task force must hold four regional meetings to seek input from, present their work plan and proposals to, and receive feedback from communities throughout the state. The following locations must be considered for these meetings: Northwest Washington, central Puget Sound region, south Puget Sound region, southwest Washington, central Washington, and eastern Washington.

(h) Reports submitted under this section must be available for public inspection and copying through the governor's interagency council on health disparities and must be posted on its web site.

(49) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for testing of lead in public schools. The department must determine which school districts have the highest priority and test those districts first. The department and the school districts for which tests are conducted must provide to parents, educators, school staff, and the public clear communications regarding the test results, the consequences of even low levels of exposure or ingestion, such as cognitive deficits, reduction in IQ, and neurological development, and the information that no level of lead in drinking water is safe. The communications must include a comparison of the results to the recommendation of the American academy of pediatrics (August 2017) and the national toxicology program of the national institutes of health and the center for disease control, regardless of whether the level exceeds the standard for action pursuant to the federal lead and copper rule. Communications regarding test results where levels exceed the level recommended by the American academy of pediatricians must be accompanied by examples of actions districts may take to prevent exposure, including automated flushing of water fountains and sinks, and installation of certified water filters or bottle filling stations.

***NEW SECTION. Sec. 222. 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 in this act.

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund—State Appropriation (FY 2020)	\$68,636,000
General Fund—State Appropriation (FY 2021)	\$69,672,000
General Fund—Federal Appropriation	\$400,000
Pension Funding Stabilization Account—State Appropriation	\$7,616,000

TOTAL APPROPRIATION \$146,324,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$210,000 of the general fund—state appropriation for fiscal year 2021 are provided on a one-time basis solely for the implementation of Substitute Senate Bill No. 5876 (DOC gender, trauma work grp). If the bill is not enacted by June 30, 2019, the amounts in this subsection shall lapse.

(b) Within the funds appropriated in the subsection the department shall review and update the necessary business requirements for implementation of a comprehensive electronic health records system. The department will utilize its feasibility study from 2013 and the health informatics roadmap completed in 2017 to update its business requirements and complete a request for information process by May 31, 2021. The department shall submit a report to the governor and the legislature outlining the system specifications and a cost model for implementation no later than June 30, 2021. This subsection is subject to the conditions, limitations, and review requirements of section 719 of this act.

(c) \$13,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1517 (domestic violence). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(d)(i) During the 2019-2021 fiscal biennium, the department must revise its agreements and contracts with vendors to include a provision to require that each vendor agrees to equality among its workers by ensuring similarly employed individuals are compensated as equals as follows:

(A) Employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed;

(B) Vendors may allow differentials in compensation for its workers based in good faith on any of the following:

(I) A seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels.

(II) A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience, that is: Consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential.

(III) A bona fide regional difference in compensation level must be: Consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential.

(ii) The provision must allow for the termination of the contract if the department or department of enterprise services determines that the vendor is not in compliance with this agreement or contract term.

(iii) The department must implement this provision with any new contract and at the time of renewal of any existing contract.

(e) The appropriations in this subsection include sufficient funding for the implementation of Second Substitute Senate Bill No. 5021 (DOC/interest arbitration).

(2) CORRECTIONAL OPERATIONS

General Fund—State Appropriation (FY 2020)	\$563,549,000
General Fund—State Appropriation (FY 2021)	\$582,774,000
General Fund—Federal Appropriation	\$818,000
Washington Auto Theft Prevention Authority Account—	
State Appropriation	\$4,680,000
Pension Funding Stabilization Account—State	
Appropriation	\$62,920,000
TOTAL APPROPRIATION	\$1,214,741,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department may contract for local jail beds statewide to the extent that it is at no net cost to the department. The department shall calculate and report the average cost per offender per day, inclusive of all services, on an annual basis for a facility that is representative of average medium or lower offender costs. The department shall not pay a rate greater than \$85 per day per offender excluding the costs of department of corrections provided services, including evidence-based substance abuse programming, dedicated department of corrections classification staff on-site for individualized case management, transportation of offenders to and from department of corrections facilities, and gender responsive training for Yakima jail staff assigned to the unit. The capacity provided at local correctional facilities must be for offenders whom the department of corrections defines as close medium or lower security offenders. Programming provided for offenders held in local jurisdictions is included in the rate, and details regarding the type and amount of programming, and any conditions regarding transferring offenders must be negotiated with the department as part of any contract. Local jurisdictions must provide health care to offenders that meet standards set by the department. The local jail must provide all medical care including unexpected emergent care. The department must utilize a screening process to ensure that offenders with existing extraordinary medical/mental health needs are not transferred to local jail facilities. If extraordinary medical conditions develop for an inmate while at a jail facility, the jail may transfer the offender back to the department, subject to terms of the negotiated agreement. Health care costs incurred prior to transfer are the responsibility of the jail.

(b) \$501,000 of the general fund—state appropriation for fiscal year 2020 and \$501,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to maintain the facility, property, and assets at the institution formerly known as the maple lane school in Rochester.

(c) The appropriations in this subsection include sufficient funding for the implementation of Substitute Senate Bill No. 5492 (motor vehicle felonies).

(d) \$1,861,000 of the general fund—state appropriation for fiscal year 2020 and \$1,861,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to contract for the costs associated with use of offender bed capacity in lieu of prison beds for a therapeutic community

program in Yakima county. The department shall provide a report to the legislature by December 15, 2019, outlining the program, its outcomes, and any improvements made over the previous contracted beds.

(e) \$3,314,000 of the general fund—state appropriation for fiscal year 2020 and \$3,014,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to increase custody staffing in its prison facilities to provide watch staff for hospital stays, mental health needs, and suicide watches to reduce overtime hours. The department shall track and report to the legislature on the changes in working conditions and overtime usage for nursing services by November 15, 2019.

(f) \$1,774,000 of the general fund—state appropriation for fiscal year 2020 and \$1,567,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to implement the settlement agreement in *Disability Rights Washington v. Inslee, et al.*, U.S. District Court for the Western District of Washington, cause No. 18-5071, for the portions of the agreement that require additional staff necessary to supervise individuals with greater out-of-cell time and to facilitate access to programming, treatment, and other required activities. If the settlement agreement is not fully executed and approved by the court before September 1, 2019, this appropriation shall lapse.

(g) \$764,000 of the general fund—state appropriation for fiscal year 2020 and \$663,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department for payment of debt service associated with a certificate of participation for the equipment at the coyote ridge corrections center and its security electronics network project.

(3) COMMUNITY SUPERVISION

General Fund—State Appropriation (FY 2020)	\$220,368,000
General Fund—State Appropriation (FY 2021)	\$240,790,000
General Fund—Federal Appropriation	\$3,632,000
Pension Funding Stabilization Account—State Appropriation	\$12,800,000
TOTAL APPROPRIATION	\$477,590,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$1,320,000 of the general fund—state appropriation for fiscal year 2020 and \$2,560,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department of corrections to negotiate annual contract rate increases with local and tribal governments for jail capacity to house offenders who violate the terms of their community supervision and must include increases for a regional jail serving the south King county area for providing enhanced medical services. A contract rate increase may not exceed five percent each year. The department may negotiate to include medical care of offenders in the contract rate if medical payments conform to the department's offender health plan and pharmacy formulary, and all off-site medical expenses are preapproved by department utilization management staff. If medical care of offender is included in the contract rate, the contract rate may exceed five percent to include the cost of that service.

(b) The department shall engage in ongoing mitigation strategies to reduce the costs associated with community supervision violators, including

improvements in data collection and reporting and alternatives to short-term confinement for low-level violators.

(c) *Within existing resources, the department shall implement Engrossed Second Substitute Senate Bill No. 5291 (confinement alts./children).*

(d) \$984,000 of the general fund—state appropriation for fiscal year 2020 and \$8,066,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to create two hundred work release beds in the community by the end of fiscal year 2021. The department shall create an implementation plan and provide a report to the legislature by September 1, 2019, that outlines when and where the work release facilities will be implemented.

(e) \$143,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1517 (domestic violence). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(4) CORRECTIONAL INDUSTRIES

General Fund—State Appropriation (FY 2020)	\$6,448,000
General Fund—State Appropriation (FY 2021)	\$6,590,000
Pension Funding Stabilization Account—State Appropriation	\$510,000
TOTAL APPROPRIATION	\$13,548,000

(5) INTERAGENCY PAYMENTS

General Fund—State Appropriation (FY 2020)	\$46,625,000
General Fund—State Appropriation (FY 2021)	\$45,238,000
TOTAL APPROPRIATION	\$91,863,000

(6) OFFENDER CHANGE

General Fund—State Appropriation (FY 2020)	\$59,538,000
General Fund—State Appropriation (FY 2021)	\$61,135,000
Pension Funding Stabilization Account—State Appropriation	\$4,430,000
TOTAL APPROPRIATION	\$125,103,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department of corrections shall use funds appropriated in this subsection (6) for offender programming. The department shall develop and implement a written comprehensive plan for offender programming that prioritizes programs which follow the risk-needs-responsivity model, are evidence-based, and have measurable outcomes. The department is authorized to discontinue ineffective programs and to repurpose underspent funds according to the priorities in the written plan.

(b) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for additional rental vouchers for individuals released from prison facilities.

(c) \$9,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the implementation of Second Substitute Senate Bill No. 5433 (DOC/post secondary education). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(7) HEALTH CARE SERVICES

General Fund—State Appropriation (FY 2020)	.....	\$160,657,000
General Fund—State Appropriation (FY 2021)	.....	\$164,466,000
TOTAL APPROPRIATION	.....	\$325,123,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The state prison medical facilities may use funds appropriated in this subsection to purchase goods, supplies, and services through hospital or other group purchasing organizations when it is cost effective to do so.

(b) \$895,000 of the general fund—state appropriation for fiscal year 2020 and \$895,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to increase on call nursing and overtime staff in order to cover required nursing posts in its prison facilities. The department shall track and report to the legislature on the changes in working conditions and overtime usage for nursing services by December 21, 2019.

(c) \$174,000 of the general fund—state appropriation for fiscal year 2020 and \$164,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to implement the settlement agreement in *Disability Rights Washington v. Inslee, et. al.*, United States District Court for the Western District of Washington, Cause No. 18-5071, for the portions of the agreement that require additional staff necessary to supervise individuals with greater out-of-cell time and to facilitate access to programming, treatment and other required activities. If the settlement agreement is not fully executed and approved by the court before September 1, 2019, the amounts provided in this subsection shall lapse.

**Sec. 222 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF SERVICES FOR THE BLIND

General Fund—State Appropriation (FY 2020)	.....	\$3,653,000
General Fund—State Appropriation (FY 2021)	.....	\$3,971,000
General Fund—Federal Appropriation	.....	\$25,492,000
General Fund—Private/Local Appropriation	.....	\$60,000
Pension Funding Stabilization Account—State Appropriation	.....	\$172,000
TOTAL APPROPRIATION	.....	\$33,348,000

The appropriations in this subsection are subject to the following conditions and limitations:

(1) \$275,000 of the general fund—state appropriation for fiscal year 2020 and \$275,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for vocational rehabilitation supported employment services for additional eligible clients with visual disabilities who would otherwise be placed on the federally required order of selection waiting list.

(2) \$115,000 of the general fund—state appropriation for fiscal year 2020 and \$115,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the independent living program.

NEW SECTION. Sec. 224. FOR THE EMPLOYMENT SECURITY DEPARTMENT

General Fund—State Appropriation (FY 2020)	.....	\$35,000
General Fund—State Appropriation (FY 2021)	.....	\$35,000

General Fund—Federal Appropriation	\$224,813,000
General Fund—Private/Local Appropriation	\$36,401,000
Unemployment Compensation Administration	
Account—Federal Appropriation	\$299,413,000
Administrative Contingency Account—State Appropriation	\$26,248,000
Employment Service Administrative Account—	
State Appropriation	\$54,315,000
Family and Medical Leave Insurance Account—	
State Appropriation	\$78,290,000
Long-Term Services and Supports Trust Account—	
State Appropriation	\$14,103,000
TOTAL APPROPRIATION	\$733,653,000

The appropriations in this subsection are subject to the following conditions and limitations:

(1) The department is directed to maximize the use of federal funds. The department must update its budget annually to align expenditures with anticipated changes in projected revenues.

(2) \$70,000 of the employment service administrative account—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5497 (immigrants in the workplace). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(3) \$3,516,000 of the employment service administrative account—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5438 (ag & seasonal workforce srv). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(4) \$4,636,000 of the employment service administrative account—state appropriation is provided solely for the statewide reentry initiative to connect incarcerated individuals to employment resources prior to and after release.

(5) \$14,103,000 of the long-term services and supports trust account—state appropriation is provided solely for implementation of Second Substitute House Bill No. 1087 (long-term services and support). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(6) \$162,000 of the family and medical leave insurance account—state appropriation is provided solely for implementation of Substitute House Bill No. 1399 (paid family and medical leave). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

NEW SECTION. Sec. 225. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

(1) CHILDREN AND FAMILIES SERVICES PROGRAM

General Fund—State Appropriation (FY 2020)	\$399,796,000
General Fund—State Appropriation (FY 2021)	\$412,306,000
General Fund—Federal Appropriation	\$542,242,000
General Fund—Private/Local Appropriation	\$2,824,000
Pension Funding Stabilization Account—State	
Appropriation	\$27,892,000
TOTAL APPROPRIATION	\$1,385,060,000

The appropriations in this section are subject to the following conditions and limitations:

(a) \$748,000 of the general fund—state appropriation for fiscal year 2020 and \$748,000 of the general fund—state appropriation for fiscal year 2021 is provided solely to contract for the operation of one pediatric interim care center. The center shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the center must be in need of special care as a result of substance abuse by their mothers. The center shall also provide on-site training to biological, adoptive, or foster parents. The center shall provide at least three months of consultation and support to the parents accepting placement of children from the center. The center may recruit new and current foster and adoptive parents for infants served by the center. The department shall not require case management as a condition of the contract.

(b) \$253,000 of the general fund—state appropriation for fiscal year 2020 and \$253,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the costs of hub home foster families that provide a foster care delivery model that includes a licensed hub home. Use of the hub home model is intended to support foster parent retention, improve child outcomes, and encourage the least restrictive community placements for children in out-of-home care.

(c) \$579,000 of the general fund—state appropriation for fiscal year 2020 and \$579,000 of the general fund—state appropriation for fiscal year 2021 and \$110,000 of the general fund—federal appropriation are provided solely for a receiving care center east of the Cascade mountains.

(d) \$1,245,000 of the general fund—state appropriation for fiscal year 2020 and \$1,245,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for services provided through children's advocacy centers. Of the amounts provided in this subsection, \$255,000 of the general fund—state appropriation for fiscal year 2020 and \$255,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for an expansion to child advocacy center services.

(e) \$1,884,000 of the general fund—state appropriation for fiscal year 2020 and \$1,884,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for implementation of performance-based contracts for family support and related services pursuant to RCW 74.13B.020. Of the amounts provided in this subsection, \$533,000 of the general fund—state appropriation for fiscal year 2020 and \$533,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to expand performance-based contracts through network administrators.

(f) \$3,291,000 of the general fund—state appropriation for fiscal year 2020, \$5,998,000 of the general fund—state appropriation for fiscal year 2021, and \$5,876,000 of the general fund-federal appropriation are provided solely for social worker and related staff to receive, refer, and respond to screened-in reports of child abuse and neglect pursuant to chapter 208, Laws of 2018.

(g) Beginning October 1, 2019, and each calendar quarter thereafter, the department shall provide a tracking report for social service specialists and corresponding social services support staff to the office of financial management, and the appropriate policy and fiscal committees of the legislature. The report shall include the following information identified separately for

social service specialists doing case management work, supervisory work, and administrative support staff, and identified separately by job duty or program, including but not limited to intake, child protective services investigations, child protective services family assessment response, and child and family welfare services:

(i) Total full time equivalent employee authority, allotments and expenditures by region, office, classification and band, and job duty or program;

(ii) Vacancy rates by region, office, and classification and band; and

(iii) Average length of employment with the department, and when applicable, the date of exit for staff exiting employment with the department by region, office, classification and band, and job duty or program.

(h) \$94,000 of the general fund—state appropriation for fiscal year 2020 and \$94,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for a contract with a child advocacy center in Spokane to provide continuum of care services for children who have experienced abuse or neglect and their families.

(i) \$3,910,000 of the general fund—state appropriation for fiscal year 2020 and \$3,910,000 of the general fund—state appropriation for fiscal year 2021 and \$2,336,000 of the general fund—federal appropriation are provided solely for the department to reduce the caseload ratios of social workers serving children in foster care, to promote decreased lengths of stay and to make progress towards achievement of the Braam settlement caseload outcomes.

(j)(A) \$539,000 of the general fund—state appropriation for fiscal year 2020 and \$540,000 of the general fund—state appropriation for fiscal year 2021, \$656,000 of the general fund private/local appropriation, and \$252,000 of the general fund—federal appropriation are provided solely for a contract with an educational advocacy provider with expertise in foster care educational outreach. The amounts in this subsection are provided solely for contracted education coordinators to assist foster children in succeeding in K-12 and higher education systems and to assure a focus on education during the department's transition to performance-based contracts. Funding must be prioritized to regions with high numbers of foster care youth, or regions where backlogs of youth that have formerly requested educational outreach services exist. The department is encouraged to use private matching funds to maintain educational advocacy services.

(B) The department shall contract with the office of the superintendent of public instruction, which in turn shall contract with a nongovernmental entity or entities to provide educational advocacy services pursuant to RCW 28A.300.590.

(k) The department shall continue to implement policies to reduce the percentage of parents requiring supervised visitation, including clarification of the threshold for transition from supervised to unsupervised visitation prior to reunification.

(l) \$375,000 of the general fund—state appropriation for fiscal year 2020 and \$375,000 of the general fund—state appropriation for fiscal year 2021 and \$112,000 of the general fund—federal appropriation are provided solely for the department to develop, implement, and expand strategies to improve the capacity, reliability, and effectiveness of contracted visitation services for children in temporary out-of-home care and their parents and siblings. Strategies

may include, but are not limited to, increasing mileage reimbursement for providers, offering transportation-only contract options, and mechanisms to reduce the level of parent-child supervision when doing so is in the best interest of the child.

(m) For purposes of meeting the state's maintenance of effort for the state supplemental payment program, the department of children, youth, and families shall track and report to the department of social and health services the monthly state supplemental payment amounts attributable to foster care children who meet eligibility requirements specified in the state supplemental payment state plan. Such expenditures must equal at least \$3,100,000 annually and may not be claimed toward any other federal maintenance of effort requirement. Annual state supplemental payment expenditure targets must continue to be established by the department of social and health services. Attributable amounts must be communicated by the department of children, youth, and families to the department of social and health services on a monthly basis.

(n) \$1,230,000 of the general fund—state appropriation for fiscal year 2020 and \$1,230,000 of the general fund—state appropriation for fiscal year 2021 and \$156,000 of the general fund—federal appropriation are provided solely to increase the travel reimbursement for in-home service providers.

(o) The department is encouraged to control exceptional reimbursement decisions so that the child's needs are met without excessive costs.

(p) \$197,000 of the general fund—state appropriation for fiscal year 2020 and \$197,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the department to conduct biennial inspections and certifications of facilities, both overnight and day shelters, that serve those who are under 18 years old and are homeless.

(q) \$1,740,000 of the general fund—state appropriation for fiscal year 2020 and \$1,741,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the department to operate emergent placement contracts. The department shall not include the costs to operate emergent placement contracts in the calculations for family foster home maintenance payments and shall submit as part of the budget submittal documentation required by RCW 43.88.030 any costs associated with increases in the number of emergent placement contract beds after the effective date of this section that cannot be sustained within existing appropriations.

(r) The appropriations in this section include sufficient funding for continued implementation of Chapter 80, Laws of 2018 (2SSB 6453) (kinship caregiver legal support).

(s)(i) \$10,828,000 of the general fund—state appropriation for fiscal year 2020, \$10,993,000 of the general fund—state appropriation for fiscal year 2021, and \$13,365,000 of the general fund—federal appropriation are provided solely for rate increases for behavioral rehabilitation services providers. The department shall modify the rate structure to one that is based on placement setting rather than acuity level pursuant to the rate study submitted in December 2018.

(ii) Beginning January 1, 2020, and continuing through the 2019-2021 fiscal biennium, the department must provide semi-annual reports to the governor and appropriate legislative committees that includes the number of in-state behavioral rehabilitation services providers and licensed beds, the number of

out-of-state behavioral rehabilitation services placements, and a comparison of these numbers to the same metrics expressed as an average over the first six months of calendar year 2019.

(t) Within existing resources, the department shall implement Engrossed Second Substitute Senate Bill No. 5291 (confinement alts./children).

(u) \$767,000 of the general fund—state appropriation for fiscal year 2020 and \$766,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute Senate Bill No. 5718 (child welfare housing assistance). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(v) \$413,000 of the general fund—state appropriation for fiscal year 2020, \$413,000 of the general fund—state appropriation for fiscal year 2021, and \$826,000 of the general fund—federal appropriation are provided solely to increase family reconciliation services.

(w) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementing the supportive visitation model that utilizes trained visit navigators to provide a structured and positive visitation experience for children and their parents.

(x) The department of children, youth, and families shall enter into interagency agreements with the office of public defense and office of civil legal aid to facilitate the use of federal Title IV-E reimbursement for parent representation and child representation services.

(y) \$146,000 of the general fund—state appropriation for fiscal year 2020 and \$147,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Substitute Senate Bill No. 5955 (DCYF/statewide system). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(z) \$7,586,000 of the general fund—federal appropriation is provided solely for the department of children, youth, and families to leverage federal title IV-E funds available under the family first prevention services act for qualifying services and families.

(i) In fiscal year 2020, the department shall work with the department of social and health services to complete an evaluation of kinship navigator services that would enable establishment of a well-supported, supported, or promising practice model.

(ii) No later than December 1, 2019, the department shall report to the governor and appropriate legislative committees on the feasibility of claiming federal title IV-E reimbursement in fiscal year 2021 for home visiting services and kinship navigator services. The report shall include the estimated share of the current population receiving home visiting services whom the department would consider candidates for foster care for the purposes of title IV-E reimbursement under the family first prevention services act, and the estimated workload impacts for the department to identify and document the candidacy of populations receiving home visiting services.

(aa) \$443,000 of the general fund—state appropriation for fiscal year 2020, \$443,000 of the general fund—state appropriation for fiscal year 2021, and \$818,000 of the general fund—federal appropriation are provided solely for ten child and family welfare services case workers.

(bb) \$379,000 of the general fund—state appropriation for fiscal year 2020 and \$871,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department of children, youth, and families to contract with a county-wide nonprofit organization with early childhood expertise in Pierce county for a pilot project to prevent child abuse and neglect using nationally recognized models. Of the amounts provided:

(i) \$323,000 of the general fund—state appropriation for fiscal year 2020 and \$333,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the nonprofit organization to convene stakeholders to implement a countywide resource and referral linkage system for families of children who are prenatal through age five.

(ii) \$56,000 of the general fund—state appropriation for fiscal year 2020 and \$539,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the nonprofit organization to offer a voluntary brief newborn home visiting program. The program must meet the diverse needs of Pierce county residents and, therefore, it must be flexible, culturally appropriate, and culturally responsive. The department, in collaboration with the nonprofit organization, must examine the feasibility of leveraging federal and other fund sources, including federal Title IV-E and medicaid funds, for home visiting provided through the pilot. The department must report its findings to the governor and appropriate legislative committees by December 1, 2019.

(2) JUVENILE REHABILITATION PROGRAM

General Fund—State Appropriation (FY 2020)	\$100,860,000
General Fund—State Appropriation (FY 2021)	\$101,604,000
General Fund—Federal Appropriation	\$3,464,000
General Fund—Private/Local Appropriation	\$1,985,000
Washington Auto Theft Prevention Authority	
Account—State Appropriation	\$196,000
Pension Funding Stabilization Account—State	
Appropriation	\$8,362,000
TOTAL APPROPRIATION	\$216,471,000

The appropriations in this section are subject to the following conditions and limitations:

(a) \$331,000 of the general fund—state appropriation for fiscal year 2020 and \$331,000 of the general fund—state appropriation for fiscal year 2021 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.

(b) \$2,841,000 of the general fund—state appropriation for fiscal year 2020 and \$2,841,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for grants to county juvenile courts for the juvenile justice programs identified by the Washington state institute for public policy in its report: "Inventory of Evidence-based, Research-based, and Promising Practices for Prevention and Intervention Services for Children and Juveniles in the Child Welfare, Juvenile Justice, and Mental Health Systems." Additional funding for

this purpose is provided through an interagency agreement with the health care authority. County juvenile courts shall apply to the department of children, youth, and families for funding for program-specific participation and the department shall provide grants to the courts consistent with the per-participant treatment costs identified by the institute.

(c) \$1,537,000 of the general fund—state appropriation for fiscal year 2020 and \$1,537,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for expansion of the juvenile justice treatments and therapies in department of children, youth, and families programs identified by the Washington state institute for public policy in its report: "Inventory of Evidence-based, Research-based, and Promising Practices for Prevention and Intervention Services for Children and Juveniles in the Child Welfare, Juvenile Justice, and Mental Health Systems." The department may concentrate delivery of these treatments and therapies at a limited number of programs to deliver the treatments in a cost-effective manner.

(d)(i) \$6,198,000 of the general fund—state appropriation for fiscal year 2020 and \$6,198,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to implement evidence- and research-based programs through community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants. In addition to funding provided in this subsection, funding to implement alcohol and substance abuse treatment programs for locally committed offenders is provided through an interagency agreement with the health care authority.

(ii) The department of children, youth, and families shall administer a block grant to county juvenile courts for the purpose of serving youth as defined in RCW 13.40.510(4)(a) in the county juvenile justice system. Funds dedicated to the block grant include: Consolidated juvenile service (CJS) funds, community juvenile accountability act (CJAA) grants, chemical dependency/mental health disposition alternative (CDDA), and suspended disposition alternative (SDA). The department of children, youth, and families shall follow the following formula and must prioritize evidence-based programs and disposition alternatives and take into account juvenile courts program-eligible youth in conjunction with the number of youth served in each approved evidence-based program or disposition alternative: (A) Thirty-seven and one-half percent for the at-risk population of youth ten to seventeen years old; (B) fifteen percent for the assessment of low, moderate, and high-risk youth; (C) twenty-five percent for evidence-based program participation; (D) seventeen and one-half percent for minority populations; (E) three percent for the chemical dependency and mental health disposition alternative; and (F) two percent for the suspended dispositional alternatives. Funding for the special sex offender disposition alternative (SSODA) shall not be included in the block grant, but allocated on the average daily population in juvenile courts. Funding for the evidence-based expansion grants shall be excluded from the block grant formula. Funds may be used for promising practices when approved by the department of children, youth, and families and juvenile courts, through the community juvenile accountability act committee, based on the criteria established in consultation with Washington state institute for public policy and the juvenile courts.

(iii) The department of children, youth, and families and the juvenile courts shall establish a block grant funding formula oversight committee with equal

representation from the department of children, youth, and families and the juvenile courts. The purpose of this committee is to assess the ongoing implementation of the block grant funding formula, utilizing data-driven decision making and the most current available information. The committee will be co-chaired by the department of children, youth, and families and the juvenile courts, who will also have the ability to change members of the committee as needed to achieve its purpose. The committee may make changes to the formula categories in (d)(ii) of this subsection if it determines the changes will increase statewide service delivery or effectiveness of evidence-based program or disposition alternative resulting in increased cost/benefit savings to the state, including long-term cost/benefit savings. The committee must also consider these outcomes in determining when evidence-based expansion or special sex offender disposition alternative funds should be included in the block grant or left separate.

(iv) The juvenile courts and administrative office of the courts must collect and distribute information and provide access to the data systems to the department of children, youth, and families and the Washington state institute for public policy related to program and outcome data. The department of children, youth, and families and the juvenile courts must work collaboratively to develop program outcomes that reinforce the greatest cost/benefit to the state in the implementation of evidence-based practices and disposition alternatives.

(e) \$557,000 of the general fund—state appropriation for fiscal year 2020 and \$557,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for funding of the teamchild project.

(f) \$283,000 of the general fund—state appropriation for fiscal year 2020 and \$283,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the juvenile detention alternatives initiative.

(g) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant program focused on criminal street gang prevention and intervention. The department of children, youth, and families may award grants under this subsection. The department of children, youth, and families shall give priority to applicants who have demonstrated the greatest problems with criminal street gangs. Applicants composed of, at a minimum, one or more local governmental entities and one or more nonprofit, nongovernmental organizations that have a documented history of creating and administering effective criminal street gang prevention and intervention programs may apply for funding under this subsection. Each entity receiving funds must report to the department of children, youth, and families on the number and types of youth served, the services provided, and the impact of those services on the youth and the community.

(h) The juvenile rehabilitation institutions may use funding appropriated in this subsection to purchase goods, supplies, and services through hospital group purchasing organizations when it is cost-effective to do so.

(i) \$50,000 of the general fund—state appropriation for fiscal year 2020 and \$50,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for grants to county juvenile courts to establish alternative detention facilities similar to the proctor house model in Jefferson county, Washington, that will provide less restrictive confinement alternatives to youth

in their local communities. County juvenile courts shall apply to the department of children, youth, and families for funding and each entity receiving funds must report to the department on the number and types of youth serviced, the services provided, and the impact of those services on the youth and the community.

(j) \$432,000 of the general fund—state appropriation for fiscal year 2020 and \$432,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to provide housing services to clients releasing from incarceration into the community.

(k) \$2,063,000 of the general fund—state appropriation for fiscal year 2020 and \$1,606,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1646 (juvenile rehabilitation confinement). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(l) \$80,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for a contract with a non-governmental entity to research youth violence prevention strategies and explore new and existing resources to implement evidence-based youth prevention strategies in the city of Federal Way.

(m) \$200,000 of the general fund—state appropriation for fiscal year 2020 is provided for the department to measure the fidelity of the evidence-based interventions incorporated into the integrated treatment model. By July 1, 2020, the department must report to the governor and the appropriate fiscal and policy committees of the legislature on the results of the assessment of the integrated treatment model.

(3) EARLY LEARNING PROGRAM

General Fund—State Appropriation (FY 2020)	\$232,310,000
General Fund—State Appropriation (FY 2021)	\$246,369,000
General Fund—Federal Appropriation	\$444,984,000
General Fund—Private/Local Appropriation	\$100,000
Education Legacy Trust Account—State Appropriation	\$28,336,000
Home Visiting Services Account—State Appropriation	\$14,798,000
Home Visiting Services Account—Federal Appropriation	\$27,677,000
Washington Opportunity Pathways Account— State Appropriation	\$80,000,000
Pension Funding Stabilization Account—State Appropriation	\$3,900,000
TOTAL APPROPRIATION	\$1,078,474,000

The appropriations in this section are subject to the following conditions and limitations:

(a)(i) \$81,236,000 of the general fund—state appropriation for fiscal year 2020, \$89,410,000 of the general fund—state appropriation for fiscal year 2021, \$24,250,000 of the education legacy trust account—state appropriation, and \$80,000,000 of the opportunity pathways account appropriation are provided solely for the early childhood education and assistance program. These amounts shall support at least 14,000 slots in fiscal year 2020 and 14,662 slots in fiscal year 2021.

(ii) The department of children, youth, and families must develop a methodology to identify, at the school district level, the geographic locations of

where early childhood education and assistance program slots are needed to meet the entitlement specified in RCW 43.216.556. This methodology must be linked to the caseload forecast produced by the caseload forecast council and must include estimates of the number of slots needed at each school district and the corresponding facility needs required to meet the entitlement in accordance with RCW 43.216.556. This methodology must be included as part of the budget submittal documentation required by RCW 43.88.030.

(b) \$200,000 of the general fund—state appropriation for fiscal year 2020 and \$200,000 of the general fund—state appropriation for fiscal year 2021 is provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers.

(c) The department is 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.

(d) \$76,453,000 of the general fund—state appropriation in fiscal year 2020, \$82,736,000 of the general fund—state appropriation in fiscal year 2021, and \$283,375,000 of the general fund—federal appropriation are provided solely for the working connections child care program under RCW 43.215.135. Of the amounts provided in this subsection:

(i) \$78,101,000 of the general fund—state appropriation shall be claimed toward the state's temporary assistance for needy families federal maintenance of effort requirement. The department shall work in collaboration with the department of social and health services to track the average monthly child care subsidy caseload and expenditures by fund type, including child care development fund, general fund—state appropriation, and temporary assistance for needy families for the purpose of estimating the monthly temporary assistance for needy families reimbursement.

(ii) \$44,103,000 is for the compensation components of the 2019-2021 collective bargaining agreement covering family child care providers as provided in section 943 of this act.

(iii) \$28,000 of the general fund—state appropriation for fiscal year 2020 and \$1,359,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1303 (child care/higher education) or Engrossed Second Substitute House Bill No. 2158 (workforce education investment). If neither bill is enacted by June 30, 2019, the amounts provided in this subsection (d)(iii) shall lapse.

(iv) \$526,000 of the general fund—state appropriation for fiscal year 2020 and \$519,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1603 (economic assistance programs). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection (d)(iv) shall lapse.

(v) \$101,414,000 is for subsidy rate increases for child care center providers. Funding in this subsection is sufficient to achieve the 55th percentile of market at a level 3 standard of quality.

(vi) In order to not exceed the appropriated amount, the department shall manage the program so that the average monthly caseload does not exceed 33,000 households and the department shall give prioritized access into the program according to the following order:

(A) Families applying for or receiving temporary assistance for needy families (TANF);

(B) TANF families curing sanction;

(C) Foster children;

(D) Families that include a child with special needs;

(E) Families in which a parent of a child in care is a minor who is not living with a parent or guardian and who is a full-time student in a high school that has a school-sponsored on-site child care center;

(F) Families with a child residing with a biological parent or guardian who have received child protective services, child welfare services, or a family assessment response from the department in the past six months, and have received a referral for child care as part of the family's case management;

(G) Families that received subsidies within the last thirty days and:

(I) Have reapplied for subsidies; and

(II) Have household income of two hundred percent of the federal poverty level or below; and

(H) All other eligible families.

(vii) The department, in collaboration with the department of social and health services, must submit a follow-up report by December 1, 2019, to the governor and the appropriate fiscal and policy committees of the legislature on quality control measures for the working connections child care program. The report must include:

(A) An updated narrative of the procurement and implementation of an improved time and attendance system, including an updated and detailed accounting of the final costs of procurement and implementation;

(B) An updated and comprehensive description of all processes, including computer algorithms and additional rule development, that the department and the department of social and health services have implemented and that are planned to be implemented to avoid overpayments. The updated report must include an itemized description of the processes implemented or planned to be implemented to address each of the following:

(I) Ensure the department's auditing efforts are informed by regular and continuous alerts of the potential for overpayments;

(II) Avoid overpayments, including the billing of more regular business days than are in a month, to the maximum extent possible and expediently recover overpayments that have occurred;

(III) Withhold payment from providers when necessary to incentivize receipt of the necessary documentation to complete an audit;

(IV) Establish methods for reducing future payments or establishing repayment plans in order to recover any overpayments;

(V) Sanction providers, including termination of eligibility, who commit intentional program violations or fail to comply with program requirements, including compliance with any established repayment plans;

(VI) Consider pursuit of prosecution in cases with fraudulent activity; and

(VII) Ensure two half-day rates totaling more than one hundred percent of the daily rate are not paid to providers; and

(C) A description of the process by which fraud is identified and how fraud investigations are prioritized and expedited.

(viii) Beginning July 1, 2019, and annually thereafter, the department, in collaboration with the department of social and health services, must report to the governor and the appropriate fiscal and policy committees of the legislature on the status of overpayments in the working connections child care program. The report must include the following information for the previous fiscal year:

- (A) A summary of the number of overpayments that occurred;
- (B) The reason for each overpayment;
- (C) The total cost of overpayments;
- (D) A comparison to overpayments that occurred in the past two preceding fiscal years; and
- (E) Any planned modifications to internal processes that will take place in the coming fiscal year to further reduce the occurrence of overpayments.

(e) Within available amounts, the department in consultation with the office of financial management shall report enrollments and active caseload for the working connections child care program to the legislative fiscal committees and the legislative-executive WorkFirst poverty reduction oversight task force on an agreed upon schedule. The report shall also identify the number of cases participating in both temporary assistance for needy families and working connections child care. The department must also report on the number of children served through contracted slots.

(f) \$1,560,000 of the general fund—state appropriation for fiscal year 2020 and \$1,560,000 of the general fund—state appropriation for fiscal year 2021 and \$13,424,000 of the general fund—federal appropriation are provided solely for the seasonal child care program. If federal sequestration cuts are realized, cuts to the seasonal child care program must be proportional to other federal reductions made within the department.

(g) \$4,674,000 of the general fund—state appropriation for fiscal year 2020, \$3,598,000 of the general fund—state appropriation for fiscal year 2021, and \$1,076,000 of the general fund—federal appropriation are provided solely for the early childhood intervention prevention services (ECLIPSE) program. The department shall contract for ECLIPSE services to provide therapeutic child care and other specialized treatment services to abused, neglected, at-risk, and/or drug-affected children. The department shall ensure that contracted providers pursue receipt of federal funding associated with the early support for infants and toddlers program. Priority for services shall be given to children referred from the department.

(h) \$38,622,000 of the general fund—state appropriation for fiscal year 2020, \$38,095,000 of the general fund—state appropriation for fiscal year 2021 and \$33,908,000 of the general fund—federal appropriation are provided solely to maintain the requirements set forth in chapter 7, Laws of 2015, 3rd sp. sess. The department shall place a ten percent administrative overhead cap on any contract entered into with the University of Washington. In a bi-annual report to the governor and the legislature, the department shall report the total amount of funds spent on the quality rating and improvements system and the total amount of funds spent on degree incentives, scholarships, and tuition reimbursements. Of the amounts provided in this subsection:

(i) \$1,728,000 of the general fund—state appropriation for fiscal year 2020 and \$1,728,000 of the general fund—state appropriation for fiscal year 2021 are

provided solely for reducing barriers for low-income providers to participate in the early achievers program.

(ii) \$17,955,000 is for quality improvement awards, of which \$1,650,000 is to provide a \$500 increase for awards for select providers rated level three to five in accordance with the 2019-2021 collective bargaining agreement covering family child care providers as set forth in section 943 of this act.

(iii) \$1,283,000 of the general fund—state appropriation for fiscal year 2020 and \$417,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1391 (early achievers program). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection (h)(iii) shall lapse.

(i) \$150,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a contract with a nonprofit entity experienced in the provision of promoting early literacy for children through pediatric office visits.

(j) \$4,000,000 of the education legacy trust account—state appropriation is provided solely for early intervention assessment and services.

(k) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management and authorization systems within the department are subject to technical oversight by the office of the chief information officer.

(l)(i)(A) The department is required to provide to the education research and data center, housed at the office of financial management, data on all state-funded early childhood programs. These programs include the early support for infants and toddlers, early childhood education and assistance program (ECEAP), and the working connections and seasonal subsidized childcare programs including license exempt facilities or family, friend, and neighbor care. The data provided by the department to the education research data center must include information on children who participate in these programs, including their name and date of birth, and dates the child received services at a particular facility.

(B) ECEAP early learning professionals must enter any new qualifications into the department's professional development registry starting in the 2015-16 school year, and every school year thereafter. By October 2017, and every October thereafter, the department must provide updated ECEAP early learning professional data to the education research data center.

(C) The department must request federally funded head start programs to voluntarily provide data to the department and the education research data center that is equivalent to what is being provided for state-funded programs.

(D) The education research and data center must provide an updated report on early childhood program participation and K-12 outcomes to the house of representatives appropriations committee and the senate ways and means committee using available data every March for the previous school year.

(ii) The department, in consultation with the department of social and health services, must withhold payment for services to early childhood programs that do not report on the name, date of birth, and the dates a child received services at a particular facility.

(m) The department shall work with state and local law enforcement, federally recognized tribal governments, and tribal law enforcement to develop a

process for expediting fingerprinting and data collection necessary to conduct background checks for tribal early learning and child care providers.

(n) \$5,157,000 of the general fund—state appropriation for fiscal year 2020 and \$4,938,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for components of the 2019-2021 collective bargaining agreement covering family child care providers as set forth in section 943 of this act. Of the amounts provided in this subsection:

(i) \$1,302,000 is for the family child care provider 501(c)(3) organization for board-approved training;

(ii) \$230,000 is for increasing training reimbursement up to \$250 per person;

(iii) \$115,000 is for training on the electronic child care time and attendance system;

(iv) \$3,000,000 is to maintain the career development fund;

(v) \$5,223,000 is for up to five days of substitute coverage per provider per year through the state-administered substitute pool.

(vi) \$226,000 is to provide an increase to monthly health care premiums.

(o) \$219,000 of the general fund—state appropriation for fiscal year 2020 and \$219,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 236, Laws of 2017 (SHB 1445) (dual language in early learning & K-12).

(p) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 202, Laws of 2017 (E2SHB 1713) (children's mental health).

(q) \$317,000 of the general fund—state appropriation for fiscal year 2020 and \$317,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to continue a four year pilot for implementation of chapter 162, Laws of 2017 (SSB 5357) (outdoor early learning programs).

(r) Within existing resources, the department shall implement Substitute Senate Bill No. 5089 (early learning access).

(s) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for additional facilitated play groups offered statewide to family, friend, and neighbor child care providers.

(t)(i) The department of children, youth, and families, in consultation with the office of the superintendent of public instruction, the office of financial management, and the caseload forecast council must develop a proposal to transfer the annual allocations appropriated in the omnibus appropriations act for early intervention services for children with disabilities from birth through two years of age, from the superintendent of public instruction to the department of children, youth, and families beginning July 1, 2020. The department must submit a model detailing how allocations for this program will be determined and identifying the necessary statutory changes to the office of financial management and the fiscal committees of the legislature no later than September 1, 2019.

(ii) Beginning July 1, 2019, there shall be an administrative limit of five percent on all state funds allocated to school districts for early intervention services for children with disabilities from birth through two years of age.

(u) \$750,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the expanded learning opportunity quality initiative pursuant to RCW 43.216.085(3)(d). No later than December 1, 2020, the department shall submit a report to the governor and the appropriate committees of the legislature regarding the outcomes of this pilot program and recommendations for future implementation that includes phasing-out the need for ongoing state support.

(v) \$3,779,000 of the home visiting services—state appropriation and \$3,779,000 of the home visiting services—federal appropriation are provided solely for the department to contract for additional home visiting slots. To maximize the use of available federal funding, to the greatest extent possible, the department shall use these additional slots to serve families where one or more children are candidates for foster care. The federal amount in this subsection is contingent on the services and children being eligible under the federal family first prevention services act, P.L. 115-123. The department may not allocate the federal funds to contractors unless the federal funding requirements are met.

(w) \$9,000 of the general fund—state appropriation for fiscal year 2020 and \$9,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1344 (child care access work group). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(x) \$773,000 of the general fund—state appropriation for fiscal year 2020 and \$773,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute Senate Bill No. 5903 (children's mental health). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(4) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2020)	\$75,435,000
General Fund—State Appropriation (FY 2021)	\$76,908,000
General Fund—Federal Appropriation	\$55,824,000
Pension Funding Stabilization Account—State Appropriation	\$14,000
TOTAL APPROPRIATION	\$208,181,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The health care authority, the health benefit exchange, the department of social and health services, the department of health, and the department of children, youth, and families shall work together within existing resources to establish the health and human services enterprise coalition (the coalition). The coalition, led by the health care authority, must be a multi-organization collaborative that provides strategic direction and federal funding guidance for projects that have cross-organizational or enterprise impact, including information technology projects that affect organizations within the coalition. By October 31, 2019, the coalition must submit a report to the governor and the legislature that describes the coalition's plan for projects affecting the coalition organizations. The report must include any information technology projects impacting coalition organizations and, in collaboration with the office of the chief information officer, provide: (i) The status of any information technology projects currently being developed or implemented that affect the coalition; (ii)

funding needs of these current and future information technology projects; and (iii) next steps for the coalition's information technology projects. The office of the chief information officer shall maintain a statewide perspective when collaborating with the coalition to ensure that the development of projects identified in this report are planned for in a manner that ensures the efficient use of state resources and maximizes federal financial participation. The work of the coalition is subject to the conditions, limitations, and review provided in section 719 of this act.

(b) \$300,000 of the general fund—state appropriation for fiscal year 2020 and \$300,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a Washington state mentoring organization to continue its public-private partnerships providing technical assistance and training to mentoring programs that serve at-risk youth.

(c) \$5,000 of the general fund—state appropriation for fiscal year 2020, \$5,000 of the general fund—state appropriation for fiscal year 2021, and \$16,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the Washington federation of state employees for the language access providers under the provisions of chapter 41.56 RCW for the 2019-2021 fiscal biennium.

(d) \$63,000 of the general fund—state appropriation for fiscal year 2020 and \$7,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5497 (immigrants in the workplace). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(e) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a full-time employee to coordinate policies and programs to support pregnant and parenting individuals receiving chemical dependency or substance use disorder treatment.

(f)(i) All agreements and contracts with vendors must include a provision to require that each vendor agrees to equality among its workers by ensuring similarly employed individuals are compensated as equals as follows:

(A) Employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed;

(B) Vendors may allow differentials in compensation for its workers based in good faith on any of the following:

(I) A seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels.

(II) A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience, that is: Consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential.

(III) A bona fide regional difference in compensation level must be: Consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential.

(ii) The provision must allow for the termination of the contract if the department or department of enterprise services determines that the vendor is not in compliance with this agreement or contract term.

(iii) The department must implement this provision with any new contract and at the time of renewal of any existing contract.

(g) The department must submit an agency budget request for the 2020 supplemental budget that identifies the amount of administrative funding to be transferred from appropriations in subsections (1), (2), and (3) of this section to subsection (4) of this section.

**PART III
NATURAL RESOURCES**

NEW SECTION. Sec. 301. FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund—State Appropriation (FY 2020)	\$544,000
General Fund—State Appropriation (FY 2021)	\$570,000
General Fund—Federal Appropriation	\$32,000
General Fund—Private/Local Appropriation	\$1,138,000
Pension Funding Stabilization Account—State Appropriation	\$46,000
TOTAL APPROPRIATION	\$2,330,000

The appropriations in this section are subject to the following conditions and limitations: \$45,000 of the general fund—state appropriation for fiscal year 2020 and \$45,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a land use planner to conduct compliance monitoring on approved development projects and develop and track measures on the commission's effectiveness in implementing the national scenic area management plan.

***NEW SECTION. Sec. 302. FOR THE DEPARTMENT OF ECOLOGY**

General Fund—State Appropriation (FY 2020)	\$30,725,000
General Fund—State Appropriation (FY 2021)	\$29,342,000
General Fund—Federal Appropriation	\$110,053,000
General Fund—Private/Local Appropriation	\$23,406,000
Reclamation Account—State Appropriation	\$4,906,000
Flood Control Assistance Account—State Appropriation	\$4,174,000
State Emergency Water Projects Revolving Account—State Appropriation	\$40,000
Waste Reduction, Recycling, and Litter Control Account—State Appropriation	\$24,951,000
State Drought Preparedness Account—State Appropriation	\$204,000
State and Local Improvements Revolving Account—Water Supply Facilities—State Appropriation	\$183,000
Aquatic Algae Control Account—State Appropriation	\$528,000
Water Rights Tracking System Account—State Appropriation	\$48,000
Site Closure Account—State Appropriation	\$582,000
Wood Stove Education and Enforcement Account—State Appropriation	\$577,000
Worker and Community Right to Know Fund—State Appropriation	\$1,995,000

Water Rights Processing Account—State Appropriation	\$39,000
Model Toxics Control Operating Account—State Appropriation.	\$237,148,000
Model Toxics Control Operating Account—Local Appropriation.	\$499,000
Water Quality Permit Account—State Appropriation	\$47,872,000
Underground Storage Tank Account—State Appropriation	\$3,963,000
Biosolids Permit Account—State Appropriation	\$2,703,000
Hazardous Waste Assistance Account—State Appropriation.	\$7,150,000
Radioactive Mixed Waste Account—State Appropriation	\$19,626,000
Air Pollution Control Account—State Appropriation	\$4,452,000
Oil Spill Prevention Account—State Appropriation	\$11,351,000
Air Operating Permit Account—State Appropriation	\$4,679,000
Freshwater Aquatic Weeds Account—State Appropriation	\$1,497,000
Oil Spill Response Account—State Appropriation	\$7,076,000
Dedicated Marijuana Account—State Appropriation (FY 2020).	\$465,000
Dedicated Marijuana Account—State Appropriation (FY 2021).	\$464,000
Pension Funding Stabilization Account—State Appropriation.	\$2,920,000
Water Pollution Control Revolving Administration Account—State Appropriation	\$3,858,000
Paint Product Stewardship Account—State Appropriation	\$182,000
TOTAL APPROPRIATION	\$587,658,000

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) \$102,000 of the general fund—state appropriation for fiscal year 2020 and \$102,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Executive Order No. 12-07, Washington's response to ocean acidification.

(3) \$726,000 of the general fund—state appropriation for fiscal year 2020, \$1,432,000 of the general fund—state appropriation for fiscal year 2021, and \$1,600,000 of the flood control assistance account—state appropriation are provided solely for the continued implementation of the streamflow restoration program provided in chapter 90.94 RCW. Funding must be used to develop watershed plans, oversee consultants, adopt rules, and develop or oversee capital grant-funded projects that will improve instream flows statewide.

(4) \$1,259,000 of the model toxics control operating account—state appropriation is provided solely for the increased costs for Washington conservation corp member living allowances, vehicles used to transport crews to worksites, and costs unsupported by static federal AmeriCorps grant reimbursement.

(5) \$3,482,000 of the model toxics control operating account—state appropriation is provided solely for the department to implement recommendations that come from chemical action plans (CAP), such as the

interim recommendations addressing PFAS (per- and polyfluorinated alkyl substances) contamination in drinking water and sources of that contamination, to monitor results, and to develop new CAPs.

(6) \$592,000 of the reclamation account—state appropriation is provided solely for the department to assess and explore opportunities to resolve water rights uncertainties and disputes through adjudications in selected basins where tribal senior water rights, unquantified claims, and similar uncertainties about the seniority, quantity, and validity of water rights exist.

(7) \$2,147,000 of the waste reduction, recycling, and litter control account—state appropriation is provided solely for the department to address litter prevention and recycling programs, and in response to new China-imposed restrictions on the import of recyclable materials. Activities funded from this increased appropriation include litter pickup by ecology youth crews, local governments, and other state agencies, and litter prevention public education campaigns.

(8) \$120,000 of the general fund—state appropriation for fiscal year 2020 and \$67,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5116 (clean energy). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(9) \$807,000 of the model toxics control operating account—state appropriation is provided solely for the implementation of Substitute Senate Bill No. 5135 (toxic pollution). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(10) \$540,000 of the waste reduction, recycling, and litter control account—state appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5323 (plastic bags), including the education and outreach activities required under section 5 of the bill. If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(11) \$392,000 of the waste reduction, recycling, and litter control account—state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5397 (plastic packaging). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(12) \$1,450,000 of the waste reduction, recycling, and litter control account—state appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1543 (concerning sustainable recycling). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(13) \$342,000 of the air pollution control account—state appropriation and \$619,000 of the model toxics control operating account—state appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1112 (hydrofluorocarbons emissions). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(14) \$1,374,000 of the model toxics control operating account—state appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 1578 (oil transportation safety). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(15) \$264,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to contract with the Walla Walla watershed management partnership board of directors to develop a thirty-year integrated water resource management strategic plan and to provide partnership staffing, reporting, and operating budget costs associated with new activities as described in Second Substitute Senate Bill No. 5352 (Walla Walla watershed pilot). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(16) \$455,000 of the general fund—state appropriation for fiscal year 2020 and \$455,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to grant to the northwest straits commission to distribute equally among the seven Puget Sound marine resource committees.

(17) \$290,000 of the general fund—state appropriation for fiscal year 2020 and \$290,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for rule making to change standards to allow for a higher volume of water to be spilled over Columbia river and Snake river dams to increase total dissolved gas for the benefit of Chinook salmon and other salmonids.

(18) \$118,000 of the general fund—state appropriation for fiscal year 2020 and \$118,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the agency to convene a stakeholder work group to identify actions to decrease loading of priority pharmaceuticals into Puget Sound, contract for technical experts to provide literature review, conduct an analysis and determine best practices for addressing pharmaceutical discharges, and carry out laboratory testing and analysis.

(19) \$319,000 of the general fund—state appropriation for fiscal year 2020 and \$319,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to increase coordination in reviewing shoreline armoring proposals to better protect forage fish.

(20) \$247,000 of the general fund—state appropriation for fiscal year 2020 and \$435,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for monitoring nutrient cycling and ocean acidification parameters at twenty marine stations in Puget Sound and Hood canal.

(21) \$250,000 of the flood control assistance account—state appropriation is provided solely for the Washington conservation corps to carry out emergency activities to respond to flooding by repairing levees, preventing or mitigating an impending flood hazard, or filling and stacking sandbags. This appropriation is also for grants to local governments for emergency response needs, including the removal of structures and repair of small-scale levees and tidesgates.

(22) \$500,000 of the model toxics control operating account—local appropriation is provided solely for the Spokane river regional toxics task force to address elevated levels of polychlorinated biphenyls in the Spokane river.

(23) \$244,000 of the model toxics control operating—state appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5579 (crude oil volatility/rail). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(24) \$432,000 of the model toxics control operating—state appropriation is provided solely for the implementation of Substitute House Bill No. 1290

(voluntary cleanups/has waste). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(25) \$10,000,000 of the model toxics control operating account—state appropriation is provided solely for the department to provide grants to local governments for the purpose of supporting local solid waste and financial assistance programs.

(26) \$100,000 of the oil spill prevention account—state appropriation is provided solely for the department to produce a synopsis of current maritime vessel activity, navigation lanes, and anchorages in the northern Puget Sound and the strait of Juan de Fuca, including vessel transit in Canadian portions of transboundary waters. Consistent with RCW 43.372.030, the synopsis must compile key findings and baseline information on the spatial and temporal distribution of and intensity of current maritime vessel activity. The department may collect new information on vessel activity, including information on commercial and recreational fishing, where relevant to the synopsis. In producing the synopsis, the department must invite the participation of Canadian agencies and first nations, and must coordinate with federal agencies, other state agencies, federally recognized Indian tribes, commercial and recreational vessel operators and organizations representing such operators, and other stakeholders. The department must provide a draft of the synopsis to the appropriate committees of the legislature by June 30, 2021.

(27) \$500,000 of the waste reduction, recycling, and litter control account—state appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1114 (food waste reduction). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(28) \$465,000 of the dedicated marijuana account—state appropriation for fiscal year 2020 and \$464,000 of the dedicated marijuana account—state appropriation for fiscal year 2021 are provided solely for the implementation of House Bill No. 2052 (marijuana product testing). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(29) \$182,000 of the paint product stewardship account—state appropriation is provided solely for the implementation of Substitute House Bill No. 1652 (paint stewardship). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(30) \$60,000 of the general fund—state appropriation for fiscal year 2020 and \$61,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Second Substitute House Bill No. 1579 (chinook abundance). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

**Sec. 302 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 303. FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund—State Appropriation (FY 2020)	\$16,013,000
General Fund—State Appropriation (FY 2021)	\$16,501,000
General Fund—Federal Appropriation	\$7,079,000
Winter Recreation Program Account—State Appropriation	\$3,310,000
ORV and Nonhighway Vehicle Account—State Appropriation	\$403,000
Snowmobile Account—State Appropriation	\$5,657,000
Aquatic Lands Enhancement Account—State Appropriation	\$367,000

Parks Renewal and Stewardship Account—State	
Appropriation	\$125,438,000
Parks Renewal and Stewardship Account—Private/Local	
Appropriation	\$420,000
Pension Funding Stabilization Account—State	
Appropriation	\$1,496,000
TOTAL APPROPRIATION	\$176,684,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$129,000 of the general fund—state appropriation for fiscal year 2020 and \$129,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant for the operation of the Northwest weather and avalanche center.

(2) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the commission to pay assessments charged by local improvement districts.

(3) \$75,000 of the general fund—state appropriation for fiscal year 2020 and \$75,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Senate Bill No. 5918 (whale watching guidelines). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(4) \$916,000 of the general fund—state appropriation for fiscal year 2020, \$915,000 of the general fund—state appropriation for fiscal year 2021, and \$169,000 of the parks renewal and stewardship account—state appropriation are provided solely for the commission to replace major equipment with an emphasis on fire response equipment and law enforcement vehicles that have over fifteen years of useful life.

(5) \$252,000 of the general fund—state appropriation for fiscal year 2020, \$216,000 of the general fund—state appropriation for fiscal year 2021, and \$322,000 of the parks renewal and stewardship account—state appropriation are provided solely for operating budget impacts from capital budget projects funded in the 2017-2019 fiscal biennium.

(6) \$154,000 of the general fund—state appropriation for fiscal year 2020 and \$146,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for hiring new park rangers and park aides.

(7) \$3,750,000 of the general fund—state appropriation for fiscal year 2020, \$3,750,000 of the general fund—state appropriation for fiscal year 2021, and \$2,500,000 of the parks renewal and stewardship account—state appropriation are provided solely for maintaining current service levels for core functions such as customer service, facility maintenance, and law enforcement.

(8) \$382,000 of the general fund—state appropriation for fiscal year 2020 and \$567,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the commission to conduct forest health treatments on 500 acres of forestland each year, add stewardship staff capacity in the northwest region, and conduct vegetation surveys to identify rare and sensitive plants. One-time funding is also provided to replace a fire truck in the eastern region.

(9) \$750,000 of the general fund—state appropriation for fiscal year 2020 and \$750,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the commission to hire construction and maintenance staff to address the backlog of preventive maintenance at state parks.

(10) \$428,000 of the parks renewal and stewardship account—state appropriation is provided solely for increased technology costs associated with providing field staff with access to the state government network, providing law enforcement personnel remote access to law enforcement records, and providing public wi-fi services at dry falls, pacific beach, and potholes state parks.

(11) \$204,000 of the parks renewal and stewardship account—state appropriation is provided solely for maintaining the state parks' central reservation system, the law enforcement records management system, and discover pass automated pay stations.

NEW SECTION. Sec. 304. FOR THE RECREATION AND CONSERVATION OFFICE

General Fund—State Appropriation (FY 2020)	\$1,193,000
General Fund—State Appropriation (FY 2021)	\$1,166,000
General Fund—Federal Appropriation	\$3,779,000
General Fund—Private/Local Appropriation	\$24,000
Aquatic Lands Enhancement Account—State Appropriation	\$333,000
Firearms Range Account—State Appropriation	\$37,000
Recreation Resources Account—State Appropriation	\$4,143,000
NOVA Program Account—State Appropriation	\$1,107,000
Pension Funding Stabilization Account—State Appropriation	\$80,000
TOTAL APPROPRIATION	\$11,862,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$109,000 of the aquatic lands enhancement account—state appropriation is provided solely to the recreation and conservation funding board for administration of the aquatics lands enhancement account grant program as described in RCW 79.105.150.

(2) \$37,000 of the firearms range account—state appropriation is provided solely to the recreation and conservation funding board for administration of the firearms range grant program as described in RCW 79A.25.210.

(3) \$4,150,000 of the recreation resources account—state appropriation is provided solely to the recreation and conservation funding board for administrative and coordinating costs of the recreation and conservation office and the board as described in RCW 79A.25.080(1).

(4) \$1,107,000 of the NOVA program account—state appropriation is provided solely to the recreation and conservation funding board for administration of the nonhighway and off-road vehicle activities program as described in chapter 46.09 RCW.

(5) \$175,000 of the general fund—state appropriation for fiscal year 2020 and \$175,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to contract for implementation of the Nisqually watershed stewardship plan.

NEW SECTION. Sec. 305. FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE

General Fund—State Appropriation (FY 2020)	\$2,533,000
General Fund—State Appropriation (FY 2021)	\$2,440,000
Pension Funding Stabilization Account—State Appropriation	\$254,000
TOTAL APPROPRIATION	\$5,227,000

The appropriations in this section are subject to the following conditions and limitations: \$170,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the implementation of Substitute Senate Bill No. 5151 (growth management board/indexing). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

***NEW SECTION. Sec. 306. FOR THE CONSERVATION COMMISSION**

General Fund—State Appropriation (FY 2020)	\$7,936,000
General Fund—State Appropriation (FY 2021)	\$7,973,000
General Fund—Federal Appropriation	\$2,301,000
Public Works Assistance Account—State Appropriation	\$8,456,000
Model Toxics Control Operating Account—State Appropriation	\$1,000,000
Pension Funding Stabilization Account—State Appropriation	\$254,000
TOTAL APPROPRIATION	\$27,920,000

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 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the commission and conservation districts to increase landowner participation in voluntary actions that protect habitat to benefit salmon and southern resident orcas.

(2) \$8,456,000 of the public works assistance account—state appropriation is provided solely for implementation of the voluntary stewardship program. This amount may not be used to fund agency indirect and administrative expenses.

(3) \$50,000 of the general fund—state appropriation for fiscal year 2020 and \$50,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the commission to continue to convene and facilitate a food policy forum and to implement recommendations identified through the previous work of the food policy forum.

(a) The commission shall coordinate implementation of the forum with the department of agriculture and the office of farmland preservation.

(b) The director of the commission and the director of the department of agriculture shall jointly appoint members of the forum, and no appointment may be made unless each director concurs in the appointment.

(c) In addition to members appointed by the directors, four legislators may serve on the food policy forum in an ex officio capacity. Legislative participants may be reimbursed for travel expenses by the senate or house of representatives as provided in RCW 44.04.120. Legislative participants must be appointed as follows:

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

(ii) The majority leader and minority leader of the senate shall appoint one member from each of the two largest caucuses of the senate.

(d) Meetings of the forum may be scheduled by either the director of the commission or the director of the department of agriculture.

(e) Staffing for the forum must be provided by the commission working jointly with staff from the department of agriculture.

(f) The commission and the department of agriculture shall jointly develop the agenda for each forum meeting as well as a report from the food policy forum. The report must contain recommendations and a workplan to implement the recommendations and must be delivered to the appropriate committees of the legislature and the governor by June 30, 2021.

(4) \$82,000 of the general fund—state appropriation for fiscal year 2020 and \$81,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Second Substitute House Bill No. 1579 (chinook abundance). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(5) \$20,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the following activities:

(a) The commission and the department of agriculture must produce a gap analysis reviewing existing conservation grant programs and completed voluntary stewardship program plans to identify what technical assistance and cost-share resources are needed to meet the requirements placed on those activities by the legislature.

(b)(i) The commission, in collaboration with the department of agriculture, must develop recommendations for legislation or additional work that may be needed to implement a sustainable farms and fields grant program that prioritizes funding based on net reduction of greenhouse gas emissions on farm, aquatic, or ranch lands, including carbon sequestration.

(ii) The recommendations must incorporate the gap analysis required by this section. The recommendations must include information about how the grant program can complement and avoid competing with existing conservation programs, and provide cost share benefits to existing and new programs designed to improve water quality, critical habitats, and soil health and soil-health research on farm, aquatic or timber lands.

(iii) The recommendations must be developed with input from stakeholder meetings with representatives from the environmental and agricultural communities.

(c) The commission and the department of agriculture must provide an update to the appropriate committees of the legislature by August 1, 2019, and final recommendations by November 1, 2019.

**Sec. 306 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE

General Fund—State Appropriation (FY 2020)	\$74,521,000
General Fund—State Appropriation (FY 2021)	\$63,849,000
General Fund—Federal Appropriation	\$141,326,000
General Fund—Private/Local Appropriation	\$69,360,000
ORV and Nonhighway Vehicle Account—State Appropriation	\$701,000
Aquatic Lands Enhancement Account—State Appropriation	\$11,871,000

Recreational Fisheries Enhancement Account—State	
Appropriation	\$3,332,000
Warm Water Game Fish Account—State Appropriation	
	\$2,824,000
Eastern Washington Pheasant Enhancement Account—State	
Appropriation	\$675,000
State Wildlife Account—State Appropriation	
	\$115,447,000
Special Wildlife Account—State Appropriation	
	\$2,904,000
Special Wildlife Account—Federal Appropriation	
	\$517,000
Special Wildlife Account—Private/Local Appropriation	
	\$3,653,000
Wildlife Rehabilitation Account—State Appropriation	
	\$361,000
Ballast Water and Biofouling Management Account—State	
Appropriation	\$10,000
Model Toxics Control Operating Account—State	
Appropriation	\$2,946,000
Regional Fisheries Enhancement Salmonid Recovery	
Account—Federal Appropriation	\$5,001,000
Oil Spill Prevention Account—State Appropriation	
	\$1,199,000
Aquatic Invasive Species Management Account—State	
Appropriation	\$1,906,000
Pension Funding Stabilization Account—State	
Appropriation	\$5,186,000
Oyster Reserve Land Account—State Appropriation	
	\$524,000
TOTAL APPROPRIATION	\$508,113,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$467,000 of the general fund—state appropriation for fiscal year 2020 and \$467,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to pay for emergency fire suppression costs. These amounts may not be used to fund agency indirect and administrative expenses.

(2) \$415,000 of the general fund—state appropriation for fiscal year 2020, \$415,000 of the general fund—state appropriation for fiscal year 2021, and \$440,000 of the general fund—federal appropriation are provided solely for county assessments.

(3)(a) A legislative task force is established to recommend a group or entity to review the department's budget requests in place of the hatchery scientific review group. The task force is comprised of two members from each of the two largest caucuses in the senate, appointed by the president of the senate, and two members from each of the two largest caucuses in the house of representatives, appointed by the speaker of the house. The task force shall be staffed by the office of program research and senate committee services. The task force must consult with tribes.

(b) The task force must review the purpose and activities of the hatchery scientific review group and develop recommendations for the legislature to establish a replacement group or entity that will analyze state spending and projects related to hatcheries that are proposed in state operating and capital budgets. Among other things, the task force shall recommend a process by which the replacement organization or entity, starting with the 2021-2023 fiscal biennium, contracts with the department to review the department's proposed

agency biennial operating and capital budget requests related to state fish hatcheries prior to submission to the office of financial management. This review shall: (i) Examine if the proposed requests are consistent with independent scientific review standards using best available science; (ii) evaluate the components of the request based on the independent needs of each particular watershed and the return of salmonids including naturally spawning, endangered, and hatchery stocks; and (iii) evaluate whether the proposed requests are being made in the most cost-effective manner. This process must require the department to provide a copy of the review to the office of financial management and the legislature with its agency budget proposal.

(c) The task force shall report to the legislature on its findings and recommendations by December 1, 2019.

(4) \$400,000 of the general fund—state appropriation for fiscal year 2020 and \$400,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the United States army corps of engineers.

(5) \$762,000 of the general fund—state appropriation for fiscal year 2020, \$580,000 of the general fund—state appropriation for fiscal year 2021, and \$24,000 of the state wildlife account—state appropriation are provided solely for the implementation of Second Substitute Senate Bill No. 5577 (orca whales/vessels). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(6) \$156,000 of the general fund—state appropriation for fiscal year 2020 and \$155,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for operating budget impacts from capital budget projects funded in the 2017-2019 fiscal biennium.

(7) \$450,000 of the general fund—state appropriation for fiscal year 2020 and \$450,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to develop a pinto abalone recovery plan, expand field work, conduct genetics and disease assessments, and establish three satellite grow-out facilities. \$150,000 of the appropriation per fiscal year is for competitive grants to nonprofit organizations to assist in recovery and restoration work of native shellfish.

(8) \$350,000 of the general fund—state appropriation for fiscal year 2020 and \$350,000 of the general fund—state appropriation for fiscal year 2021, are provided solely for the department to increase the work of regional fisheries enhancement groups.

(9) \$457,000 of the general fund—state appropriation for fiscal year 2020, \$457,000 of the general fund—state appropriation for fiscal year 2021, and \$110,000 of the state wildlife account—state appropriation are provided solely for the department to pay for costs to maintain upgraded network infrastructure and pay the debt service on purchased equipment.

(10) \$165,000 of the general fund—state appropriation for fiscal year 2020, \$166,000 of the general fund—state appropriation for fiscal year 2021, and \$495,000 of the state wildlife account—state appropriation are provided solely for new service or vendor costs, including PC leases, mobile devices, a remote management system, IT issue tracking technology, and virtual private network services.

(11) \$3,500,000 of the general fund—state appropriation for fiscal year 2020 and \$3,500,000 of the general fund—state appropriation for fiscal year 2021 are appropriated for the department to increase hatchery production of salmon throughout the Puget Sound, coast, and Columbia river. Increases in hatchery production must be prioritized to increase prey abundance for southern resident orcas. The department shall work with federal partners, tribal co-managers, and other interested parties when developing annual hatchery production plans. These increases shall be done consistent with best available science, most recent hatchery standards, and endangered species act requirements, and include adaptive management provisions to ensure the conservation and enhancement of wild stocks. Of the amounts provided in this subsection, \$500,000 in fiscal year 2020 is for wells and generators at the Samish hatchery.

(12) \$2,257,000 of the general fund—state appropriation for fiscal year 2020 and \$1,785,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to grant to the northwest Indian fisheries commission to grant to tribes for hatchery operations that are prioritized to increase prey abundance for southern resident orcas. Of the amounts provided in this subsection:

(a) \$1,535,000 in each fiscal year is for additional hatchery production in the following amounts per fiscal year: \$150,000 for the Quinault Indian Nation, \$169,000 for the Tulalip Tribes, \$268,000 for the Quileute Tribe, \$186,000 for the Puyallup Tribe, \$112,000 for the Port Gamble S'Klallam Tribe, \$23,000 for the Muckleshoot Indian Tribe, \$207,000 for the Squaxin Island Tribe, \$142,000 for the Skokomish Indian Tribe, and \$278,000 for the Lummi Nation.

(b) \$472,000 in fiscal year 2020 is for improvements to hatchery facilities that support additional hatchery production in the following amounts: \$98,000 for the Tulalip Tribes, \$38,000 for the Puyallup Tribe, \$14,000 for the Port Gamble S'Klallam Tribe, \$25,000 for the Muckleshoot Indian Tribe, \$200,000 for the Squaxin Island Tribe, \$24,000 for the Skokomish Indian Tribe, and \$73,000 for the Lummi Nation.

(13) \$771,000 of the general fund—state appropriation in fiscal year 2020 and \$76,000 of the general fund—state appropriation in fiscal year 2021 are provided solely for the department to provide to tribes for hatchery operations that are prioritized to increase prey abundance for southern resident orcas. Of the amounts provided in this subsection, \$76,000 in each fiscal year is for the Yakama Nation for additional hatchery production, \$195,000 in fiscal year 2020 is for the Yakama Nation for improvements to hatchery facilities, and \$500,000 in fiscal year 2020 is for the Confederated Tribes of the Colville Reservation for improvements to hatchery facilities.

(14) \$425,000 of the general fund—state appropriation for fiscal year 2020 and \$175,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to grant to public utility districts for additional hatchery production that is prioritized to increase prey abundance for southern resident orcas and other species that are critical to the marine food web. Of the amounts provided in this subsection, \$250,000 in fiscal year 2020 is for Puget Sound energy for wells and generators at the Baker river fish hatchery.

(15) \$1,361,000 of the general fund—state appropriation for fiscal year 2020 and \$1,360,000 of the general fund—state appropriation for fiscal year

2021 are provided solely for the following activities to increase the availability of salmon for southern resident orcas: Surveying forage fish populations, conducting rulemaking for fish screens, reducing salmon predation by nonnative fish, prioritizing fish barrier removal, developing a strategy to reestablish salmon runs above dams, and increasing review of shoreline armoring proposals to protect forage fish.

(16) \$710,000 of the general fund—state appropriation for fiscal year 2020 and \$253,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to migrate to the state data center and are subject to the conditions, limitations, and review provided in section 719 of this act.

(17) \$278,000 of the general fund—state appropriation for fiscal year 2020 and \$278,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to provide grants to the Lummi Nation to increase salmon production at the Skookum creek hatchery and the Lummi bay hatchery.

(18) \$477,000 of the general fund—state appropriation for fiscal year 2020 and \$477,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Engrossed Substitute House Bill No. 2097 (statewide wolf recovery). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(19) \$200,000 of the general fund—state appropriation for fiscal year 2020 and \$200,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department for elk management in the Skagit valley in cooperation with affected tribes and landowners. Authorized expenditures include, but are not limited to, elk fencing and replacement hay to mitigate the impacts of elk on agricultural crop production.

(20) \$49,000 of the general fund—state appropriation for fiscal year 2020, \$47,000 of the general fund—state appropriation for fiscal year 2021, and \$37,000 of the state wildlife account—state appropriation are provided solely for the implementation of Second Substitute House Bill No. 1579 (chinook abundance). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

***NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF NATURAL RESOURCES**

General Fund—State Appropriation (FY 2020)	\$74,086,000
General Fund—State Appropriation (FY 2021)	\$62,093,000
General Fund—Federal Appropriation	\$34,977,000
General Fund—Private/Local Appropriation	\$2,534,000
Forest Development Account—State Appropriation	\$54,165,000
ORV and Nonhighway Vehicle Account—State Appropriation	\$8,166,000
Surveys and Maps Account—State Appropriation	\$2,595,000
Aquatic Lands Enhancement Account—State Appropriation	\$18,537,000
Resource Management Cost Account—State Appropriation	\$128,255,000
Surface Mining Reclamation Account—State Appropriation	\$4,103,000
Disaster Response Account—State Appropriation	\$23,063,000
Park Land Trust Revolving Account—State Appropriation	\$750,000
Forest and Fish Support Account—State Appropriation	\$16,354,000
Aquatic Land Dredged Material Disposal Site Account—State	

Appropriation	\$402,000
Natural Resources Conservation Areas Stewardship Account—	
State Appropriation	\$39,000
Forest Fire Protection Assessment Nonappropriated	
Account—State Appropriation	\$5,896,000
Model Toxics Control Operating Account—State	
Appropriation	\$5,995,000
Forest Practices Application Account—State	
Appropriation	\$2,015,000
Air Pollution Control Account—State Appropriation	\$901,000
NOVA Program Account—State Appropriation	\$780,000
Pension Funding Stabilization Account—State	
Appropriation	\$3,240,000
Derelict Vessel Removal Account—State Appropriation	\$2,001,000
Community Forest Trust Account—State Appropriation	\$52,000
Agricultural College Trust Management Account—State	
Appropriation	\$3,179,000
TOTAL APPROPRIATION	\$454,178,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,583,000 of the general fund—state appropriation for fiscal year 2020 and \$1,515,000 of the general fund—state appropriation for fiscal year 2021 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) \$16,546,000 of the general fund—state appropriation for fiscal year 2020, \$16,546,000 of the general fund—state appropriation for fiscal year 2021, and \$16,050,000 of the disaster response account—state appropriation are provided solely for emergency fire suppression. The appropriations provided in this subsection may not be used to fund the department's indirect and administrative expenses. The department's indirect and administrative costs shall be allocated among its remaining accounts and appropriations.

(3) \$5,000,000 of the forest and fish support account—state appropriation is provided solely for outcome-based performance contracts with tribes to participate in the implementation of the forest practices program. Contracts awarded may only contain indirect costs set at or below the rate in the contracting tribe's indirect cost agreement with the federal government. Of the amount provided in this subsection, \$500,000 is contingent upon receipts under RCW 82.04.261 exceeding eight million dollars per biennium. If receipts under RCW 82.04.261 are more than eight million dollars but less than eight million five hundred thousand dollars for the biennium, an amount equivalent to the difference between actual receipts and eight million five hundred thousand dollars shall lapse.

(4) \$1,857,000 of the general fund—state appropriation for fiscal year 2020 and \$1,857,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to carry out the forest practices adaptive management program pursuant to RCW 76.09.370 and the May 24, 2012, settlement agreement entered into by the department and the department of

ecology. Scientific research must be carried out according to the master project schedule and work plan of cooperative monitoring, evaluation, and research priorities adopted by the forest practices board. The forest practices board shall submit a report to the legislature following review, approval, and solicitation of public comment on the cooperative monitoring, evaluation, and research master project schedule, to include: Cooperative monitoring, evaluation, and research science and related adaptive management expenditure details, accomplishments, the use of cooperative monitoring, evaluation, and research science in decision-making, and funding needs for the coming biennium. The report shall be provided to the appropriate committees of the legislature by October 1, 2020.

(5) Consistent with the recommendations of the *Wildfire Suppression Funding and Costs (18-02)* report of the joint legislative audit and review committee, the department shall submit a report to the governor and legislature by December 1, 2019, and December 1, 2020, describing the previous fire season. At a minimum, the report shall provide information for each wildfire in the state, including its location, impact by type of land ownership, the extent it involved timber or range lands, cause, size, costs, and cost-share with federal agencies and nonstate partners. The report must also be posted on the agency's web site.

(6) \$26,000 of the general fund—state appropriation for fiscal year 2020 and \$27,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5116 (clean energy). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(7) \$12,000 of the general fund—state appropriation for fiscal year 2020 and \$12,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Substitute Senate Bill No. 5550 (pesticide application safety). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(8) The appropriations in this section include sufficient funding for the implementation of Engrossed Substitute Senate Bill No. 5330 (small forestland).

(9) \$42,000 of the general fund—state appropriation for fiscal year 2020 and \$21,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Substitute Senate Bill No. 5106 (natural disaster mitigation). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(10) \$26,000 of the general fund—state appropriation for fiscal year 2020 and \$26,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Substitute Senate Bill No. 5597 (aerial herbicide application). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(11) \$4,486,000 of the aquatic land enhancement account—state appropriation is provided solely for the removal of creosote pilings and debris from the marine environment and to continue monitoring zooplankton and eelgrass beds on state-owned aquatic lands managed by the department. Actions will address recommendations to recover the southern resident orca population and to monitor ocean acidification as well as help implement the Puget Sound action agenda.

(12) \$304,000 of the model toxics control operating account—state appropriation is provided solely for costs associated with the cleanup of the Fairview avenue site near Lake Union in Seattle. The aquatic site is contaminated with lead, chromium, and arsenic. This will be the department's final payment toward remediation costs.

(13) \$75,000 of the general fund—state appropriation for fiscal year 2020 and \$75,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to identify priority kelp restoration locations in central Puget Sound, based on historic locations, and monitor the role of natural kelp beds in moderating pH conditions in Puget Sound.

(14) \$188,000 of the general fund—state appropriation for fiscal year 2020 and \$187,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to coordinate with the Olympic natural resources center to study emerging ecosystem threats such as Swiss needlecast disease, conduct field trials for long-term ecosystem productivity and T3 watershed experiments, and engage stakeholders. The department must contract with the Olympic natural resources center for at least \$187,000 per fiscal year. The department may retain up to \$30,000 per fiscal year to conduct Swiss needlecast surveys and research. Administrative costs may be taken and are limited to twenty-seven percent of the amount of appropriation retained by the department.

(15) \$22,843,000 of the general fund—state appropriation for fiscal year 2020, \$11,364,000 of the general fund—state appropriation for fiscal year 2021, and \$4,000,000 of the forest fire protection assessment nonappropriated account—state appropriation are provided solely for wildfire response, to include funding full time fire engine leaders, increasing the number of correctional camp fire crews in western Washington, purchasing two helicopters, providing dedicated staff to conduct fire response training, creating a fire prevention outreach program, forest health administration, landowner technical assistance, conducting forest health treatments on federal lands and implementing the department's twenty-year forest health strategic plan, post-wildfire landslide assessments, and other measures necessary for wildfire suppression and prevention.

(16) \$186,000 of the general fund—state appropriation for fiscal year 2020 and \$185,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for compensation to the trust beneficiaries and department for lost revenue from leases to amateur radio operators who use space on the department managed radio towers for their equipment. The department is authorized to lease sites at the rate of up to one hundred dollars per year, per site, per lessee. The legislature makes this appropriation to fulfill the remaining costs of the leases at market rate per RCW 79.13.510.

(17) \$110,000 of the general fund—state appropriation for fiscal year 2020 and \$110,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to conduct post wildfire landslide hazard assessments and reports.

(18) \$162,000 of the general fund—state appropriation for fiscal year 2020 and \$163,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for paving the road access to Leader lake in northeast Washington.

(19) The appropriations in this section include sufficient funding for the department to conduct an analysis of revenue impacts to the state forestlands taxing district beneficiaries as a result of the proposed long-term conservation strategy for the marbled murrelet. The department shall consult with state forestlands taxing district beneficiary representatives on the analysis. The department shall make the analysis available to state forestlands taxing districts and submit it to the board of natural resources by September 30, 2019.

(20) \$150,000 of the aquatic lands enhancement account—state appropriation is provided solely for continued facilitation and support services for the marine resources advisory council.

(21) \$217,000 of the aquatic lands enhancement account—state appropriation is provided solely for implementation of the state marine management plan and ongoing costs of the Washington coastal marine advisory council to serve as a forum and provide recommendations on coastal management issues.

(22) \$49,000 of the general fund—state appropriation for fiscal year 2020 and \$25,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Second Substitute House Bill No. 1579 (chinook abundance). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(23) \$485,000 of the general fund—state appropriation for fiscal year 2020 and \$485,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Second Substitute House Bill No. 1784 (wildfire prevention). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(24)(a) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$125,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the following activities:

(i) Conducting carbon inventories to build on existing efforts to understand carbon stocks, flux, trends, emissions, and sequestration across Washington's natural and working lands, including harvested wood products, wildfire emissions, land management activities, and sawmill energy use and emissions. Where feasible, the department shall use available existing data and information to conduct this inventory and analysis. For the purposes of this section, natural and working land types include forests, croplands, rangelands, wetlands, grasslands, aquatic lands, and urban green space.

(ii) Compiling and providing access to information on existing opportunities for carbon compensation services and other incentive-based carbon reducing programs to assist owners of private and other nonstate owned or managed forestland interested in voluntarily engaging in carbon markets.

(b) By December 1, 2020, the department must submit a report to the appropriate committees of the legislature summarizing the results of the inventories required under this section, and assessing actions that may improve the efficiency and effectiveness of carbon inventory activities on natural and working lands, including carbon sequestration in harvested forest products. The department must also describe any barriers, including costs, to the use of voluntary, incentive-based carbon reducing or sequestering programs. The department may also include recommendations for additional work or legislation

that may be advisable resulting from the advisory group created in this subsection as part of this report.

(c) The department must form a natural and working lands carbon sequestration advisory group to help guide the activities provided in this section. The advisory group must be composed of a balance of representatives reflecting the diverse interests and expertise involved on the subject of carbon sequestration on natural and working lands.

**Sec. 308 was partially vetoed. See message at end of chapter.*

***NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF AGRICULTURE**

General Fund—State Appropriation (FY 2020)	\$18,858,000
General Fund—State Appropriation (FY 2021)	\$18,925,000
General Fund—Federal Appropriation	\$32,078,000
General Fund—Private/Local Appropriation	\$193,000
Aquatic Lands Enhancement Account—State Appropriation	\$2,527,000
Model Toxics Control Operating Account—State Appropriation	\$5,808,000
Water Quality Permit Account—State Appropriation	\$73,000
Dedicated Marijuana Account—State Appropriation (FY 2020)	\$635,000
Dedicated Marijuana Account—State Appropriation (FY 2021)	\$635,000
Pension Funding Stabilization Account—State Appropriation	\$1,036,000
TOTAL APPROPRIATION	\$80,768,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$6,108,445 of the general fund—state appropriation for fiscal year 2020 and \$6,102,905 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementing the food assistance program as defined in RCW 43.23.290.

(2) \$58,000 of the general fund—state appropriation for fiscal year 2020 and \$59,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Substitute Senate Bill No. 5550 (pesticide application safety). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(3) The appropriations in this section includes sufficient funding for the implementation of Engrossed Substitute Senate Bill No. 5959 (livestock identification).

(4) \$18,000 of the general fund—state appropriation for fiscal year 2020 and \$18,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Substitute Senate Bill No. 5597 (aerial herbicide application). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(5) The appropriations in this section include sufficient funding for the implementation of Senate Bill No. 5447 (dairy milk assessment fee).

(6) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department's regional markets program, which includes

the small farm direct marketing program under RCW 15.64.050 and the farm-to-school program under RCW 15.64.060.

(7) \$125,000 of the general fund—state appropriation for fiscal year 2020 and \$125,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the northwest Washington fair youth education programs.

(8) \$197,000 of the general fund—state appropriation for fiscal year 2020 and \$202,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Substitute Senate Bill No. 5552 (pollinators). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(9) \$32,000 of the general fund—state appropriation for fiscal year 2020, \$32,000 of the general fund—state appropriation for fiscal year 2021, and \$52,000 of the general fund—federal appropriation are provided solely for the department to migrate to the state data center and are subject to the conditions, limitations, and review provided in section 719 of this act.

(10) \$24,000 of the general fund—state appropriation for fiscal year 2020 and \$24,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to continue to convene and facilitate a food policy forum and to implement recommendations identified through the previous work of the food policy forum.

(a) The department shall coordinate implementation of the forum with the conservation commission and the office of farmland preservation.

(b) The director of the department and the director of the conservation commission shall jointly appoint members of the forum, and no appointment may be made unless each director concurs in the appointment.

(c) In addition to members appointed by the directors, four legislators may serve on the food policy forum in an ex officio capacity. Legislative participants must be appointed as follows:

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

(ii) The majority leader and minority leader of the senate shall appoint one member from each of the two largest caucuses of the senate.

(d) Meetings of the forum may be scheduled by either the director of the department or the director of the conservation commission.

(e) Staffing for the forum must be provided by the department working jointly with staff from the conservation commission.

(f) The department and conservation commission shall jointly develop the agenda for each forum meeting as well as a report from the food policy forum. The report must contain recommendations and a workplan to implement the recommendations and must be delivered to the appropriate committees of the legislature and the governor by June 30, 2021.

(11) \$212,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5276 (hemp production). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(12) \$125,000 of the general fund—state appropriation for fiscal year 2020 and \$125,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to review and assist with agricultural economic development in southwest Washington. Funding is provided for the

department to perform or contract for agricultural economic development services, including but not limited to grant application assistance, permitting assistance and coordination, and development of a food hub.

(13) \$250,000 of the aquatic lands enhancement account—state appropriation is provided solely to continue a shellfish coordinator position. The shellfish coordinator assists the industry with complying with regulatory requirements and will work with regulatory agencies to identify ways to streamline and make more transparent the permit process for establishing and maintaining shellfish operations.

(14) \$10,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the following activities:

(a) The department and the conservation commission must produce a gap analysis reviewing existing conservation grant programs and completed voluntary stewardship program plans to identify what technical assistance and cost-share resources are needed to meet the requirements placed on those activities by the legislature.

(b)(i) The department, in collaboration with the conservation commission, must develop recommendations for legislation or additional work that may be needed to implement a sustainable farms and fields grant program that prioritizes funding based on net reduction of greenhouse gas emissions on farm, aquatic, or ranch lands, including carbon sequestration.

(ii) The recommendations must incorporate the gap analysis required by this section. The recommendations must include information about how the program can complement and avoid competing with existing conservation programs, and provide cost share benefits to existing and new programs designed to improve water quality, critical habitats, and soil health and soil-health research on farm, aquatic, or timber lands.

(iii) The recommendations must be developed with input from stakeholder meetings with representatives from the environmental and agricultural communities.

(c) The department and the conservation commission must provide an update to the appropriate committees of the legislature by August 1, 2019, and final recommendations by November 1, 2019.

(15) \$34,000 of the general fund—state appropriation for fiscal year 2020 and \$17,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Second Substitute House Bill No. 1579 (chinook abundance). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

**Sec. 309 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM

Pollution Liability Insurance Agency Underground Storage	
Tank Revolving Account—State Appropriation	\$170,000
Pollution Liability Insurance Program Trust Account—State	
Appropriation.	\$1,655,000
TOTAL APPROPRIATION	\$1,825,000

NEW SECTION. Sec. 311. FOR THE PUGET SOUND PARTNERSHIP

General Fund—State Appropriation (FY 2020)	\$4,696,000
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General Fund—State Appropriation (FY 2021)	\$4,758,000
General Fund—Federal Appropriation	\$12,708,000
Aquatic Lands Enhancement Account—State Appropriation	\$1,441,000
Model Toxics Control Operating Account—State Appropriation	\$752,000
Pension Funding Stabilization Account—State Appropriation	\$276,000
TOTAL APPROPRIATION	\$24,631,000

The appropriations in this section are subject to the following conditions and limitations:

(1) By October 15, 2020, the Puget Sound partnership shall provide the governor and appropriate legislative fiscal committees a single, prioritized list of state agency 2021-2023 capital and operating budget requests related to Puget Sound restoration.

(2) \$1,111,000 of the general fund—state appropriation for fiscal year 2020 and \$1,111,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the partnership to implement a competitive, peer-reviewed process for soliciting, prioritizing, and funding research projects designed to advance scientific understanding of Puget Sound recovery. Solicitations and project selection for effectiveness monitoring will be organized and overseen by the Puget Sound ecosystem monitoring program. Initial projects will focus on implementation and effectiveness of Chinook recovery efforts, effectiveness of actions to restore shellfish beds, and implementation of priority studies of the Salish Sea marine survival project. Monitoring reports must be provided in context to the overall success and progress of Puget Sound recovery efforts.

(3) \$237,000 of the general fund—state appropriation for fiscal year 2020 and \$263,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for coordinating updates to the outdated Puget Sound chinook salmon recovery plan, provide support for adaptive management of local watershed chapters, and advance regional work on salmon and ecosystem recovery through local integrating organizations.

(4) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for additional monitoring and accountability actions in response to recommendations from the joint legislative audit and review committee.

**PART IV
TRANSPORTATION**

***NEW SECTION. Sec. 401. FOR THE DEPARTMENT OF LICENSING**

General Fund—State Appropriation (FY 2020)	\$5,424,000
General Fund—State Appropriation (FY 2021)	\$3,770,000
Architects' License Account—State Appropriation	\$1,454,000
Real Estate Commission Account—State Appropriation	\$13,263,000
Uniform Commercial Code Account—State Appropriation	\$2,922,000
Real Estate Education Program Account—State Appropriation	\$276,000
Real Estate Appraiser Commission Account—State Appropriation	\$1,743,000
Business and Professions Account—State Appropriation	\$24,752,000
Real Estate Research Account—State Appropriation	\$415,000

Firearms Range Account—State Appropriation	\$74,000
Landscape Architects' License Account—State Appropriation	\$58,000
Concealed Pistol License Renewal Notification Account—State Appropriation	\$140,000
Geologists' Account—State Appropriation	\$53,000
Pension Funding Stabilization Account—State Appropriation	\$96,000
Derelict Vessel Removal Account—State Appropriation	\$33,000
TOTAL APPROPRIATION	\$54,473,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Appropriations provided for the business and technology modernization project in this section are subject to the conditions, limitations, and review provided in section 719 of this act.

(2) \$72,000 of the real estate appraiser commission account—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5480 (real estate appraisers). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(3) \$229,000 of the business and professions account—state appropriation is provided solely for implementation of Engrossed Senate Bill No. 5616 (manicuring for diabetics). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(4) \$144,000 of the business and professions account—state appropriation is provided solely for implementation of Senate Bill No. 5641 (uniform law on notarial acts). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(5) \$95,000 of the general fund—state appropriation for fiscal year 2020 and \$99,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to mail vessel registration renewal reminders.

(6) \$2,716,000 of the general fund—state appropriation for fiscal year 2020 and \$1,337,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the department to procure a commercial off-the-shelf solution to replace the legacy firearms system, and is subject to the conditions, limitations, and review provided in section 719 of this act.

**Sec. 401 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 402. FOR THE WASHINGTON STATE PATROL

General Fund—State Appropriation (FY 2020)	\$56,301,000
General Fund—State Appropriation (FY 2021)	\$55,374,000
General Fund—Federal Appropriation	\$16,699,000
General Fund—Private/Local Appropriation	\$3,091,000
Death Investigations Account—State Appropriation	\$9,365,000
County Criminal Justice Assistance Account—State Appropriation	\$4,546,000
Municipal Criminal Justice Assistance Account—State Appropriation	\$1,641,000
Fire Service Trust Account—State Appropriation	\$131,000
Vehicle License Fraud Account—State Appropriation	\$119,000
Disaster Response Account—State Appropriation	\$8,000,000

Washington Internet Crimes Against Children	
Account—State Appropriation	\$1,500,000
Fire Service Training Account—State Appropriation	\$11,764,000
Model Toxics Control Operating Account	
Appropriation.	\$588,000
Aquatic Invasive Species Management Account—State	
Appropriation.	\$54,000
Fingerprint Identification Account—State	
Appropriation	\$16,405,000
Dedicated Marijuana Account—State Appropriation	
(FY 2020).	\$2,723,000
Dedicated Marijuana Account—State Appropriation	
(FY 2021).	\$2,523,000
Pension Funding Stabilization Account—State	
Appropriation.	\$3,300,000
TOTAL APPROPRIATION	\$194,124,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$8,000,000 of the disaster response account—state appropriation is provided solely for Washington state fire service resource mobilization costs incurred in response to an emergency or disaster authorized under RCW 43.43.960 through 43.43.964. The state patrol shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from this account. This work shall be done in coordination with the military department.

(2) \$2,878,000 of the fingerprint identification account—state appropriation is provided solely for the completion of the state patrol's plan to upgrade the criminal history system, and is subject to the conditions, limitations, and review provided in section 719 of this act.

(3) \$2,723,000 of the dedicated marijuana account—state appropriation for fiscal year 2020 and \$2,523,000 of the dedicated marijuana account—state appropriation for fiscal year 2021 are provided solely for the Washington state patrol's drug enforcement task force. The amounts in this subsection are provided solely for the following:

(a) \$2,423,000 of the dedicated marijuana account—state appropriation for fiscal year 2020 and \$2,423,000 of the dedicated marijuana account—state appropriation for fiscal year 2021 are provided solely for the Washington state patrol to partner with multi-jurisdictional drug and gang task forces to detect, deter, and dismantle criminal organizations involved in criminal activity including diversion of marijuana from the legalized market and the illicit production and distribution of marijuana and marijuana-related products in Washington state.

(b) \$300,000 of the dedicated marijuana account—state appropriation for fiscal year 2020 and \$100,000 of the dedicated marijuana account—state appropriation for fiscal year 2021 are provided solely for a case management system to serve as a repository for all information regarding criminal cases. This system must allow state patrol investigators to enter information and to search to provide patterns, trends, and links which will allow the state patrol to identify

connections on criminal investigations including efforts to dismantle marijuana and other drug trafficking organizations by identifying their established networks, and is subject to the conditions, limitations, and review provided in section 719 of this act.

(4) \$479,000 of the general fund—state appropriation for fiscal year 2020 and \$255,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Substitute Senate Bill No. 5181 (invol. treatment procedures). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(5) \$13,000 of the general fund—state appropriation for fiscal year 2020 and \$2,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5497 (immigrants in the workplace). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(6) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Senate Bill No. 5605 (marijuana misdemeanors). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(7) \$679,000 of the general fund—state appropriation for fiscal year 2020 and \$643,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for addressing a backlog of toxicology tests in the toxicology laboratory.

(8) \$1,500,000 of the Washington internet crimes against children account—state appropriation is provided solely for the missing and exploited children's task force within the patrol to help prevent possible abuse to children and other vulnerable citizens from sexual abuse.

(9) \$356,000 of the general fund—state appropriation for fiscal year 2020, \$356,000 of the general fund—state appropriation for fiscal year 2021, and \$298,000 of the death investigations account—state appropriations are provided solely for increased supply and maintenance costs for the crime laboratory division and toxicology laboratory division.

(10) \$5,770,000 of the general fund—state appropriation for fiscal year 2020, \$3,243,000 of the general fund—state appropriation for fiscal year 2021, and \$1,277,000 of the death investigations account—state appropriation are provided solely for implementation of Second Substitute House Bill No. 1166 (sexual assault). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(11) \$282,000 of the general fund—state appropriation for fiscal year 2020 and \$263,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1713 (Native American women). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(12) \$510,000 of the county criminal justice assistance account—state appropriation is provided solely for the Washington state patrol to support local police, sheriffs' departments, and multiagency task forces in the prosecution of criminals. However, the office of financial management must reduce the allotment of the amount provided in this subsection if allotment of the full appropriation will put the account into deficit.

(13) \$1,000,000 of the fire service training account—state appropriation is provided solely for the firefighter apprenticeship training program.

**PART V
EDUCATION**

NEW SECTION. Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund—State Appropriation (FY 2020)	\$30,861,000
General Fund—State Appropriation (FY 2021)	\$27,751,000
General Fund—Federal Appropriation	\$99,348,000
General Fund—Private/Local Appropriation	\$8,060,000
Washington Opportunity Pathways Account—State Appropriation	\$265,000
Dedicated Marijuana Account—State Appropriation (FY 2020)	\$522,000
Dedicated Marijuana Account—State Appropriation (FY 2021)	\$530,000
Pension Funding Stabilization Account—State Appropriation	\$2,126,000
Performance Audits of Government Account—State Appropriation	\$213,000
TOTAL APPROPRIATION	\$169,676,000

The appropriations in this section are subject to the following conditions and limitations:

(1) **BASE OPERATIONS AND EXPENSES OF THE OFFICE**

(a) \$11,090,000 of the general fund—state appropriation for fiscal year 2020 and \$11,087,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) 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.

(ii) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school, using a uniform definition of unexcused absence as established by the superintendent.

(iii) By October 31st of each year, the office of the superintendent of public instruction shall produce an annual status report on implementation of the budget provisos in sections 501, 515, and 522 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number of state staff funded by the proviso, number of contractors, status of proviso implementation, number of beneficiaries by year, list of beneficiaries, a comparison of budgeted funding and actual expenditures, other sources and amounts of funding, and proviso outcomes and achievements.

(iv) The superintendent of public instruction, in consultation with the secretary of state, shall update the program prepared and distributed under RCW 28A.230.150 for the observation of temperance and good citizenship day to include providing an opportunity for eligible students to register to vote at school.

(v) Districts shall annually report to the office of the superintendent of public instruction on: (A) The annual number of graduating high school seniors within the district earning the Washington state seal of biliteracy provided in RCW 28A.300.575; and (B) the number of high school students earning competency-based high school credits for world languages by demonstrating proficiency in a language other than English. The office of the superintendent of public instruction shall provide a summary report to the office of the governor and the appropriate committees of the legislature by December 1st of each year.

(b) \$857,000 of the general fund—state appropriation for fiscal year 2020 and \$857,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for maintenance of the apportionment system, including technical staff and the data governance working group.

(c) \$2,300,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for activities associated with the implementation of chapter 13, Laws of 2017 3rd sp. sess. (fully funding the program of basic education) within the amounts provided in this subsection (1)(c), up to \$300,000 is for the office of the superintendent of public instruction to review the use of local revenues for compliance with enrichment requirements, including the preballot approval of enrichment levy spending plans approved by the superintendent of public instruction, and any supplemental contracts entered into under RCW 28A.400.200.

(d) \$494,000 of the general fund—state appropriation for fiscal year 2020 and \$494,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of chapter 240, Laws of 2010, including staffing the office of equity and civil rights.

(e) \$61,000 of the general fund—state appropriation for fiscal year 2020 and \$61,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the ongoing work of the education opportunity gap oversight and accountability committee.

(f) \$61,000 of the general fund—state appropriation for fiscal year 2020 and \$61,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of chapter 380, Laws of 2009 (enacting the interstate compact on educational opportunity for military children).

(g) \$265,000 of the Washington opportunity pathways account—state appropriation is provided solely for activities related to public schools other than common schools authorized under chapter 28A.710 RCW.

(h) Within amounts appropriated in this section, the office of the superintendent of public instruction and the state board of education shall adopt a rule that the minimum number of students to be used for public reporting and federal accountability purposes is ten.

(i) \$123,000 of the general fund—state appropriation for fiscal year 2020 and \$123,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 163, Laws of 2012 (foster care outcomes). The office of the superintendent of public instruction shall annually report each December on the implementation of the state's plan of cross-system collaboration to promote educational stability and improve education outcomes of foster youth.

(j) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are

provided solely for implementation of chapter 178, Laws of 2012 (open K-12 education resources).

(k) \$14,000 of the general fund—state appropriation for fiscal year 2020 and \$14,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 242, Laws of 2013 (state-tribal education compacts).

(l) \$131,000 of the general fund—state appropriation for fiscal year 2020, \$131,000 of the general fund—state appropriation for fiscal year 2021, and \$213,000 of the performance audits of government account—state appropriation are provided solely for the office of the superintendent of public instruction to perform on-going program reviews of alternative learning experience programs, dropout reengagement programs, and other high risk programs. Findings from the program reviews will be used to support and prioritize the office of the superintendent of public instruction outreach and education efforts that assist school districts in implementing the programs in accordance with statute and legislative intent, as well as to support financial and performance audit work conducted by the office of the state auditor.

(m) \$117,000 of the general fund—state appropriation for fiscal year 2020 and \$117,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 3, Laws of 2015 1st sp. sess. (computer science).

(n) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 237, Laws of 2017 (paraeducators).

(o) \$235,000 of the general fund—state appropriation for fiscal year 2020 and \$235,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of native education to increase services to tribes, including but not limited to, providing assistance to tribes and school districts to implement Since Time Immemorial, applying to become tribal compact schools, convening the Washington state native American education advisory committee, and extending professional learning opportunities to provide instruction in tribal history, culture, and government.

(p) \$175,000 of the general fund—state appropriation for fiscal year 2020 and \$175,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to promote the financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership.

(q) \$75,000 of the general fund—state appropriation for fiscal year 2020 and \$75,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for 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.

(r) \$481,000 of the general fund—state appropriation for fiscal year 2020 and \$481,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for 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.

(s) The superintendent of public instruction must study and make recommendations for how Washington can make dual credit enrollment cost-free

to students who are enrolled in running start, college in the high school, advanced placement, international baccalaureate, or other qualifying dual credit programs within existing basic education apportionments. While developing recommendations, the superintendent must collaborate and consult with K-12 and higher education stakeholders with expertise in dual credit instruction, transcription, and costs. The superintendent shall report the recommendations to the education policy and operating budget committees of the legislature by November 1, 2019. The recommendations must, at a minimum, consider:

(i) How to increase dual credit offerings and access for students that aligns with the student's high school and beyond plan and provides a pathway to education and training after high school, including careers, professional-technical education, apprenticeship, a college degree, or military service, among others.

(ii) How to ensure transfer of college credits earned by dual credit students to/among institutions of higher education.

(iii) How basic education funding will be used to provide for fees, books, and other direct costs charged by institutions of higher education and K-12 districts.

(iv) How K-12 and postsecondary institutions will equitably expand dual credit opportunities for students.

(v) How K-12 and postsecondary institutions will ensure coordinated advising and support services for students enrolled in, or considering enrollment in, dual credit programs.

(t) \$44,000 of the general fund—state appropriation for fiscal year 2020 and \$44,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to pay for services for space in the state data center and networking charges.

(u) \$46,000 of the general fund—state appropriation for fiscal year 2020 and \$46,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a new server and backup application due to the move to the state data center.

(v) \$55,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the consolidated technology services to host the office's web site and for web site maintenance and support services.

(w) Districts shall report to the office the results of each collective bargaining agreement for certificated staff within their district using a uniform template as required by the superintendent, within thirty days of finalizing contracts. The data must include but is not limited to: Minimum and maximum base salaries, supplemental salary information, and average percent increase for all certificated instructional staff. Within existing resources by December 1st of each year, the office shall produce a report for the legislative evaluation and accountability program committee summarizing the district level collective bargaining agreement data.

(x) The office shall review and update the guidelines "prohibiting discrimination in Washington public schools," which must include religious accommodations. Students' sincerely held religious beliefs and practices must be reasonably accommodated with respect to all examinations and other requirements to successfully complete coursework.

(2) DATA SYSTEMS

(a) \$1,802,000 of the general fund—state appropriation for fiscal year 2020 and \$1,802,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementing a comprehensive data system to include financial, student, and educator data, including development and maintenance of the comprehensive education data and research system (CEDARS).

(b) \$1,221,000 of the general fund—state appropriation for fiscal year 2020 and \$1,221,000 of the general fund—state appropriation for fiscal year 2021 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) \$450,000 of the general fund—state appropriation for fiscal year 2020 and \$450,000 of the general fund—state appropriation for fiscal year 2021 are provided for the superintendent of public instruction to develop and implement a statewide accountability system to address absenteeism and to improve student graduation rates. The system must use data to engage schools and districts in identifying successful strategies and systems that are based on federal and state accountability measures. Funding may also support the effort to provide assistance about successful strategies and systems to districts and schools that are underperforming in the targeted student subgroups.

(3) WORK GROUPS

(a) \$335,000 of the general fund—state appropriation for fiscal year 2020 and \$335,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 206, Laws of 2018 (career and college readiness).

(b) \$200,000 of the general fund—state appropriation for fiscal year 2020 and \$200,000 of the general fund—state appropriation for fiscal year 2021 are provided for the office of the superintendent of public instruction to meet statutory obligations related to the provision of medically and scientifically accurate, age-appropriate, and inclusive sexual health education as authorized by chapter 206, Laws of 1988 (AIDS omnibus act) and chapter 265, Laws of 2007 (healthy youth act).

(c) The office of the superintendent of public instruction, in collaboration with the department of social and health services developmental disabilities administration and division of vocational rehabilitation, shall explore the development of an implementation plan to build statewide capacity among school districts to improve transition planning for students in special education who meet criteria for services from the developmental disabilities administration, and shall provide all school districts with an opportunity to participate. The plan shall be submitted in compliance with RCW 43.01.036 by November 1, 2018, and the final report must be submitted by November 1, 2020, to the governor and appropriate legislative committees.

(d) \$40,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the legislative youth advisory council. The council of statewide members advises legislators on issues of importance to youth.

(e) \$118,000 of the general fund—state appropriation for fiscal year 2020 and \$118,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 75, Laws of 2018 (dyslexia).

(f) \$183,000 of the general fund—state appropriation for fiscal year 2020 and \$48,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Engrossed Substitute House Bill No. 1130 (pub. school language access). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(g) \$200,000 of the general fund—state appropriation for fiscal year 2020 and \$200,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute Senate Bill No. 5082 (social emotional learning). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(h)(i)(A) Within amounts provided in this section, the office of the superintendent of public instruction shall convene a work group to:

(I) Review provisions related to sexual health education in the health and physical education learning standards adopted in 2016;

(II) Review existing sexual health education curricula in use in the state for the purpose of identifying gaps or potential inconsistencies with the health and physical education learning standards;

(III) Consider revisions to sexual health education provisions in statute; and

(IV) Consider the merits and challenges associated with requiring all public schools offer comprehensive sexual health education to students in all grades by September 1, 2022. For purposes of this subsection (h), "comprehensive sexual health education" means instruction in sexual health that, at a minimum, is evidence-informed, medically and scientifically accurate, age appropriate, and inclusive for all students.

(B) In meeting the requirements of this subsection (h), the work group shall consult with a broad array of stakeholders representing diverse opinions.

(ii) The work group shall consist of the following members:

(A) The superintendent of public instruction or the superintendent's designee;

(B) Three representatives of school districts recommended by the Washington state school directors' association. To the extent possible, the school district representatives must reflect a diversity of student enrollment, geographic location, and urban, suburban, and rural locations;

(C) Three school principals recommended by an association of Washington school principals, one each representing an elementary school, a middle school, and a high school. The three principals must represent the geographic diversity of urban, suburban, and rural locations;

(D) Three public school health educators recommended by an association of Washington educators, one each representing grades kindergarten through five, grades six through eight, and grades nine through twelve. The three public school health educators must represent the geographic diversity of urban, suburban, and rural locations;

(E) Three public health officials, at least two of whom are local public health officials with expertise in developing or presenting comprehensive sexual health education materials and resources, as recommended by the Washington state department of health. The three public health officials must represent the geographic diversity of urban, suburban, and rural locations; and

(F) Three parents recommended in accordance with this subsection (3)(h)(ii)(F), one with a child enrolled in a public school west of the crest of the

Cascade mountain range, one with a child enrolled in a public school east of the crest of the Cascade mountain range, and one with a child enrolled in a public school who is also receiving special education services. The recommendation for a parent of a public school student receiving special education services must be made by an association of parents, teachers, and students that focuses on the needs of students receiving special education services. The recommendation for the other parents under this subsection must be made by an association of parents, teachers, and students.

(iii) The office of the superintendent of public instruction shall submit findings and recommendations required by this section to the state board of education, the department of health, and, in accordance with RCW 43.01.036, the education committees of the house of representatives and the senate by December 1, 2019.

(iv)(A) The office of the superintendent of public instruction and the Washington state school directors' association, shall collaborate with department of health to conduct a data survey of the availability of sexual health education in public schools and relevant health measures in those schools. All school districts shall submit to the office of the superintendent of public instruction, through the Washington school health profiles survey, or other reporting mechanisms, the curricula used in the district to teach sexual health education. The data survey must include a list of the schools within the boundaries of each school district that offer sexual health education and in which grade levels, and the curricula used to teach sexual health education, as reported according to RCW 28A.300.475(7). In addition, the data shall include, for each school district and inclusive of any charter schools that may be within the boundaries of the school district, the rate of teen pregnancy, sexually transmitted infections, suicide, depression, and adverse childhood experiences in each of the previous five years for which data is available. To the extent that the data allows, the information shall be collected by school district, inclusive of any charter schools that may be within the boundaries of the school district. To the extent allowed by existing data sources, the information must be disaggregated by age, race, ethnicity, free and reduced lunch eligibility, sexual orientation, gender identity and expression, and geography, including school district population density, and conveyed, to the maximum extent possible, in a manner that complies with WAC 392-117-060. The data survey may combine multiple years of data if necessary to comply with student privacy requirements.

(B) The office of the superintendent of public instruction shall utilize the information collected from the data survey to inform the work group established in (f) of this subsection. The office, in accordance with RCW 43.01.036, shall submit the data survey to the committees of the legislature with jurisdiction over matters related to education and health care and the governor by December 1, 2019.

(4) STATEWIDE PROGRAMS

(a) \$2,590,000 of the general fund—state appropriation for fiscal year 2020 and \$2,590,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Washington kindergarten inventory of developing skills. State funding shall support statewide administration and district implementation of the inventory under RCW 28A.655.080.

(b) \$703,000 of the general fund—state appropriation for fiscal year 2020 and \$703,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 72, Laws of 2016 (educational opportunity gap).

(c) \$950,000 of the general fund—state appropriation for fiscal year 2020 and \$950,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to schools identified for comprehensive or targeted support and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs.

(d) \$909,000 of the general fund—state appropriation for fiscal year 2020 and \$909,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to implement chapter 18, Laws of 2013 2nd sp. sess. (strengthening student educational outcomes).

(e) \$10,000 of the general fund—state appropriation for fiscal year 2020 and \$10,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for chapter 102, Laws of 2014 (bilitery seal).

(f)(i) \$50,000 of the general fund—state appropriation for fiscal year 2020 and \$50,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for school bullying and harassment prevention activities.

(ii) \$15,000 of the general fund—state appropriation for fiscal year 2020 and \$15,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 240, Laws of 2016 (school safety).

(iii) \$1,268,000 of the general fund—state appropriation for fiscal year 2020 and \$1,268,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to educational service districts for implementation of Second Substitute House Bill No. 1216 (school safety and well-being). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(iv) \$196,000 of the general fund—state appropriation for fiscal year 2020 and \$196,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the school safety center within the office of the superintendent of public instruction.

(A) Within the amounts provided in this subsection (4)(f)(iv), \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a school safety program to provide school safety training for all school administrators and school safety personnel. The school safety center advisory committee shall develop and revise the training program, using the best practices in school safety.

(B) Within the amounts provided in this subsection (4)(f)(iv), \$96,000 of the general fund—state appropriation for fiscal year 2020 and \$96,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for administration of the school safety center. The safety center shall act as an information dissemination and resource center when an incident occurs in a school district 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 maintain a school safety information web site.

(g)(i) \$162,000 of the general fund—state appropriation for fiscal year 2020 and \$162,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for youth suicide prevention activities.

(ii) \$204,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for implementation of chapter 202, Laws of 2017 (children's mental health).

(iii) \$20,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for implementation of chapter 175, Laws of 2018 (children's mental health services).

(iv) \$76,000 of the general fund—state appropriation for fiscal year 2020 and \$76,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 64, Laws of 2018 (sexual abuse of students).

(h)(i) \$280,000 of the general fund—state appropriation for fiscal year 2020, \$280,000 of the general fund—state appropriation for fiscal year 2021, and \$1,052,000 of the dedicated marijuana account—state appropriation are provided solely for dropout prevention, intervention, and reengagement programs, including the jobs for America's graduates (JAG) program, dropout prevention programs that provide student mentoring, and the building bridges statewide program. Students in the foster care system or who are homeless shall be given priority by districts offering the jobs for America's graduates program. The office of the superintendent of public instruction shall convene staff representatives from high schools to meet and share best practices for dropout prevention. Of these amounts, \$522,000 of the dedicated marijuana account—state appropriation for fiscal year 2020, and \$530,000 of the dedicated marijuana account—state appropriation for fiscal year 2021 are provided solely for the building bridges statewide program.

(ii) \$293,000 of the general fund—state appropriation for fiscal year 2020 and \$293,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the superintendent of public instruction to support district implementation of comprehensive guidance and planning programs in support of high-quality high school and beyond plans consistent with RCW 28A.230.090.

(iii) \$178,000 of the general fund—state appropriation for fiscal year 2020 and \$178,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 291, Laws of 2017 (truancy reduction efforts).

(i) Sufficient amounts are appropriated in this section for the office of the superintendent of public instruction to create a process and provide assistance to school districts in planning for future implementation of the summer knowledge improvement program grants.

(j) \$369,000 of the general fund—state appropriation for fiscal year 2020 and \$358,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Second Substitute House Bill No. 1424 (CTE course equivalencies). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(k) \$400,000 of the general fund—state appropriation for fiscal year 2020 and \$196,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Engrossed Second Substitute House

Bill No. 1599 (high school graduation reqs.). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(l) \$60,000 of the general fund—state appropriation for fiscal year 2020, \$60,000 of the general fund—state appropriation for fiscal year 2021, and \$680,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1139 (educator workforce supply). Of the amounts provided in this subsection, \$680,000 of the general fund—federal appropriation is provided solely for title II SEA state-level activities to implement section 103 of Engrossed Second Substitute House Bill No. 1139 relating to the regional recruiters program. If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(m) \$66,000 of the general fund—state appropriation for fiscal year 2020 and \$60,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the superintendent of public instruction to evaluate and implement best practices and procedures for ensuring that student lunch periods include a seated lunch duration of at least twenty minutes. The office of the superintendent of public instruction shall, through an application-based process, select six public schools to serve as demonstration sites. Of the amounts provided in this subsection:

(i) \$30,000 of the general fund—state appropriation for fiscal year 2020 and \$30,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for annual grant awards of \$5,000 each provided to the six school districts selected to serve as school demonstration sites;

(ii) \$20,000 of the general fund—state appropriation for fiscal year 2020 and \$20,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the superintendent of public instruction to hire a consultant with expertise in nutrition programs to oversee the demonstration projects and provide technical support;

(iii) \$10,000 of the general fund—state appropriation for fiscal year 2020 and \$10,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the superintendent of public instruction to provide technical support to the demonstration sites and report its findings and recommendations to the education committees of the house of representatives and the senate by June 30, 2021; and

(iv) \$6,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the Washington state school directors' association, in consultation with the office of the superintendent of public instruction, to adopt and make publicly available by February 14, 2020, a model policy and procedure that school districts may use to ensure that student lunch periods include a seated lunch duration of at least twenty minutes. In developing the model policy and procedure, the Washington state school directors' association shall, to the extent appropriate and feasible, incorporate pertinent recommendations from the office of the state auditor.

(n) \$25,000 of the general fund—state appropriation for fiscal year 2020 and \$50,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the superintendent of public instruction to publish a list of schools and districts that are not complying with RCW 28A.325.010 and 28A.325.050. The office must publish the list no later than

December 30, 2020. Within amounts appropriated in this subsection, the office of the superintendent of public instruction must:

(i) Collaborate with associated student body executive boards statewide regarding district policies to reduce the extracurricular opportunity gap.

(ii) Require school districts to collect and report to the associated student body executive board the 2018-19 school year data related to students in possession of associated student body cards and student participation in school-based athletic programs by January 15, 2020. School districts with more than one high school must provide each high school's associated student body executive board only the data from each associated student body executive board's respective high school.

(A) Each school district with a high school must collect and publish on its website the following school-level data from each high school for the 2018-19 school year by January 15, 2020, for the 2019-20 school year by April 15, 2020, and for the 2020-21 school year by April 15, 2021:

(I) The number of high school students who are eligible to participate in the federal free and reduced-price meals program;

(II) The purchase amount of an associated student body card for high school students;

(III) The discounted purchase amount of an associated student body card for high school students who are eligible to participate in the federal free and reduced-price meals program;

(IV) Athletic program participation fees and any discounted fees for high school students who are eligible to participate in the federal free and reduced-price meals program;

(V) The number of high school students who possess an associated student body card;

(VI) The number of high school students who are eligible to participate in the federal free and reduced-price meals program and possess an associated student body card;

(VII) The number of high school students participating in an athletic program; and

(VIII) The number of high school students participating in an athletic program who are eligible to participate in the federal free and reduced-price meals program.

(B) The data for the April 2020 and April 2021 reports must include at least two weeks of data from the beginning of spring athletics season.

(C) The office of the superintendent of public instruction must provide support to ensure that all districts comply with the data reporting requirements in this subsection.

(D) No later than January 15, 2020, the office of the superintendent of public instruction must publish a list of schools and districts that are not complying with RCW 28A.325.050.

(o) \$60,000 of the general fund—state appropriation for fiscal year 2020 and \$60,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the superintendent of public instruction to collect and monitor restraint and isolation data pursuant to chapter 206, Laws of 2015, and to provide training, technical assistance, and other support to schools and districts to reduce the use of restraint and isolation.

(p) \$225,000 of the general fund—state appropriation in fiscal year 2020 and \$225,000 of the general fund—state appropriation in fiscal year 2021 are provided solely for the office of the superintendent of public instruction to develop or expand a mentoring program for persons employed as educational interpreters in public schools. Funds provided under this section may only be used for recruiting, hiring, and training persons to be employed by Washington sensory disability services who must provide mentoring services in different geographic regions of the state, with the dual goals of: Providing services, beginning with the 2019-20 school year, to any requesting school district; and assisting persons in the timely and successful achievement of performance standards for educational interpreters.

(q) \$150,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the office of the superintendent of public instruction to create a series of articles, videos, and educational curriculum on the history of agriculture in Washington state, including the role and impact of indigenous and immigrant farmers. The materials must be made available for free to schools, educators, and students. The office may collaborate with other agencies or entities in order to create the educational materials.

(r) \$61,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for implementation of Substitute Senate Bill No. 5023 (ethnic studies). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(s) \$63,000 of the general fund—state appropriation for fiscal year 2020 and \$7,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5497 (immigrants in the workplace). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(t) Within existing resources, the office shall consult with the Washington student achievement council to adopt rules pursuant to Senate Bill No. 5088 (computer science).

(u) \$125,000 of the general fund—state appropriation for fiscal year 2020 and \$125,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the superintendent of public instruction to conduct a pilot program in five school districts of a dropout early warning and intervention data system as defined in RCW 28A.175.074, to identify students beginning in grade eight who are at risk of not graduating from high school and require additional supports. The system at a minimum must measure attendance, behavior, and course performance. The office of the superintendent of public instruction must report to the appropriate committees of the legislature the progress of all participating schools by December 15, 2020.

(v) Within existing resources, the office shall implement Substitute Senate Bill No. 5324 (homeless student support).

NEW SECTION. Sec. 502. FOR THE STATE BOARD OF EDUCATION

General Fund—State Appropriation (FY 2020)	\$1,353,000
General Fund—State Appropriation (FY 2021)	\$1,371,000
Washington Opportunity Pathways Account—State	
Appropriation	\$322,000
TOTAL APPROPRIATION	\$3,046,000

The appropriations in this section are subject to the following conditions and limitations: \$1,353,000 of the general fund—state appropriation for fiscal year 2020 and \$1,371,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the operation and expenses of the state board of education, including basic assistance activities. Within these amounts provided in this subsection, \$179,000 of the general fund—state appropriation for fiscal year 2020 and \$173,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1599 (high school graduation reqs.). If the bill is not enacted by June 30, 2019, those amounts provided in this subsection shall lapse.

(a) \$322,000 of the Washington opportunity pathways account—state appropriation is provided solely for the state board of education to provide assistance to public schools other than common schools authorized under chapter 28A.710 RCW.

NEW SECTION. Sec. 503. FOR THE PROFESSIONAL EDUCATOR STANDARDS BOARD

General Fund—State Appropriation (FY 2020)	\$3,839,000
General Fund—State Appropriation (FY 2021)	\$15,771,000
TOTAL APPROPRIATION	\$19,610,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,834,000 of the general fund—state appropriation for fiscal year 2020 and \$2,887,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to the professional educator standards board for the following:

(a) Within the amounts provided in this subsection (1), \$1,612,000 of the general fund—state appropriation for fiscal year 2020 and \$1,665,000 of the general fund—state appropriation for fiscal year 2021 are for the operation and expenses of the Washington professional educator standards board including implementation of chapter 172, Laws of 2017 (educator prep. data/PESB).

(b) Within the amounts provided in this subsection (1), \$600,000 of the general fund—state appropriation for fiscal year 2020 and \$600,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for grants to improve preservice teacher training and funding of alternate routes to certification programs administered by the professional educator standards board.

Within the amounts provided in this subsection (1)(b), up to \$500,000 of the general fund—state appropriation for fiscal year 2020 and up to \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided for grants to public or private colleges of education in Washington state to develop models and share best practices for increasing the classroom teaching experience of preservice training programs.

(c) Within the amounts provided in this subsection (1), \$622,000 of the general fund—state appropriation for fiscal year 2020 and \$622,000 of the general fund—state appropriation for fiscal year 2021 are provided for the recruiting Washington teachers program with priority given to programs that support bilingual teachers, teachers from populations that are underrepresented, and English language learners. Of the amounts provided in this subsection (1)(c), \$500,000 of the general fund—state appropriation for fiscal year 2020 and

\$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation and expansion of the bilingual educator initiative pilot project established under RCW 28A.180.120.

(2) \$272,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1139 (educator workforce supply). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

(3) \$662,000 of the general fund—state appropriation for fiscal year 2020 and \$12,663,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 237, Laws of 2017 (paraeducators).

(a) Of the amount in this subsection, \$12,001,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for grants to districts to provide two days of training in the fundamental course of study to all paraeducators. Funds in this subsection are provided solely for reimbursement to school districts that provide two days of training in the fundamental course of study to paraeducators during the 2019-20 school year.

(b) No later than December 1, 2020, the professional educator standards board must submit a report to the legislature including the following:

- (i) The total number of trainings that districts provided;
- (ii) The number of paraeducators that completed the training, by district; and
- (iii) The total expenditures reimbursed to school districts, by district.

NEW SECTION. Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL APPORTIONMENT

General Fund—State Appropriation (FY 2020)	\$8,752,402,000
General Fund—State Appropriation (FY 2021)	\$9,137,269,000
Education Legacy Trust Account—State Appropriation	\$1,345,730,000
TOTAL APPROPRIATION	\$19,235,401,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) 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.

(b) For the 2019-20 and 2020-21 school years, the superintendent shall allocate general apportionment funding to school districts as provided in the funding formulas and salary allocations in sections 504 and 505 of this act, excluding (c) of this subsection.

(c) From July 1, 2019, to August 31, 2019, the superintendent shall allocate general apportionment funding to school districts programs as provided in sections 502 and 503, chapter 299, Laws of 2018.

(d) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the fourth day of school in September and on the first school day of each month October through June, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. Any school district concluding its basic

education program in May must report the enrollment of the last school day held in May in lieu of a June enrollment.

(e)(i) Funding provided in part V of this act is sufficient to provide each full-time equivalent student with the minimum hours of instruction required under RCW 28A.150.220.

(ii) The office of the superintendent of public instruction shall align the agency rules defining a full-time equivalent student with the increase in the minimum instructional hours under RCW 28A.150.220, as amended by the legislature in 2014.

(f) The superintendent shall adopt rules requiring school districts to report full-time equivalent student enrollment as provided in RCW 28A.655.210.

(g) For the 2019-20 and 2020-21 school years, school districts must report to the office of the superintendent of public instruction the monthly actual average district-wide class size across each grade level of kindergarten, first grade, second grade, and third grade classes. The superintendent of public instruction shall report this information to the education and fiscal committees of the house of representatives and the senate by September 30th of each year.

(2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

Allocations for certificated instructional staff salaries for the 2019-20 and 2020-21 school years are determined using formula-generated staff units calculated pursuant to this subsection.

(a) Certificated instructional staff units, as defined in RCW 28A.150.410, shall be allocated to reflect the minimum class size allocations, requirements, and school prototypes assumptions as provided in RCW 28A.150.260. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent student enrollment in each grade.

(b) Additional certificated instructional staff units provided in this subsection (2) that exceed the minimum requirements in RCW 28A.150.260 are enhancements outside the program of basic education, except as otherwise provided in this section.

(c)(i) The superintendent shall base allocations for each level of prototypical school, including those at which more than fifty percent of the students were eligible for free and reduced-price meals in the prior school year, on the following regular education average class size of full-time equivalent students per teacher, except as provided in (c)(ii) of this subsection:

General education class size:

Grade	RCW 28A.150.260	2019-20 School Year	2020-21 School Year
Grade K		17.00	17.00
Grade 1		17.00	17.00
Grade 2		17.00	17.00
Grade 3		17.00	17.00
Grade 4		27.00	27.00
Grades 5-6		27.00	27.00
Grades 7-8		28.53	28.53

Grades 9-12 28.74 28.74

The superintendent shall base allocations for: Laboratory science average class size as provided in RCW 28A.150.260; career and technical education (CTE) class size of 23.0; and skill center program class size of 20.0.

(ii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher planning period, expressed as a percentage of a teacher work day, is 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

(iii) Advanced placement and international baccalaureate courses are funded at the same class size assumptions as general education schools in the same grade; and

(d)(i) Funding for teacher librarians, school nurses, social workers, school psychologists, and guidance counselors is allocated based on the school prototypes as provided in RCW 28A.150.260 and is considered certificated instructional staff, except as provided in (d)(ii) of this subsection.

(ii)(A) For the twenty schools with the lowest overall school score for all students in the 2018-19 school year, as determined by the Washington school improvement framework among elementary schools, middle schools, and other schools not serving students up to twelfth grade, having enrollments greater than one hundred fifty students, in addition to the allocation under (d)(i) of this subsection the superintendent shall allocate additional funding for guidance counselors for each level of prototypical school as follows:

	Elementary	Middle
Guidance counselors	0.307	0.512

To receive additional allocations under this subsection, a school eligible to receive the allocation must have demonstrated actual staffing for guidance counselors for its prototypical school level that meets or exceeds the staffing for guidance counselors in (d)(i) of this subsection and this subsection (2)(d)(ii)(A) for its prototypical school level. School districts must distribute the additional guidance counselors allocation in this subsection to the schools that generate the allocation. The enhancement within this subsection is not part of the state's program of basic education.

(B) Students in approved career and technical education and skill center programs generate certificated instructional staff units to provide for the services of teacher librarians, school nurses, social workers, school psychologists, and guidance counselors at the following combined rate per 1000 student full-time equivalent enrollment:

	2019-20 School Year	2020-21 School Year
Career and Technical Education	3.07	3.07
Skill Center	3.41	3.41

(3) ADMINISTRATIVE STAFF ALLOCATIONS

(a) Allocations for school building-level certificated administrative staff salaries for the 2019-20 and 2020-21 school years for general education students

are determined using the formula generated staff units calculated pursuant to this subsection. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent enrollment in each grade. The following prototypical school values shall determine the allocation for principals, assistant principals, and other certificated building level administrators:

Prototypical School Building:

Elementary School	1.253
Middle School	1.353
High School	1.880

(b) Students in approved career and technical education and skill center programs generate certificated school building-level administrator staff units at per student rates that are a multiple of the general education rate in (a) of this subsection by the following factors: Career and Technical Education students . . . 1.025

Skill Center students 1.198

(4) CLASSIFIED STAFF ALLOCATIONS

Allocations for classified staff units providing school building-level and district-wide support services for the 2019-20 and 2020-21 school years are determined using the formula-generated staff units provided in RCW 28A.150.260 and pursuant to this subsection, and adjusted based on each district's annual average full-time equivalent student enrollment in each grade.

(5) CENTRAL OFFICE ALLOCATIONS

In addition to classified and administrative staff units allocated in subsections (3) and (4) of this section, classified and administrative staff units are provided for the 2019-20 and 2020-21 school years for the central office administrative costs of operating a school district, at the following rates:

(a) The total central office staff units provided in this subsection (5) are calculated by first multiplying the total number of eligible certificated instructional, certificated administrative, and classified staff units providing school-based or district-wide support services, as identified in RCW 28A.150.260(6)(b) and the increased allocations provided pursuant to subsections (2) and (4) of this section, by 5.3 percent.

(b) Of the central office staff units calculated in (a) of this subsection, 74.53 percent are allocated as classified staff units, as generated in subsection (4) of this section, and 25.47 percent shall be allocated as administrative staff units, as generated in subsection (3) of this section.

(c) Staff units generated as enhancements outside the program of basic education to the minimum requirements of RCW 28A.150.260, and staff units generated by skill center and career-technical students, are excluded from the total central office staff units calculation in (a) of this subsection.

(d) For students in approved career-technical and skill center programs, central office classified units are allocated at the same staff unit per student rate as those generated for general education students of the same grade in this subsection (5), and central office administrative staff units are allocated at staff

unit per student rates that exceed the general education rate established for students in the same grade in this subsection (5) by 12.51 percent in the 2019-20 school year and 12.53 percent in the 2020-21 school year for career and technical education students, and 17.84 percent in the 2019-20 school year and 17.86 percent in the 2020-21 school year for skill center students.

(6) FRINGE BENEFIT ALLOCATIONS

Fringe benefit allocations shall be calculated at a rate of 23.80 percent in the 2019-20 school year and 23.80 percent in the 2020-21 school year for certificated salary allocations provided under subsections (2), (3), and (5) of this section, and a rate of 24.33 percent in the 2019-20 school year and 24.33 percent in the 2020-21 school year for classified salary allocations provided under subsections (4) and (5) of this section.

(7) INSURANCE BENEFIT ALLOCATIONS

Insurance benefit allocations shall be calculated at the rates specified in section 506 of this act, based on the number of benefit units determined as follows:

(a) Until December 31, 2019:

(i) The number of certificated staff units determined in subsections (2), (3), and (5) of this section; and

(ii) The number of classified staff units determined in subsections (4) and (5) of this section.

(b) Beginning January 1, 2020, and for the 2020-21 school year, the number of calculated benefit units determined below. Calculated benefit units are staff units multiplied by the benefit allocation factors established in the collective bargaining agreement referenced in section 938 of this act. These factors are intended to adjust allocations so that, for the purpose of distributing insurance benefits, full-time equivalent employees may be calculated on the basis of 630 hours of work per year, with no individual employee counted as more than one full-time equivalent. The number of benefit units is determined as follows:

(i) The number of certificated staff units determined in subsections (2), (3), and (5) of this section multiplied by 1.02; and

(ii) The number of classified staff units determined in subsections (4) and (5) of this section multiplied by 1.43.

(c) For health benefits payments to the health care authority for benefits provided to school employees in January 2020, school districts must provide payment to the health care authority within three business days of receiving the January 2020 allocation for insurance benefits. The health care authority and office of the superintendent of public instruction must coordinate with school districts to enable timely payment to the health care authority consistent with this subsection.

(8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

Funding is allocated per annual average full-time equivalent student for the materials, supplies, and operating costs (MSOC) incurred by school districts, consistent with the requirements of RCW 28A.150.260.

(a)(i) MSOC funding for general education students are allocated at the following per student rates:

MSOC RATES/STUDENT FTE

MSOC Component	2019-20 School Year	2020-21 School Year
Technology	\$135.91	\$138.75
Utilities and Insurance	\$369.29	\$377.04
Curriculum and Textbooks	\$145.92	\$148.99
Other Supplies	\$289.00	\$295.07
Library Materials	\$20.79	\$21.23
Instructional Professional Development for Certificated and Classified Staff	\$22.57	\$23.04
Facilities Maintenance	\$182.94	\$186.79
Security and Central Office	\$126.74	\$129.41
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$1,293.16	\$1,320.32

(ii) For the 2019-20 school year and 2020-21 school year, as part of the budget development, hearing, and review process required by chapter 28A.505 RCW, each school district must disclose: (A) The amount of state funding to be received by the district under (a) and (d) of this subsection (8); (B) the amount the district proposes to spend for materials, supplies, and operating costs; (C) the difference between these two amounts; and (D) if (A) of this subsection (8)(a)(ii) exceeds (B) of this subsection (8)(a)(ii), any proposed use of this difference and how this use will improve student achievement.

(b) Students in approved skill center programs generate per student FTE MSOC allocations of \$1,529.98 for the 2019-20 school year and \$1,562.11 for the 2020-21 school year.

(c) Students in approved exploratory and preparatory career and technical education programs generate per student FTE MSOC allocations of \$1,529.98 for the 2019-20 school year and \$1,562.11 for the 2020-21 school year.

(d) Students in grades 9-12 generate per student FTE MSOC allocations in addition to the allocations provided in (a) through (c) of this subsection at the following rate:

MSOC Component	2019-20 School Year	2020-21 School Year
Technology	\$39.08	\$39.90
Curriculum and Textbooks	\$42.63	\$43.53
Other Supplies	\$83.04	\$84.79
Library Materials	\$5.78	\$5.90

Instructional Professional Development for Certified and Classified Staff	\$7.11	\$7.25
TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	\$177.64	\$181.37

(9) SUBSTITUTE TEACHER ALLOCATIONS

For the 2019-20 and 2020-21 school years, funding for substitute costs for classroom teachers is based on four (4) funded substitute days per classroom teacher unit generated under subsection (2) of this section, at a daily substitute rate of \$151.86.

(10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

(a) Amounts provided in this section from July 1, 2019, to August 31, 2019, are adjusted to reflect provisions of chapter 299, Laws of 2018 (allocation of funding for students enrolled in alternative learning experiences).

(b) The superintendent of public instruction shall require all districts receiving general apportionment funding for alternative learning experience (ALE) programs as defined in WAC 392-121-182 to provide separate financial accounting of expenditures for the ALE programs offered in district or with a provider, including but not limited to private companies and multidistrict cooperatives, as well as accurate, monthly headcount and FTE enrollment claimed for basic education, including separate counts of resident and nonresident students.

(11) DROPOUT REENGAGEMENT PROGRAM

The superintendent shall adopt rules to require students claimed for general apportionment funding based on enrollment in dropout reengagement programs authorized under RCW 28A.175.100 through 28A.175.115 to meet requirements for at least weekly minimum instructional contact, academic counseling, career counseling, or case management contact. Districts must also provide separate financial accounting of expenditures for the programs offered by the district or under contract with a provider, as well as accurate monthly headcount and full-time equivalent enrollment claimed for basic education, including separate enrollment counts of resident and nonresident students.

(12) ALL DAY KINDERGARTEN PROGRAMS

Funding in this section is sufficient to fund all day kindergarten programs in all schools in the 2019-20 school year and 2020-21 school year, pursuant to RCW 28A.150.220 and 28A.150.315.

(13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND NECESSARY PLANTS

For small school districts and remote and necessary school plants within any district which have been judged to be remote and necessary by the superintendent of public instruction, additional staff units are provided to ensure a minimum level of staffing support. Additional administrative and certificated instructional staff units provided to districts in this subsection shall be reduced by the general education staff units, excluding career and technical education

and skills center enhancement units, otherwise provided in subsections (2) through (5) of this section on a per district basis.

(a) 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 superintendent of public instruction 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;

(b) 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 superintendent of public instruction:

(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;

(c) 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, except as noted in this subsection:

(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;

(iii) Districts receiving staff units under this subsection shall add students enrolled in a district alternative high school and any grades nine through twelve alternative learning experience programs with the small high school enrollment for calculations under this subsection;

(d) 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;

(e) 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;

(f)(i) For enrollments generating certificated staff unit allocations under (a) through (e) of this subsection, one classified staff unit for each 2.94 certificated staff units allocated under such subsections;

(ii) 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; and

(g) School districts receiving additional staff units to support small student enrollments and remote and necessary plants under this subsection (13) shall generate additional MSOC allocations consistent with the nonemployee related costs (NERC) allocation formula in place for the 2010-11 school year as provided section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually for inflation.

(14) 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.

(15) The superintendent may distribute funding for the following programs outside the basic education formula during fiscal years 2020 and 2021 as follows:

(a) \$650,000 of the general fund—state appropriation for fiscal year 2020 and \$650,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW.

(b) \$436,000 of the general fund—state appropriation for fiscal year 2020 and \$436,000 of the general fund—state appropriation for fiscal year 2021 are provided solely 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.

(16) Funding in this section is sufficient to fund a maximum of 1.6 FTE enrollment for skills center students pursuant to chapter 463, Laws of 2007.

(17) Students participating in running start programs may be funded up to a combined maximum enrollment of 1.2 FTE including school district and institution of higher education enrollment consistent with the running start course requirements provided in chapter 202, Laws of 2015 (dual credit education opportunities). In calculating the combined 1.2 FTE, the office of the superintendent of public instruction may average the participating student's September through June enrollment to account for differences in the start and end dates for courses provided by the high school and higher education institution. Additionally, the office of the superintendent of public instruction, in consultation with the state board for community and technical colleges, the

student achievement council, and the education data center, shall annually track and report to the fiscal committees of the legislature on the combined FTE experience of students participating in the running start program, including course load analyses at both the high school and community and technical college system.

(18) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (13) of this section, the following 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 (13) of this section shall be reduced in increments of twenty percent per year.

(19)(a) Indirect cost charges by a school district to approved career and technical education middle and secondary programs shall not exceed the lesser of five percent or the cap established in federal law of the combined basic education and career and technical education program enhancement allocations of state funds. Middle and secondary career and technical education programs are considered separate programs for funding and financial reporting purposes under this section.

(b) Career and technical education program 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 career and technical education program enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support.

(20) Funding in this section is sufficient to provide full general apportionment payments to school districts eligible for federal forest revenues as provided in RCW 28A.520.020. For the 2019-2021 biennium, general apportionment payments are not reduced for school districts receiving federal forest revenues.

NEW SECTION. Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—BASIC EDUCATION EMPLOYEE COMPENSATION

(1) The following calculations determine the salaries used in the state allocations for certificated instructional, certificated administrative, and classified staff units as provided in RCW 28A.150.260, and under section 504 of this act: For the 2019-20 school year and the 2020-21 school year salary allocations for certificated instructional staff, certificated administrative staff, and classified staff units are determined for each school district by multiplying the statewide minimum salary allocation for each staff type by the school district's regionalization factor shown in LEAP Document 3.

Statewide Minimum Salary Allocation

Staff Type	2019-20 School Year	2020-21 School Year
Certificated Instructional	\$66,520	\$67,917
Certificated Administrative	\$98,741	\$100,815
Classified	\$47,720	\$48,722

(2) For the purposes of this section, "LEAP Document 3" means the school district regionalization factors for certificated instructional, certificated administrative, and classified staff, as developed by the legislative evaluation and accountability program committee on December 10, 2018, at 8:24 hours.

(3) Incremental fringe benefit factors are applied to salary adjustments at a rate of 23.16 percent for school year 2019-20 and 23.16 percent for school year 2020-21 for certificated instructional and certificated administrative staff and 20.83 percent for school year 2019-20 and 20.83 percent for the 2020-21 school year for classified staff.

(4) The salary allocations established in this section are for allocation purposes only except as provided in this subsection, and do not entitle an individual staff position to a particular paid salary except as provided in RCW 28A.400.200, as amended by chapter 13, Laws of 2017 3rd sp. sess. (fully funding the program of basic education).

NEW SECTION. Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS

General Fund—State Appropriation (FY 2020)	\$379,041,000
General Fund—State Appropriation (FY 2021)	\$726,648,000
TOTAL APPROPRIATION	\$1,105,689,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The salary increases provided in this section are 2.0 percent for the 2019-20 school year, and 2.1 percent for the 2020-21 school year, the annual inflationary adjustments pursuant to RCW 28A.400.205.

(2) In addition to salary allocations specified in this subsection (1) funding in this subsection includes two days of professional learning for each of the funded full-time equivalent certificated instructional staff units in school year 2019-20, and three days of professional learning for each of the funded full-time equivalent certificated instructional staff units in school year 2020-21. Nothing in this section entitles an individual certificated instructional staff to any particular number of professional learning days.

(3)(a) The appropriations in this section include associated incremental fringe benefit allocations at 23.16 percent for the 2019-20 school year and 23.16 percent for the 2020-21 school year for certificated instructional and certificated administrative staff and 20.83 percent for the 2019-20 school year and 20.83 percent for the 2020-21 school year for classified staff.

(b) The appropriations in this section include the increased or decreased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Changes for general apportionment (basic

education) are based on the salary allocations and methodology in sections 504 and 505 of this act. Changes for special education result from changes in each district's basic education allocation per student. Changes 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 504 and 505 of this act. Changes for pupil transportation are determined by the superintendent of public instruction pursuant to RCW 28A.160.192, and impact compensation factors in sections 504, 505, and 506 of this act.

(c) The appropriations in this section include no salary adjustments for substitute teachers.

(4) The appropriations in this section are sufficient to fund the collective bargaining agreement referenced in section 938 of this act and reflect the incremental change in cost of allocating rates as follows:

(a) For the 2019-20 school year, \$973.00 per month from September 1, 2019, to December 31, 2019, \$994 per month from January 1, 2020, to June 30, 2020, and \$1,056 per month from July 1, 2020, to August 31, 2020; and

(b) For the 2020-21 school year, \$1,056 per month.

(5) When bargaining for funding for school employees health benefits for the 2021-2023 fiscal biennium, any proposal agreed upon must assume the imposition of a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than ninety-five percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment.

(6) The rates specified in this section are subject to revision each year by the legislature.

(7) \$1,226,000 of the general fund—state appropriation for fiscal year 2020 and \$2,763,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for changes to the special education cost multiplier as specified in Engrossed Second Substitute Senate Bill No. 5091 (special education funding).

NEW SECTION. Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION

General Fund—State Appropriation (FY 2020)	\$614,906,000
General Fund—State Appropriation (FY 2021)	\$615,788,000
TOTAL APPROPRIATION	\$1,230,694,000

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)(a) For the 2019-20 and 2020-21 school years, the superintendent shall allocate funding to school district programs for the transportation of eligible students as provided in RCW 28A.160.192. Funding in this section constitutes

full implementation of RCW 28A.160.192, which enhancement is within the program of basic education. Students are considered eligible only if meeting the definitions provided in RCW 28A.160.160.

(b) From July 1, 2019, to August 31, 2019, the superintendent shall allocate funding to school districts programs for the transportation of students as provided in section 505, chapter 299, Laws of 2018.

(3) Within amounts appropriated in this section, up to \$10,000,000 of the general fund—state appropriation for fiscal year 2020 and up to \$10,000,000 of the general fund—state appropriation for fiscal year 2021 are for a transportation alternate funding grant program based on the alternate funding process established in RCW 28A.160.191. The superintendent of public instruction must include a review of school district efficiency rating, key performance indicators and local school district characteristics such as unique geographic constraints in the grant award process.

(4) A maximum of \$939,000 of this fiscal year 2020 appropriation and a maximum of \$939,000 of the fiscal year 2021 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.

(5) Subject to available funds under this section, school districts may provide student transportation for summer skills center programs.

(6) The office of the superintendent of public instruction shall provide reimbursement funding to a school district for school bus purchases 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 presales tax 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.

(8) Funding levels in this section reflect waivers granted by the state board of education for four-day school weeks as allowed under RCW 28A.305.141.

(9) The office of the superintendent of public instruction shall annually disburse payments for bus depreciation in August.

NEW SECTION. Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL FOOD SERVICE PROGRAMS

General Fund—State Appropriation (FY 2020)	\$7,230,000
General Fund—State Appropriation (FY 2021)	\$7,230,000
General Fund—Federal Appropriation	\$537,178,000
TOTAL APPROPRIATION	\$551,638,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$7,111,000 of the general fund—state appropriation for fiscal year 2020 and \$7,111,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for state matching money for federal child nutrition programs, and may support the meals for kids program through the following allowable uses:

(a) Elimination of breakfast copays for eligible public school students and lunch copays for eligible public school students in grades kindergarten through third grade who are eligible for reduced-price lunch;

(b) Assistance to school districts and authorized public and private nonprofit organizations for supporting summer food service programs, and initiating new summer food service programs in low-income areas;

(c) Reimbursements to school districts for school breakfasts served to students eligible for free and reduced-price lunch, pursuant to chapter 287, Laws of 2005; and

(d) Assistance to school districts in initiating and expanding school breakfast programs.

(2) The office of the superintendent of public instruction shall report annually to the fiscal committees of the legislature on annual expenditures in subsection (1)(a) through (c) of this section.

(3) The superintendent of public instruction shall provide the department of health with the following data, where available, for all nutrition assistance programs that are funded by the United States department of agriculture and administered by the office of the superintendent of public instruction. The superintendent must provide the report for the preceding federal fiscal year by February 1, 2020, and February 1, 2021. The report must provide:

- (a) The number of people in Washington who are eligible for the program;
- (b) The number of people in Washington who participated in the program;
- (c) The average annual participation rate in the program;
- (d) Participation rates by geographic distribution; and
- (e) The annual federal funding of the program in Washington.

(4) \$119,000 of the general fund—state appropriation for fiscal year 2020 and \$119,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 271, Laws of 2018 (school meal payment) to increase the number of schools participating in the federal community eligibility program and to support breakfast after the bell programs authorized by the legislature that have adopted the community eligibility provision.

NEW SECTION. Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2020)	\$1,402,262,000
General Fund—State Appropriation (FY 2021)	\$1,501,646,000
General Fund—Federal Appropriation	\$499,428,000
Education Legacy Trust Account—State Appropriation	\$54,694,000
Pension Funding Stabilization Account—State Appropriation	\$20,000
TOTAL APPROPRIATION	\$3,458,050,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) 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 504 and 506 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.

(b) Funding provided within this section is sufficient for districts to provide school principals and lead special education teachers annual professional development on the best-practices for special education instruction and strategies for implementation. Districts shall annually provide a summary of professional development activities to the office of the superintendent of public instruction.

(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 continue to implement 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.

(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)(a) For the 2019-20 and 2020-21 school years, the superintendent shall allocate funding to school district programs for special education students as provided in RCW 28A.150.390 as amended by chapter 266, Laws of 2018 (basic education), except that the calculation of the base allocation also includes allocations provided under section 504 (2) and (4) of this act and RCW 28A.150.415, which enhancement is within the program of basic education.

(b) From July 1, 2019, to August 31, 2019, the superintendent shall allocate funding to school district programs for special education students as provided in section 507, chapter 299, Laws of 2018.

(5) The following applies throughout this section: The definitions for enrollment and enrollment percent are as specified in RCW 28A.150.390(3). Each district's general fund—state funded special education enrollment shall be the lesser of the district's actual enrollment percent or 13.5 percent.

(6) 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 RCW 28A.150.390(3) (c) and (d), 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.

(7) \$71,253,000 of the general fund—state appropriation for fiscal year 2020, \$87,253,000 of the general fund—state appropriation for fiscal year 2021,

and \$29,574,000 of the general fund—federal appropriation are provided solely for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (4) of this section. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in this subsection (7) in any fiscal year, the superintendent shall expend all available federal discretionary funds necessary to meet this need. At the conclusion of each school year, the superintendent shall recover safety net funds that were distributed prospectively but for which districts were not subsequently eligible.

(a) For the 2019-20 and 2020-21 school years, safety net funds shall be awarded by the state safety net oversight committee as provided in section 109(1) chapter 548, Laws of 2009 (education).

(b) The office of the superintendent of public instruction shall make award determinations for state safety net funding in August of each school year, except that the superintendent of public instruction shall make award determinations for state safety net funding in July of each school year for the Washington state school for the blind and for the center for childhood deafness and hearing loss. Determinations on school district eligibility for state safety net awards shall be based on analysis of actual expenditure data from the current school year.

(8) A maximum of \$931,000 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.

(9) 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.

(10) 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.

(11) \$50,000 of the general fund—state appropriation for fiscal year 2020, \$50,000 of the general fund—state appropriation for fiscal year 2021, and \$100,000 of the general fund—federal appropriation are provided solely for a special education family liaison position within the office of the superintendent of public instruction.

(12) \$30,746,000 of the general fund—state appropriation for fiscal year 2020 and \$46,425,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for changes to the special education cost multiplier as specified in Engrossed Second Substitute Senate Bill No. 5091 (special education funding).

(13) \$10,000,000 of the general fund—state appropriation for fiscal year 2020 and \$15,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the superintendent of public instruction to support professional development in inclusionary practices for classroom teachers. The primary form of support to public school classroom teachers must be for mentors who are experts in best practices for inclusive education, differentiated instruction, and individualized instruction. Funding for mentors

must be prioritized to the public schools with the highest percentage of students with individualized education programs aged six through twenty-one who spend the least amount of time in general education classrooms.

NEW SECTION. Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE DISTRICTS

General Fund—State Appropriation (FY 2020)	\$12,869,000
General Fund—State Appropriation (FY 2021)	\$12,948,000
TOTAL APPROPRIATION	\$25,817,000

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) Funding within this section is provided for regional professional development related to mathematics and science curriculum and instructional strategies aligned with common core state standards and next generation science standards. Funding shall be distributed among the educational service districts in the same proportion as distributions in the 2007-2009 biennium. 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.

(3) The educational service districts, at the request of the state board of education pursuant to RCW 28A.310.010 and 28A.305.130, 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. 511. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE

General Fund—State Appropriation (FY 2020)	\$365,560,000
General Fund—State Appropriation (FY 2021)	\$389,331,000
TOTAL APPROPRIATION	\$754,891,000

The appropriations in this section are subject to the following conditions and limitations: \$17,010,000 of the general fund—state appropriation for fiscal year 2020 and \$44,586,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for changes to the levy and levy equalization system as specified in either Substitute House Bill No. 2140 or Engrossed Substitute Senate Bill No. 5313 (K-12 education funding). If neither bill is enacted by June 30, 2019, these amounts shall lapse. Included in these amounts are hold harmless local effort assistance payments. In calendar years 2020 and 2021, in each calendar year a school district will receive an amount equal to number A minus number B if number A is greater than number B. For purposes of this section:

(1) "Number A" is the sum of the local effort assistance and enrichment levy a district would have received under law as it existed on January 1, 2019.

(2) "Number B" is the sum of the local effort assistance and enrichment levy a district receives under Substitute House Bill No. 2140 (K-12 education funding), if the district's levy collections were the lesser of the maximum dollar amount that may be levied at twenty percent of the district's levy base or its voter approved levy amount in calendar year 2018.

NEW SECTION. Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2020)	\$15,886,000
General Fund—State Appropriation (FY 2021)	\$16,461,000
TOTAL APPROPRIATION	\$32,347,000

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) \$701,000 of the general fund—state appropriation for fiscal year 2020 and \$701,000 of the general fund—state appropriation for fiscal year 2021 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, programs for juveniles under the juvenile rehabilitation administration, and programs for juveniles operated by city and county jails.

(6) \$1,066,000 of the general fund—state appropriation for fiscal year 2020 and \$1,661,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to increase the capacity of institutional education programs to differentiate instruction to meet students' unique educational needs. Those needs may include but are not limited to one-on-one instruction, enhanced access to counseling for social emotional needs of the student, and services to identify the proper level of instruction at the time of student entry into the facility.

(7) \$100,000 of the general fund—state appropriation in fiscal year 2020 and \$100,000 of the general fund—state appropriation in fiscal year 2021 are provided solely to support one student records coordinator in the Issaquah school district to manage the transmission of academic records with the Echo Glen children's center.

(8) Ten percent of the funds allocated for the institution may be carried over from one year to the next.

NEW SECTION. Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS

General Fund—State Appropriation (FY 2020)	\$30,490,000
General Fund—State Appropriation (FY 2021)	\$31,551,000
TOTAL APPROPRIATION	\$62,041,000

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)(a) For the 2019-20 and 2020-21 school years, the superintendent shall allocate funding to school district programs for highly capable students as provided in RCW 28A.150.260(10)(c) except that allocations must be based on 5.0 percent of each school district's full-time equivalent enrollment. In calculating the allocations, the superintendent shall assume the following: (i) Additional instruction of 2.1590 hours per week per funded highly capable program student; (ii) fifteen highly capable program students per teacher; (iii) 36 instructional weeks per year; (iv) 900 instructional hours per teacher; and (v) the compensation rates as provided in sections 505 and 506 of this act.

(b) From July 1, 2019, to August 31, 2019, the superintendent shall allocate funding to school districts programs for highly capable students as provided in section 511, chapter 299, Laws of 2018.

NEW SECTION. Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR MISCELLANEOUS—EVERY STUDENT SUCCEEDS ACT

General Fund—Federal Appropriation	\$5,802,000
TOTAL APPROPRIATION	\$5,802,000

NEW SECTION. Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM PROGRAMS

General Fund—State Appropriation (FY 2020)	\$134,185,000
General Fund—State Appropriation (FY 2021)	\$135,807,000
General Fund—Federal Appropriation	\$96,576,000
General Fund—Private/Local Appropriation	\$1,450,000
Education Legacy Trust Account—State Appropriation	\$1,636,000
Pension Funding Stabilization Account—State Appropriation	\$765,000
TOTAL APPROPRIATION	\$370,419,000

The appropriations in this section are subject to the following conditions and limitations:

(1) ACCOUNTABILITY

(a) \$26,975,000 of the general fund—state appropriation for fiscal year 2020, \$26,975,000 of the general fund—state appropriation for fiscal year 2021, \$1,350,000 of the education legacy trust account—state appropriation, and \$15,868,000 of the general fund—federal appropriation are provided solely for development and implementation of the Washington state assessment system.

(b) \$14,352,000 of the general fund—state appropriation for fiscal year 2020 and \$14,352,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 159, Laws of 2013 (K-12 education - failing schools).

(c) Within the amounts provided in this section, the superintendent of public instruction shall obtain an existing student assessment inventory tool that is free and openly licensed and distribute the tool to every school district. Each school district shall use the student assessment inventory tool to identify all state-level and district-level assessments that are required of students. The state-required assessments should include: Reading proficiency assessments used for compliance with RCW 28A.320.202; the required statewide assessments under chapter 28A.655 RCW in grades three through eight and at the high school level in English language arts, mathematics, and science, as well as the practice and training tests used to prepare for them; and the high school end-of-course exams in mathematics under RCW 28A.655.066. District-required assessments should include: The second grade reading assessment used to comply with RCW 28A.300.320; interim smarter balanced assessments, if required; the measures of academic progress assessment, if required; and other required interim, benchmark, or summative standardized assessments, including assessments used in social studies, the arts, health, and physical education in accordance with RCW 28A.230.095, and for educational technology in accordance with RCW 28A.655.075. The assessments identified should not include assessments used to determine eligibility for any categorical program including the transitional bilingual instruction program, learning assistance program, highly capable program, special education program, or any formative or diagnostic assessments used solely to inform teacher instructional practices, other than those already identified. By October 15th of each year, each district shall report to the superintendent the amount of student time in the previous school year that is spent taking each assessment identified. By December 15th of each even numbered calendar year, the superintendent shall summarize the information reported by the school districts and report to the education committees of the house of representatives and the senate.

(2) EDUCATOR CONTINUUM

(a) \$72,124,000 of the general fund—state appropriation for fiscal year 2020 and \$73,619,000 of the general fund—state appropriation for fiscal year 2021 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 \$5,505 per teacher in the 2019-20 school year and a bonus of \$5,621 per teacher in the 2020-21 school year;

(ii) An additional \$5,000 annual bonus shall be paid to national board certified teachers who teach in either: (A) High schools where at least 50 percent

of student headcount enrollment is eligible for federal free or reduced-price lunch, (B) middle schools where at least 60 percent of student headcount enrollment is eligible for federal free or reduced-price lunch, or (C) elementary schools where at least 70 percent of student headcount enrollment is eligible for federal free or reduced-price lunch;

(iii) The superintendent of public instruction shall adopt rules to ensure that national board certified teachers meet the qualifications for bonuses under (b) of this subsection for less than one full school year receive bonuses in a prorated manner. All bonuses in this subsection will be paid in July of each school year. Bonuses in this subsection shall be reduced by a factor of 40 percent for first year NBPTS certified teachers, to reflect the portion of the instructional school year they are certified; and

(iv) During the 2019-20 and 2020-21 school years, and within available funds, certificated instructional staff who have met the eligibility requirements and have applied for certification from the national board for professional teaching standards may receive a conditional loan of two thousand dollars or the amount set by the office of the superintendent of public instruction to contribute toward the current assessment fee, not including the initial up-front candidacy payment. The fee shall be an advance on the first annual bonus under RCW 28A.405.415. The conditional loan is provided in addition to compensation received under a district's salary allocation and shall not be included in calculations of a district's average salary and associated salary limitation under RCW 28A.400.200. Recipients who fail to receive certification after fully exhausting all years of candidacy as set by the national board for professional teaching standards are required to repay the conditional loan. The office of the superintendent of public instruction shall adopt rules to define the terms for initial grant of the assessment fee and repayment, including applicable fees. To the extent necessary, the superintendent may use revenues from the repayment of conditional loan scholarships to ensure payment of all national board bonus payments required by this section in each school year.

(b) \$3,418,000 of the general fund—state appropriation for fiscal year 2020 and \$3,418,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of a new performance-based evaluation for certificated educators and other activities as provided in chapter 235, Laws of 2010 (education reform) and chapter 35, Laws of 2012 (certificated employee evaluations).

(c) \$477,000 of the general fund—state appropriation for fiscal year 2020 and \$477,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(d) \$810,000 of the general fund—state appropriation for fiscal year 2020 and \$810,000 of the general fund—state appropriation for fiscal year 2021 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 operate a state-of-the-art education leadership academy that will be accessible throughout the state. 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 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.

(e) \$10,500,000 of the general fund—state appropriation for fiscal year 2020 and \$10,500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a beginning educator support program. The program shall prioritize first year educators in the mentoring program. School districts and/or regional consortia may apply for grant funding. The program provided by a district and/or regional consortia shall include: A paid orientation; assignment of a qualified mentor; development of a professional growth plan for each beginning educator aligned with professional certification; release time for mentors and new educators to work together; and educator observation time with accomplished peers. Funding may be used to provide statewide professional development opportunities for mentors and beginning educators.

(f) \$4,000,000 of the general fund—state appropriation for fiscal year 2020 and \$4,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the provision of training for teachers, principals, and principal evaluators in the performance-based teacher principal evaluation program.

NEW SECTION. Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL BILINGUAL PROGRAMS

General Fund—State Appropriation (FY 2020)	\$201,330,000
General Fund—State Appropriation (FY 2021)	\$210,659,000
General Fund—Federal Appropriation	\$102,242,000
Pension Funding Stabilization Account—State Appropriation	\$4,000
TOTAL APPROPRIATION	\$514,235,000

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)(a) For the 2019-20 and 2020-21 school years, the superintendent shall allocate funding to school districts for transitional bilingual programs under RCW 28A.180.010 through 28A.180.080, including programs for exited students, as provided in RCW 28A.150.260(10)(b) and the provisions of this section. In calculating the allocations, the superintendent shall assume the following averages: (i) Additional instruction of 4.7780 hours per week per transitional bilingual program student in grades kindergarten through six and 6.7780 hours per week per transitional bilingual program student in grades seven through twelve in school years 2019-20 and 2020-21; (ii) additional instruction of 3.0000 hours per week in school years 2019-20 and 2020-21 for the head count number of students who have exited the transitional bilingual instruction program within the previous two years based on their performance on the English proficiency assessment; (iii) fifteen transitional bilingual program students per teacher; (iv) 36 instructional weeks per year; (v) 900 instructional hours per teacher; and (vi) the compensation rates as provided in sections 505 and 506 of this act. Pursuant to RCW 28A.180.040(1)(g), the instructional hours

specified in (a)(ii) of this subsection (2) are within the program of basic education.

(b) From July 1, 2019, to August 31, 2019, the superintendent shall allocate funding to school districts for transitional bilingual instruction programs as provided in section 514, chapter 299, Laws of 2018.

(3) The superintendent may withhold allocations to school districts in subsection (2) of this section solely for the central provision of assessments as provided in RCW 28A.180.090 (1) and (2) up to the following amounts: 1.97 percent for school year 2019-20 and 1.95 percent for school year 2020-21.

(4) The general fund—federal appropriation in this section is 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.

(5) \$35,000 of the general fund—state appropriation for fiscal year 2020 and \$35,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to track current and former transitional bilingual program students.

(6) \$1,023,000 of the general fund—state appropriation in fiscal year 2020 and \$1,185,000 of the general fund—state appropriation in fiscal year 2021 are provided solely for the central provision of assessments as provided in RCW 28A.180.090, and is in addition to the withholding amounts specified in subsection (3) of this section.

NEW SECTION. Sec. 517. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING ASSISTANCE PROGRAM

General Fund—State Appropriation (FY 2020)	\$438,940,000
General Fund—State Appropriation (FY 2021)	\$450,681,000
General Fund—Federal Appropriation	\$533,481,000
TOTAL APPROPRIATION	\$1,423,102,000

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)(i) For the 2019-20 and 2020-21 school years, the superintendent shall allocate funding to school districts for learning assistance programs as provided in RCW 28A.150.260(10)(a), except that the allocation for the additional instructional hours shall be enhanced as provided in this section, which enhancements are within the program of the basic education. In calculating the allocations, the superintendent shall assume the following averages: (A) Additional instruction of 2.3975 hours per week per funded learning assistance program student for the 2019-20 and 2020-21 school years; (B) additional instruction of 1.1 hours per week per funded learning assistance program student for the 2019-20 and 2020-21 school years in qualifying high-poverty school building; (C) fifteen learning assistance program students per teacher; (D) 36 instructional weeks per year; (E) 900 instructional hours per teacher; and (F) the compensation rates as provided in sections 505 and 506 of this act.

(ii) From July 1, 2019, to August 31, 2019, the superintendent shall allocate funding to school districts for learning assistance programs as provided in section 515, chapter 299, Laws of 2018.

(c) A school district's funded students for the learning assistance program shall be the sum of 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. The prior school year's October headcount enrollment for free and reduced-price lunch shall be as reported in the comprehensive education data and research system.

(2) Allocations made pursuant to subsection (1) of this section shall be adjusted to reflect ineligible applications identified through the annual income verification process required by the national school lunch program, as recommended in the report of the state auditor on the learning assistance program dated February, 2010.

(3) The general fund—federal appropriation in this section is provided for Title I Part A allocations of the every student succeeds act of 2016.

(4) A school district may carry over from one year to the next up to 10 percent of the general fund—state funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

(5) Within existing resources, during the 2019-20 and 2020-21 school years, school districts are authorized to use funds allocated for the learning assistance program to also provide assistance to high school students who have not passed the state assessment in science.

NEW SECTION. Sec. 518. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—PER PUPIL ALLOCATIONS

Statewide Average Allocations		
Per Annual Average Full-Time Equivalent Student		
Basic Education Program	2019-20 School Year	2020-21 School Year
General Apportionment	\$9,173	\$9,450
Pupil Transportation	\$519	\$521
Special Education Programs	\$9,696	\$10,158
Institutional Education Programs	\$18,562	\$19,030
Programs for Highly Capable Students	\$598	\$615
Transitional Bilingual Programs	\$1,346	\$1,380
Learning Assistance Program	\$969	\$997

NEW SECTION. Sec. 519. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

(1) Amounts distributed to districts by the superintendent through part V of this act are for allocations purposes only, unless specified by part V of this act, and do not entitle a particular district, district employee, or student to a specific service, beyond what has been expressly provided in statute. Part V of this act restates the requirements of various sections of Title 28A RCW. If any conflict

exists, the provisions of Title 28A RCW control unless this act explicitly states that it is providing an enhancement. Any amounts provided in part V of this act in excess of the amounts required by Title 28A RCW provided in statute, are not within the program of basic education unless clearly stated by this act.

(2) To the maximum extent practicable, when adopting new or revised rules or policies relating to the administration of allocations in part V of this act that result in fiscal impact, the office of the superintendent of public instruction shall attempt to seek legislative approval through the budget request process.

(3) 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.

(4) Appropriations in sections 504 and 506 of this act for insurance benefits under chapter 41.05 RCW are provided solely for the superintendent to allocate to districts for employee health benefits as provided in section 938 of this act. The superintendent may not allocate, and districts may not expend, these amounts for any other purpose beyond those authorized in section 938 of this act.

(5) As required by RCW 28A.710.110, the office of the superintendent of public instruction shall transmit the charter school authorizer oversight fee for the charter school commission to the charter school oversight account.

NEW SECTION. Sec. 520. FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR CHARTER SCHOOLS

Washington Opportunity Pathways Account—State

Appropriation	\$99,810,000
TOTAL APPROPRIATION	\$99,810,000

The appropriation in this section is subject to the following conditions and limitations: The superintendent shall distribute funding appropriated in this section to charter schools under chapter 28A.710 RCW. Within amounts provided in this section the superintendent may distribute funding for safety net awards for charter schools with demonstrated needs for special education funding beyond the amounts provided under chapter 28A.710 RCW.

NEW SECTION. Sec. 521. FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE WASHINGTON STATE CHARTER SCHOOL COMMISSION

Washington Opportunity Pathways Account—State

Appropriation	\$250,000
Charter Schools Oversight Account—State Appropriation	\$2,210,000
TOTAL APPROPRIATION	\$2,460,000

The appropriations in this section are subject to the following conditions and limitations: The entire Washington opportunity pathways account—state appropriation in this section is provided to the superintendent of public instruction solely for the operations of the Washington state charter school commission under chapter 28A.710 RCW.

NEW SECTION. Sec. 522. FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GRANTS AND PASS THROUGH FUNDING

General Fund—State Appropriation (FY 2020)	\$35,516,000
General Fund—State Appropriation (FY 2021)	\$35,621,000
TOTAL APPROPRIATION	\$71,137,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$4,894,000 of the general fund—state appropriation for fiscal year 2020 and \$4,894,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for grants for implementation of dual credit programs and subsidized advanced placement exam fees, international baccalaureate class fees, and exam and course fees for low-income students.

For expenditures related to subsidized exam fees, the superintendent of public instruction shall report: The number of students served; the demographics of the students served; and how the students perform on the exams.

(2)(a) \$2,052,000 of the general fund—state appropriation for fiscal year 2020 and \$2,052,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for secondary career and technical education grants pursuant to chapter 170, Laws of 2008, including parts of programs receiving grants that serve students in grades four through six. If equally matched by private donations, \$1,075,000 of the 2020 appropriation and \$1,075,000 of the 2021 appropriation shall be used to support FIRST robotics programs in grades four through twelve. Of the amounts provided in this subsection, \$100,000 of the fiscal year 2020 appropriation and \$100,000 of the fiscal year 2021 appropriation are provided solely for the purpose of statewide supervision activities for career and technical education student leadership organizations.

(b) \$135,000 of the general fund—state appropriation for fiscal year 2020 and \$135,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for science, technology, engineering and mathematics lighthouse projects, consistent with chapter 238, Laws of 2010.

(c) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for advanced project lead the way courses at ten high schools. To be eligible for funding in 2020, a high school must have offered a foundational project lead the way course during the 2018-19 school year. The 2020 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2019-20 school year. To be eligible for funding in 2021, a high school must have offered a foundational project lead the way course during the 2019-20 school year. The 2020 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2020-21 school year. The office of the superintendent of public instruction and the education research and data center at the office of financial management shall track student participation and long-term outcome data. The office may require the recipient of these funds to report the impacts of the recipient's efforts in alignment with the measures of the Washington school improvement framework.

(d) \$2,127,000 of the general fund—state appropriation for fiscal year 2020 and \$2,127,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for annual startup, expansion, or maintenance of existing programs in maritime, construction, aerospace, and advanced manufacturing programs. To be eligible for funding, the skills center and high schools must agree to engage in developing local business and industry partnerships for oversight and input regarding program components. Program instructors must also agree to participate in professional development leading to student employment or certification in maritime, construction, aerospace, or advanced manufacturing industries, as determined by the superintendent of public instruction. The office of the superintendent of public instruction and the education research and data center shall report annually student participation and long-term outcome data. Within the amounts provided in this subsection:

(i) \$900,000 of the general fund—state appropriation for fiscal year 2020 and \$900,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for annual startup, expansion, or maintenance of existing programs in aerospace and advanced manufacturing programs.

(ii) \$150,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for annual startup, expansion, or maintenance of existing programs in construction programs.

(iii) \$300,000 of the general fund—state appropriation for fiscal year 2020 and \$300,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for annual startup, expansion, or maintenance of existing programs in maritime programs.

(iv) \$350,000 of the general fund—state appropriation for fiscal year 2020 and \$350,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the superintendent of public instruction to contract with a nonprofit entity to expand the current employer engagement program to support schools, teachers, and students.

(v) \$427,000 of the general fund—state appropriation for fiscal year 2020 and \$427,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the superintendent of public instruction to contract with a nonprofit entity to provide management, development, assessment, and outreach of the programs.

(3)(a) \$75,000 of the general fund—state appropriation for fiscal year 2020 and \$75,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for project citizen and we the people: The citizen and the constitution programs sponsored by the national conference of state legislatures and the center for civic education to promote participation in government by middle and high school students. Of the amounts provided, \$15,000 of the general fund—state appropriation for fiscal year 2020 and \$15,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for awarding a travel grant to the winner of the we the people: The citizen and the constitution state competition.

(b) \$384,000 of the general fund—state appropriation for fiscal year 2020 and \$373,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 127, Laws of 2018 (civics education). Of the amounts provided in this subsection (3)(b), \$10,000 of the

general fund—state appropriation for fiscal year 2020 and \$10,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for grant programs to school districts to help cover travel costs associated with civics education competitions.

(c) \$55,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the office of the superintendent of public instruction to develop civics education materials for grades K-5. The office must contract for the production of the materials with an experienced Washington state organization that produces civics education materials currently posted as an open education resource at the office of the superintendent of public instruction.

(4)(a) \$31,000 of the general fund—state appropriation for fiscal year 2020 and \$55,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the superintendent of public instruction for statewide implementation of career and technical education course equivalency frameworks authorized under RCW 28A.700.070 for math and science. This may include development of additional equivalency course frameworks, course performance assessments, and professional development for districts implementing the new frameworks.

(b) Within the amounts appropriated in this section the office of the superintendent of public instruction shall ensure career and technical education courses are aligned with high-demand, high-wage jobs. The superintendent shall verify that the current list of career and technical education courses meets the criteria established in RCW 28A.700.020(2). The superintendent shall remove from the list any career and technical education course that no longer meets such criteria.

(c) \$3,000,000 of the general fund—state appropriation for fiscal year 2020 and \$3,000,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the office of the superintendent of public instruction to provide grants to school districts and educational service districts for science teacher training in the next generation science standards including training in the climate science standards. At a minimum, school districts shall ensure that teachers in one grade level in each elementary, middle, and high school participate in this science training. Of the amount appropriated \$1,000,000 is provided solely for community based nonprofits to partner with public schools for next generation science standards.

(5) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Kip Tokuda memorial Washington civil liberties public education program. The superintendent of public instruction shall award grants consistent with RCW 28A.300.410.

(6) \$3,145,000 of the general fund—state appropriation for fiscal year 2020 and \$3,145,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a contract with a nongovernmental entity or entities for demonstration sites to improve the educational outcomes of students who are dependent pursuant to chapter 13.34 RCW pursuant to chapter 71, Laws of 2016 (foster youth edu. outcomes). The office may require the recipient of these funds to report the impacts of the recipient's efforts in alignment with the measures of the Washington school improvement framework.

(a) Of the amount provided in this subsection (6), \$446,000 of the general fund—state appropriation for fiscal year 2020 and \$446,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the demonstration site established pursuant to the 2013-2015 omnibus appropriations act, section 202(10), chapter 4, Laws of 2013, 2nd sp. sess.

(b) Of the amount provided in this subsection (6), \$1,015,000 of the general fund—state appropriation for fiscal year 2020 and \$1,015,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the demonstration site established pursuant to the 2015-2017 omnibus appropriations act, section 501(43)(b), chapter 4, Laws of 2015, 3rd sp. sess., as amended.

(c) Of the amounts provided in this subsection (6), \$684,000 of the general fund—state appropriation for fiscal year 2020 and \$684,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the demonstration site established with funding provided in the 2017-2019 omnibus appropriations act, chapter 1, Laws of 2017, 3rd sp. sess., as amended.

(7) \$2,541,000 of the general fund—state appropriation for fiscal year 2020 and \$2,541,000 of the general fund—state appropriation for fiscal year 2021 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.

(8)(a) \$1,000,000 of the general fund—state appropriation for fiscal year 2020 and \$1,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 157, Laws of 2016 (homeless students).

(b) \$36,000 of the general fund—state appropriation for fiscal year 2020 and \$36,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for chapter 212, Laws of 2014 (homeless student educational outcomes).

(9) \$375,000 of the general fund—state appropriation for fiscal year 2020 and \$375,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a nonviolence and ethical leadership training and professional development program provided by the institute for community leadership.

(10) \$1,425,000 of the general fund—state appropriation for fiscal year 2020 and \$1,425,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 236, Laws of 2017 (SHB 1445) (dual language/early learning & K-12). In selecting recipients of the K-12 dual language grant, the superintendent of public instruction must prioritize districts that received grants under section 501(33), chapter 299, Laws of 2018.

(11)(a) \$4,940,000 of the general fund—state appropriation for fiscal year 2020 and \$4,940,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Washington state achievers scholarship and Washington higher education readiness 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; and to identify and reduce barriers to college for low-income and underserved middle and high school students. Of the amounts provided: \$1,000,000 of the

general fund—state appropriation for fiscal year 2020 and \$1,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the college success foundation to establish programming in new regions throughout the state. The office may require the recipient of these funds to report the impacts of the recipient's efforts in alignment with the measures of the Washington school improvement framework.

(b) \$1,454,000 of the general fund—state appropriation for fiscal year 2020 and \$1,454,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for contracting with a college scholarship organization with expertise in conducting outreach to students concerning eligibility for the Washington college bound scholarship consistent with chapter 405, Laws of 2007. The office may require the recipient of these funds to report the impacts of the recipient's efforts in alignment with the measures of the Washington school improvement framework.

(c) \$181,000 of the general fund—state appropriation for fiscal year 2020 and \$181,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 180, Laws of 2017 (Washington Aim program).

(12)(a) \$356,000 of the general fund—state appropriation for fiscal year 2020 and \$356,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional partnership activities, including instructional material purchases, teacher and principal professional development, and school and community engagement events. The office may require the recipient of these funds to report the impacts of the recipient's efforts in alignment with the measures of the Washington school improvement framework.

(b) \$3,000,000 of the general fund—state appropriation for fiscal year 2020 and \$3,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a statewide information technology academy program. This public-private partnership will provide educational software, as well as information technology certification and software training opportunities for students and staff in public schools. The office must require the recipient of these funds to report the impacts of the recipient's efforts in alignment with the measures of the Washington school improvement framework. The report must include the number of students served disaggregated by gender, race, ethnicity, and free-and-reduced lunch eligibility as well as the number of industry certificates attained by type of certificate.

(c) \$50,000 of the general fund—state appropriation for fiscal year 2020 and \$50,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for grants of \$2,500 to provide twenty middle and high school teachers each year with professional development training for implementing integrated math, science, technology, and engineering programs in their schools.

(d) \$1,000,000 of the general fund—state appropriation for fiscal year 2020 and \$1,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the computer science and education grant program to support the following three purposes: Train and credential teachers in computer sciences; provide and upgrade technology needed to learn computer science; and, for computer science frontiers grants to introduce students to and engage them in

computer science. The office of the superintendent of public instruction must use the computer science learning standards adopted pursuant to chapter 3, Laws of 2015 (computer science) in implementing the grant, to the extent possible. Additionally, grants provided for the purpose of introducing students to computer science are intended to support innovative ways to introduce and engage students from historically underrepresented groups, including girls, low-income students, and minority students, to computer science and to inspire them to enter computer science careers.

Funds may be expended as grant funding only to the extent that they are equally matched by private sources for the program, including gifts, grants, or endowments.

(e) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the superintendent of public instruction to contract with a nonprofit organization to integrate the state learning standards in English language arts, mathematics, and science with FieldSTEM outdoor field studies and project-based and work-based learning opportunities aligned with the environmental, natural resource, and agricultural sectors. The office may require the recipient of these funds to report the impacts of the recipient's efforts in alignment with the measures of the Washington school improvement framework.

(f) \$62,000 of the general fund—state appropriation for fiscal year 2020 and \$62,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for competitive grants to school districts to increase the capacity of high schools to offer AP computer science courses. In making grant allocations, the office of the superintendent of public instruction must give priority to schools and districts in rural areas, with substantial enrollment of low-income students, and that do not offer AP computer science. School districts may apply to receive either or both of the following grants:

(i) A grant to establish partnerships to support computer science professionals from private industry serving on a voluntary basis as coinstructors along with a certificated teacher, including via synchronous video, for AP computer science courses; or

(ii) A grant to purchase or upgrade technology and curriculum needed for AP computer science, as well as provide opportunities for professional development for classroom teachers to have the requisite knowledge and skills to teach AP computer science.

(g) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Mobius science center to expand mobile outreach of science, technology, engineering, and mathematics (STEM) education to students in rural, tribal, and low-income communities.

(13) \$85,000 of the general fund—state appropriation for fiscal year 2020 and \$85,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the centrum program at Fort Worden state park.

(14) \$125,000 of the general fund—state appropriation for fiscal year 2020 and \$125,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of the superintendent of public instruction to provide learning experiences for student-athletes in the science, technology,

engineering, and math sectors. The office must contract with a nonprofit to offer student-athlete classes, programs, and scholarships to improve school performance and advancement across diverse communities.

(15) \$250,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the office of the superintendent of public instruction to create and administer a grant program for districts to reduce associated student body fees for students who are eligible to participate in the federal free and reduced-price meals program. The office must distribute grants for the 2020-21 school year to school districts by August 10, 2020.

(a) Grant awards must be prioritized in the following order:

(i) High schools implementing the United States department of agriculture community eligibility provision;

(ii) High schools with the highest percentage of students in grades nine through twelve eligible to participate in the federal free and reduced-price means program; and

(iii) High schools located in school districts enrolling five thousand or fewer students.

(b) The office of the superintendent of public instruction shall award grants of up to five thousand dollars per high school per year. The office may award additional funding if:

(i) The appropriations provided are greater than the total amount of funding requested at the end of the application cycle; and

(ii) The applicant shows a demonstrated need for additional support.

(16) \$125,000 of the general fund—state appropriation for fiscal year 2020 and \$125,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for contracts with state-based nonprofit organizations that provide direct services to military-connected students exclusively through one-to-one volunteer mentoring. The goal of the mentoring is to build resiliency in military connected students and increase their ability to cope with the stress of parental deployment and frequent moves, which will help promote good decision-making by youth, help increase attachment and a positive attitude toward school, and develop positive peer relationships. An applicant requesting funding for these dollars must successfully demonstrate to the department that it currently provides direct one-to-one volunteer mentoring services to military connected elementary students in the state and has been providing military mentoring to students in the state for at least twenty-four months prior to application.

(17) \$83,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Substitute Senate Bill No. 5612 (holocaust education). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(18) \$250,000 of the general fund—state appropriation in fiscal year 2020 and \$130,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a grant to the pacific science center to continue providing science on wheels activities in schools and other community settings. Funding is provided to develop a new computer science program and outfit a van with program resources in order to expand statewide outreach.

(19) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for contracts with Washington state based nonprofit organizations that provide a career-integrated one-to-one mentoring program for disadvantaged high school students facing academic and personal challenges with the goal of keeping them on track for graduation and post-high school success. The mentoring must include a focus on college readiness, career exploration and social-emotional learning. An applicant requesting funding for these dollars must successfully demonstrate to the department that it currently provides a career-integrated one-to-one volunteer mentoring program and has been mentoring high school youth for at least twenty years in the state prior to application.

(20) \$50,000 of the general fund—state appropriation for fiscal year 2020 and \$50,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for grants to school districts to provide school resource officer training, as required in Second Substitute House Bill No. 1216 (student mental health and well-being).

(21) \$125,000 of the general fund—state appropriation for fiscal year 2020 and \$125,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for Bethel school district to expand post-secondary education opportunities at Graham-Kapowsin high school.

(22) \$350,000 of the general fund—state appropriation for fiscal year 2020 and \$350,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the south Kitsap school district to develop pathways for high school diplomas and post-secondary credentials through controls programmer apprenticeships.

(23) \$255,000 of the general fund—state appropriation for fiscal year 2020 and \$255,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a math improvement pilot program for school districts to improve math scores. Of the amounts provided in this subsection:

(a) \$85,000 of the general fund—state appropriation for fiscal year 2020 and \$85,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Spokane school district to improve math scores.

(b) \$85,000 of the general fund—state appropriation for fiscal year 2020 and \$85,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Chehalis school district to improve math scores.

(c) \$85,000 of the general fund—state appropriation for fiscal year 2020 and \$85,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Bremerton school district to improve math scores.

(24) \$150,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office to establish the media literacy grant program.

(25) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Seattle education access program to ensure students on nontraditional educational pathways have the mentorship and technical assistance needed to navigate higher education and financial aid. The office may require the recipient of these funds to report the impacts of the recipient's efforts

in alignment with the measures of the Washington school improvement framework.

**PART VI
HIGHER EDUCATION**

*NEW SECTION. **Sec. 601.** The appropriations in sections 605 through 611 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 605 through 611 of this act.

(2) 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 office of financial management for inclusion in the agency's data warehouse. Uniform reporting procedures shall be established by the office of financial management's office of the state human resources director 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.

(3) 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.

(4)(a) For employees under the jurisdiction of chapter 41.56 or 41.80 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.

(b) For each institution of higher education receiving appropriations under sections 605 through 611 of this act:

(i) The only allowable salary increases are those associated with normally occurring promotions and increases related to faculty and staff retention and as provided in Part IX of this act.

(ii) Institutions may provide salary increases from sources other than general fund appropriations and tuition revenues 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 chapter 41.80 RCW. It is the intent of the legislature that salary increases provided under this subsection (4)(b)(ii) not increase state general fund support or impact tuition expenditures by an institution unless the legislature so determines.

(iii) Funding for salary increases provided under (b)(ii) of this subsection and RCW 41.76.035 and 28B.52.035 on or after July 1, 2019, must be excluded from the general fund and tuition salary base when calculating state funding for future general wage or other salary increases on or after July 1, 2019. In order to facilitate this funding policy, each institution shall report to the office of financial management on the details of locally authorized salary increases granted under (b)(ii) of this subsection and RCW 41.76.035 and 28B.52.035 with its 2021-2023 biennium budget submittal. At a minimum, the report must

include the total cost of locally authorized increases by fiscal year, a description of the locally authorized provision, and the long-term source of funds that is anticipated to cover the cost.

(5) Within funds appropriated to institutions in sections 605 through 611 of this act, teacher preparation programs shall meet the requirements of RCW 28B.10.710 to incorporate information on the culture, history, and government of American Indian people in this state by integrating the curriculum developed and made available free of charge by the office of the superintendent of public instruction into existing programs or courses and may modify that curriculum in order to incorporate elements that have a regionally specific focus.

(6) Each institution of higher education must include the phone number of a campus, local, state, or national suicide, crisis, or counseling hotline on the back of newly issued student and faculty identification cards starting in fall quarter 2019, or as soon as is practicable to implement.

(7)(a) The student achievement council and all institutions of higher education as defined in RCW 28B.92.030 and eligible for state financial aid programs under chapters 28B.92 and 28B.118 RCW shall ensure that data needed to analyze and evaluate the effectiveness of state financial aid programs are promptly transmitted to the education data center so that it is available and easily accessible. The data to be reported must include but not be limited to:

(i) The number of state need grant and college bound recipients;

(ii) The number of students on the unserved waiting list of the state need grant;

(iii) Persistence and completion rates of state need grant recipients and college bound recipients as well as students on the state need grant unserved waiting list, disaggregated by institution of higher education;

(iv) State need grant recipients and students on the state need grant unserved waiting list grade point averages; and

(v) State need grant and college bound scholarship program costs.

(b) The student achievement council shall submit student unit record data for state financial aid program applicants and recipients to the education data center.

(8) A representative of the public baccalaureate institutions and the state board for community and technical colleges shall participate in the work group under section 607(22) of this act.

(9)(a) Beginning July 1, 2020, institutions of higher education shall report to the state accounting system according to the standards and procedures under section 131(13) of this act.

(b) Beginning July 1, 2020, institutions of higher education must not deposit or expend any moneys from the general fund into another account in the custody of the state treasurer or located outside the treasury; or use any check, warrant, journal voucher, or transfer of moneys from the general fund to allocate costs or reimburse expenditures made from another account in the custody of the state treasurer or located outside the treasury.

(c) An institution of higher education may receive a waiver from complying with all or a portion of (a) and (b) of this subsection, if the waiver is approved by the director of financial management. The director of financial management must notify the fiscal committees of the legislature ten days before a waiver is granted.

**Sec. 601 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 602. (1) Within the amounts appropriated in this act, each institution of higher education shall seek to:

(a) Maintain and to the extent possible increase enrollment opportunities at campuses;

(b) Maintain and to the extent possible increase enrollment opportunities at university centers and other partnership programs that enable students to earn baccalaureate degrees on community college campuses; and

(c) Eliminate and consolidate programs of study for which there is limited student or employer demand, or that are not areas of core academic strength for the institution, particularly when such programs duplicate offerings by other in-state institutions.

(2) For purposes of monitoring and reporting statewide enrollment, the University of Washington and Washington State University shall notify the office of financial management of the number of full-time student equivalent enrollments for each of their campuses.

NEW SECTION. Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS

(1) The state universities, the regional universities, and The Evergreen State College must accept the transfer of college-level courses taken by students under RCW 28A.600.290 or 28A.600.300 if a student seeking a transfer of the college-level courses has been admitted to the state university, the regional university, or The Evergreen State College, and if the college-level courses are recognized as transferrable by the admitting institution of higher education.

(2) Appropriations in sections 606 through 611 of this act are sufficient to implement 2019-21 collective bargaining agreements at institutions of higher education negotiated under chapter 41.80 RCW. The institutions may also use these funds for any other purpose including increasing compensation and implementing other collective bargaining agreements.

(3) Within amounts appropriated to institutions in sections 606 through 611 of this act, institutions shall employ at least one full-time mental health counselor licensed under chapter 18.225 RCW who has experience working with active members of the military or military veterans, to work with student, faculty, and staff veterans, as well as their spouses and dependents, through the institution's veteran resource center.

NEW SECTION. Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

Appropriations in section 605 of this act are sufficient to implement 2019-21 collective bargaining agreements at institutions of higher education negotiated under chapter 41.80 RCW and as set forth in part 9 of this act. The institutions may also use these funds for any other purpose including increasing compensation, and implementing other collective bargaining agreements.

NEW SECTION. Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund—State Appropriation (FY 2020)	\$677,935,000
General Fund—State Appropriation (FY 2021)	\$703,459,000
Community/Technical College Capital Projects	
Account—State Appropriation	\$23,505,000

Education Legacy Trust Account—State Appropriation	\$158,528,000
Pension Funding Stabilization Account—State Appropriation	\$67,784,000
TOTAL APPROPRIATION	\$1,631,211,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$33,261,000 of the general fund—state appropriation for fiscal year 2020 and \$33,261,000 of the general fund—state appropriation for fiscal year 2021 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 at least 7,170 full-time equivalent students in fiscal year 2020 and at least 7,170 full-time equivalent students in fiscal year 2021.

(2) \$5,450,000 of the education legacy trust account—state appropriation is 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 the 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.

(3) \$425,000 of the general fund—state appropriation for fiscal year 2020 and \$425,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for Seattle central college's expansion of allied health programs.

(4) \$5,250,000 of the general fund—state appropriation for fiscal year 2020 and \$5,250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the student achievement initiative.

(5) \$1,610,000 of the general fund—state appropriation for fiscal year 2020, and \$1,610,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the mathematics, engineering, and science achievement program.

(6) \$1,500,000 of the general fund—state appropriation for fiscal year 2020 and \$1,500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for operating a fabrication composite wing incumbent worker training program to be housed at the Washington aerospace training and research center.

(7) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the aerospace center of excellence currently hosted by Everett community college to:

(a) Increase statewide communications and outreach between industry sectors, industry organizations, businesses, K-12 schools, colleges, and universities;

(b) Enhance information technology to increase business and student accessibility and use of the center's web site; and

(c) Act as the information entry point for prospective students and job seekers regarding education, training, and employment in the industry.

(8) \$19,759,000 of the general fund—state appropriation for fiscal year 2020 and \$20,174,000 of the general fund—state appropriation for fiscal year

2021 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(9) Community and technical colleges are not required to send mass mailings of course catalogs to residents of their districts. Community and technical colleges shall consider lower cost alternatives, such as mailing postcards or brochures that direct individuals to online information and other ways of acquiring print catalogs.

(10) The state board for community and technical colleges shall not use funds appropriated in this section to support intercollegiate athletics programs.

(11) \$157,000 of the general fund—state appropriation for fiscal year 2020 and \$157,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Wenatchee Valley college wildfire prevention program.

(12) The state board for community and technical colleges shall collaborate with a permanently registered Washington sector intermediary to integrate and offer related supplemental instruction for information technology apprentices by the 2020-21 academic year.

(13) \$150,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Puget Sound welcome back center at Highline College to create a grant program for internationally trained individuals seeking employment in the behavioral health field in Washington state.

(14) \$750,000 of the general fund—state appropriation for fiscal year 2020 and \$750,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for increased enrollments in the integrated basic education and skills training program. Funding will support approximately 120 additional full-time equivalent enrollments annually.

(15)(a) The state board must provide quality assurance reports on the ctLink project at the frequency directed by the office of chief information officer for review and for posting on its information technology project dashboard.

(b) The state board must develop a technology budget using a method similar to the state capital budget, identifying project costs, funding sources, and anticipated deliverables through each stage of the investment and across fiscal periods and biennia from project initiation to implementation. The budget must be updated at the frequency directed by the office of chief information officer for review and for posting on its information technology project dashboard.

(c) The office of the chief information officer may suspend the ctLink project at any time if the office of the chief information officer determines that the project is not meeting or is not expected to meet anticipated performance measures, implementation timelines, or budget estimates. Once suspension or termination occurs, the state board shall not make additional expenditures on the ctLink project without approval of the chief information officer. The ctLink project funded through the community and technical college innovation account created in RCW 28B.50.515 is subject to the conditions, limitations, and review provided in section 719 of this act.

(16) \$216,000 of the general fund—state appropriation for fiscal year 2020 and \$216,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the opportunity center for employment and education at North Seattle College.

(17) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for Highline College to implement the Federal Way higher education initiative in partnership with the city of Federal Way and the University of Washington Tacoma campus.

(18) \$350,000 of the general fund—state appropriation for fiscal year 2020 and \$350,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for Peninsula College to maintain the annual cohorts of the specified programs as follows:

- (a) Medical assisting, 40 students;
- (b) Nursing assistant, 60 students; and
- (c) Registered nursing, 32 students.

(19) \$338,000 of the general fund—state appropriation for fiscal year 2020 and \$338,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Washington state labor education and research center at South Seattle College.

(20) \$75,000 of the general fund—state appropriation for fiscal year 2020 and \$75,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for Washington family and community and engagement trust and Everett Community College to continue and expand a civic education and leadership program for underserved adults and youth.

(21) \$150,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the aerospace and advanced manufacturing center of excellence hosted by Everett Community College to develop a semiconductor and electronics manufacturing branch in Vancouver.

(22) \$750,000 of the general fund—state appropriation for fiscal year 2020 and \$750,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1893 (student assistance grants). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(23) \$200,000 of the general fund—state appropriation for fiscal year 2020 and \$348,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute Senate Bill No. 5800 (homeless college students). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(24) \$1,500,000 of the general fund—state appropriation for fiscal year 2020 and \$1,500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of guided pathways or similar programs designed to improve student success, including, but not limited to, academic program redesign, student advising, and other student supports.

(25) \$132,000 of the general fund—state appropriation for fiscal year 2020 and \$24,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the state board to develop a plan for the maintenance and administration of opioid overdose medication in and around residence halls housing at least 100 students and for the training of designated personnel to administer opioid overdose medication to respond to symptoms of an opioid-related overdose.

NEW SECTION. Sec. 606. FOR THE UNIVERSITY OF WASHINGTON

(1) GENERAL APPROPRIATIONS

General Fund—State Appropriation (FY 2020)	\$341,498,000
General Fund—State Appropriation (FY 2021)	\$347,067,000
Aquatic Lands Enhancement Account—State Appropriation	\$1,590,000
University of Washington Building Account—State Appropriation.	\$1,546,000
Education Legacy Trust Account—State Appropriation	\$36,530,000
Economic Development Strategic Reserve Account—State Appropriation.	\$3,075,000
Geoduck Aquaculture Research Account—State Appropriation	\$800,000
Biotoxin Account—State Appropriation	\$609,000
Dedicated Marijuana Account—State Appropriation (FY 2020).	\$256,000
Dedicated Marijuana Account—State Appropriation (FY 2021).	\$263,000
Pension Funding Stabilization Account—State Appropriation.	\$50,906,000
Accident Account—State Appropriation	\$7,814,000
Medical Aid Account—State Appropriation	\$7,419,000
TOTAL APPROPRIATION	\$799,373,000

The appropriations in this section are subject to the following conditions and limitations:

(a) \$41,010,000 of the general fund—state appropriation for fiscal year 2020 and \$41,872,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(b) \$200,000 of the general fund—state appropriation for fiscal year 2020 and \$200,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for labor archives of Washington. The university shall work in collaboration with the state board for community and technical colleges.

(c) \$8,000,000 of the education legacy trust account—state appropriation is provided solely for the family medicine residency network at the university to maintain the number of residency slots available in Washington.

(d) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(e) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$251,000 of the general fund—state appropriation for fiscal year 2021 and \$1,550,000 of the aquatic lands enhancement account—state appropriation are provided solely for ocean acidification monitoring, forecasting, and research and for operation of the Washington ocean acidification center. The center must

continue to make quarterly progress reports to the Washington marine resources advisory council created under RCW 43.06.338.

(f) \$14,000,000 of the education legacy trust account—state appropriation is provided solely for the expansion of degrees in the department of computer science and engineering at the Seattle campus.

(g) \$3,000,000 of the economic development strategic reserve account appropriation is provided solely to support the joint center for aerospace innovation technology.

(h) The University of Washington shall not use funds appropriated in this section to support intercollegiate athletics programs.

(i) \$7,345,000 of the general fund—state appropriation for fiscal year 2020 and \$7,345,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the continued operations and expansion of the Washington, Wyoming, Alaska, Montana, Idaho medical school program.

(j) \$2,625,000 of the general fund—state appropriation for fiscal year 2020 and \$2,625,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the institute for stem cell and regenerative medicine. Funds appropriated in this subsection must be dedicated to research utilizing pluripotent stem cells and related research methods.

(k) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided to the University of Washington to support youth and young adults experiencing homelessness in the university district of Seattle. Funding is provided for the university to work with community service providers and university colleges and departments to plan for and implement a comprehensive one-stop center with navigation services for homeless youth; the university may contract with the department of commerce to expand services that serve homeless youth in the university district.

(l) \$600,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the psychiatry residency program at the University of Washington to offer additional residency positions that are approved by the accreditation council for graduate medical education.

(m)(i) \$172,000 of the general fund—state appropriation for fiscal year 2020 and \$172,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a University of Washington study in the south Cascades to determine current wolf use and density, and to gather baseline data to understand the effects of wolf recolonization on predator-prey dynamics of species that currently have established populations in the area. The study objectives shall include:

(A) Determination of whether wolves have started to recolonize a 5,000 square kilometer study area in the south Cascades of Washington, and if so, an assessment of their distribution over the landscape as well as their health and pregnancy rates;

(B) Baseline data collection, if wolves have not yet established pack territories in this portion of the state, that will allow for the assessment of how the functional densities and diets of wolves across the landscape will affect the densities and diets in the following predators and prey: Coyote, cougar, black bear, bobcat, red fox, wolverine, elk, white tailed deer, mule deer, moose, caribou, and snowshoe hare;

(C) Examination of whether the microbiome of each species changes as wolves start to occupy suitable habitat; and

(D) An assessment of the use of alternative wildlife monitoring tools to cost-effectively monitor size of the wolf population over the long-term.

(ii) A report on the findings of the study shall be shared with the Washington department of fish and wildlife.

(n) \$5,000,000 of the general fund—state appropriation for fiscal year 2020 and \$5,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely to support the operations and teaching mission of the Harborview Medical Center and the University of Washington Medical Center.

(o) \$1,000,000 of the general fund—state appropriation for fiscal year 2020 and \$1,000,000 of the general fund—appropriation for fiscal year 2021 are provided solely for the University of Washington's psychiatry integrated care training program.

(p) \$400,000 of the geoduck aquaculture research account—state appropriation is provided solely for the Washington sea grant program at the University of Washington to complete a three-year study to identify best management practices related to shellfish production. The University of Washington must submit an annual report detailing any findings and outline the progress of the study, consistent with RCW 43.01.036, to the office of the governor and the appropriate legislative committees by December 1st of each year.

(q) \$1,000,000 of the general fund—state appropriation for fiscal year 2020 and \$1,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the University of Washington School of Dentistry to support its role as a major oral health provider to individuals covered by medicaid and the uninsured.

(r) \$200,000 of the general fund—state appropriation for fiscal year 2020 and \$200,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the pre-law pipeline and social justice program at the University of Washington Tacoma.

(s) \$200,000 of the general fund—state appropriation for fiscal year 2020 and \$200,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Bothell branch to develop series of online courses for school district staff related to behavioral health. The standards for the online courses must be consistent with any knowledge, skill, and performance standards related to mental health and well-being of public school students. Among other things, the online courses must:

(i) Teach participants relevant laws, including laws around physical restraint and isolation;

(ii) Provide foundational knowledge in behavioral health, mental health, and mental illness;

(iii) Describe how to assess, intervene upon, and refer behavioral health and substance use issues; and

(iv) Teach approaches to promote health and positively influence student health behaviors.

(t) \$110,000 of the general fund—state appropriation for fiscal year 2020 and \$110,000 of the general fund—state appropriation for fiscal year 2021 are

provided solely for core operations at forefront to achieve its mission of reducing suicide.

(u) \$138,000 of the general fund—state appropriation for fiscal year 2020 and \$138,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the university to collaborate with the northwest Parkinson's foundation and the state department of veterans affairs to study Parkinson's diagnoses treatment and specialist care across ethnic and racial groups and to develop a pilot program that helps people with Parkinson's better access specialist care and community services.

(v) \$256,000 of the general fund—state appropriation for fiscal year 2020 and \$226,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the university's neurology department to create a telemedicine program to disseminate dementia care best practices to primary care practitioners using the project ECHO model. The program shall provide a virtual connection for providers and content experts and include didactics, case conferences, and an emphasis on practice transformation and systems-level issues that affect care delivery. The initial users of this program shall include referral sources in health care systems and clinics, such as the university's neighborhood clinics and Virginia Mason Memorial in Yakima with a goal of adding fifteen to twenty providers from smaller clinics and practices per year.

(w) \$102,000 of the general fund—state appropriation for fiscal year 2020 and \$102,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the university's center for international trade in forest products.

(x) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Latino center for health.

(y) \$150,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the Latino center for health to:

(i) Estimate the number of practicing Latino physicians in Washington including age and gender distributions;

(ii) Create a profile of Latino physicians that includes their geographic distribution, medical and surgical specialties, training and certifications, and language access;

(iii) Develop a set of policy recommendations to meet the growing needs of Latino communities in urban and rural communities throughout Washington. The center must provide the report to the university and the appropriate committees of the legislature by December 31, 2020.

(z) To ensure transparency and accountability, in the 2019-2021 fiscal biennium the University of Washington shall comply with any and all financial and accountability audits by the Washington state auditor including any and all audits of university services offered to the general public, including those offered through any public-private partnership, business venture, affiliation, or joint venture with a public or private entity, except the government of the United States. The university shall comply with all state auditor requests for the university's financial and business information including the university's governance and financial participation in these public-private partnerships, business ventures, affiliations, or joint ventures with a public or private entity. In any instance in which the university declines to produce the information to the

state auditor, the university will provide the state auditor a brief summary of the documents withheld and a citation of the legal or contractual provision that prevents disclosure. The summaries must be compiled into a report by the state auditor and provided on a quarterly basis to the legislature.

(aa) \$50,000 of the general fund—state appropriation for fiscal year 2020 and \$30,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the university's school of public health to study home-sharing for privately-owned residential properties. The study must include:

(i) An analysis of home-sharing programs across the country, including population served, costs, duration of stays, and size of programs;

(ii) An analysis of similar initiatives in Washington state and potential barriers to expansion;

(iii) A review of best practices and policies; and

(iv) Recommendations for the establishment and continuation of home-sharing programs.

(bb) \$150,000 of the general fund—state appropriation for fiscal year 2020 and \$150,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the university to expand the project extension for community health care outcomes (ECHO) to include training related to people with autism and developmental disabilities. Project ECHO for autism and developmental disabilities must focus on supporting existing autism centers of excellence. The project will disseminate evidence-based diagnoses and treatments to increase access to medical services for people across the state.

(cc) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$75,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the William D. Ruckelshaus center to partner with the University of Washington and the Washington State University to provide staff support and facilitation services to the task force established in part 9 of this act.

(dd) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the University of Washington department of psychiatry and behavioral sciences and Seattle children's hospital in consultation with the office of the superintendent of public instruction to plan for and implement a two-year pilot program of school mental health education and consultations for students at middle schools, junior high, and high schools in one school district on east side of Cascades and one school district on west side of Cascades. The pilot program must:

(i) Develop and provide behavioral health trainings for school counselors, social workers, psychologists, nurses, teachers, administrators, and classified staff by January 1, 2020; and

(ii) Beginning with the 2020-21 school year:

(A) Provide school counselors access to teleconsultations with psychologists and psychiatrists at Seattle children's hospital or the University of Washington department of psychiatry to support school staff in managing children with challenging behavior; and

(B) Provide students access to teleconsultations with psychologists and psychiatrists at Seattle children's hospital or the University of Washington department of psychiatry to provide crisis management services when assessed as clinically appropriate.

(ee) \$213,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for implementation of Second Substitute Senate Bill No. 5903 (children's mental health). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(ff) \$50,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1517 (domestic violence). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(gg)(i) \$463,000 of the general fund—state appropriation for fiscal year 2020 and \$400,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the climate impacts group in the college of the environment.

(ii) \$63,000 of the general fund—state appropriation for fiscal year 2020 in (gg)(i) of this subsection is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5116 (clean energy). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection (1)(gg)(ii) shall lapse.

(hh) \$25,000 of the general fund—state appropriation for fiscal year 2020 and \$25,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the university to develop a plan for the maintenance and administration of opioid overdose medication in and around residence halls housing at least 100 students and for the training of designated personnel to administer opioid overdose medication to respond to symptoms of an opioid-related overdose.

(ii) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a firearm policy research program. The program will:

(i) Support investigations of firearm death and injury risk factors;

(ii) Evaluate the effectiveness of state firearm laws and policies;

(iii) Assess the consequences of firearm violence; and

(iv) Develop strategies to reduce the toll of firearm violence to citizens of the state.

(jj) \$100,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the Evans school of public affairs to complete the business plan for a publicly owned Washington state depository bank as directed by section 129, chapter 299, Laws of 2018.

(kk) \$350,000 of the general fund—state appropriation for fiscal year 2020 and \$139,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Substitute Senate Bill No. 5330 (small forestland owners). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(ll) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the dental education in the care of persons with disabilities program.

(mm) \$190,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the college of education to partner with school districts on a pilot program to improve the math scores of K-12 students.

(nn) \$300,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for matching nonstate funding contributions for a study of the

feasibility of constructing of a biorefinery in southwest Washington. No state moneys may be expended until nonstate funding contributions are received. The study must:

- (i) Assess the supply of biomass, including poplar feedstock grown on low-value lands and hardwood sawmill residuals;
- (ii) Assess the potential for using poplar simultaneously for water treatment and as a biorefinery feedstock;
- (iii) Assess southwest Washington landowner interest in growing poplar feedstock;
- (iv) Evaluate options for locating a biorefinery in southwest Washington that considers potential for integration of future biorefineries with existing facilities such as power plants and pulp mills; and
- (v) Result in a comprehensive technical and economic evaluation for southwest Washington biorefineries that will be used by biorefinery technology companies to develop their business plans and to attract potential investors.

(oo) \$300,000 of the general fund—state appropriation for fiscal year 2020 and \$300,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Harry Bridges center for labor studies. The center shall work in collaboration with the state board for community and technical colleges.

(pp) \$400,000 of the geoduck aquaculture research account—state appropriation is provided solely for the Washington sea grant program crab team to continue work to protect against the impacts of invasive European green crab.

(2) CONDITIONAL GENERAL WAGE INCREASES

General Fund—State Appropriation (FY 2020)	\$2,320,000
General Fund—State Appropriation (FY 2021)	\$4,664,000
Aquatic Lands Enhancement Account—State Appropriation	\$16,000
Education Legacy Trust Account—State Appropriation	\$201,000
Economic Development Strategic Reserve Account—State Appropriation.	\$12,000
Institutions of Higher Education - Grant and Contracts Account—State Appropriation	\$19,587,000
Institutions of Higher Education - Dedicated Local Account Appropriation	\$12,184,000
Institutions of Higher Education - Operating Fees Account—Local Appropriation.	\$13,786,000
Biotoxin Account—State Appropriation	\$3,000
Dedicated Marijuana Account—State Appropriation (FY 2020).	\$3,000
Dedicated Marijuana Account—State Appropriation (FY 2021).	\$6,000
University of Washington Hospital Account—Local Appropriation.	\$16,375,000
Accident Account—State Appropriation	\$92,000
Medical Aid Account—State Appropriation	\$87,000
TOTAL APPROPRIATION	\$69,336,000

The appropriations in this subsection (2) are subject to the following conditions and limitations: Funding is provided solely for conditional general wage increases to all University of Washington employees of one percent on

July 1, 2019, and one percent on July 1, 2020, subject to the conclusion of impacts bargaining over the application of the increases to represented employees covered by sections 921 through 925 of this act. If agreements to implement the one percent increases are not reached with the represented employees covered by sections 921 through 925 of this act by July 1, 2020, the amounts provided in this subsection (2) shall lapse. Funding for the conditional increases is provided from appropriated and nonappropriated accounts as authorized in this subsection (2).

NEW SECTION. Sec. 607. FOR WASHINGTON STATE UNIVERSITY

General Fund—State Appropriation (FY 2020)	\$222,455,000
General Fund—State Appropriation (FY 2021)	\$230,453,000
Washington State University Building Account—State Appropriation	\$792,000
Education Legacy Trust Account—State Appropriation	\$33,995,000
Dedicated Marijuana Account—State Appropriation (FY 2020)	\$138,000
Dedicated Marijuana Account—State Appropriation (FY 2021)	\$138,000
Pension Funding Stabilization Account—State Appropriation	\$30,954,000
TOTAL APPROPRIATION	\$518,925,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$90,000 of the general fund—state appropriation for fiscal year 2020 and \$90,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a rural economic development and outreach coordinator.

(2) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(3) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for state match requirements related to the federal aviation administration grant.

(4) Washington State University shall not use funds appropriated in this section to support intercollegiate athletic programs.

(5) \$7,000,000 of the general fund—state appropriation for fiscal year 2020 and \$7,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the continued development and operations of a medical school program in Spokane.

(6) \$135,000 of the general fund—state appropriation for fiscal year 2020 and \$135,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for a honey bee biology research position.

(7) \$29,152,000 of the general fund—state appropriation for fiscal year 2020 and \$29,764,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(8) \$376,000 of the general fund—state appropriation for fiscal year 2020 and \$376,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for chapter 202, Laws of 2017 (2SHB 1713) (children's mental health).

(9) \$580,000 of the general fund—state appropriation for fiscal year 2020 and \$580,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the development of an organic agriculture systems degree program located at the university center in Everett.

(10) Within the funds appropriated in this section, Washington State University shall:

(a) Review the scholarly literature on the short-term and long-term effects of marijuana use to assess if other states or private entities are conducting marijuana research in areas that may be useful to the state.

(b) Provide as part of its budget request for the 2019-2021 fiscal biennium:

(i) A list of intended state, federal, and privately funded marijuana research, including cost, duration, and scope;

(ii) Plans for partnerships with other universities, state agencies, or private entities, including entities outside the state, for purposes related to researching short-term and long-term effects of marijuana use.

(11) \$585,000 of the general fund—state appropriation for fiscal year 2020 and \$585,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 159, Laws of 2017 (2SSB 5474) (elk hoof disease).

(12) \$630,000 of the general fund—state appropriation for fiscal year 2020 and \$630,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the creation of an electrical engineering program located in Bremerton. At full implementation, the university is expected to increase degree production by 25 new bachelor's degrees per year. The university must identify these students separately when providing data to the education research data center as required in subsection (2) of this section.

(13) \$1,370,000 of the general fund—state appropriation for fiscal year 2020 and \$1,370,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the creation of software engineering and data analytic programs at the university center in Everett. At full implementation, the university is expected to enroll 50 students per academic year. The university must identify these students separately when providing data to the education research data center as required in subsection (2) of this section.

(14) General fund—state appropriations in this section are reduced to reflect a reduction in state-supported tuition waivers for graduate students. When reducing tuition waivers, the university will not change its practices and procedures for providing eligible veterans with tuition waivers.

(15) \$1,119,000 of the general fund—state appropriation for fiscal year 2020 and \$1,154,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of chapter 36, Laws of 2017 3rd sp. sess. (renewable energy, tax incentives).

(16) \$500,000 of the general fund—state appropriation for fiscal year 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the joint center for deployment and research in earth abundant materials.

(17) \$20,000 of the general fund—state appropriation for fiscal year 2020 and \$20,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the office of clean technology at Washington State University to convene a sustainable aviation biofuels work group to further the development of sustainable aviation fuel as a productive industry in Washington. The work group must include members from the legislature and sectors involved in sustainable aviation biofuels research, development, production, and utilization. The work group must provide recommendations to the governor and the appropriate committees of the legislature by December 1, 2020.

(18) \$113,000 of the general fund—state appropriation for fiscal year 2020 and \$60,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1517 (domestic violence). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(19) \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$75,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for the William D. Ruckelshaus center to partner with the University of Washington and the Washington State University to provide staff support and facilitation services to the task force established in section 9 of this act.

(20) \$264,000 of the general fund—state appropriation for fiscal year 2021 is provided solely for implementation of Second Substitute Senate Bill No. 5903 (children's mental health). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(21) \$37,000 of the general fund—state appropriation for fiscal year 2020 and \$16,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the university to develop a plan for the maintenance and administration of opioid overdose medication in and around residence halls housing at least 100 students and for the training of designated personnel to administer opioid overdose medication to respond to symptoms of an opioid-related overdose.

(22) \$85,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for the William D. Ruckelshaus center to coordinate a work group and process to develop options and recommendations to improve consistency, simplicity, transparency, and accountability in higher education data systems. The work group and process must be collaborative and include representatives from relevant agencies and stakeholders, including but not limited to: The Washington student achievement council, the workforce training and education coordinating board, the employment security department, the state board for community and technical colleges, the four-year institutions of higher education, the education data center, the office of the superintendent of public instruction, the Washington state institute for public policy, the joint legislative audit and review committee, and at least one representative from a nongovernmental organization that uses longitudinal data for research and decision making. The William D. Ruckelshaus center must facilitate meetings

and discussions with stakeholders and provide a report to the appropriate committees of the legislature by December 1, 2019. The process must analyze and make recommendations on:

(a) Opportunities to increase postsecondary transparency and accountability across all institutions of higher education that receive state financial aid dollars while minimizing duplication of existing data reporting requirements;

(b) Opportunities to link labor market data with postsecondary data including degree production and postsecondary opportunities to help prospective postsecondary students navigate potential career and degree pathways;

(c) Opportunities to leverage existing data collection efforts across agencies and postsecondary sectors to minimize duplication, centralize data reporting, and create administrative efficiencies;

(d) Opportunities to develop a single, easy to navigate, postsecondary data system and dashboard to meet multiple state goals including transparency in postsecondary outcomes, clear linkages between data on postsecondary degrees and programs and labor market data, and linkages with P-20 data where appropriate. This includes a review of the efficacy, purpose, and cost of potential options for service and management of a statewide postsecondary dashboard; and

(e) Opportunities to increase state agency, legislative, and external researcher access to P-20 data systems in service to state educational goals.

(23) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the university's soil health initiative and its network of long-term agroecological research and extension (LTARE) sites. The network must include a Mount Vernon REC site.

NEW SECTION. Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2020)	\$54,894,000
General Fund—State Appropriation (FY 2021)	\$57,331,000
Education Legacy Trust Account—State Appropriation	\$16,794,000
TOTAL APPROPRIATION	\$129,019,000

The appropriations in this section are subject to the following conditions and limitations:

(1) At least \$200,000 of the general fund—state appropriation for fiscal year 2020 and at least \$200,000 of the general fund—state appropriation for fiscal year 2021 must be expended on the Northwest autism center.

(2) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(3) Eastern Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(4) \$10,472,000 of the general fund—state appropriation for fiscal year 2020 and \$10,692,000 of the general fund—state appropriation for fiscal year

2021 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(5) Within amounts appropriated in this section, the university is encouraged to increase the number of tenure-track positions created and hired.

(6) \$125,000 of the general fund—state appropriation for fiscal year 2020 and \$125,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for gathering and archiving time-sensitive histories and materials and planning for a Lucy Covington center.

(7) \$146,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for a comprehensive analysis of the deep lake watershed involving land owners, ranchers, lake owners, one or more conservation districts, the department of ecology, and the department of natural resources.

(8) \$21,000 of the general fund—state appropriation for fiscal year 2020 and \$11,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the university to develop a plan for the maintenance and administration of opioid overdose medication in and around residence halls housing at least 100 students and for the training of designated personnel to administer opioid overdose medication to respond to symptoms of an opioid-related overdose.

NEW SECTION. Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2020)	\$54,390,000
General Fund—State Appropriation (FY 2021)	\$56,517,000
Central Washington University Capital Projects Account—	
State Appropriation	\$76,000
Education Legacy Trust Account—State Appropriation	\$19,076,000
Pension Funding Stabilization Account—State	
Appropriation	\$3,924,000
TOTAL APPROPRIATION	\$133,983,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The university must continue work with the education research and data center to demonstrate progress in engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in engineering programs above the prior academic year.

(2) Central Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(3) \$11,803,000 of the general fund—state appropriation for fiscal year 2020 and \$12,051,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(4) Within amounts appropriated in this section, the university is encouraged to increase the number of tenure-track positions created and hired.

(5) \$221,000 of the general fund—state appropriation for fiscal year 2020 and \$221,000 of the general fund—state appropriation for fiscal year 2021 are

provided solely for the game on! program, which provides underserved middle and high school students with training in leadership and science, technology, engineering, and math. The program is expected to serve approximately five hundred students per year.

(6) \$53,000 of the general fund—state appropriation for fiscal year 2020 and \$32,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the university to develop a plan for the maintenance and administration of opioid overdose medication in and around residence halls housing at least 100 students and for the training of designated personnel to administer opioid overdose medication to respond to symptoms of an opioid-related overdose.

NEW SECTION. Sec. 610. FOR THE EVERGREEN STATE COLLEGE

General Fund—State Appropriation (FY 2020)	\$29,766,000
General Fund—State Appropriation (FY 2021)	\$30,305,000
The Evergreen State College Capital Projects Account—	
State Appropriation	\$80,000
Education Legacy Trust Account—State Appropriation	\$5,450,000
Pension Funding Stabilization Account—State	
Appropriation.	\$2,000
TOTAL APPROPRIATION	\$65,603,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,590,000 of the general fund—state appropriation for fiscal year 2020 and \$3,665,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(2) Funding provided in this section is sufficient for The Evergreen State College to continue operations of the Longhouse Center and the Northwest Indian applied research institute.

(3) Within amounts appropriated in this section, the college is encouraged to increase the number of tenure-track positions created and hired.

(4) Within the amounts appropriated in this section, The Evergreen State College must provide the funding necessary to enable employees of the Washington state institute for public policy to receive the salary increases provided in part 9 of this act.

(5) \$2,079,000 of the general fund—state appropriation for fiscal year 2020 and \$2,054,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the Washington state institute for public policy to initiate, sponsor, conduct, and publish research that is directly useful to policymakers and manage reviews and evaluations of technical and scientific topics as they relate to major long-term issues facing the state. Within the amounts provided in this subsection (5):

(a) \$999,000 of the amounts in fiscal year 2020 and \$879,000 of the amounts in fiscal year 2021 are provided for administration and core operations.

(b) \$1,030,000 of the amounts in fiscal year 2020 and \$1,002,000 of the amounts in fiscal year 2021 are provided solely for ongoing and continuing studies on the Washington state institute for public policy's work plan.

(c) \$50,000 of the amounts in fiscal year 2020 and \$25,000 of the amounts in fiscal year 2021 are provided solely for the Washington state institute for public policy to evaluate the outcomes of resource and assessment centers licensed under RCW 74.15.311 and contracted with the department of children, youth, and families. By December 1, 2020, and in compliance with RCW 43.01.036, the institute shall report the results of its evaluation to the appropriate legislative committees; the governor; the department of children, youth, and families; and the oversight board for children, youth, and families. For the evaluation, the institute shall collect data regarding:

(i) The type of placement children experience following placement at a resource and assessment center;

(ii) The number of placement changes that children experience following placement in a resource and assessment center compared with other foster children;

(iii) The length of stay in foster care that children experience following placement in a resource and assessment center compared with other foster children;

(iv) The likelihood that children placed in a resource and assessment center will be placed with siblings; and

(v) The length of time that licensed foster families accepting children placed in resource and assessment centers maintain their licensure compared to licensed foster families receiving children directly from child protective services.

(d) \$115,000 of the amounts in fiscal year 2021 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1391 (early achievers recommendations). If the bill is not enacted by June 30, 2019, the amount provided in this subsection (5)(d) shall lapse.

(e) \$33,000 of the amounts in fiscal year 2021 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1646 (juvenile rehab. confinement). If the bill is not enacted by June 30, 2019, the amount provided in this subsection (5)(e) shall lapse.

(f) Notwithstanding other provisions in this subsection, the board of directors for the Washington state institute for public policy may adjust due dates for projects included on the institute's 2019-21 work plan as necessary to efficiently manage workload.

NEW SECTION. Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2020)	\$78,694,000
General Fund—State Appropriation (FY 2021)	\$81,478,000
Western Washington University Capital Projects Account—	
State Appropriation	\$1,424,000
Education Legacy Trust Account—State Appropriation	\$13,831,000
TOTAL APPROPRIATION	\$175,427,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of

low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(2) Western Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(3) \$16,291,000 of the general fund—state appropriation for fiscal year 2020 and \$16,633,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(4) \$700,000 of the general fund—state appropriation for fiscal year 2020 and \$700,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the creation and implementation of an early childhood education degree program at the western on the peninsulas campus. The university must collaborate with Olympic college. At full implementation, the university is expected to grant approximately 75 bachelor's degrees in early childhood education per year at the western on the peninsulas campus.

(5) \$1,306,000 of the general fund—state appropriation for fiscal year 2020 and \$1,306,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for Western Washington University to develop a new program in marine, coastal, and watershed sciences.

(6) Within amounts appropriated in this section, the university is encouraged to increase the number of tenure-track positions created and hired.

(7) \$250,000 of the general fund—state appropriation for fiscal year 2020 and \$250,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for campus connect to develop a student civic leaders initiative that will provide opportunities for students to gain work experience focused on addressing the following critical issues facing communities and campuses: Housing and food insecurities, mental health, civic education (higher education and K-12), breaking the prison pipeline, and the opioid epidemic. Students will:

(a) Participate in civic internships and receive wages to work on one or more of these critical issues on their campus and or in their community, or both;

(b) Receive training on civic education, civil discourse, and learn how to analyze policies that impact community issues; and

(c) Research issues and develop and implement strategies in teams to address them.

(8) \$45,000 of the general fund—state appropriation for fiscal year 2020 and \$25,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the university to develop a plan for the maintenance and administration of opioid overdose medication in and around residence halls housing at least 100 students and for the training of designated personnel to administer opioid overdose medication to respond to symptoms of an opioid-related overdose.

NEW SECTION. Sec. 612. FOR THE STUDENT ACHIEVEMENT COUNCIL—POLICY COORDINATION AND ADMINISTRATION

General Fund—State Appropriation (FY 2020)	\$6,431,000
General Fund—State Appropriation (FY 2021)	\$6,533,000
General Fund—Federal Appropriation	\$4,927,000
Pension Funding Stabilization Account—State Appropriation	\$534,000

TOTAL APPROPRIATION \$18,425,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$126,000 of the general fund—state appropriation for fiscal year 2020 and \$126,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the consumer protection unit.

(2) \$104,000 of the general fund—state appropriation for fiscal year 2020 and \$174,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute Senate Bill No. 5800 (homeless college students). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(3) The student achievement council must ensure that all institutions of higher education as defined in RCW 28B.92.030 and eligible for state financial aid programs under chapters 28B.92 and 28B.118 RCW provide the data needed to analyze and evaluate the effectiveness of state financial aid programs. This data must be promptly transmitted to the education data center so that it is available and easily accessible.

***NEW SECTION. Sec. 613. FOR THE STUDENT ACHIEVEMENT COUNCIL—OFFICE OF STUDENT FINANCIAL ASSISTANCE**

General Fund—State Appropriation (FY 2020)	\$278,418,000
General Fund—State Appropriation (FY 2021)	\$281,669,000
General Fund—Federal Appropriation	\$12,035,000
General Fund—Private/Local Appropriation	\$300,000
Education Legacy Trust Account—State Appropriation	\$93,488,000
Washington Opportunity Pathways Account—State Appropriation	\$114,229,000
Aerospace Training Student Loan Account—State Appropriation	\$216,000
Pension Funding Stabilization Account—State Appropriation	\$18,000
Health Professionals Loan Repayment and Scholarship Program Account—State Appropriation	\$1,720,000
State Educational Trust Fund Nonappropriated Account—State Appropriation	\$6,000,000
TOTAL APPROPRIATION	\$788,093,000

The appropriations in this section are subject to the following conditions and limitations:

(1) If Engrossed Second Substitute House Bill No. 2158 (workforce education) is enacted by June 30, 2019, all references made in this section to the state need grant program are deemed made to the Washington college grant program.

(2) \$255,327,000 of the general fund—state appropriation for fiscal year 2020, \$266,528,000 of the general fund—state appropriation for fiscal year 2021, \$77,639,000 of the education legacy trust account—state appropriation, \$6,000,000 of the state educational trust fund nonappropriated account—state appropriation, and \$80,000,000 of the Washington opportunity pathways account—state appropriation are provided solely for student financial aid

payments under the state need grant and state work study programs, including up to four percent administrative allowance for the state work study program.

(3)(a) For the 2019-2021 fiscal biennium, state need grant awards given to private for-profit institutions shall be the same amount as the prior year.

(b) For the 2019-2021 fiscal biennium, grant awards given to private four-year not-for-profit institutions shall be set at the same level as the average grant award for public research universities. Increases in awards given to private four-year not-for-profit institutions shall align with annual tuition increases for public research institutions.

(4) Changes made to the state work study program in the 2009-2011 and 2011-2013 fiscal biennia are continued in the 2019-2021 fiscal biennium including maintaining the increased required employer share of wages; adjusted employer match rates; discontinuation of nonresident student eligibility for the program; and revising distribution methods to institutions by taking into consideration other factors such as off-campus job development, historical utilization trends, and student need.

(5) Within the funds appropriated in this section, eligibility for the state need grant includes students with family incomes at or below 70 percent of the state median family income (MFI), adjusted for family size, and shall include students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits. Awards for students with incomes between 51 and 70 percent of the state median shall be prorated at the following percentages of the award amount granted to those with incomes below 51 percent of the MFI: 70 percent for students with family incomes between 51 and 55 percent MFI; 65 percent for students with family incomes between 56 and 60 percent MFI; 60 percent for students with family incomes between 61 and 65 percent MFI; and 50 percent for students with family incomes between 66 and 70 percent MFI. If Engrossed Second Substitute House Bill No. 2158 (workforce education) is enacted by June 30, 2019, then the eligibility and proration provisions of that bill supersede the provisions of this subsection.

(6) Of the amounts provided in subsection (1) of this section, \$100,000 of the general fund—state appropriation for fiscal year 2020 and \$100,000 of the general fund—state appropriation for fiscal year 2021 are provided for the council to process an alternative financial aid application system pursuant to RCW 28B.92.010.

(7) Students who are eligible for the college bound scholarship shall be given priority for the state need grant program. These eligible college bound students whose family incomes are in the 0-65 percent median family income ranges must be awarded the maximum state need grant for which they are eligible under state policies and may not be denied maximum state need grant funding due to institutional policies or delayed awarding of college bound scholarship students. The council shall provide directions to institutions to maximize the number of college bound scholarship students receiving the maximum state need grant for which they are eligible with a goal of 100 percent coordination. Institutions shall identify all college bound scholarship students to receive state need grant priority. If an institution is unable to identify all college bound scholarship students at the time of initial state aid packaging, the institution should reserve state need grant funding sufficient to cover the projected enrollments of college bound scholarship students.

(8) \$1,023,000 of the general fund—state appropriation for fiscal year 2020, \$855,000 of the general fund—state appropriation for fiscal year 2021, \$15,849,000 of the education legacy trust account—state appropriation, and \$34,229,000 of the Washington opportunity pathways account—state appropriation are provided solely for the college bound scholarship program and may support scholarships for summer session. The office of student financial assistance and the institutions of higher education shall not consider awards made by the opportunity scholarship program to be state-funded for the purpose of determining the value of an award amount under RCW 28B.118.010. If Engrossed Second Substitute House Bill No. 2158 (workforce education) is enacted by June 30, 2019, then the amount that is provided solely for purposes of this subsection from the Washington opportunity pathways account is provided for the Washington college grant in the amount of \$15,300,000.

(9) \$2,759,000 of the general fund—state appropriation for fiscal year 2020 and \$2,795,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the passport to college program. The maximum scholarship award is up to \$5,000. The council shall contract with a nonprofit organization to provide support services to increase student completion in their postsecondary program and shall, under this contract, provide a minimum of \$500,000 in fiscal years 2020 and 2021 for this purpose.

(10) \$7,468,000 of the general fund—state appropriation for fiscal year 2020 is provided solely to meet state match requirements associated with the opportunity scholarship program. The legislature will evaluate subsequent appropriations to the opportunity scholarship program based on the extent that additional private contributions are made, program spending patterns, and fund balance.

(11) \$3,800,000 of the general fund—state appropriation for fiscal year 2020 and \$3,800,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for expenditure into the health professionals loan repayment and scholarship program account. These amounts must be used to increase the number of licensed primary care health professionals to serve in licensed primary care health professional critical shortage areas. Contracts between the office and program recipients must guarantee at least three years of conditional loan repayments. The office of student financial assistance and the department of health shall prioritize a portion of any nonfederal balances in the health professional loan repayment and scholarship fund for conditional loan repayment contracts with psychiatrists and with advanced registered nurse practitioners for work at one of the state-operated psychiatric hospitals. The office and department shall designate the state hospitals as health professional shortage areas if necessary for this purpose. The office shall coordinate with the department of social and health services to effectively incorporate three conditional loan repayments into the department's advanced psychiatric professional recruitment and retention strategies. The office may use these targeted amounts for other program participants should there be any remaining amounts after eligible psychiatrists and advanced registered nurse practitioners have been served. The office shall also work to prioritize loan repayments to professionals working at health care delivery sites that demonstrate a commitment to serving uninsured clients. It is the intent of the legislature to provide funding to maintain the current number and amount of awards for the

program in the 2021-2023 fiscal biennium on the basis of these contractual obligations.

(12) \$850,000 of the general fund—state appropriation for fiscal year 2020 and \$750,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1973 (dual enrollment scholarship). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

(13) \$1,000,000 of the general fund—state appropriation for fiscal year 2020 and \$1,000,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Second Substitute House Bill No. 1668 (Washington health corps). If the bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse. Within amounts provided in this subsection, the student achievement council, in consultation with the department of health, shall study the need, feasibility, and potential design of a grant program to provide funding to behavioral health students completing unpaid pregraduation internships and postgraduation supervised hours for licensure.

(14) Sufficient amounts are appropriated within this section to implement Engrossed Second Substitute House Bill No. 1311 (college bound).

(15) \$1,896,000 of the general fund—state appropriation for fiscal year 2020 and \$1,673,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1139 (educator workforce supply). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse. Of the amounts appropriated in this subsection, \$1,650,000 of the general fund—state appropriation for fiscal year 2020 and \$1,650,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for funding of the student teaching grant program, the teacher endorsement and certification help program, and the educator conditional scholarship and loan repayment programs under chapter 28B.102 RCW, including the pipeline for paraeducators program, the retooling to teach conditional loan programs, the teacher shortage conditional scholarship program, the career and technical education conditional scholarship program, and the federal student loan repayment in exchange for teaching service program.

**Sec. 613 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 614. FOR THE WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD

General Fund—State Appropriation (FY 2020)	\$2,270,000
General Fund—State Appropriation (FY 2021)	\$1,998,000
General Fund—Federal Appropriation	\$55,509,000
General Fund—Private/Local Appropriation	\$211,000
Pension Funding Stabilization Account—State Appropriation	\$176,000
TOTAL APPROPRIATION	\$60,164,000

The appropriations in this section are subject to the following conditions and limitations:

(1) For the 2019-2021 fiscal biennium the board shall not designate recipients of the Washington award for vocational excellence or recognize them at award ceremonies as provided in RCW 28C.04.535.

(2) \$240,000 of the general fund—state appropriation for fiscal year 2020 and \$240,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the health workforce council of the state workforce training and education coordinating board. In partnership with the office of the governor, the health workforce council shall continue to assess workforce shortages across behavioral health disciplines. The board shall create a recommended action plan to address behavioral health workforce shortages and to meet the increased demand for services now, and with the integration of behavioral health and primary care in 2020. The analysis and recommended action plan shall align with the recommendations of the adult behavioral health system task force and related work of the healthier Washington initiative. The board shall consider workforce data, gaps, distribution, pipeline, development, and infrastructure, including innovative high school, postsecondary, and postgraduate programs to evolve, align, and respond accordingly to our state's behavioral health and related and integrated primary care workforce needs.

(3) \$260,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for implementation of chapter 294, Laws of 2018 (future of work task force).

(4) \$28,000 of the general fund—state appropriation for fiscal year 2020 is provided solely for implementation of Substitute Senate Bill No. 5166 (postsecondary religious acc.). If the bill is not enacted by June 30, 2019, the amount provided in this subsection shall lapse.

NEW SECTION. Sec. 615. FOR THE STATE SCHOOL FOR THE BLIND

General Fund—State Appropriation (FY 2020)	\$8,951,000
General Fund—State Appropriation (FY 2021)	\$9,153,000
General Fund—Private/Local Appropriation	\$34,000
Pension Funding Stabilization Account—State Appropriation	\$590,000
TOTAL APPROPRIATION	\$18,728,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding provided in this section is sufficient for the school to offer to students enrolled in grades nine through twelve for full-time instructional services at the Vancouver campus with the opportunity to participate in a minimum of one thousand eighty hours of instruction and the opportunity to earn twenty-four high school credits.

(2) \$149,000 of the general fund—state appropriation for fiscal year 2020 and \$99,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for migration to the state data center, and are subject to the conditions, limitations, and review provided in section 719 of this act.

NEW SECTION. Sec. 616. FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS

General Fund—State Appropriation (FY 2020)	\$14,326,000
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General Fund—State Appropriation (FY 2021)	\$14,554,000
Pension Funding Stabilization Account—State Appropriation.	\$728,000
TOTAL APPROPRIATION	\$29,608,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding provided in this section is sufficient for the center to offer to students enrolled in grades nine through twelve for full-time instructional services at the Vancouver campus with the opportunity to participate in a minimum of one thousand eighty hours of instruction and the opportunity to earn twenty-four high school credits.

(2) \$12,319,000 of the general fund—state appropriation for fiscal year 2020 and \$12,319,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for operations, expenses, and direct service to students at the state school for the deaf referenced in RCW 72.40.015(2)(a).

NEW SECTION. Sec. 617. FOR THE WASHINGTON STATE ARTS COMMISSION

General Fund—State Appropriation (FY 2020)	\$2,108,000
General Fund—State Appropriation (FY 2021)	\$2,307,000
General Fund—Federal Appropriation	\$2,160,000
General Fund—Private/Local Appropriation	\$50,000
Pension Funding Stabilization Account—State Appropriation.	\$122,000
TOTAL APPROPRIATION	\$6,747,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$175,000 of the general fund—state appropriation for fiscal year 2020 and \$175,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the folk and traditional arts apprenticeship and jobs stimulation program.

(2) \$104,000 of the general fund—state appropriation for fiscal year 2020 and \$96,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for the completion and maintenance of the my public art portal project.

(4) \$172,000 of the general fund—state appropriation for fiscal year 2020 and \$324,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for an arts-integration program that encourages kindergarten readiness in partnership with educational service districts, the office of the superintendent of public instruction, and the department of children, youth, and families.

NEW SECTION. Sec. 618. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

General Fund—State Appropriation (FY 2020)	\$3,733,000
General Fund—State Appropriation (FY 2021)	\$3,654,000
Pension Funding Stabilization Account—State Appropriation.	\$230,000
TOTAL APPROPRIATION	\$7,617,000

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 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for general support and operations of the Washington state historical society.

(2) \$52,000 of the general fund—state appropriation for fiscal year 2020 and \$42,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for supporting migration to the state data center and is subject to the conditions, limitations, and review provided in section 719 of this act.

NEW SECTION. Sec. 619. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

General Fund—State Appropriation (FY 2020)	\$2,855,000
General Fund—State Appropriation (FY 2021)	\$2,885,000
Pension Funding Stabilization Account—State	
Appropriation	\$214,000
TOTAL APPROPRIATION	\$5,954,000

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 2020 and \$500,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for general support and operations of the eastern Washington state historical society.

(2) \$67,000 of the general fund—state appropriation for fiscal year 2020 and \$30,000 of the general fund—state appropriation for fiscal year 2021 are provided solely for supporting migration to the state data center and is subject to the conditions, limitations, and review provided in section 719 of this act.

**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 2020)	\$1,191,069,000
General Fund—State Appropriation (FY 2021)	\$1,268,197,000
State Building Construction Account—State	
Appropriation	\$6,273,000
Columbia River Basin Water Supply Development	
Account—State Appropriation	\$30,000
Watershed Restoration and Enhancement Bond	
Account—State Appropriation	\$46,000
State Taxable Building Construction Account—State	
Appropriation	\$213,000
Debt-Limit Reimbursable Bond Retirement Account—State	
Appropriation	\$566,000
TOTAL APPROPRIATION	\$2,466,394,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure 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 AS PRESCRIBED BY STATUTE

Nondebt-Limit Reimbursable Bond Retirement	
Account—State Appropriation	\$153,170,000
School Construction and Skill Centers Building	
Account—State Appropriation	\$4,000
TOTAL APPROPRIATION	\$153,174,000

The appropriation in this section is subject to the following conditions and limitations: The general fund appropriations are for expenditure into the nondebt-limit general fund bond retirement account.

NEW SECTION. Sec. 703. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

General Fund—State Appropriation (FY 2020)	\$1,400,000
General Fund—State Appropriation (FY 2021)	\$1,400,000
State Building Construction Account—State Appropriation	\$1,052,000
Columbia River Basin Water Supply Development	
Account—State Appropriation	\$6,000
School Construction and Skill Centers Building	
Account—State Appropriation	\$1,000
Watershed Restoration and Enhancement Bond	
Account—State Appropriation	\$9,000
State Taxable Building Construction Account—State Appropriation.	\$36,000
TOTAL APPROPRIATION	\$3,904,000

NEW SECTION. Sec. 704. FOR THE OFFICE OF FINANCIAL MANAGEMENT—EMERGENCY FUND

General Fund—State Appropriation (FY 2020)	\$850,000
General Fund—State Appropriation (FY 2021)	\$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. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT—EDUCATION TECHNOLOGY REVOLVING ACCOUNT

General Fund—State Appropriation (FY 2020)	\$9,000,000
General Fund—State Appropriation (FY 2021)	\$9,000,000
TOTAL APPROPRIATION	\$18,000,000

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. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT—SCHOOL EMPLOYEES' INSURANCE ADMINISTRATIVE ACCOUNT

General Fund—State Appropriation (FY 2020)	\$10,000,000
TOTAL APPROPRIATION	\$10,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section, or so much thereof as may be necessary, is provided solely for expenditure into the school employees' administrative account for start-up costs for the school employees' benefits program pursuant to RCW 41.05.740. It is the intent of the legislature that this amount and amounts provided for this purpose in the 2017-2019 omnibus appropriations act, plus interest as determined by the treasurer, be repaid to the general fund—state by June 30, 2022.

NEW SECTION. Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT—O'BRIEN BUILDING IMPROVEMENT

General Fund—State Appropriation (FY 2020)	\$2,794,000
General Fund—State Appropriation (FY 2021)	\$2,793,000
TOTAL APPROPRIATION	\$5,587,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the enterprise services account for payment of principal, interest, and financing expenses associated with the certificate of participation for the O'Brien building improvement, project number 20081007.

NEW SECTION. Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT—CHERBERG BUILDING REHABILITATION

General Fund—State Appropriation (FY 2020)	\$556,000
General Fund—State Appropriation (FY 2021)	\$556,000
TOTAL APPROPRIATION	\$1,112,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the enterprise services account for payment for the principal, interest, and financing expenses associated with the certificate of participation for the Cherberg building improvements, project number 2002-1-005.

NEW SECTION. Sec. 709. FOR THE STATE TREASURER—COUNTY PUBLIC HEALTH ASSISTANCE

General Fund—State Appropriation (FY 2020)	\$36,386,000
General Fund—State Appropriation (FY 2021)	\$36,386,000
TOTAL APPROPRIATION	\$72,772,000

The appropriations in this section are subject to the following conditions and limitations: The state treasurer shall distribute the appropriations to the

following counties and health districts in the amounts designated to support public health services, including public health nursing:

Health District	FY 2020	FY 2021	2019-2021 Biennium
Adams County Integrated Health Care Services	\$121,213	\$121,213	\$242,426
Asotin County Health District	\$159,890	\$159,890	\$319,780
Benton-Franklin Health District	\$1,614,337	\$1,614,337	\$3,228,674
Chelan-Douglas Health District	\$399,634	\$399,634	\$799,268
Clallam County Health and Human Services Department	\$291,401	\$291,401	\$582,802
Clark County Public Health	\$1,767,341	\$1,767,341	\$3,534,682
Skamania County Community Health	\$111,327	\$111,327	\$222,654
Columbia County Health District	\$119,991	\$119,991	\$239,982
Cowlitz County Health and Human Services	\$477,981	\$477,981	\$955,962
Garfield County Health District	\$93,154	\$93,154	\$186,308
Grant County Health District	\$297,761	\$297,761	\$595,522
Grays Harbor Public Health and Social Services	\$335,666	\$335,666	\$671,332
Island County Health Department	\$255,224	\$255,224	\$510,448
Jefferson County Public Health	\$184,080	\$184,080	\$368,160
Public Health - Seattle & King County	\$12,685,521	\$12,685,521	\$25,371,042
Kitsap Public Health District	\$997,476	\$997,476	\$1,994,952
Kittitas County Public Health	\$198,979	\$198,979	\$397,958
Klickitat County Public Health	\$153,784	\$153,784	\$307,568
Lewis County Public Health and Social Services	\$263,134	\$263,134	\$526,268
Lincoln County Health Department	\$113,917	\$113,917	\$227,834
Mason County Public Health and Human Services	\$227,448	\$227,448	\$454,896

Okanogan County Public Health	\$169,882	\$169,882	\$339,764
Pacific County Health and Human Services	\$169,075	\$169,075	\$338,150
Tacoma-Pierce County Health Department	\$4,143,169	\$4,143,169	\$8,286,338
San Juan County Health and Community Services	\$126,569	\$126,569	\$253,138
Skagit County Health Department	\$449,745	\$449,745	\$899,490
Snohomish Health District	\$3,433,291	\$3,433,291	\$6,866,582
Spokane Regional Health District	\$2,877,318	\$2,877,318	\$5,754,636
Northeast Tri-County Health District	\$249,303	\$249,303	\$498,606
Thurston County Public Health and Social Services	\$1,046,897	\$1,046,897	\$2,093,794
Wahkiakum County Health and Human Services	\$93,181	\$93,181	\$186,362
Walla Walla County Department of Community Health	\$302,173	\$302,173	\$604,346
Whatcom County Health Department	\$1,214,301	\$1,214,301	\$2,428,602
Whitman County Health Department	\$189,355	\$189,355	\$378,710
Yakima Health District	\$1,052,482	\$1,052,482	\$2,104,964
TOTAL APPROPRIATIONS	\$36,386,000	\$36,386,000	\$72,772,000

**NEW SECTION. Sec. 710. FOR THE STATE TREASURER—
COUNTY CLERK LEGAL FINANCIAL OBLIGATION GRANTS**

General Fund—State Appropriation (FY 2020)	\$541,000
General Fund—State Appropriation (FY 2021)	\$441,000
TOTAL APPROPRIATION	\$982,000

The appropriations in this section are subject to the following conditions and limitations: By October 1st of each fiscal year, the state treasurer shall distribute the appropriations to the following county clerk offices in the amounts designated as grants for the collection of legal financial obligations pursuant to RCW 2.56.190:

County Clerk	FY 2020	FY 2021
Adams County Clerk	\$2,103	\$1,714
Asotin County Clerk	\$2,935	\$2,392

Benton County Clerk	\$18,231	\$14,858
Chelan County Clerk	\$7,399	\$6,030
Clallam County Clerk	\$5,832	\$4,753
Clark County Clerk	\$32,635	\$26,597
Columbia County Clerk	\$384	\$313
Cowlitz County Clerk	\$16,923	\$13,792
Douglas County Clerk	\$3,032	\$2,471
Ferry County Clerk	\$422	\$344
Franklin County Clerk	\$5,486	\$4,471
Garfield County Clerk	\$243	\$198
Grant County Clerk	\$10,107	\$8,237
Grays Harbor County Clerk	\$8,659	\$7,057
Island County Clerk	\$3,059	\$2,493
Jefferson County Clerk	\$1,859	\$1,515
King County Court Clerk	\$119,290	\$97,266
Kitsap County Clerk	\$22,242	\$18,127
Kittitas County Clerk	\$3,551	\$2,894
Klickitat County Clerk	\$2,151	\$1,753
Lewis County Clerk	\$10,340	\$8,427
Lincoln County Clerk	\$724	\$590
Mason County Clerk	\$5,146	\$4,194
Okanogan County Clerk	\$3,978	\$3,242
Pacific County Clerk	\$2,411	\$1,965
Pend Oreille County Clerk	\$611	\$498
Pierce County Clerk	\$77,102	\$62,837
San Juan County Clerk	\$605	\$493
Skagit County Clerk	\$11,059	\$9,013
Skamania County Clerk	\$1,151	\$938
Snohomish County Clerk	\$38,143	\$31,086
Spokane County Clerk	\$44,825	\$36,578
Stevens County Clerk	\$2,984	\$2,432
Thurston County Clerk	\$22,204	\$18,096
Wahkiakum County Clerk	\$400	\$326
Walla Walla County Clerk	\$4,935	\$4,022
Whatcom County Clerk	\$20,728	\$16,893
Whitman County Clerk	\$2,048	\$1,669
Yakima County Clerk	\$25,063	\$20,426

TOTAL APPROPRIATIONS \$541,000 \$441,000

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 OFFICE OF FINANCIAL MANAGEMENT—ANDY HILL CANCER RESEARCH ENDOWMENT FUND MATCH TRANSFER ACCOUNT

Foundational Public Health Services Account—State

Appropriation. \$6,000,000
TOTAL APPROPRIATION \$6,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for expenditure into the Andy Hill cancer research endowment fund match transfer account per RCW 43.348.080 to fund the Andy Hill cancer research endowment program. Matching funds using the amounts appropriated in this section may not be used to fund new grants that exceed two years in duration.

NEW SECTION. Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT—STATE EFFICIENCY AND RESTRUCTURING REPAYMENT

General Fund—State Appropriation (FY 2020) \$14,000
TOTAL APPROPRIATION \$14,000

The appropriation in this section is subject to the following conditions and limitations: The appropriations in this section are provided solely for expenditure into the cleanup settlement account on July 1, 2019, as repayment of moneys that were transferred to the state efficiency and restructuring account.

NEW SECTION. Sec. 714. FOR THE OFFICE OF FINANCIAL MANAGEMENT—COMMON SCHOOL CONSTRUCTION ACCOUNT

General Fund—State Appropriation (FY 2020) \$600,000
General Fund—State Appropriation (FY 2021) \$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 expenditure into the common school construction account—state on July 1, 2019, and July 1, 2020, for an interest payment pursuant to RCW 90.38.130.

NEW SECTION. Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT—NATURAL RESOURCES REAL PROPERTY REPLACEMENT ACCOUNT

General Fund—State Appropriation (FY 2020) \$300,000
General Fund—State Appropriation (FY 2021) \$300,000
TOTAL APPROPRIATION \$600,000

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 natural resources real property replacement account—state

on July 1, 2019, and July 1, 2020, for an interest payment pursuant to RCW 90.38.130.

NEW SECTION. Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT—COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT

General Fund—State Appropriation (FY 2020)	\$227,000
General Fund—State Appropriation (FY 2021)	\$227,000
TOTAL APPROPRIATION	\$454,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section, or so much thereof as may be necessary, are provided solely for expenditure into the county criminal justice assistance account—state. The treasurer shall make quarterly distributions from the county criminal justice assistance account of the amounts provided in this section in accordance with RCW 82.14.310 for the purposes of reimbursing local jurisdictions for increased costs incurred as a result of the mandatory arrest of repeat offenders pursuant to chapter 35, Laws of 2013 2nd sp. sess. The appropriations and distributions made under this section constitute appropriate reimbursement for costs for any new programs or increased level of services for the purposes of RCW 43.135.060.

NEW SECTION. Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT—MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT

General Fund—State Appropriation (FY 2020)	\$133,000
General Fund—State Appropriation (FY 2021)	\$133,000
TOTAL APPROPRIATION	\$266,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section, or so much thereof as may be necessary, are appropriated for expenditure into the municipal criminal justice assistance account. The treasurer shall make quarterly distributions from the municipal criminal justice assistance account of the amounts provided in this section in accordance with RCW 82.14.320 and 82.14.330, for the purposes of reimbursing local jurisdictions for increased costs incurred as a result of the mandatory arrest of repeat offenders pursuant to chapter 35, Laws of 2013 2nd sp. sess. The appropriations and distributions made under this section constitute appropriate reimbursement for costs for any new programs or increased level of services for the purposes of RCW 43.135.060.

NEW SECTION. Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT—HOME VISITING SERVICES ACCOUNT

General Fund—State Appropriation (FY 2020)	\$4,303,000
General Fund—State Appropriation (FY 2021)	\$5,562,000
TOTAL APPROPRIATION	\$9,865,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the home visiting services account for the home visiting program.

NEW SECTION. Sec. 719. FOR THE OFFICE OF FINANCIAL MANAGEMENT—INFORMATION TECHNOLOGY INVESTMENT POOL

General Fund—State Appropriation (FY 2020)	.....	\$7,628,000
General Fund—State Appropriation (FY 2021)	.....	\$5,191,000
General Fund—Federal Appropriation	.....	\$4,608,000
General Fund—Private/local Appropriation	.....	\$213,000
Other Appropriated Funds	.....	\$56,530,000
TOTAL APPROPRIATION	.....	\$74,170,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are provided solely for expenditure into the information technology investment revolving account created in RCW 43.41.433. Funds in the account are provided solely for the information technology projects shown in LEAP omnibus document IT-2019, dated April 25, 2019, which is hereby incorporated by reference. To facilitate the transfer of moneys from other funds and accounts that are associated with projects contained in LEAP omnibus document IT-2019, dated April 25, 2019, the state treasurer is directed to transfer moneys from other funds and accounts to the information technology investment revolving account in accordance with schedules provided by the office of financial management.

(2) Agencies must apply to the office of financial management and the office of the chief information officer to receive funding from the information technology investment revolving account. The office of financial management must notify the fiscal committees of the legislature of the receipt of each application and may not approve a funding request for ten business days from the date of notification.

(3) Allocations and allotments of information technology investment revolving account must be made for discrete stages of projects as determined by the technology budget approved by the office of the state chief information officer and office of financial management. Fifteen percent of total funding allocated by the office of financial management, or another amount as defined jointly by the office of financial management and the office of the state chief information officer, will be retained in the account, but remain allocated to that project. The retained funding will be released to the agency only after successful completion of that stage of the project. For the military department enhanced 911 next generation project, the amount retained is increased to at least twenty percent of total funding allocated for any stage of that project.

(4)(a) Each project must have a technology budget. The technology budget must use a method similar to the state capital budget, identifying project costs, each fund source, and anticipated deliverables through each stage of the entire project investment and across fiscal periods and biennia from project onset through implementation and close out.

(b) As part of the development of a technology budget and at each request for funding, the agency shall submit detailed financial information to the office of financial management and the office of the state chief information officer. The technology budget must describe the total cost of the project by fiscal month to include and identify:

- (i) Fund sources;
 - (ii) Full time equivalent staffing level to include job classification assumptions;
 - (iii) A discreet appropriation index and program index;
 - (iv) Object and subobject codes of expenditures; and
 - (v) Anticipated deliverables.
- (5)(a) Each project must have an investment plan that includes:
- (i) An organizational chart of the project management team that identifies team members and their roles and responsibilities;
 - (ii) The office of the state chief information officer staff assigned to the project;
 - (iii) An implementation schedule covering activities, critical milestones, and deliverables at each stage of the project for the life of the project at each agency affected by the project;
 - (iv) Performance measures used to determine that the project is on time, within budget, and meeting expectations for quality of work product;
 - (v) Ongoing maintenance and operations cost of the project post implementation and close out delineated by agency staffing, contracted staffing, and service level agreements; and
 - (vi) Financial budget coding to include at least discreet program index and subobject codes.
- (6) Projects with estimated costs greater than one hundred million dollars from initiation to completion and implementation may be divided into discrete subprojects as determined by the office of the state chief information officer. Each subproject must have a technology budget and investment plan as provided in this section.
- (7)(a) The office of the state chief information officer shall maintain an information technology project dashboard that provides updated information each fiscal month on projects subject to this section. This includes:
- (i) Project changes each fiscal month;
 - (ii) Noting if the project has a completed market requirements document;
 - (iii) Financial status of information technology projects under oversight;
- and
- (iv) Coordination with agencies.
- (b) The dashboard must retain a roll up of the entire project cost, including all subprojects, that can be displayed the subproject detail.
- (8) If the project affects more than one agency:
- (a) A separate technology budget and investment plan must be prepared for each agency; and
 - (b) The dashboard must contain a statewide project technology budget roll up that includes each affected agency at the subproject level.
- (9) For any project that exceeds two million dollars in total funds to complete, requires more than one biennium to complete, or is financed through financial contracts, bonds, or other indebtedness:
- (a) Quality assurance for the project must report independently to the office of the chief information officer;
 - (b) The office of the chief information officer must review, and, if necessary, revise the proposed project to ensure it is flexible and adaptable to advances in technology;

(c) The technology budget must specifically identify the uses of any financing proceeds. No more than thirty percent of the financing proceeds may be used for payroll-related costs for state employees assigned to project management, installation, testing, or training;

(d) The agency must consult with the office of the state treasurer during the competitive procurement process to evaluate early in the process whether products and services to be solicited and the responsive bids from a solicitation may be financed; and

(e) The agency must consult with the contracting division of the department of enterprise services for a review of all contracts and agreements related to the project's information technology procurements.

(10) The office of the state chief information officer must evaluate the project at each stage and certify whether the project is planned, managed, and meeting deliverable targets as defined in the project's approved technology budget and investment plan.

(11) The office of the state chief information officer may suspend or terminate a project at any time if it determines that the project is not meeting or not expected to meet anticipated performance and technology outcomes. Once suspension or termination occurs, the agency shall unallot any unused funding and shall not make any expenditure for the project without the approval of the office of financial management.

(12) The office of the state chief information officer, in consultation with the office of financial management, may identify additional projects to be subject to this section, including projects that are not separately identified within an agency budget.

(13) Any cost to administer or implement this section for projects listed in subsection (1) of this section, must be paid from the information technology investment revolving account. For any other information technology project made subject to the conditions, limitations, and review of this section, the cost to implement this section must be paid from the funds for that project.

(14) The information technology feasibility study of the Washington state gambling commission is subject to the conditions, limitations, and review in this section.

(15) The learning management system project of the department of enterprise services is subject to the conditions, limitations, and review in this section.

(16) The gambling self-exclusion program project of the Washington state gambling commission is subject to the conditions, limitations, and review in this section.

NEW SECTION. Sec. 720. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—CONTRIBUTIONS TO RETIREMENT SYSTEMS

(1) 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 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.

(2) There is appropriated for state contributions to the law enforcement officers' and firefighters' retirement system:

General Fund—State Appropriation (FY 2020)	\$73,000,000
General Fund—State Appropriation (FY 2021)	\$75,800,000
TOTAL APPROPRIATION	\$148,800,000

(3) There is appropriated for contributions to the judicial retirement system:

General Fund—State Appropriation (FY 2020)	\$1,545,000
Pension Funding Stabilization Account—State Appropriation	\$13,855,000
TOTAL APPROPRIATION	\$15,400,000

(4) There is appropriated for contributions to the judges' retirement system:

General Fund—State Appropriation (FY 2020)	\$400,000
General Fund—State Appropriation (FY 2021)	\$400,000
TOTAL APPROPRIATION	\$800,000

(5) There is appropriated for state contributions to the volunteer firefighters' and reserve officers' relief and pension principal fund:

Volunteer Firefighters' and Reserve Officers' Administrative Account—State Appropriation	\$15,532,000
TOTAL APPROPRIATION	\$15,532,000

NEW SECTION. Sec. 721. FOR THE OFFICE OF FINANCIAL MANAGEMENT—LEASE COST POOL

General Fund—State Appropriation (FY 2020)	\$3,788,000
General Fund—State Appropriation (FY 2021)	\$4,082,000
General Fund—Federal Appropriation	\$4,488,000
Other Appropriated Funds	\$1,740,000
TOTAL APPROPRIATION	\$14,098,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are provided solely for expenditure into the state agency office relocation pool account created in RCW 43.41.455.

(2) Costs are as shown in LEAP omnibus document LEAS-2019, dated April 25, 2019, which is hereby incorporated by reference.

(3) To facilitate the transfer of moneys from other funds and accounts that are associated with office relocations contained in LEAP omnibus document LEAS-2019, dated April 25, 2019, the state treasurer is directed to transfer moneys from other funds and accounts in an amount not to exceed \$1,740,000 to the lease cost pool in accordance with schedules provided by the office of financial management.

(4) Agencies may apply to the office of financial management to receive funds from the state agency office relocation pool account, in an amount not to exceed the amount identified in the LEAP omnibus document LEAS-2019, dated April 25, 2019. Prior to applying, agencies must submit to the office of financial management statewide oversight office a relocation plan that identifies estimated project costs, including how the lease aligns to the agency's six year leased facility plan.

NEW SECTION. Sec. 722. FOR THE STATE TREASURER—STATE REVENUE DISTRIBUTIONS TO CITIES FOR TEMPORARY STREAMLINED SALES TAX MITIGATION

General Fund—State Appropriation (FY 2020)	\$7,100,000
General Fund—State Appropriation (FY 2021)	\$9,300,000
TOTAL APPROPRIATION	\$16,400,000

The appropriations in this section are subject to the following conditions and limitations:

(1) In order to mitigate local sales tax revenue net losses as a result of the sourcing provisions of the streamlined sales and use tax agreement under Title 82 RCW, the state treasurer, on October 1, 2019, and each calendar quarter thereafter through June 30, 2021, must distribute the appropriations in this section to qualified local taxing districts to mitigate actual net losses as determined under this section by the department of revenue.

(2) In determining net losses under this section, the department must use each qualified local taxing district's annual loss as most recently determined pursuant to RCW 82.14.500 prior to January 1, 2019. The department is not required to determine annual losses on a recurring basis, but may make any adjustments to annual losses as it deems proper as a result of the annual reviews. Each calendar quarter, distributions must be made by the state treasurer on the last working day of the calendar quarter, as directed by the department, to each qualified local taxing district in an amount representing one-fourth of the district's annual loss reduced by voluntary compliance revenue reported during the previous calendar quarter and marketplace facilitator/remote seller revenue reported during the previous calendar quarter.

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

(a) "Loss" or "losses" means the local sales and use tax revenue reduction to a qualified local taxing district resulting from the sourcing provisions in RCW 82.14.490 and section 502, chapter 6, Laws of 2007, as most recently determined by the department under RCW 82.14.500 prior to January 1, 2019, including any adjustments made pursuant to subsection (2) of this section.

(b) "Marketplace facilitator/remote seller revenue" means the local sales and use tax revenue gain, including taxes voluntarily remitted and taxes collected from consumers, to each qualified local taxing district from part II of chapter 28, Laws of 2017 3rd sp. sess. and from chapter 8, Laws of 2019 (Substitute Senate Bill No. 5581), as estimated by the department in RCW 82.14.500(6). "Marketplace facilitator/remote seller revenue" includes the local sales tax revenue gain reported to the department from remote sellers as defined in RCW 82.08.010 that have registered through the central registration system authorized under the streamlined sales and use tax agreement.

(c) "Net loss" or "net losses" means a loss offset by any voluntary compliance revenue and marketplace facilitator/remote seller revenue.

(d) "Qualified local taxing district" means a city:

(i) That was eligible for streamlined sales tax mitigation payments of at least fifty thousand dollars under RCW 82.14.500 in calendar year 2018, based on the calculation and analysis required under RCW 82.14.500(3)(a); and

(ii) That has a continued local sales tax revenue loss as a result of the sourcing provision of the streamlined sales and use tax agreement under Title 82 RCW, as determined by the department.

(e) "Voluntary compliance revenue" means the local sales tax revenue gain to each qualified local taxing district reported to the department from persons registering through the central registration system authorized under the agreement.

***NEW SECTION. Sec. 723. FOR THE OFFICE OF FINANCIAL MANAGEMENT—AGENCY EFFICIENCIES**

<i>General Fund—State Appropriation (FY 2020)</i>	<i>(\$11,164,000)</i>
<i>General Fund—State Appropriation (FY 2021)</i>	<i>(\$11,164,000)</i>
<i>Education Legacy Trust Account—State Appropriation</i>	<i>(\$182,000)</i>
TOTAL APPROPRIATION	(\$22,510,000)

The appropriations in this section are subject to the following conditions and limitations:

(1) The legislature is committed to promoting a state government culture of continual improvement and efficiencies in state spending.

(2) Funding is adjusted for agency and institution appropriations to reflect savings from actions taken to lower overtime costs, professional service contracts, travel, goods and services, and capital outlays by one percent in fiscal year 2020 and one percent in fiscal year 2021. If agency or client service delivery needs require a deviation from the cost centers identified in this section, agencies and institutions may modify spending in an alternate manner to achieve the required savings. Agencies and institutions with fewer than one hundred full-time equivalent staff are not subject to the appropriation adjustments in this section.

(3) The office of financial management must reduce allotments in accordance with LEAP omnibus document SCNK-2019, dated April 26, 2019, and adjust appropriation schedules accordingly.

**Sec. 723 was vetoed. See message at end of chapter.*

NEW SECTION. Sec. 724. FOR THE DEPARTMENT OF AGRICULTURE—NORTHEAST WASHINGTON WOLF-LIVESTOCK MANAGEMENT ACCOUNT

General Fund—State Appropriation (FY 2020)	\$432,000
TOTAL APPROPRIATION	\$432,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the northeast Washington wolf-livestock management account for the deployment of nonlethal wolf deterrence resources as provided in chapter 16.76 RCW.

NEW SECTION. Sec. 725. FOR THE OFFICE OF FINANCIAL MANAGEMENT—HEALTH PROFESSIONS ACCOUNT

Dedicated Marijuana Account—State Appropriation (FY 2020)	\$701,000
TOTAL APPROPRIATION	\$701,000

The appropriation in this section is subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the health professions account to reimburse the account for costs incurred by the

department of health for the development and administration of the marijuana authorization database.

NEW SECTION. Sec. 726. FOR THE OFFICE OF FINANCIAL MANAGEMENT—LONG-TERM SERVICES AND SUPPORTS ACCOUNT

General Fund—State Appropriation (FY 2020)	\$1,231,000
General Fund—State Appropriation (FY 2021)	\$15,309,000
TOTAL APPROPRIATION	\$16,540,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the long-term services and supports account pursuant to Second Substitute House Bill No. 1087 (long-term services and supports). This constitutes a loan from the general fund and must be repaid, with interest, to the general fund by June 30, 2022. If Second Substitute House Bill No. 1087 (long-term services and supports) is not enacted by June 30, 2019, the amounts appropriated in this section shall lapse.

NEW SECTION. Sec. 727. FOR THE HEALTH CARE AUTHORITY—INDIAN HEALTH IMPROVEMENT REINVESTMENT ACCOUNT

General Fund—State Appropriation (FY 2021)	\$708,000
TOTAL APPROPRIATION	\$708,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the Indian health improvement reinvestment account created in Senate Bill No. 5415 (Indian health improvement). If the bill is not enacted by June 30, 2019, the amount provided in this section shall lapse.

NEW SECTION. Sec. 728. FOR THE OFFICE OF FINANCIAL MANAGEMENT—FOUNDATIONAL PUBLIC HEALTH SERVICES

General Fund—State Appropriation (FY 2020)	\$5,000,000
General Fund—State Appropriation (FY 2021)	\$5,000,000
Foundational Public Health Services Account—State	
Appropriation	\$12,000,000
TOTAL APPROPRIATION	\$22,000,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for distribution as provided in section 2, chapter 14, Laws of 2019 (foundational public health services).

NEW SECTION. Sec. 729. FOR THE GAMBLING COMMISSION—PROBLEM GAMBLING TASK FORCE

General Fund—State Appropriation (FY 2020)	\$100,000
TOTAL APPROPRIATION	\$100,000

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for expenditure into the gambling revolving account for the gambling commission to contract for a facilitator to staff and assist with a joint legislative task force on problem

gambling as provided in subsection (2) of this section. At a minimum, the contract must provide for the facilitation of meetings, to moderate the discussion, provide objective facilitation and negotiation between work group members, ensure participants receive information and guidance to assist in their preparation and timely response for meetings, and to synthesize agreements and recommendations ensuring the task force meets its reporting requirements.

(2) A joint legislative task force on problem gambling is created. The task force membership is composed of:

(a) One member from each of the two largest caucuses of the senate, appointed by the president of the senate;

(b) One member from each of the two largest caucuses in the house of representatives, appointed by the speaker of the house of representatives;

(c) A representative from the health care authority;

(d) A representative from the department of health;

(e) A representative from the gambling commission;

(f) A representative from the state lottery;

(g) A representative from the horse racing commission;

(h) A representative from a nonprofit organization with experience in problem gambling treatment and recovery services;

(i) Two representatives with experience in problem gambling treatment and recovery services, at least one of whom must be from a federally recognized Indian tribe;

(j) A member of the public who is impacted by a gambling problem or gambling disorder;

(k) A representative from a problem gambling recovery group or organization;

(l) A representative from a mental health provider group or organization;

(m) A representative from a licensed gambling business or organization;

(n) A representative from a federally recognized tribal gaming operation, group, or organization; and

(o) Other representatives from federally recognized Indian tribes, state agency representatives, or stakeholder group representatives, at the discretion of the task force, for the purpose of participating in specific topic discussions or subcommittees.

(3) The task force shall engage in the following activities:

(a) Review findings of the gambling commission's problem gambling study and report completed in 2018-2019;

(b) Review existing prevention, treatment, and recovery services to address problem gambling and gambling disorders in this state by public, private, and nonprofit entities;

(c) Review existing programs, services, and treatment to address problem gambling and gambling disorders in other states and the federal government;

(d) Make recommendations to the legislature regarding:

(i) How to proceed forward with a state prevalence study measuring the adult participation in gambling and adult problem gambling in this state;

(ii) Whether this state should expand state funding for prevention, treatment, and recovery services to address the need for these programs; and

(iii) What steps the state should take to improve the current licensing and certification of problem gambling providers to meet the current and projected future demand for services; and

(e) Identify additional problem gambling areas for consideration and any actions needed to ensure the state and/or regulatory agencies are effectively addressing problem gambling in an attempt to reduce the number of persons impacted by this disorder.

(5) Staff support for the task force must be provided by the agencies, departments, and commissions identified in subsection (2)(c) through (g) of this section. The state agencies, departments, and commissions identified in subsection (2)(c) through (g) of this section may enter into an interagency agreement related to the provision of staff support for the task force. Unless it is expressly provided for in the agreement between the agencies, departments, and commissions, nothing in this subsection requires staff of each of the agencies, departments, and commissions identified in subsection (1)(c) through (g) of this section to provide staff support to the task force.

(6) Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(7) The task force shall submit a preliminary report of recommendations to the appropriate committees of the legislature by November 1, 2020, and a final report by November 30, 2021.

NEW SECTION. Sec. 730. FOR THE OFFICE OF FINANCIAL MANAGEMENT—OUTDOOR EDUCATION AND RECREATION ACCOUNT

General Fund—State Appropriation (FY 2020)	\$750,000
General Fund—State Appropriation (FY 2021)	\$750,000
TOTAL APPROPRIATION	\$1,500,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the outdoor education and recreation account for the state parks and recreation commission's outdoor education and recreation program purposes identified in RCW 79A.05.351.

NEW SECTION. Sec. 731. FOR THE OFFICE OF FINANCIAL MANAGEMENT—COMMUNICATION SERVICES REFORM

General Fund—State Appropriation (FY 2020)	\$2,000,000
General Fund—State Appropriation (FY 2021)	\$2,000,000
TOTAL APPROPRIATION	\$4,000,000

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 universal communications services fund to fund the temporary universal communications services program pursuant to Second Substitute Senate Bill No. 5511 (broadband service). If the bill is not enacted by June 30, 2019, the amounts appropriated in this section shall lapse.

**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	\$10,528,000
General Fund Appropriation for prosecuting attorney distributions	\$7,014,000
General Fund Appropriation for boating safety and education distributions.	\$4,000,000
General Fund Appropriation for public utility district excise tax distributions	\$65,216,000
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies	\$3,464,000
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distributions	\$140,000
Timber Tax Distribution Account Appropriation for distribution to "timber" counties	\$84,366,000
County Criminal Justice Assistance Appropriation	\$106,123,000
Municipal Criminal Justice Assistance Appropriation	\$42,084,000
City-County Assistance Appropriation.	\$33,218,000
Liquor Excise Tax Account Appropriation for liquor excise tax distribution	\$64,079,000
Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistributions effect of sourcing law changes	\$2,220,000
Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville Reservation	\$8,379,000
Columbia River Water Delivery Account Appropriation for the Spokane Tribe of Indians	\$5,737,000
Liquor Revolving Account Appropriation for liquor profits distribution	\$98,876,000
General Fund Appropriation for other tax distributions	\$80,000
General Fund Appropriation for Marijuana Excise Tax distributions	\$30,000,000
General Fund Appropriation for Habitat Conservation Program distributions.	\$5,754,000
General Fund Appropriation for payment in-lieu of taxes to counties under Department of Fish and Wildlife program	\$3,993,000
Puget Sound Taxpayer Accountability Account Appropriation for distribution to counties in amounts not to exceed actual deposits into the account and attributable to those counties' share pursuant to RCW 43.79.520. If a county	

eligible for distributions under RCW 43.79.520 has not adopted a sales and use tax under RCW 82.14.460 before July 1, 2019, then to prevent these distributions from supplanting existing local funding for vulnerable populations, the distributions are subject to the procedural requirements in this section. Before the county may receive distributions, it must provide a final budget for the distributions, submit the final budget to the department of commerce, and publish the final budget on its web site. To develop this final budget, under RCW 36.40.040 the county must develop and hold hearings on a preliminary budget that is separate from other appropriations ordinances or resolutions, and it must consult stakeholders, including community service organizations, and must consider input received during this process. Before holding a hearing on the preliminary budget, the county must notify local governments in the county that are within the borders of the regional transit authority, and legislators whose districts are within those borders. The county must then adopt a final budget under RCW 36.40.080 for the distributions that is separate from other appropriations ordinances or resolutions. After the county submits its final budget for the distributions to the department of commerce, the department must notify the state treasurer, who may then make the distributions to the county. . . . \$28,683,000

TOTAL APPROPRIATION \$603,954,000

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 Appropriation \$1,933,000

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 2019-2021 fiscal 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—MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driving Safety Appropriation \$1,289,000

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 2019-2021 fiscal 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 flood control funds distribution \$66,000
General Fund Appropriation for federal grazing fees distribution \$45,000
General Fund Appropriation for federal military fees distribution \$487,000
Forest Reserve Fund Appropriation for federal forest reserve fund distribution \$4,980,000

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

Dedicated Marijuana Account: For transfer to the basic health plan trust account, the lesser of the amount determined pursuant to RCW 69.50.540 or this amount for fiscal year 2020, \$195,000,000 and this amount for fiscal year 2021, \$199,000,000 \$394,000,000
Dedicated Marijuana Account: For transfer to the state general fund, the lesser of the amount determined pursuant to RCW 69.50.540 or this amount for fiscal year 2020, \$136,000,000 and this amount for fiscal year 2021, \$138,000,000 \$274,000,000

Aquatic Lands Enhancement Account: For transfer to the clean up settlement account as repayment of the loan provided in section 3022(2), chapter 2, Laws of 2012 2nd sp. sess. (ESB 6074, 2012 supplemental capital budget), \$620,000 for fiscal year 2020 and \$620,000 for fiscal year 2021	\$1,240,000
Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account for fiscal year 2020	\$90,000,000
Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account for fiscal year 2021	\$90,000,000
General Fund: For transfer to the statewide tourism marketing account, \$1,500,000 for fiscal year 2020 and \$1,500,000 for fiscal year 2021	\$3,000,000
General Fund: For transfer to the streamlined sales and use tax account, \$2,220,000 for fiscal year 2020	\$2,220,000
Criminal Justice Treatment Account: For transfer to the home security fund, \$4,500,000 for fiscal year 2020 and \$4,500,000 for fiscal year 2021	\$9,000,000
State Treasurer's Service Account: For transfer to the state general fund, \$8,000,000 for fiscal year 2020 and \$8,000,000 for fiscal year 2021	\$16,000,000
Disaster Response Account: For transfer to the state general fund, \$28,000,000 for fiscal year 2021	\$28,000,000
General Fund: For transfer to the fair fund under RCW 15.76.115, \$2,000,000 for fiscal year 2020 and \$2,000,000 for fiscal year 2021	\$4,000,000
Energy Freedom Account: For transfer to the general fund, \$1,000,000 or as much thereof that represents the balance in the account for fiscal year 2020	\$1,000,000
Financial Services Regulation Account: For transfer to the state general fund, \$3,500,000 for fiscal year 2020 and \$3,500,000 for fiscal year 2021	\$7,000,000
Aquatic Lands Enhancement Account: For transfer to the geoduck aquaculture research account, \$400,000 for fiscal year 2020 and \$400,000 for fiscal year 2021	\$800,000
Public Works Assistance Account: For transfer to the education legacy trust account, \$80,000,000 for fiscal year 2020 and \$80,000,000 for fiscal year 2021	\$160,000,000
Model Toxics Control Operating Account: For transfer to the clean up settlement account as repayment	

of the loan provided in section 3022(2), chapter 2, Laws of 2012 2nd sp. sess. (ESB 6074, 2012 supplemental capital budget), \$620,000 for fiscal year 2020 and \$620,000 for fiscal year 2021 \$1,240,000

Marine Resources Stewardship Trust Account: For transfer to the aquatic lands enhancement account, \$160,000 for fiscal year 2020 \$160,000

Water Pollution Control Revolving Administration Account: For transfer to the water pollution control revolving account, \$4,500,000 for fiscal year 2020 \$4,500,000

Oil Spill Response Account: For transfer to the oil spill prevention account for the military department to continue assisting local emergency planning committees statewide with hazardous materials plans that meet minimum federal requirements, \$520,000 for fiscal year 2020 and \$520,000 for fiscal year 2021 \$1,040,000

**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 2017-2019 fiscal biennium.

NEW SECTION. Sec. 902. 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. An appropriation is not necessary to effect such repayment.

NEW SECTION. Sec. 903. STATUTORY APPROPRIATIONS

In addition to the amounts appropriated in this act for revenues for distribution, state contributions to the law enforcement officers' and firefighters' 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, 39.96, and 39.98 RCW or any proper bond covenant made under law.

NEW SECTION. Sec. 904. 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. 905. VOLUNTARY RETIREMENT AND SEPARATION

(1) As a management tool to reduce costs and make more effective use of resources, while improving employee productivity and morale, agencies may implement either a voluntary retirement or separation program, or both, that is cost neutral or results in cost savings, including costs to the state pension systems, over a two-year period following the commencement of the program, provided that such a program is approved by the director of financial management. Agencies participating in this authorization may offer voluntary retirement and/or separation incentives and options according to procedures and guidelines established by the office of financial management in consultation with the department of retirement systems. The options may include, but are not limited to, financial incentives for voluntary separation or retirement. An employee does not have a contractual right to a financial incentive offered under this section. The office of financial management and the department of retirement systems may review and monitor incentive offers. Agencies are required to submit a report by the date established by the office of financial management in the guidelines required in this section to the legislature and the office of financial management on the outcome of their approved incentive program. The report should include information on the details of the program, including the incentive payment amount for each participant, the total cost to the state, and the projected or actual net dollar savings over the two-year period.

(2) The department of retirement systems may collect from employers the actuarial cost of any incentive provided under this program, or any other incentive to retire provided by employers to members of the state's pension systems, for deposit in the appropriate pension account.

NEW SECTION. Sec. 906. COLLECTIVE BARGAINING AGREEMENTS NOT IMPAIRED

Nothing in this act prohibits the expenditure of any funds by an agency or institution of the state for benefits guaranteed by any collective bargaining agreement in effect on the effective date of this section.

NEW SECTION. Sec. 907. COLLECTIVE BARGAINING AGREEMENTS

The following sections represent the results of the 2019-2021 collective bargaining process required under the provisions of chapters 41.80, 41.56, and 74.39A RCW. Provisions of the collective bargaining agreements contained in sections 908 through 944 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 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.

NEW SECTION. Sec. 908. COLLECTIVE BARGAINING AGREEMENT—WFSE

An agreement has been reached between the governor and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications, premium pay for employees who work in King county, and establishment of a new information technology professional compensation structure.

NEW SECTION. Sec. 909. COLLECTIVE BARGAINING AGREEMENT—WFSE DEPARTMENT OF CORRECTIONS UNIQUE CLASSIFICATIONS

An agreement has been reached between the governor and the Washington federation of state employees general government for department of corrections unique classifications through an interest arbitration award as provided in a memorandum of understanding between the parties and under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. In addition to the economic provisions applicable to all employees covered by the agreement in section 908 of this act, funding is provided for the awarded increases for targeted job classifications ranging from five to ten percent.

NEW SECTION. Sec. 910. COLLECTIVE BARGAINING AGREEMENT—WPEA

An agreement has been reached between the governor and the Washington public employees association general government under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications, premium pay for employees who work in King county, and establishment of a new information technology professional compensation structure.

NEW SECTION. Sec. 911. COLLECTIVE BARGAINING AGREEMENT—WAFWP

An agreement has been reached between the governor and the Washington association of fish and wildlife professionals under the provisions of chapter 41.80 RCW. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications, premium pay for employees who work in King county, and establishment of a new information technology professional compensation structure.

NEW SECTION. Sec. 912. COLLECTIVE BARGAINING AGREEMENT—PTE LOCAL 17

An agreement has been reached between the governor and the professional and technical employees local 17 under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and premium pay for employees who work in King county.

NEW SECTION. Sec. 913. COLLECTIVE BARGAINING AGREEMENT—SEIU HEALTHCARE 1199NW

An agreement has been reached between the governor and the service employees international union healthcare 1199nw under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and additional nurses' premium pay.

NEW SECTION. Sec. 914. COLLECTIVE BARGAINING AGREEMENT—TEAMSTERS LOCAL 117 DEPARTMENT OF CORRECTIONS

An agreement has been reached between the governor and the international brotherhood of teamsters local 117 for the department of corrections through an interest arbitration award as provided in a memorandum of understanding between the parties and chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for the awarded four percent general wage increase effective July 1, 2019, four percent general wage increase effective July 1, 2020, and salary adjustments for targeted job classifications. The agreement also includes and funding is provided for salary adjustments for other targeted job classifications.

NEW SECTION. Sec. 915. COLLECTIVE BARGAINING AGREEMENT—TEAMSTERS LOCAL 117 DEPARTMENT OF ENTERPRISE SERVICES

An agreement has been reached between the governor and the international brotherhood of teamsters local 117 for the department of enterprise services under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications.

NEW SECTION. Sec. 916. COLLECTIVE BARGAINING AGREEMENT—COALITION OF UNIONS

An agreement has been reached between the governor and the coalition of unions under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications, premium pay for employees who work in King county, loan repayments for eligible physicians and psychiatrists, and recruitment incentives for psychiatrists.

NEW SECTION. Sec. 917. COLLECTIVE BARGAINING AGREEMENT—WFSE HIGHER EDUCATION COMMUNITY COLLEGE COALITION

An agreement has been reached between the governor and the Washington federation of state employees community college coalition under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three

percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications, premium pay for employees who work in King county, and establishment of a new information technology professional compensation structure.

NEW SECTION. Sec. 918. COLLECTIVE BARGAINING AGREEMENT—WPEA HIGHER EDUCATION COMMUNITY COLLEGE COALITION

An agreement has been reached between the governor and the Washington public employees association community college coalition under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications, premium pay for employees who work in King county, and establishment of a new information technology professional compensation structure.

NEW SECTION. Sec. 919. COLLECTIVE BARGAINING AGREEMENT—WSP TROOPERS ASSOCIATION

An agreement has been reached between the governor and the Washington state patrol troopers association under the provisions of chapter 41.56 RCW for the 2019-2021 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2019, and a two and one-half of one percent general wage increase effective July 1, 2020.

NEW SECTION. Sec. 920. COLLECTIVE BARGAINING AGREEMENT—WSP LIEUTENANTS AND CAPTAINS ASSOCIATION

An agreement has been reached between the governor and the Washington state patrol lieutenants and captains association under the provisions of chapter 41.56 RCW for the 2019-2021 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2019, and a two and one-half of one percent general wage increase effective July 1, 2020.

NEW SECTION. Sec. 921. COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—SEIU 925

An agreement has been reached between the University of Washington and the service employees international union local 925 under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2019, and a two percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted recruitment and retention for certain job classifications, market adjustments for multiple job classifications, a fully subsidized U-PASS, an increase in the hourly premium rate for standby pay for eligible job classification, and a one-time lump sum payment for those in active permanent appointments as of July 1, 2019. Funding is not provided for the contingent two percent increases for locality adjustments that require permanent state funding from a nonuniversity source.

NEW SECTION. Sec. 922. COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—SEIU 1199 RESEARCH/HALL HEALTH

An agreement has been reached between the University of Washington and the service employees international union local 1199 research/hall health under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2019, and a two percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted recruitment and retention for certain job classifications, a fully subsidized U-PASS, and a one-time lump sum payment for those in active permanent appointments as of July 1, 2019. Funding is not provided for the contingent two percent increases for locality adjustments that require permanent state funding from a nonuniversity source.

NEW SECTION. Sec. 923. COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—TEAMSTERS LOCAL 117 POLICE

An agreement has been reached between the University of Washington and teamster local 117 under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2019, and a two percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for increases in longevity premium pay, and annual incentive payments for certain educational credentials. Funding is not provided for the contingent two percent increases for locality adjustments that require permanent state funding from a nonuniversity source.

NEW SECTION. Sec. 924. COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—WFSE POLICE MANAGEMENT

An agreement has been reached between the University of Washington and the Washington federation of state employees police management under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2019, and a two percent general wage increase effective July 1, 2020. The agreement also includes funding for a protective footwear allowance. Funding is not provided for the contingent two percent increases for locality adjustments that require permanent state funding from a nonuniversity source.

NEW SECTION. Sec. 925. COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—WFSE

An agreement has been reached between the University of Washington and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. The agreement includes and funding is provided for a two percent general wage increase effective July 1, 2019, and a two percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for a subsidized U-PASS, specified paid family and medical leave benefits, recruitment and retention increases for specified job classes, standby premium increases, and a ratification lump-sum payment. Funding is not provided for the contingent two percent increases for locality adjustments that require permanent state funding from a nonuniversity source.

NEW SECTION. Sec. 926. COLLECTIVE BARGAINING AGREEMENT—WASHINGTON STATE UNIVERSITY—WFSE

An agreement has been reached between the Washington State University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. For bargaining units 2, 12, 13, 15, and 20, the agreement includes and funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for increases in shift differential and hazard pay.

NEW SECTION. Sec. 927. COLLECTIVE BARGAINING AGREEMENT—WASHINGTON STATE UNIVERSITY—WSU POLICE GUILD BARGAINING UNIT 4

An agreement has been reached between the Washington State University and the WSU police guild bargaining unit 4 under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. The agreement includes and funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for increases in shift differential, salary for instructor pay, and the field training officer.

NEW SECTION. Sec. 928. COLLECTIVE BARGAINING AGREEMENT—CENTRAL WASHINGTON UNIVERSITY—WFSE

An agreement has been reached between Central Washington University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for additional leave for life saving procedures, a one-time signing bonus of two hundred dollars on July 1, 2019, and an across-the-board increase to fifteen dollars per hour for minimum wage. In addition, for campus police, the agreement includes and funding is provided for additional equipment and an increase to range 62.

NEW SECTION. Sec. 929. COLLECTIVE BARGAINING AGREEMENT—CENTRAL WASHINGTON UNIVERSITY—PSE

An agreement has been reached between Central Washington University and the public school employees under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for a one-time signing bonus of two hundred dollars on July 1, 2019, additional leave for life saving procedures, and an across-the-board increase to fifteen dollars per hour for minimum wage.

NEW SECTION. Sec. 930. COLLECTIVE BARGAINING AGREEMENT—THE EVERGREEN STATE COLLEGE—WFSE

An agreement has been reached between The Evergreen State College and the Washington federation of state employees supervisory and nonsupervisory units under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1,

2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications, a shift differential increase, a one-time lump sum payment of one hundred dollars, and increase to fourteen dollars per hour for minimum wage.

NEW SECTION. Sec. 931. COLLECTIVE BARGAINING AGREEMENT—WESTERN WASHINGTON UNIVERSITY—WFSE

An agreement has been reached between Western Washington University and the Washington federation of state employees bargaining units A, B, and E under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for general government salary range adjustments for targeted job classifications, footwear reimbursement for specific job classification, increase in vacation leave accruals, and a signing incentive.

NEW SECTION. Sec. 932. COLLECTIVE BARGAINING AGREEMENT—WESTERN WASHINGTON UNIVERSITY—PSE

An agreement has been reached between Western Washington University and the public school employees bargaining units D and PT under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for general government salary range adjustments for targeted job classifications, establishment of a new information technology professional compensation structure, footwear reimbursement for specific job classification, increase in vacation leave accruals, and a signing incentive.

NEW SECTION. Sec. 933. COLLECTIVE BARGAINING AGREEMENT—EASTERN WASHINGTON UNIVERSITY—WFSE

An agreement has been reached between Eastern Washington University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary range adjustments for targeted classifications and a one-time payment of one hundred dollars.

NEW SECTION. Sec. 934. COLLECTIVE BARGAINING AGREEMENT—YAKIMA VALLEY COMMUNITY COLLEGE—WPEA

An agreement has been reached between Yakima Valley Community College and the Washington public employees association under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications, establishment of a new information technology professional compensation structure, and in an increase in the hourly minimum wage rate.

NEW SECTION. Sec. 935. COLLECTIVE BARGAINING AGREEMENT—HIGHLINE COMMUNITY COLLEGE—WPEA

An agreement has been reached between Highline Community College and the Washington public employees association under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for a one-time ratification incentive of four hundred dollars to be paid in fiscal year 2020, salary adjustments for targeted job classifications, an increase in shift premium, additional leave accruals, establishment of a new information technology professional compensation structure, and premium pay for employees working in King county.

NEW SECTION. Sec. 936. COMPENSATION—REPRESENTED EMPLOYEES—HEALTH CARE COALITION—INSURANCE BENEFITS

An agreement was reached for the 2019-2021 biennium between the governor and the health care coalition under the provisions of chapter 41.80 RCW. Appropriations in this act for state agencies, including institutions of higher education, are sufficient to implement the provisions of the 2019-2021 collective bargaining agreement, including health flexible spending accounts for eligible employees under the agreement, and are subject to the following conditions and limitations:

The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$939 per eligible employee for fiscal year 2020. For fiscal year 2021, the monthly employer funding rate shall not exceed \$976 per eligible employee.

NEW SECTION. Sec. 937. COMPENSATION—REPRESENTED EMPLOYEES OUTSIDE HEALTH CARE COALITION—INSURANCE BENEFITS

Appropriations for state agencies in this act are sufficient for represented employees outside the coalition for health benefits, and are subject to the following conditions and limitations: The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, may not exceed \$939 per eligible employee for fiscal year 2020. For fiscal year 2021, the monthly employer funding rate may not exceed \$976 per eligible employee.

NEW SECTION. Sec. 938. COMPENSATION—SCHOOL EMPLOYEES—INSURANCE BENEFITS

An agreement was reached for the 2019-2021 biennium between the governor and the school employee coalition under the provisions of chapters 41.56 and 41.59 RCW. Appropriations in this act for allocations to school districts are sufficient to implement the provisions of the 2019-2021 collective bargaining agreement, and for procurement of a benefit package that is materially similar to benefits provided by the public employee benefits program as outlined in policies adopted by the school employees' benefits board, and are subject to the following conditions and limitations:

(1) The monthly employer funding rate for insurance benefit premiums, school employees' benefits board administration, retiree remittance, and the uniform medical plan, shall not exceed \$994 per eligible employee beginning January 1, 2020. For fiscal year 2021, the monthly employer funding rate shall

not exceed \$1,056 per eligible employee. Employers will contribute one hundred percent of the retiree remittance defined in section 939 of this act.

(2) For the purposes of distributing insurance benefits, certificated staff units as determined in section 504 of this act will be multiplied by 1.02 and classified staff units as determined in section 504 of this act will be multiplied by 1.43.

(3) Except as provided by the parties' health care agreement, in order to achieve the level of funding provided for health benefits, the school 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 other changes to benefits consistent with RCW 41.05.740. The board shall collect a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than ninety-five percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment.

(4) The health care authority shall deposit any moneys received on behalf of the school employees' 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 school employees' and retirees' insurance account to be used for insurance benefits. Such receipts may not be used for administrative expenditures.

NEW SECTION. Sec. 939. 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, and are subject to the following conditions and limitations:

(1) The employer monthly funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$939 per eligible employee for fiscal year 2020. For fiscal year 2021, the monthly employer funding rate shall not exceed \$976 per eligible employee. These rates assume the use of approximately \$59 million of plan reserves in fiscal year 2020 and \$97 million in fiscal year 2021.

(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. For calendar years 2020 and 2021, the subsidy shall be up to \$183 per month. Funds from reserves accumulated for future adverse claims experience, from past favorable claims experience, or otherwise, may not be used to increase this retiree subsidy beyond what is authorized by the legislature in this subsection.

(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, \$69.56 per month beginning September 1, 2019, and \$76.13 beginning September 1, 2020;

(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, \$69.56 each month beginning September 1, 2019, and \$76.13 beginning September 1, 2020, 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 do 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. 940. PUBLIC EMPLOYEES' BENEFITS BOARD MEDICARE-ELIGIBLE RETIREE SUBSIDY

Appropriations for state agencies in this act provide sufficient funding for an increase in the state employer funding rate in the public employees' benefits board program of \$1 in fiscal year 2020 and \$5 in fiscal year 2021 attributable to increasing the monthly medicare-eligible retiree subsidy from \$168 per month to \$183 per month. Additional funding is also included in school district allocations attributable to this benefit change.

NEW SECTION. Sec. 941. COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES—WFSE LANGUAGE ACCESS PROVIDERS

An agreement has been reached between the governor and the Washington federation of state employees for the language access providers under the provisions of chapter 41.56 RCW for the 2019-2021 fiscal biennium. Funding is provided for a rate increase of one dollar and twenty four cents per hour for fiscal year 2020 and a rate increase of one dollar and twenty cents per hour for fiscal year 2021. The agreement also includes and funding is provided for a two dollar per hour social service premium for appointments from the department of social and health services and the department of children, youth, and families, and a travel incentive pilot.

NEW SECTION. Sec. 942. COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES—SEIU LOCAL 775 HOME CARE WORKERS

An agreement has been reached between the governor and the service employees international union local 775 under the provisions of chapter 74.39A RCW and 41.56 RCW for the 2019-2021 fiscal biennium. Funding is provided for wage increases at six month intervals through the term of the agreement and additional adjustments throughout the wage scale. The agreement also includes and funding is provided for increased contributions to the training, health care and retirement trusts, and advanced training incentives.

NEW SECTION. Sec. 943. COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES—SEIU LOCAL 925 CHILDCARE WORKERS

An agreement has been reached between the governor and the service employees international union local 925 through an interest arbitration award under the provisions of chapter 41.56 RCW for the 2019-2021 fiscal biennium. Funding is provided for raising licensed provider rates in all regions to the fifty-

fifth market percentile in fiscal year 2020, a six percent increase in fiscal year 2021 for licensed providers, a five cent an hour per child increase in fiscal year 2020 for licensed-exempt providers, and a four percent increase in fiscal year 2021 for licensed-exempt providers. The agreement also includes and funding is provided for seventy five percent payment for half day units when morning and afternoon care is provided, expanded funding, capacity and hours for use of the substitute pools, and an increase to the early achievers tiered reimbursement incentive for levels three and four.

NEW SECTION. Sec. 944. COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES—ADULT FAMILY HOME COUNCIL

An agreement has been reached between the governor and the adult family home council under the provisions of chapter 41.56 RCW for the 2019-2021 fiscal biennium. Funding is provided for increases to the base daily rates with additional support for training and health care costs. The agreement also includes and funding is provided for increases to the expanded community service daily rate, the specialized behavioral support add-on rate, respite rates, the community integration rate, the meaningful day add-on rate, and a new medical escort fee.

NEW SECTION. Sec. 945. GENERAL WAGE INCREASES

(1) Appropriations for state agency employee compensation in this act are sufficient to provide general wage increases to state agency employees who are not represented or who bargain under statutory authority other than chapter 41.80 or 47.64 RCW or RCW 41.56.473 or 41.56.475, except those employed by the University of Washington.

(2) Funding is provided for a three percent general wage increase effective July 1, 2019, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a three percent salary increase effective July 1, 2019, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(3) Funding is provided for a three percent general wage increase effective July 1, 2020, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a three percent salary increase effective July 1, 2020, 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. 946. CONDITIONAL AND GENERAL WAGE INCREASES—UNIVERSITY OF WASHINGTON

(1) Appropriations for the University of Washington in this act are sufficient to provide a general wage increase to employees who are not represented or who bargain under a statutory authority other than chapters 41.80 or 47.64 RCW or RCW 41.56.473. Funding is provided for a two percent general wage increase

effective July 1, 2019, and a two percent increase July 1, 2020, for all employees described by this subsection.

(2) Appropriations for the University of Washington in this act are also sufficient to provide an additional wage increase for all employees, both represented and not represented, of one percent effective July 1, 2019, and one percent effective July 1, 2020. This additional wage increase, funded in section 606 of this act, is conditioned upon the University of Washington concluding changes to the bargaining agreements with represented employees, including those whose agreements are approved in sections 921, 922, 923, 924, and 925 of this act, to provide the same one percent increases to represented employees.

NEW SECTION. Sec. 947. INITIATIVE 732 COST-OF-LIVING INCREASES

Part IX of this act authorizes general wage increases for state employees covered by Initiative Measure No. 732. The general wage increase on July 1, 2019, provides a portion of the annual cost-of-living adjustments required under Initiative Measure No. 732. Funding is also provided for an additional increase of 0.2 percent on July 1, 2019. Funding is provided for a salary increase on July 1, 2020, of 2.8 percent for these employees, for a nominal total of a 6 percent increase during the 2019-2021 fiscal biennium.

NEW SECTION. Sec. 948. TARGETED COMPENSATION INCREASES

Funding is provided for salary adjustments for targeted job classifications as specified by the office of financial management for classified state employees, except those represented by a collective bargaining unit under chapters 41.80 and 47.64 RCW and RCW 41.56.473 and 41.56.475.

NEW SECTION. Sec. 949. MINIMUM STARTING WAGE

Funding is also provided for a minimum starting wage of fourteen dollars an hour, effective July 1, 2019, and for increases in wages of job classes that are aligned with affected job classes, except those represented by a collective bargaining unit under chapters 41.80 and 47.64 RCW and RCW 41.56.473 and 41.56.475. This funding is sufficient for general government agencies and higher education institutions to comply with the provisions of Initiative Measure No. 1433 with respect to state employees.

NEW SECTION. Sec. 950. PREMIUM PAY

Funding is also provided for a five percent premium pay for employees working in King county, except those represented by a collective bargaining unit under chapters 41.80 and 47.64 RCW and RCW 41.56.473 and 41.56.475, and section 946 of this act.

NEW SECTION. Sec. 951. COMPENSATION—REVISE PENSION CONTRIBUTION RATES

The appropriations in this act for school districts and state agencies, including institutions of higher education, are subject to the following conditions and limitations: Appropriations are adjusted to reflect changes to agency appropriations to reflect pension contribution rates adopted by the pension funding council, the omnibus transportation funding act, and the law enforcement officers' and firefighters' retirement system plan 2 board.

The legislature reaffirms that the rates adopted by the pension funding council and funded in this act include a cost-of-living adjustment for plan 1

retirees receiving the minimum benefits. This includes an annual 3 percent cost-of-living adjustment for people that have at least 25 years of service and have been retired at least 20 years, or have at least 20 years of service and have been retired at least 25 years, as well as a uniform cost-of-living increase for retirees receiving the basic minimum benefit.

NEW SECTION. Sec. 952. (1) The Washington state criminal sentencing task force is established.

(2) The task force is composed of members as provided in this subsection.

(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 president of the senate and the speaker of the house of representatives jointly shall appoint members representing the following:

(i) The office of the governor;

(ii) Caseload forecast council;

(iii) Department of corrections;

(iv) Sentencing guidelines commission;

(v) Statewide family council administered by the department of corrections;

(vi) Statewide reentry council;

(vii) Superior court judges' association;

(viii) Washington association of criminal defense attorneys or the Washington defender association;

(ix) Washington association of prosecuting attorneys;

(x) Washington association of sheriffs and police chiefs;

(xi) Washington state association of counties;

(xii) Washington state minority and justice commission;

(xiii) A labor organization representing active law enforcement officers in Washington state;

(xiv) Two different community organizations representing the interests of incarcerated persons; and

(xv) Two different community organizations or other entities representing the interests of crime victims.

(3) The legislative membership shall convene the initial meeting of the task force no later than September 1, 2019. The membership shall select the task force's cochairs, which must include one legislator and one nonlegislative member.

(4) The task force shall review state sentencing laws, including a consideration of the report of the sentencing guidelines commission required by section 129, chapter 299, Laws of 2018. The task force shall develop recommendations for the purpose of:

(a) Reducing sentencing implementation complexities and errors;

(b) Improving the effectiveness of the sentencing system; and

(c) Promoting and improving public safety.

(5) The task force shall submit an initial report, including findings and recommendations, to the governor and the appropriate committees of the legislature by December 31, 2019. The task force shall submit a final report by December 31, 2020.

(6)(a) The William D. Ruckelshaus center shall administer and provide staff support and facilitation services to the task force. The center may, when deemed necessary by the task force, contract with one or more appropriate consultants to provide data analysis, research, and other services to the task force for the purposes provided in subsection (4) of this section.

(b) The caseload forecast council shall provide information, data analysis, and other necessary assistance upon the request of the task force.

(7) Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(8) This section expires January 1, 2021.

Sec. 953. RCW 28B.20.476 and 2018 c 299 s 905 are each amended to read as follows:

The geoduck aquaculture research account is created in the custody of the state treasurer. All receipts from any legislative appropriations, the aquaculture industry, or any other private or public source directed to the account must be deposited in the account. Expenditures from the account may only be used by the sea grant program for the geoduck research projects identified by RCW 28B.20.475. Only the president of the University of Washington or the president's designee may authorize expenditures from the account. The account is subject to the allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. During the 2017-2019 and 2019-2021 fiscal (~~biennium~~) biennia, amounts available in the geoduck aquaculture research account may also be appropriated for the sea grant program at the University of Washington to conduct research examining the possible negative and positive effects of evolving shellfish aquaculture techniques and practices on Washington's economy and marine ecosystems, and to protect against the impacts of invasive European green crab. It is the intent of the legislature that this policy be continued in future biennia.

Sec. 954. RCW 28B.115.070 and 2017 3rd sp.s. c 1 s 958 are each amended to read as follows:

(1) After June 1, 1992, the department, in consultation with the office and the department of social and health services, shall:

(a) Determine eligible credentialed health care professions for the purposes of the loan repayment and scholarship program authorized by this chapter. Eligibility shall be based upon an assessment that determines that there is a shortage or insufficient availability of a credentialed profession so as to jeopardize patient care and pose a threat to the public health and safety. The department shall consider the relative degree of shortages among professions when determining eligibility. The department may add or remove professions from eligibility based upon the determination that a profession is no longer in shortage. Should a profession no longer be eligible, participants or eligible students who have received scholarships shall be eligible to continue to receive scholarships or loan repayments until they are no longer eligible or until their service obligation has been completed;

(b) Determine health professional shortage areas for each of the eligible credentialed health care professions.

(2) For the 2017-2019 and 2019-2021 fiscal ~~((biennium))~~ biennia, consideration for eligibility shall also be given to registered nursing students who have been accepted into an eligible nursing education program and have declared an intention to teach nursing upon completion of the nursing education program.

Sec. 955. RCW 28C.04.535 and 2017 3rd sp.s. c 1 s 960 are each amended to read as follows:

Except for the ~~((2017-18 and))~~ 2018-19, 2019-20, and 2020-21 school years, the Washington award for vocational excellence shall be granted annually. It is the intent of the legislature to continue the policy of not granting the Washington award for vocational excellence in the 2019-20 and 2020-21 school years. The workforce training and education coordinating board shall notify the students receiving the award, their vocational instructors, local chambers of commerce, the legislators of their respective districts, and the governor, after final selections have been made. The workforce training and education coordinating board, in conjunction with the governor's office, shall prepare appropriate certificates to be presented to the selected students. Awards shall be presented in public ceremonies at times and places determined by the workforce training and education coordinating board in cooperation with the office of the governor.

Sec. 956. RCW 38.52.105 and 2017 3rd sp.s. c 1 s 962 are each amended to read as follows:

The disaster response account is created in the state treasury. Moneys may be placed in the account from legislative appropriations and transfers, federal appropriations, or any other lawful source. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for support of state agency and local government disaster response and recovery efforts and to reimburse the workers' compensation funds and self-insured employers under RCW 51.16.220. ~~((During the 2009-2011 fiscal biennium, the legislature may transfer from the disaster response account to the state drought preparedness account such amounts as reflect the excess fund balance of the account to support expenditures related to a state drought declaration. During the 2009-2011 fiscal biennium, the legislature may transfer from the disaster response account to the state general fund such amounts as reflect the excess fund balance of the account.))~~ During the ~~((2015-2017 and))~~ 2017-2019 and 2019-2021 fiscal ~~((biennium))~~ biennia, expenditures from the disaster response account may be used for military department operations and to support wildland fire suppression preparedness, prevention, and restoration activities by state agencies and local governments. During the 2017-2019 and 2019-2021 fiscal ~~((biennium))~~ biennia, the legislature may direct the treasurer to make transfers of moneys in the disaster response account to the state general fund. It is the intent of the legislature that these policies will be continued in subsequent fiscal biennia.

Sec. 957. RCW 41.06.280 and 2016 sp.s. c 36 s 919 are each amended to read as follows:

(1) There is hereby created a fund within the state treasury, designated as the "personnel service fund," to be used by the office of financial management as a revolving fund for the payment of salaries, wages, and operations required for the administration of the provisions of this chapter, applicable provisions of chapter 41.04 RCW, and chapter 41.60 RCW. An amount not to exceed one and one-half percent of the salaries and wages for all positions in the classified service in each of the agencies subject to this chapter, except the institutions of higher education, shall be charged to the operations appropriations of each agency and credited to the personnel service fund as the allotments are approved pursuant to chapter 43.88 RCW. Subject to the above limitations, the amount shall be charged against the allotments pro rata, at a rate to be fixed by the director from time to time which, together with income derived from services rendered under RCW 41.06.080, will provide the office of financial management with funds to meet its anticipated expenditures during the allotment period, including the training requirements in RCW 41.06.500 and 41.06.530. All revenues, net of expenditures, previously derived from services provided by the department of enterprise services under RCW 41.06.080 must be transferred to the enterprise services account.

(2) The director shall fix the terms and charges for services rendered by the office of financial management pursuant to RCW 41.06.080, which amounts shall be credited to the personnel service fund and charged against the proper fund or appropriation of the recipient of such services on a monthly basis. Payment for services so rendered under RCW 41.06.080 shall be made on a monthly basis to the state treasurer and deposited in the personnel service fund.

(3) Moneys from the personnel service fund shall be disbursed by the state treasurer by warrants on vouchers duly authorized by the office of financial management.

~~((During the 2013-2015 and 2015-2017 fiscal biennium [biennia], the legislature may transfer from the personnel service fund to the state general fund such amounts as reflect the excess fund balance of the account.))~~ (4) During the 2019-2021 fiscal biennium, the office of financial management may use the personnel service fund to administer an employee transit pass program. The office of financial management must bill state agencies for the total cost of administering the program and payments received from agencies must be deposited in the personnel service fund.

(5) During the 2019-2021 fiscal biennium, the office of financial management may use the personnel service fund to administer an employee flexible spending arrangement. The office of financial management must bill state agencies for the total cost of administering the program and payments received from agencies must be deposited in the personnel service fund.

Sec. 958. RCW 41.26.450 and 2017 3rd sp.s. c 1 s 963 are each amended to read as follows:

(1) Port districts established under Title 53 RCW and institutions of higher education as defined in RCW 28B.10.016 shall contribute both the employer and state shares of the cost of the retirement system for any of their employees who are law enforcement officers.

(2) Institutions of higher education shall contribute both the employer and the state shares of the cost of the retirement system for any of their employees who are firefighters.

(3) During fiscal years 2018 and 2019 and during the 2019-2021 fiscal biennium:

When an employer charges a fee or recovers costs for work performed by a plan member where:

(a) The member receives compensation that is includable as basic salary under RCW 41.26.030(4)(b); and

(b) The service is provided, whether directly or indirectly, to an entity that is not an "employer" under RCW 41.26.030(14)(b);

the employer shall contribute both the employer and state shares of the cost of the retirement system contributions for that compensation. Nothing in this subsection prevents an employer from recovering the cost of the contribution from the entity receiving services from the member.

Sec. 959. RCW 41.45.230 and 2012 c 187 s 11 are each amended to read as follows:

The pension funding stabilization account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for payment of state government employer contributions for members of the public employees' retirement system, the teachers' retirement system, the school employees' retirement system, and the public safety employees' retirement system, and during the 2019-2021 fiscal biennium for the judicial retirement system. The account may not be used to pay for any new benefit or for any benefit increase that takes effect after July 1, 2005. An increase that is provided in accordance with a formula that is in existence on July 1, 2005, is not considered a benefit increase for this purpose. Moneys in the account shall be for the exclusive use of the specified retirement systems and may be invested by the state treasurer pursuant to RCW 43.84.080. For purposes of RCW 43.135.034, expenditures from the pension funding stabilization account shall not be considered a state program cost shift from the state general fund to another account.

Sec. 960. RCW 41.60.050 and 2017 3rd sp.s. c 1 s 965 are each amended to read as follows:

The legislature shall appropriate from the personnel service fund for the payment of administrative costs of the productivity board. However, during the 2015-2017 (~~and~~), 2017-2019, and 2019-2021 fiscal biennia, the operations of the productivity board shall be suspended.

Sec. 961. RCW 41.80.010 and 2017 3rd sp.s. c 23 s 3 are each amended to read as follows:

(1) For the purpose of negotiating collective bargaining agreements under this chapter, the employer shall be represented by the governor or governor's designee, except as provided for institutions of higher education in subsection (4) of this section.

(2)(a) If an exclusive bargaining representative represents more than one bargaining unit, the exclusive bargaining representative shall negotiate with each employer representative as designated in subsection (1) of this section one master collective bargaining agreement on behalf of all the employees in bargaining units that the exclusive bargaining representative represents. For those exclusive bargaining representatives who represent fewer than a total of five hundred employees each, negotiation shall be by a coalition of all those

exclusive bargaining representatives. The coalition shall bargain for a master collective bargaining agreement covering all of the employees represented by the coalition. The governor's designee and the exclusive bargaining representative or representatives are authorized to enter into supplemental bargaining of agency-specific issues for inclusion in or as an addendum to the master collective bargaining agreement, subject to the parties' agreement regarding the issues and procedures for supplemental bargaining. This section does not prohibit cooperation and coordination of bargaining between two or more exclusive bargaining representatives.

(b) This subsection (2) does not apply to exclusive bargaining representatives who represent employees of institutions of higher education, except when the institution of higher education has elected to exercise its option under subsection (4) of this section to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section.

(c) If five hundred or more employees of an independent state elected official listed in RCW 43.01.010 are organized in a bargaining unit or bargaining units under RCW 41.80.070, the official shall be consulted by the governor or the governor's designee before any agreement is reached under (a) of this subsection concerning supplemental bargaining of agency specific issues affecting the employees in such bargaining unit.

(3) The governor shall submit a request for funds necessary to implement the compensation and fringe benefit provisions in the master collective bargaining agreement or for legislation necessary to implement the agreement. Requests for funds necessary to implement the provisions of bargaining agreements shall not be submitted to the legislature by the governor unless such requests:

(a) Have been submitted to the director of the office of financial management by October 1 prior to the legislative session at which the requests are to be considered; and

(b) Have been certified by the director of the office of financial management as being feasible financially for the state.

The legislature shall approve or reject the submission of the request for funds as a whole. The legislature shall not consider a request for funds to implement a collective bargaining agreement unless the request is transmitted to the legislature as part of the governor's budget document submitted under RCW 43.88.030 and 43.88.060. If the legislature rejects or fails to act on the submission, either party may reopen all or part of the agreement or the exclusive bargaining representative may seek to implement the procedures provided for in RCW 41.80.090.

(4)(a)(i) For the purpose of negotiating agreements for institutions of higher education, the employer shall be the respective governing board of each of the universities, colleges, or community colleges or a designee chosen by the board to negotiate on its behalf.

(ii) A governing board of a university or college may elect to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section, except that:

(A) The governor or the governor's designee and an exclusive bargaining representative shall negotiate one master collective bargaining agreement for all of the bargaining units of employees of a university or college that the representative represents; or

(B) If the parties mutually agree, the governor or the governor's designee and an exclusive bargaining representative shall negotiate one master collective bargaining agreement for all of the bargaining units of employees of more than one university or college that the representative represents.

(iii) A governing board of a community college may elect to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section.

(b) Prior to entering into negotiations under this chapter, the institutions of higher education or their designees shall consult with the director of the office of financial management regarding financial and budgetary issues that are likely to arise in the impending negotiations.

(c)(i) In the case of bargaining agreements reached between institutions of higher education other than the University of Washington and exclusive bargaining representatives agreed to under the provisions of this chapter, if appropriations are necessary to implement the compensation and fringe benefit provisions of the bargaining agreements, the governor shall submit a request for such funds to the legislature according to the provisions of subsection (3) of this section, except as provided in (c)(iii) of this subsection.

(ii) In the case of bargaining agreements reached between the University of Washington and exclusive bargaining representatives agreed to under the provisions of this chapter, if appropriations are necessary to implement the compensation and fringe benefit provisions of a bargaining agreement, the governor shall submit a request for such funds to the legislature according to the provisions of subsection (3) of this section, except as provided in this subsection (4)(c)(ii) and as provided in (c)(iii) of this subsection.

(A) If appropriations of less than ten thousand dollars are necessary to implement the provisions of a bargaining agreement, a request for such funds shall not be submitted to the legislature by the governor unless the request has been submitted to the director of the office of financial management by October 1 prior to the legislative session at which the request is to be considered.

(B) If appropriations of ten thousand dollars or more are necessary to implement the provisions of a bargaining agreement, a request for such funds shall not be submitted to the legislature by the governor unless the request:

(I) Has been submitted to the director of the office of financial management by October 1 prior to the legislative session at which the request is to be considered; and

(II) Has been certified by the director of the office of financial management as being feasible financially for the state.

(C) If the director of the office of financial management does not certify a request under (c)(ii)(B) of this subsection as being feasible financially for the state, the parties shall enter into collective bargaining solely for the purpose of reaching a mutually agreed upon modification of the agreement necessary to address the absence of those requested funds. The legislature may act upon the compensation and fringe benefit provisions of the modified collective bargaining

agreement if those provisions are agreed upon and submitted to the office of financial management and legislative budget committees before final legislative action on the biennial or supplemental operating budget by the sitting legislature.

(iii) In the case of a bargaining unit of employees of institutions of higher education in which the exclusive bargaining representative is certified during or after the conclusion of a legislative session, the legislature may act upon the compensation and fringe benefit provisions of the unit's initial collective bargaining agreement if those provisions are agreed upon and submitted to the office of financial management and legislative budget committees before final legislative action on the biennial or supplemental operating budget by the sitting legislature.

(5) If, after the compensation and fringe benefit provisions of an agreement are approved by the legislature, a significant revenue shortfall occurs resulting in reduced appropriations, as declared by proclamation of the governor or by resolution of the legislature, both parties shall immediately enter into collective bargaining for a mutually agreed upon modification of the agreement.

(6) After the expiration date of a collective bargaining agreement negotiated under this chapter, all of the terms and conditions specified in the collective bargaining agreement remain in effect until the effective date of a subsequently negotiated agreement, not to exceed one year from the expiration date stated in the agreement. Thereafter, the employer may unilaterally implement according to law.

~~(7) ((For the 2013-2015 fiscal biennium, a collective bargaining agreement related to employee health care benefits negotiated between the employer and coalition pursuant to RCW 41.80.020(3) regarding the dollar amount expended on behalf of each employee shall be a separate agreement for which the governor may request funds necessary to implement the agreement. The legislature may act upon a 2013-2015 collective bargaining agreement related to employee health care benefits if an agreement is reached and submitted to the office of financial management and legislative budget committees before final legislative action on the biennial or supplemental operating appropriations act by the sitting legislature.~~

~~(8)(a) For the 2015-2017 fiscal biennium, the governor may request funds to implement:~~

~~(i) Modifications to collective bargaining agreements as set forth in a memorandum of understanding negotiated between the employer and the service employees international union healthcare 1199nw, an exclusive bargaining representative, that was necessitated by an emergency situation or an imminent jeopardy determination by the center for medicare and medicaid services that relates to the safety or health of the clients, employees, or both the clients and employees.~~

~~(ii) Unilaterally implemented modifications to collective bargaining agreements, resulting from the employer being prohibited from negotiating with an exclusive bargaining representative due to a pending representation petition, necessitated by an emergency situation or an imminent jeopardy determination by the center for medicare and medicaid services that relates to the safety or health of the clients, employees, or both the clients and employees.~~

~~(iii) Modifications to collective bargaining agreements as set forth in a memorandum of understanding negotiated between the employer and the union~~

~~of physicians of Washington, an exclusive bargaining representative, that was necessitated by an emergency situation or an imminent jeopardy determination by the center for medicare and medicaid services that relates to the safety or health of the clients, employees, or both the clients and employees. If the memorandum of understanding submitted to the legislature as part of the governor's budget document is rejected by the legislature, and the parties reach a new memorandum of understanding by June 30, 2016, within the funds, conditions, and limitations provided in section 204, chapter 36, Laws of 2016 sp. sess., the new memorandum of understanding shall be considered approved by the legislature and may be retroactive to December 1, 2015.~~

~~(iv) Modifications to collective bargaining agreements as set forth in a memorandum of understanding negotiated between the employer and the teamsters union local 117, an exclusive bargaining representative, for salary adjustments for the state employee job classifications of psychiatrist, psychiatric social worker, and psychologist.~~

~~(b) For the 2015-2017 fiscal biennium, the legislature may act upon the request for funds for modifications to a 2015-2017 collective bargaining agreement under (a)(i), (ii), (iii), and (iv) of this subsection if funds are requested by the governor before final legislative action on the supplemental omnibus appropriations act by the sitting legislature.~~

~~(c) The request for funding made under this subsection and any action by the legislature taken pursuant to this subsection is limited to the modifications described in this subsection and may not otherwise affect the original terms of the 2015-2017 collective bargaining agreement.~~

~~(4)) (a) For the 2019-2021 fiscal biennium, the legislature may approve funding for a collective bargaining agreement negotiated by a higher education institution and the Washington federation of state employees and ratified by the exclusive bargaining representative before final legislative action on the omnibus appropriations act by the sitting legislature.~~

~~(b) Subsection (3)(a) and (b) of this section do not apply to requests for funding made pursuant to this subsection.~~

Sec. 962. RCW 43.08.190 and 2017 3rd sp.s. c 1 s 966 are each amended to read as follows:

There is hereby created a fund within the state treasury to be known as the "state treasurer's service fund." Such fund shall be used solely for the payment of costs and expenses incurred in the operation and administration of the state treasurer's office.

Moneys shall be allocated monthly and placed in the state treasurer's service fund equivalent to a maximum of one percent of the trust and treasury average daily cash balances from the earnings generated under the authority of RCW 43.79A.040 and 43.84.080 other than earnings generated from investment of balances in funds and accounts specified in RCW 43.79A.040(4)(c). The allocation shall precede the distribution of the remaining earnings as prescribed under RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a uniform allocation rate for all funds and accounts; except that the state treasurer may negotiate a different allocation rate with any state agency that has independent authority over funds not statutorily required to be held in the state treasury or in the custody of the state treasurer. In no event shall the rate be less than the actual costs incurred by the state treasurer's office. If no rate is

separately negotiated, the default rate for any funds held shall be the rate set for funds held pursuant to statute.

During the 2013-2015 and 2015-2017 fiscal biennia, the legislature may transfer from the state treasurer's service fund to the state general fund such amounts as reflect the excess fund balance of the fund. During the 2017-2019 and 2019-2021 fiscal ~~((biennium))~~ biennia, the legislature may direct the state treasurer to make transfers of money in the state treasurer's service fund to the state general fund. It is the intent of the legislature that this policy will be continued in subsequent biennia.

Sec. 963. RCW 43.09.475 and 2017 3rd sp.s. c 1 s 967 are each amended to read as follows:

The performance audits of government account is hereby created in the custody of the state treasurer. Revenue identified in RCW 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money in the account shall be used to fund the performance audits and follow-up performance audits under RCW 43.09.470 and shall be expended by the state auditor in accordance with chapter 1, Laws of 2006. Only the state auditor or the state auditor's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. During the ~~((2013-2015, 2015-2017, and))~~ 2017-2019 and 2019-2021 fiscal biennia, the performance audits of government account may be appropriated for the joint legislative audit and review committee, the legislative evaluation and accountability program committee, the office of financial management, the superintendent of public instruction, the department of fish and wildlife, and audits of school districts. In addition, during the ~~((2013-2015, 2015-2017, and))~~ 2017-2019 and 2019-2021 fiscal biennia the account may be used to fund the office of financial management's contract for the compliance audit of the state auditor and audit activities at the department of revenue. ~~((In addition, during the 2015-2017 fiscal biennium, the legislature may transfer from the performance audits of government account to the state general fund such amounts as reflect the excess fund balance of the fund.))~~

Sec. 964. RCW 43.43.839 and 2017 3rd sp.s. c 1 s 969 are each amended to read as follows:

The fingerprint identification account is created in the custody of the state treasurer. All receipts from incremental charges of fingerprint checks requested for noncriminal justice purposes and electronic background requests shall be deposited in the account. Receipts for fingerprint checks by the federal bureau of investigation may also be deposited in the account. Expenditures from the account may be used only for the cost of record checks. Only the chief of the state patrol or the chief's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW. ~~((No appropriation is required for expenditures prior to July 1, 1997. After June 30, 1997,))~~ The account shall be subject to appropriation. During the ~~((2015-2017 and))~~ 2017-2019 and 2019-2021 fiscal biennia, funds in the account may be used for expenditures related to the upgrade of the state patrol's criminal history system. ~~((During the 2015-2017 fiscal biennium, the legislature may transfer from the fingerprint identification account to the sexual assault kit account and the account may be used for building the sexual assault kit tracking system in~~

~~such amounts as reflect the excess fund balance of the account.))~~ During the 2017-2019 and 2019-2021 fiscal (~~(biennium))~~ biennia, the account may be used for building the sexual assault kit tracking system. It is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

Sec. 965. RCW 43.60A.140 and 2016 c 31 s 4 are each amended to read as follows:

(1) The veterans stewardship account is created in the custody of the state treasurer. Disbursements of funds must be on the authorization of the director or the director's designee, and only for the purposes stated in subsection (4) of this section. In order to maintain an effective expenditure and revenue control, funds are subject in all respects to chapter 43.88 RCW, but no appropriation is required to permit expenditure of the funds.

(2) The department may request and accept nondedicated contributions, grants, or gifts in cash or otherwise, including funds generated by the issuance of the armed forces license plate collection under chapter 46.18 RCW.

(3) All receipts from the sale of armed forces license plates and Purple Heart license plates as required under RCW 46.68.425(2) must be deposited into the veterans stewardship account.

(4) All moneys deposited into the veterans stewardship account must be used by the department for activities that benefit veterans or their families, including but not limited to, providing programs and services for homeless veterans; establishing memorials honoring veterans; and maintaining a future state veterans' cemetery. Funds from the account may not be used to supplant existing funds received by the department. For the 2019-2021 fiscal biennium, moneys deposited into the veterans stewardship account may be used for the department's traumatic brain injury program.

Sec. 966. RCW 43.70.250 and 2017 c 195 s 26 are each amended to read as follows:

(1) It shall be the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business.

(2) The secretary shall from time to time establish the amount of all application fees, license fees, registration fees, examination fees, permit fees, renewal fees, and any other fee associated with licensing or regulation of professions, occupations, or businesses administered by the department. Any and all fees or assessments, or both, levied on the state to cover the costs of the operations and activities of the interstate health professions licensure compacts with participating authorities listed under chapter 18.130 RCW shall be borne by the persons who hold licenses issued pursuant to the authority and procedures established under the compacts. In fixing said fees, the secretary shall set the fees for each program at a sufficient level to defray the costs of administering that program and the cost of regulating licensed volunteer medical workers in accordance with RCW 18.130.360, except as provided in RCW 18.79.202. In no case may the secretary increase a licensing fee for an ambulatory surgical facility licensed under chapter 70.230 RCW (~~(prior to July 1, 2018))~~ during the 2019-2021 fiscal biennium, nor may he or she commence the adoption of rules to increase a licensing fee (~~(prior to July 1, 2018))~~ during the 2019-2021 fiscal biennium.

(3) All such fees shall be fixed by rule adopted by the secretary in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW.

Sec. 967. RCW 43.70.445 and 2017 c 262 s 2 are each amended to read as follows:

(1)(a) Subject to the availability of amounts appropriated for this specific purpose, a suicide-safer homes task force is established to raise public awareness and increase suicide prevention education among new partners who are in key positions to help reduce suicide. The task force shall be administered and staffed by the University of Washington school of social work. To the extent possible, the task force membership should include representatives from geographically diverse and priority populations, including tribal populations.

(b) The suicide-safer homes task force comprises a suicide prevention and firearms subcommittee and a suicide prevention and health care subcommittee, as follows:

(i) The suicide prevention and firearms subcommittee shall consist of the following members and be cochaired by the University of Washington school of social work and a member identified in (b)(i)(A) of this subsection (1):

(A) A representative of the national rifle association and a representative of the second amendment foundation;

(B) Two representatives of suicide prevention organizations, selected by the cochaIRS of the subcommittee;

(C) Two representatives of the firearms industry, selected by the cochaIRS of the subcommittee;

(D) Two individuals who are suicide attempt survivors or who have experienced suicide loss, selected by the cochaIRS of the subcommittee;

(E) Two representatives of law enforcement agencies, selected by the cochaIRS of the subcommittee;

(F) One representative from the department of health;

(G) One representative from the department of veterans affairs, and one other individual representing veterans to be selected by the cochaIRS of the subcommittee; and

(H) No more than two other interested parties, selected by the cochaIRS of the subcommittee.

(ii) The suicide prevention and health care subcommittee shall consist of the following members and be cochaired by the University of Washington school of social work and a member identified in (b)(ii)(A) of this subsection (1):

(A) Two representatives of the Washington state pharmacy association;

(B) Two representatives of retailers who operate pharmacies, selected by the cochaIRS of the subcommittee;

(C) One faculty member from the University of Washington school of pharmacy and one faculty member from the Washington State University school of pharmacy;

(D) One representative of the department of health;

(E) One representative of the pharmacy quality assurance commission;

(F) Two representatives of the Washington state poison control center;

(G) One representative of the department of veterans affairs, and one other individual representing veterans to be selected by the cochaIRS of the subcommittee;

(H) Three members representing health care professionals providing suicide prevention training in the state, selected by the cochairs of the subcommittee; and

(I) No more than two other interested parties, selected by the cochairs of the subcommittee.

(c) The University of Washington school of social work shall convene the initial meeting of the task force.

(2) The task force shall:

(a) Develop and prepare to disseminate online trainings on suicide awareness and prevention for firearms dealers and their employees and firearm range owners and their employees;

(b) In consultation with the department of fish and wildlife, review the firearm safety pamphlet produced by the department of fish and wildlife under RCW 9.41.310 and, by January 1, 2017, recommend changes to the pamphlet to incorporate information on suicide awareness and prevention;

(c) Develop and approve suicide awareness and prevention messages for posters and brochures that are tailored to be effective for firearms owners for distribution to firearms dealers and firearms ranges;

(d) Develop suicide awareness and prevention messages for posters and brochures for distribution to pharmacies;

(e) In consultation with the department of fish and wildlife, develop strategies for creating and disseminating suicide awareness and prevention information for hunting safety classes, including messages to parents that can be shared during online registration, in either follow-up email communications, or in writing, or both;

(f) Develop suicide awareness and prevention messages for training for the schools of pharmacy and provide input on trainings being developed for community pharmacists;

(g) Create a web site that will be a clearinghouse for the newly created suicide awareness and prevention materials developed by the task force;

(h) Conduct a survey of firearms dealers and firearms ranges in the state to determine the types and amounts of incentives that would be effective in encouraging those entities to participate in suicide-safer homes projects;

(i) Gather input on collateral educational materials that will help health care professionals in suicide prevention work; and

(j) Create, implement, and evaluate a suicide awareness and prevention pilot program in two counties, one rural and one urban, that have high suicide rates. The pilot program shall include:

(i) Developing and directing advocacy efforts with firearms dealers to pair suicide awareness and prevention training with distribution of safe storage devices;

(ii) Developing and directing advocacy efforts with pharmacies to pair suicide awareness and prevention training with distribution of medication disposal kits and safe storage devices;

(iii) Training health care providers on suicide awareness and prevention, paired with distribution of medication disposal kits and safe storage devices; and

(iv) Training local law enforcement officers on suicide awareness and prevention, paired with distribution of medication disposal kits and safe storage devices.

(3) The task force shall, in consultation with the department of health, develop and prioritize a list of projects to carry out the task force's purposes and submit the prioritized list to the department of health for funding from the suicide-safer homes project account created in RCW 43.70.446.

(4) Beginning December 1, 2016, the task force shall annually report to the legislature on the status of its work. The task force shall submit a final report by December 1, (~~2019~~) 2020, that includes the findings of the suicide awareness and prevention pilot program evaluation under subsection (2) of this section and recommendations on possible continuation of the program. The task force shall submit its reports in accordance with RCW 43.01.036.

(5) This section expires July 1, (~~2020~~) 2021.

Sec. 968. RCW 43.79.445 and 2018 c 299 s 922 are each amended to read as follows:

There is established an account in the state treasury referred to as the "death investigations account" which shall exist for the purpose of receiving, holding, investing, and disbursing funds appropriated or provided in RCW 70.58.107 and any moneys appropriated or otherwise provided thereafter.

Moneys in the death investigations account shall be disbursed by the state treasurer once every year on December 31 and at any other time determined by the treasurer. The treasurer shall make disbursements to: The state toxicology laboratory, counties for the cost of autopsies, the state patrol for providing partial funding for the state dental identification system, the criminal justice training commission for training county coroners, medical examiners and their staff, and the state forensic investigations council. Funds from the death investigations account may be appropriated during the 2013-2015 and 2019-2021 fiscal (~~biennium~~) biennia for the activities of the state crime laboratory within the Washington state patrol.

Sec. 969. RCW 43.101.200 and 2017 3rd sp.s. c 1 s 973 are each amended to read as follows:

(1) All law enforcement personnel, except volunteers, and reserve officers whether paid or unpaid, initially employed on or after January 1, 1978, shall engage in basic law enforcement training which complies with standards adopted by the commission pursuant to RCW 43.101.080. For personnel initially employed before January 1, 1990, such training shall be successfully completed during the first fifteen months of employment of such personnel unless otherwise extended or waived by the commission and shall be requisite to the continuation of such employment. Personnel initially employed on or after January 1, 1990, shall commence basic training during the first six months of employment unless the basic training requirement is otherwise waived or extended by the commission. Successful completion of basic training is requisite to the continuation of employment of such personnel initially employed on or after January 1, 1990.

(2) Except as otherwise provided in this chapter, the commission shall provide the aforementioned training together with necessary facilities, supplies, materials, and the board and room of noncommuting attendees for seven days per week, except during the (~~2015-2017 and~~) 2017-2019 and 2019-2021 fiscal biennia when the employing, county, city, or state law enforcement agency shall reimburse the commission for twenty-five percent of the cost of training its

personnel. Additionally, to the extent funds are provided for this purpose, the commission shall reimburse to participating law enforcement agencies with ten or less full-time commissioned patrol officers the cost of temporary replacement of each officer who is enrolled in basic law enforcement training: PROVIDED, That such reimbursement shall include only the actual cost of temporary replacement not to exceed the total amount of salary and benefits received by the replaced officer during his or her training period.

Sec. 970. RCW 43.101.220 and 2017 3rd sp.s. c 1 s 972 are each amended to read as follows:

(1) The corrections personnel of the state and all counties and municipal corporations initially employed on or after January 1, 1982, shall engage in basic corrections training which complies with standards adopted by the commission. The training shall be successfully completed during the first six months of employment of the personnel, unless otherwise extended or waived by the commission, and shall be requisite to the continuation of employment.

(2) The commission shall provide the training required in this section, together with facilities, supplies, materials, and the room and board for noncommuting attendees, except during the (~~2015-2017 and~~) 2017-2019 and 2019-2021 fiscal biennia, when the employing county, municipal corporation, or state agency shall reimburse the commission for twenty-five percent of the cost of training its personnel.

(3)(a) Subsections (1) and (2) of this section do not apply to the Washington state department of corrections prisons division. The Washington state department of corrections is responsible for identifying training standards, designing curricula and programs, and providing the training for those corrections personnel employed by it. In doing so, the secretary of the department of corrections shall consult with staff development experts and correctional professionals both inside and outside of the agency, to include soliciting input from labor organizations.

(b) The commission and the department of corrections share the responsibility of developing and defining training standards and providing training for community corrections officers employed within the community corrections division of the department of corrections.

Sec. 971. RCW 43.101.435 and 2015 c 84 s 2 are each amended to read as follows:

The Washington internet crimes against children account is created in the custody of the state treasurer. All receipts from legislative appropriations, donations, gifts, grants, and funds from federal or private sources must be deposited into the account. Expenditures from the account must be used exclusively by the Washington internet crimes against children task force and its affiliate agencies for combating internet-facilitated crimes against children, promoting education on internet safety to the public and to minors, and rescuing child victims from abuse and exploitation. Only the criminal justice training commission or the commission's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. The commission may enter into agreements with the Washington association of sheriffs and police chiefs to administer grants and other activities funded by the account and

be paid an administrative fee not to exceed three percent of expenditures. During the 2019-2021 fiscal biennium, moneys in the account may be used by the Washington state patrol for activities related to the missing and exploited children task force.

Sec. 972. RCW 43.155.050 and 2017 3rd sp.s. c 10 s 5 and 2017 3rd sp.s. c 1 s 974 are each reenacted and amended to read as follows:

The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and grants and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated or transferred to the water pollution control revolving ~~((account [fund]))~~ fund and the drinking water assistance account to provide for state match requirements under federal law. Not more than twenty percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans and grants, emergency loans and grants, or loans and grants for capital facility planning under this chapter. Not more than ten percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated as grants for preconstruction, emergency, capital facility planning, and construction projects. ~~((During the 2015-2017 fiscal biennium, the legislature may transfer from the public works assistance account to the general fund, the water pollution control revolving account [fund], and the drinking water assistance account such amounts as reflect the excess fund balance of the account.))~~ During the ~~((2015-2017 and))~~ 2017-2019 and 2019-2021 fiscal biennia, the legislature may appropriate moneys from the account for activities related to rural economic development, the growth management act, and the voluntary stewardship program. ~~((During the 2015-2017 fiscal biennium, the legislature may transfer from the public works assistance account to the state general fund such amounts as specified by the legislature.))~~ During the 2017-2019 and 2019-2021 fiscal ~~((biennium))~~ biennia, the legislature may direct the state treasurer to make transfers of moneys in the public works assistance account to the education legacy trust account. It is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

Sec. 973. RCW 43.320.110 and 2018 c 185 s 2 and 2018 c 62 s 4 are each reenacted and amended to read as follows:

(1) There is created in the custody of the state treasurer a local fund known as the "financial services regulation fund" which shall consist of all moneys received by the divisions of the department of financial institutions, except as provided in subsection (2) of this section.

(2) The division of securities shall deposit thirteen percent of all moneys received, except as provided in RCW 43.320.115 and subsection (3) of this section, and which shall be used for the purchase of supplies and necessary equipment; the payment of salaries, wages, and utilities; the establishment of reserves; and other incidental costs required for the proper regulation of individuals and entities subject to regulation by the department.

(3) The division of securities shall deposit one hundred percent of all moneys received that are attributable to increases in fees implemented by rule pursuant to RCW 21.20.340(15).

(4) Disbursements from the fund shall be on authorization of the director of financial institutions or the director's designee. In order to maintain an effective expenditure and revenue control, the fund shall be subject in all respects to chapter 43.88 RCW, but no appropriation is required to permit expenditures and payment of obligations from the fund.

(5) During the 2017-2019 fiscal biennium, the legislature may transfer from the financial services regulation fund to the state general fund such amounts as reflect the excess fund balance of the fund. During the 2017-2019 fiscal biennium, moneys from the financial services regulation fund may be appropriated for the family prosperity account program at the department of commerce and for the operations of the department of revenue.

(6)(a) Beginning in the 2020-2021 fiscal year, the state treasurer shall annually transfer from the fund to the student loan advocate account created in RCW 28B.77.008, the greater of one hundred seventy-five thousand dollars or twenty percent of the annual assessment derived from student education loan servicing.

(b) The department must provide information to the state treasurer regarding the amount of the annual assessment derived from student education loan servicing.

(7) The director's obligations or duties under chapter 62, Laws of 2018 are subject to section 21, chapter 62, Laws of 2018.

(8) During the 2019-2021 fiscal biennium, moneys in the financial services regulation fund may be appropriated for the operations of the department of revenue. It is the intent of the legislature to continue this policy in subsequent biennia.

(9) During the 2019-2021 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the financial services regulation account to the general fund.

Sec. 974. RCW 43.330.250 and 2017 3rd sp.s. c 1 s 975 are each amended to read as follows:

(1) The economic development strategic reserve account is created in the state treasury to be used only for the purposes of this section.

(2) Only the governor, with the recommendation of the director of the department of commerce, may authorize expenditures from the account.

(3) During the 2009-2011 and 2011-2013 fiscal biennia, moneys in the account may also be transferred into the state general fund.

(4) Expenditures from the account may be made to prevent closure of a business or facility, to prevent relocation of a business or facility in the state to a location outside the state, or to recruit a business or facility to the state. Expenditures may be authorized for:

(a) Workforce development;

(b) Public infrastructure needed to support or sustain the operations of the business or facility;

(c) Other lawfully provided assistance including, but not limited to, technical assistance, environmental analysis, relocation assistance, and planning assistance. Funding may be provided for such assistance only when it is in the

public interest and may only be provided under a contractual arrangement ensuring that the state will receive appropriate consideration, such as an assurance of job creation or retention; and

(d) The joint center for aerospace technology innovation.

(5) The funds shall not be expended from the account unless:

(a) The circumstances are such that time does not permit the director of the department of commerce or the business or facility to secure funding from other state sources;

(b) The business or facility produces or will produce significant long-term economic benefits to the state, a region of the state, or a particular community in the state;

(c) The business or facility does not require continuing state support;

(d) The expenditure will result in new jobs, job retention, or higher incomes for citizens of the state;

(e) The expenditure will not supplant private investment; and

(f) The expenditure is accompanied by private investment.

(6) No more than three million dollars per year may be expended from the account for the purpose of assisting an individual business or facility pursuant to the authority specified in this section.

(7) If the account balance in the strategic reserve account exceeds fifteen million dollars at any time, the amount in excess of fifteen million dollars shall be transferred to the education construction account.

(8) During the (~~(2015-2017 and)~~) 2017-2019 and 2019-2021 fiscal biennia, the legislature may appropriate moneys from the account to fund programs and grants at the department of commerce. It is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

Sec. 975. RCW 43.372.070 and 2016 sp.s. c 36 s 938 are each amended to read as follows:

(1) The marine resources stewardship trust account is created in the state treasury. All receipts from income derived from the investment of amounts credited to the account, any grants, gifts, or donations to the state for the purposes of marine management planning, marine spatial planning, data compilation, research, or monitoring, and any appropriations made to the account must be deposited in the account. Moneys in the account may be spent only after appropriation.

(2) Expenditures from the account may only be used for the purposes of marine management planning, marine spatial planning, research, monitoring, and implementation of the marine management plan.

(3) Except as provided in subsection (5) of this section, until July 1, 2016, expenditures from the account may only be used for the purposes of:

(a) Conducting ecosystem assessment and mapping activities in marine waters consistent with RCW 43.372.040(6) (a) and (c), with a focus on assessment and mapping activities related to marine resource uses and developing potential economic opportunities;

(b) Developing a marine management plan for the state's coastal waters as that term is defined in RCW 43.143.020; and

(c) Coordination under the west coast governors' agreement on ocean health, entered into on September 18, 2006, and other regional planning efforts consistent with RCW 43.372.030.

(4) Expenditures from the account on projects and activities relating to the state's coastal waters, as defined in RCW 43.143.020, must be made, to the maximum extent possible, consistent with the recommendations of the Washington coastal marine advisory council as provided in RCW 43.143.060. If expenditures relating to coastal waters are made in a manner that differs substantially from the Washington coastal marine advisory council's recommendations, the responsible agency receiving the appropriation shall provide the council and appropriate committees of the legislature with a written explanation.

(5) During the ~~((2015-2017))~~ 2019-2021 fiscal biennium, the legislature may ~~((transfer from))~~ direct the state treasurer to make transfers of moneys in the marine resources stewardship trust account to the aquatic lands enhancement account ~~((such amounts as reflect the excess fund balance of the account))~~.

Sec. 976. RCW 43.380.020 and 2016 c 188 s 3 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the Washington statewide reentry council is created and located within the department for the purpose of promoting successful reentry of offenders after incarceration.

(2) Through the executive director that may be appointed by the council, the department shall administer the council by:

(a) Providing the council and its executive director use of the department's facilities; and

(b) Managing grants and other funds received, used, and disbursed by the council.

(3) Except during the 2019-2021 fiscal biennium, the department may not designate additional full-time staff to the administration of the council beyond the executive director.

Sec. 977. RCW 50.16.010 and 2017 3rd sp.s. c 1 s 977 are each amended to read as follows:

(1) There shall be maintained as special funds, separate and apart from all public moneys or funds of this state an unemployment compensation fund and an administrative contingency fund, which shall be administered by the commissioner exclusively for the purposes of this title, and to which RCW 43.01.050 shall not be applicable.

(2)(a) The unemployment compensation fund shall consist of:

(i) All contributions collected under RCW 50.24.010 and payments in lieu of contributions collected pursuant to the provisions of this title;

(ii) Any property or securities acquired through the use of moneys belonging to the fund;

(iii) All earnings of such property or securities;

(iv) Any moneys received from the federal unemployment account in the unemployment trust fund in accordance with Title XII of the social security act, as amended;

(v) All money recovered on official bonds for losses sustained by the fund;

(vi) All money credited to this state's account in the unemployment trust fund pursuant to section 903 of the social security act, as amended;

(vii) All money received from the federal government as reimbursement pursuant to section 204 of the federal-state extended compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304);

(viii) The portion of the additional penalties as provided in RCW 50.20.070(2) that is fifteen percent of the amount of benefits overpaid or deemed overpaid; and

(ix) All moneys received for the fund from any other source.

(b) All moneys in the unemployment compensation fund shall be commingled and undivided.

(3)(a) Except as provided in (b) of this subsection, the administrative contingency fund shall consist of:

(i) All interest on delinquent contributions collected pursuant to this title;

(ii) All fines and penalties collected pursuant to the provisions of this title, except the portion of the additional penalties as provided in RCW 50.20.070(2) that is fifteen percent of the amount of benefits overpaid or deemed overpaid;

(iii) All sums recovered on official bonds for losses sustained by the fund; and

(iv) Revenue received under RCW 50.24.014.

(b) All fees, fines, forfeitures, and penalties collected or assessed by a district court because of the violation of this title or rules adopted under this title shall be remitted as provided in chapter 3.62 RCW.

(c) Except as provided in (d) of this subsection, moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014, shall be expended upon the direction of the commissioner, with the approval of the governor, whenever it appears to him or her that such expenditure is necessary solely for:

(i) The proper administration of this title and that insufficient federal funds are available for the specific purpose to which such expenditure is to be made, provided, the moneys are not substituted for appropriations from federal funds which, in the absence of such moneys, would be made available.

(ii) The proper administration of this title for which purpose appropriations from federal funds have been requested but not yet received, provided, the administrative contingency fund will be reimbursed upon receipt of the requested federal appropriation.

(iii) The proper administration of this title for which compliance and audit issues have been identified that establish federal claims requiring the expenditure of state resources in resolution. Claims must be resolved in the following priority: First priority is to provide services to eligible participants within the state; second priority is to provide substitute services or program support; and last priority is the direct payment of funds to the federal government.

(d)(i) During the 2007-2009 fiscal biennium, moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014(1)(a), shall be expended as appropriated by the legislature for: (A) The cost of the job skills or worker retraining programs at the community and technical colleges and administrative costs at the state board for community and technical colleges; and (B) reemployment services such as business and project development assistance, local economic development capacity building, and local economic development financial assistance at the

department of commerce. The remaining appropriation may be expended as specified in (c) of this subsection.

(ii) During the 2015-2017 (~~and~~), 2017-2019, and 2019-2021 fiscal biennia, moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014(1)(a), shall be expended as appropriated by the legislature: (A) For the department of social and health services for employment and training services and programs in the WorkFirst program; (B) for the administrative costs of state agencies participating in the WorkFirst program; and (C) by the commissioner for the work group on agricultural and agricultural-related issues as provided in the 2013-2015 omnibus operating appropriations act. The remaining appropriation may be expended as specified in (c) of this subsection.

(4) Money in the special account created under RCW 50.24.014(1)(a) may only be expended, after appropriation, for the purposes specified in this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014, 50.44.053, and 50.22.010.

Sec. 978. RCW 69.50.540 and 2018 c 299 s 910 and 2018 c 201 s 8014 are each reenacted and amended to read as follows:

The legislature must annually appropriate moneys in the dedicated marijuana account created in RCW 69.50.530 as follows:

(1) For the purposes listed in this subsection (1), the legislature must appropriate to the respective agencies amounts sufficient to make the following expenditures on a quarterly basis:

(a) (~~Beginning July 1, 2017,~~) One hundred twenty-five thousand dollars to the health care authority to design and administer the Washington state healthy youth survey, analyze the collected data, and produce reports, in collaboration with the office of the superintendent of public instruction, department of health, department of commerce, family policy council, and state liquor and cannabis board. The survey must be conducted at least every two years and include questions regarding, but not necessarily limited to, academic achievement, age at time of substance use initiation, antisocial behavior of friends, attitudes toward antisocial behavior, attitudes toward substance use, laws and community norms regarding antisocial behavior, family conflict, family management, parental attitudes toward substance use, peer rewarding of antisocial behavior, perceived risk of substance use, and rebelliousness. Funds disbursed under this subsection may be used to expand administration of the healthy youth survey to student populations attending institutions of higher education in Washington;

(b) (~~Beginning July 1, 2017,~~) Fifty thousand dollars to the health care authority for the purpose of contracting with the Washington state institute for public policy to conduct the cost-benefit evaluation and produce the reports described in RCW 69.50.550. This appropriation ends after production of the final report required by RCW 69.50.550;

(c) (~~Beginning July 1, 2017,~~) Five thousand dollars to the University of Washington alcohol and drug abuse institute for the creation, maintenance, and timely updating of web-based public education materials providing medically and scientifically accurate information about the health and safety risks posed by marijuana use;

(d)(i) An amount not less than one million two hundred fifty thousand dollars to the state liquor and cannabis board for administration of this chapter as appropriated in the omnibus appropriations act;

(ii) Two million six hundred fifty-one thousand seven hundred fifty dollars for fiscal year 2018 and three hundred fifty-one thousand seven hundred fifty dollars for fiscal year 2019 to the health professions account established under RCW 43.70.320 for the development and administration of the marijuana authorization database by the department of health;

(iii) ~~Two million ((eight hundred three thousand dollars for fiscal year 2019))~~ seven hundred twenty-three thousand dollars for fiscal year 2020 and two million five hundred twenty-three thousand dollars for fiscal year 2021 to the Washington state patrol for a drug enforcement task force. It is the intent of the legislature that this policy will be continued in the ~~((2019-2021))~~ 2021-2023 fiscal biennium; and

(iv) Ninety-eight thousand dollars for fiscal year 2019 to the department of ecology for research on accreditation of marijuana product testing laboratories;

(e) Four hundred sixty-five thousand dollars for fiscal year 2020 and four hundred sixty-four thousand dollars for fiscal year 2021 to the department of ecology for implementation of accreditation of marijuana product testing laboratories;

(f) One hundred eighty-nine thousand dollars for fiscal year 2020 to the department of health for rule making regarding compassionate care renewals;

(g) Eight hundred eight thousand dollars for fiscal year 2020 and eight hundred eight thousand dollars for fiscal year 2021 to the department of health for the administration of the marijuana authorization database; and

(h) \$635,000 for fiscal year 2020 and \$635,000 for fiscal year 2021 to the department of agriculture for compliance-based laboratory analysis of pesticides in marijuana.

~~((e) Twenty-three thousand seven hundred fifty dollars to the department of enterprise services provided solely for the state building code council established under RCW 19.27.070, to develop and adopt fire and building code provisions related to marijuana processing and extraction facilities. The distribution under this subsection (1)(e) is for fiscal year 2016 only;))~~

(2) From the amounts in the dedicated marijuana account after appropriation of the amounts identified in subsection (1) of this section, the legislature must appropriate for the purposes listed in this subsection (2) as follows:

(a)(i) Up to fifteen percent to the health care authority for the development, implementation, maintenance, and evaluation of programs and practices aimed at the prevention or reduction of maladaptive substance use, substance use disorder, substance abuse or substance dependence, as these terms are defined in the Diagnostic and Statistical Manual of Mental Disorders, among middle school and high school-age students, whether as an explicit goal of a given program or practice or as a consistently corresponding effect of its implementation, mental health services for children and youth, and services for pregnant and parenting women; PROVIDED, That:

(A) Of the funds appropriated under (a)(i) of this subsection for new programs and new services, at least eighty-five percent must be directed to evidence-based or research-based programs and practices that produce

objectively measurable results and, by September 1, 2020, are cost-beneficial; and

(B) Up to fifteen percent of the funds appropriated under (a)(i) of this subsection for new programs and new services may be directed to proven and tested practices, emerging best practices, or promising practices.

(ii) In deciding which programs and practices to fund, the director of the health care authority must consult, at least annually, with the University of Washington's social development research group and the University of Washington's alcohol and drug abuse institute.

~~(iii) ((For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of twenty-seven million seven hundred eighty-six thousand dollars, and)) For each ((subsequent)) fiscal year ((thereafter)), the legislature must appropriate a minimum of twenty-five million five hundred thirty-six thousand dollars under this subsection (2)(a);~~

(b)(i) Up to ten percent to the department of health for the following, subject to (b)(ii) of this subsection (2):

(A) Creation, implementation, operation, and management of a marijuana education and public health program that contains the following:

(I) A marijuana use public health hotline that provides referrals to substance abuse treatment providers, utilizes evidence-based or research-based public health approaches to minimizing the harms associated with marijuana use, and does not solely advocate an abstinence-only approach;

(II) A grants program for local health departments or other local community agencies that supports development and implementation of coordinated intervention strategies for the prevention and reduction of marijuana use by youth; and

(III) Media-based education campaigns across television, internet, radio, print, and out-of-home advertising, separately targeting youth and adults, that provide medically and scientifically accurate information about the health and safety risks posed by marijuana use; and

(B) The Washington poison control center(~~;~~and

~~(C) During the 2015-2017 fiscal biennium, the funds appropriated under this subsection (2)(b) may be used for prevention activities that target youth and populations with a high incidence of tobacco use)).~~

~~(ii) ((For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of seven million five hundred thousand dollars and)) For each ((subsequent)) fiscal year ((thereafter)), the legislature must appropriate a minimum of nine million seven hundred fifty thousand dollars under this subsection (2)(b);~~

(c)(i) Up to six-tenths of one percent to the University of Washington and four-tenths of one percent to Washington State University for research on the short and long-term effects of marijuana use, to include but not be limited to formal and informal methods for estimating and measuring intoxication and impairment, and for the dissemination of such research.

~~(ii) ((For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of two hundred seven thousand dollars and)) For each ((subsequent)) fiscal year, except for the 2017-2019 and 2019-2021 fiscal ((biennium)) biennia, the legislature must appropriate a minimum of one million twenty-one thousand dollars to the University of Washington. ((For the fiscal~~

~~year beginning July 1, 2016, the legislature must appropriate a minimum of one hundred thirty-eight thousand dollars and~~) For each ~~((subsequent))~~ fiscal year ~~((thereafter))~~, except for the 2017-2019 and 2019-2021 fiscal ~~((biennium))~~ biennia, the legislature must appropriate a minimum of six hundred eighty-one thousand dollars to Washington State University under this subsection (2)(c). It is the intent of the legislature that this policy will be continued in the 2019-2021 fiscal biennium;

(d) Fifty percent to the state basic health plan trust account to be administered by the Washington basic health plan administrator and used as provided under chapter 70.47 RCW;

(e) Five percent to the Washington state health care authority to be expended exclusively through contracts with community health centers to provide primary health and dental care services, migrant health services, and maternity health care services as provided under RCW 41.05.220;

(f)(i) Up to three-tenths of one percent to the office of the superintendent of public instruction to fund grants to building bridges programs under chapter 28A.175 RCW.

(ii) For ~~((the fiscal year beginning July 1, 2016, and))~~ each ~~((subsequent))~~ fiscal year, the legislature must appropriate a minimum of five hundred eleven thousand dollars to the office of the superintendent of public instruction under this subsection (2)(f); and

(g) At the end of each fiscal year, the treasurer must transfer any amounts in the dedicated marijuana account that are not appropriated pursuant to subsection (1) of this section and this subsection (2) into the general fund, except as provided in (g)(i) of this subsection (2).

(i) Beginning in fiscal year 2018, if marijuana excise tax collections deposited into the general fund in the prior fiscal year exceed twenty-five million dollars, then each fiscal year the legislature must appropriate an amount equal to thirty percent of all marijuana excise taxes deposited into the general fund the prior fiscal year to the treasurer for distribution to counties, cities, and towns as follows:

(A) Thirty percent must be distributed to counties, cities, and towns where licensed marijuana retailers are physically located. Each jurisdiction must receive a share of the revenue distribution under this subsection (2)(g)(i)(A) based on the proportional share of the total revenues generated in the individual jurisdiction from the taxes collected under RCW 69.50.535, from licensed marijuana retailers physically located in each jurisdiction. For purposes of this subsection (2)(g)(i)(A), one hundred percent of the proportional amount attributed to a retailer physically located in a city or town must be distributed to the city or town.

(B) Seventy percent must be distributed to counties, cities, and towns ratably on a per capita basis. Counties must receive sixty percent of the distribution, which must be disbursed based on each county's total proportional population. Funds may only be distributed to jurisdictions that do not prohibit the siting of any state licensed marijuana producer, processor, or retailer.

(ii) Distribution amounts allocated to each county, city, and town must be distributed in four installments by the last day of each fiscal quarter.

(iii) By September 15th of each year, the state liquor and cannabis board must provide the state treasurer the annual distribution amount, if any, for each county and city as determined in (g)(i) of this subsection (2).

(iv) The total share of marijuana excise tax revenues distributed to counties and cities in (g)(i) of this subsection (2) may not exceed fifteen million dollars in fiscal years 2018 (~~and~~), 2019, 2020, and 2021, and twenty million dollars per fiscal year thereafter. It is the intent of the legislature that the policy for the maximum distributions in the subsequent fiscal biennia will be no more than fifteen million dollars per fiscal year.

For the purposes of this section, "marijuana products" means "useable marijuana," "marijuana concentrates," and "marijuana-infused products" as those terms are defined in RCW 69.50.101.

Sec. 979. RCW 70.155.120 and 2016 sp.s. c 38 s 2 are each amended to read as follows:

(1) The youth tobacco and vapor products prevention account is created in the state treasury. All fees collected pursuant to RCW 82.24.520, 82.24.530, 82.26.160, and 82.26.170 and funds collected by the liquor and cannabis board from the imposition of monetary penalties shall be deposited into this account, except that ten percent of all such fees and penalties shall be deposited in the state general fund.

(2) Moneys appropriated from the youth tobacco and vapor products prevention account to the department of health shall be used by the department of health for implementation of this chapter, including collection and reporting of data regarding enforcement and the extent to which access to tobacco products and vapor products by youth has been reduced.

(3) The department of health shall enter into interagency agreements with the liquor and cannabis board to pay the costs incurred, up to thirty percent of available funds, in carrying out its enforcement responsibilities under this chapter. Such agreements shall set forth standards of enforcement, consistent with the funding available, so as to reduce the extent to which tobacco products and vapor products are available to individuals under the age of eighteen. The agreements shall also set forth requirements for data reporting by the liquor and cannabis board regarding its enforcement activities. During the 2019-2021 fiscal biennium, the department of health shall pay the costs incurred, up to twenty-three percent of available funds, in carrying out its enforcement responsibilities.

(4) The department of health, the liquor and cannabis board, and the department of revenue shall enter into an interagency agreement for payment of the cost of administering the tobacco retailer licensing system and for the provision of quarterly documentation of tobacco wholesaler, retailer, and vending machine names and locations.

(5) The department of health shall, within up to seventy percent of available funds, provide grants to local health departments or other local community agencies to develop and implement coordinated tobacco and vapor product intervention strategies to prevent and reduce tobacco and vapor product use by youth. During the 2019-2021 fiscal biennium, the department of health shall, within up to seventy-seven percent of available funds, provide grants to local health departments or other local community agencies to develop and implement coordinated tobacco and vapor product intervention strategies to prevent and reduce tobacco and vapor product use by youth.

Sec. 980. RCW 71.24.580 and 2018 c 205 s 2 and 2018 c 201 s 4044 are each reenacted and amended to read as follows:

(1) The criminal justice treatment account is created in the state treasury. Moneys in the account may be expended solely for: (a) Substance use disorder treatment and treatment support services for offenders with a substance use disorder that, if not treated, would result in addiction, against whom charges are filed by a prosecuting attorney in Washington state; (b) the provision of substance use disorder treatment services and treatment support services for nonviolent offenders within a drug court program; and (c) the administrative and overhead costs associated with the operation of a drug court. Amounts provided in this subsection must be used for treatment and recovery support services for criminally involved offenders and authorization of these services shall not be subject to determinations of medical necessity. During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the criminal justice treatment account to the state general fund. ~~((It is the intent of the legislature to continue in the 2019-2021 biennium the policy of transferring to the state general fund such amounts as reflect the excess fund balance of the account.))~~ During the 2019-2021 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the criminal justice treatment account to the home security fund account created in RCW 43.185C.060. It is the intent of the legislature to continue the policy of transferring moneys from the criminal justice treatment account to the home security fund account in subsequent biennia. Moneys in the account may be spent only after appropriation.

(2) For purposes of this section:

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

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

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

(4)(a) For the fiscal year beginning July 1, 2005, and each subsequent fiscal year, the state treasurer shall transfer eight million two hundred fifty thousand dollars from the general fund to the criminal justice treatment account, divided into four equal quarterly payments. For the fiscal year beginning July 1, 2006, and each subsequent fiscal year, the amount transferred shall be increased on an annual basis by the implicit price deflator as published by the federal bureau of labor statistics.

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

(5) Moneys appropriated to the authority from the criminal justice treatment account shall be distributed as specified in this subsection. The authority may

retain up to three percent of the amount appropriated under subsection (4)(b) of this section for its administrative costs.

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

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

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

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

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

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

Sec. 981. RCW 76.04.610 and 2018 c 299 s 912 are each amended to read as follows:

(1)(a) If any owner of forestland within a forest protection zone neglects or fails to provide adequate fire protection as required by RCW 76.04.600, the

department shall provide such protection and shall annually impose the following assessments on each parcel of such land: (i) A flat fee assessment of seventeen dollars and fifty cents; and (ii) twenty-seven cents on each acre exceeding fifty acres.

(b) Assessors may, at their option, collect the assessment on tax exempt lands. If the assessor elects not to collect the assessment, the department may bill the landowner directly.

(2) An owner who has paid assessments on two or more parcels, each containing fewer than fifty acres and each within the same county, may obtain the following refund:

(a) If all the parcels together contain less than fifty acres, then the refund is equal to the flat fee assessments paid, reduced by the total of (i) seventeen dollars and (ii) the total of the amounts retained by the county from such assessments under subsection (5) of this section.

(b) If all the parcels together contain fifty or more acres, then the refund is equal to the flat fee assessments paid, reduced by the total of (i) seventeen dollars, (ii) twenty-seven cents for each acre exceeding fifty acres, and (iii) the total of the amounts retained by the county from such assessments under subsection (5) of this section.

Applications for refunds shall be submitted to the department on a form prescribed by the department and in the same year in which the assessments were paid. The department may not provide refunds to applicants who do not provide verification that all assessments and property taxes on the property have been paid. Applications may be made by mail.

In addition to the procedures under this subsection, property owners with multiple parcels in a single county who qualify for a refund under this section may apply to the department on an application listing all the parcels owned in order to have the assessment computed on all parcels but billed to a single parcel. Property owners with the following number of parcels may apply to the department in the year indicated:

Year	Number of Parcels
2002	10 or more parcels
2003	8 or more parcels
2004 and thereafter	6 or more parcels

The department must compute the correct assessment and allocate one parcel in the county to use to collect the assessment. The county must then bill the forest fire protection assessment on that one allocated identified parcel. The landowner is responsible for notifying the department of any changes in parcel ownership.

(3) Beginning January 1, 1991, under the administration and at the discretion of the department up to two hundred thousand dollars per year of this assessment shall be used in support of those rural fire districts assisting the department in fire protection services on forestlands.

(4) For the purpose of this chapter, the department may divide the forestlands of the state, or any part thereof, into districts, for fire protection and assessment purposes, may classify lands according to the character of timber prevailing, and the fire hazard existing, and place unprotected lands under the

administration of the proper district. Amounts paid or contracted to be paid by the department for protection of forestlands from funds at its disposal shall be a lien upon the property protected, unless reimbursed by the owner within ten days after October 1st of the year in which they were incurred. The department shall be prepared to make statement thereof, upon request, to a forest owner whose own protection has not been previously approved as to its adequacy, the department shall report the same to the assessor of the county in which the property is situated. The assessor shall extend the amounts upon the tax rolls covering the property, and upon authorization from the department shall levy the forest protection assessment against the amounts of unimproved land as shown in each ownership on the county assessor's records. The assessor may then segregate on the records to provide that the improved land and improvements thereon carry the millage levy designed to support the rural fire protection districts as provided for in RCW 52.16.170.

(5) The amounts assessed shall be collected at the time, in the same manner, by the same procedure, and with the same penalties attached that general state and county taxes on the same property are collected, except that errors in assessments may be corrected at any time by the department certifying them to the treasurer of the county in which the land involved is situated. Assessments shall be known and designated as assessments of the year in which the amounts became reimbursable. Upon the collection of assessments the county treasurer shall place fifty cents of the total assessments paid on a parcel for fire protection into the county current expense fund to defray the costs of listing, billing, and collecting these assessments. The treasurer shall then transmit the balance to the department. Collections shall be applied against expenses incurred in carrying out the provisions of this section, including necessary and reasonable administrative costs incurred by the department in the enforcement of these provisions. The department may also expend sums collected from owners of forestlands or received from any other source for necessary administrative costs in connection with the enforcement of RCW 76.04.660. During the 2017-2019 and 2019-2021 fiscal ((~~biennium~~)) biennia, the legislature may appropriate moneys from the account for department of natural resources wildfire response and forest health activities.

(6) When land against which forest protection assessments are outstanding is acquired for delinquent taxes and sold at public auction, the state shall have a prior lien on the proceeds of sale over and above the amount necessary to satisfy the county's delinquent tax judgment. The county treasurer, in case the proceeds of sale exceed the amount of the delinquent tax judgment, shall immediately remit to the department the amount of the outstanding forest protection assessments.

(7) All nonfederal public bodies owning or administering forestland included in a forest protection zone shall pay the forest protection assessments provided in this section and the special forest fire suppression account assessments under RCW 76.04.630. The forest protection assessments and special forest fire suppression account assessments shall be payable by nonfederal public bodies from available funds within thirty days following receipt of the written notice from the department which is given after October 1st of the year in which the protection was provided. Unpaid assessments are not a lien against the nonfederal publicly owned land but shall constitute a debt by

the nonfederal public body to the department and are subject to interest charges at the legal rate. (~~During the 2011-2013 fiscal biennium, the forest fire protection assessment account may be appropriated to The Evergreen State College for analysis and recommendations to improve the efficiency and effectiveness of the state's mechanisms for funding fire prevention and suppression activities.~~)

(8) A public body, having failed to previously pay the forest protection assessments required of it by this section, which fails to suppress a fire on or originating from forestlands owned or administered by it, is liable for the costs of suppression incurred by the department or its agent and is not entitled to reimbursement of costs incurred by the public body in the suppression activities.

(9) The department may adopt rules to implement this section, including, but not limited to, rules on levying and collecting forest protection assessments.

Sec. 982. RCW 76.09.405 and 2007 c 54 s 3 and 2007 c 48 s 1 are each reenacted and amended to read as follows:

The forest and fish support account is hereby created in the state treasury. Receipts from appropriations, the surcharge imposed under RCW 82.04.261, and other sources must be deposited into the account. Expenditures from the account shall be used for activities pursuant to the state's implementation of the forests and fish report as defined in this chapter and related activities including, but not limited to, adaptive management, monitoring, and participation grants to tribes, state and local agencies, and not-for-profit public interest organizations. Expenditures from the account may be made only after appropriation by the legislature. During the 2019-2021 fiscal biennium, the legislature may appropriate moneys from the account for activities to implement this chapter.

Sec. 983. RCW 77.12.203 and 2018 c 299 s 913 are each amended to read as follows:

(1) Except as provided in subsections (5), (6), and (7) of this section and notwithstanding RCW 84.36.010 or other statutes to the contrary, the director must pay by April 30th of each year on game lands, regardless of acreage, in each county, if requested by an election under RCW 77.12.201, an amount in lieu of real property taxes equal to that amount paid on similar parcels of open space land taxable under chapter 84.34 RCW or the greater of seventy cents per acre per year or the amount paid in 1984 plus an additional amount for control of noxious weeds equal to that which would be paid if such lands were privately owned. This amount may not be assessed or paid on department buildings, structures, facilities, game farms, fish hatcheries, water access sites, tidelands, or public fishing areas.

(2) "Game lands," as used in this section and RCW 77.12.201, means those tracts, regardless of acreage, owned in fee by the department and used for wildlife habitat and public recreational purposes. All lands purchased for wildlife habitat, public access, or recreation purposes with federal funds in the Snake River drainage basin are considered game lands regardless of acreage.

(3) This section does not apply to lands transferred after April 23, 1990, to the department from other state agencies.

(4) The county must distribute the amount received under this section in lieu of real property taxes to all property taxing districts except the state in appropriate tax code areas the same way it would distribute local property taxes

from private property. The county must distribute the amount received under this section for weed control to the appropriate weed district.

(5) For the 2013-2015 and 2015-2017 fiscal biennia, the director must pay by April 30th of each year on game lands in each county, if requested by an election under RCW 77.12.201, an amount in lieu of real property taxes and must be distributed as follows:

County	
Adams	1,909
Asotin.....	36,123
Chelan	24,757
Columbia	7,795
Ferry.....	6,781
Garfield	4,840
Grant	37,443
Kittitas	143,974
Klickitat.....	21,906
Lincoln.....	13,535
Okanogan.....	151,402
Pend Oreille.....	3,309
Yakima.....	126,225

These amounts may not be assessed or paid on department buildings, structures, facilities, game farms, fish hatcheries, water access sites, tidelands, or public fishing areas.

(6) For the 2017-2019 fiscal biennium, the director must pay by April 30th of each year on game lands in each county, if requested by an election under RCW 77.12.201, an amount in lieu of real property taxes and must be distributed as follows:

County	
Adams	1,909
Asotin.....	36,123
Chelan	39,858
Columbia	20,713
Ferry.....	22,798
Garfield	12,744
Grant	71,930
Kittitas	382,638
Klickitat.....	51,019
Lincoln.....	13,535
Okanogan.....	264,036

Pend Oreille 5,546

Yakima 186,056

These amounts may not be assessed or paid on department buildings, structures, facilities, game farms, fish hatcheries, water access sites, tidelands, or public fishing areas.

(7) During the 2019-21 biennium, the state treasurer must distribute the payments required under this section on behalf of the director.

Sec. 984. RCW 79.64.040 and 2017 3rd sp.s. c 1 s 985 and 2017 c 248 s 5 are each reenacted and 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, except as provided in RCW 79.64.130, 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 2015-2017 (~~and~~), 2017-2019, and 2019-2021 fiscal biennia, the board may increase the twenty-five percent limitation up to thirty-two percent.

Sec. 985. RCW 79.64.110 and 2017 3rd sp.s. c 13 s 315, 2017 3rd sp.s. c 1 s 986, and 2017 c 248 s 6 are each reenacted and amended to read as follows:

(1) Any moneys derived from the lease of state forestlands or from the sale of valuable materials, oils, gases, coal, minerals, or fossils from those lands, except as provided in RCW 79.64.130, or the appraised value of these resources when transferred to a public agency under RCW 79.22.060, except as provided in RCW 79.22.060(4), must be distributed as follows:

(a) For state forestlands acquired through RCW 79.22.040 or by exchange for lands acquired through RCW 79.22.040:

(i) 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 created in RCW 79.64.100. During the (~~(2015-2017 and)~~) 2017-2019 and 2019-2021 fiscal biennia, the board may increase the twenty-five percent limitation up to twenty-seven percent.

(ii) Any balance remaining must be paid to the county in which the land is located or, for counties participating in a land pool created under RCW 79.22.140, to each participating county proportionate to its contribution of asset value to the land pool as determined by the board. Payments made under this subsection are 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.

(iii) 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.

(iv) With regard to moneys remaining under this subsection (1)(a), 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.

(b) For state forestlands 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:

(i) Fifty percent shall be placed in the forest development account.

(ii) Fifty percent shall be prorated and distributed to the state general fund, to be dedicated for the benefit of the public schools, to the county in which the land is located or, for counties participating in a land pool created under RCW 79.22.140, to each participating county proportionate to its contribution of asset value to the land pool as determined by the board, and 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 (1) and (2) 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.

(2) 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. 986. RCW 79.105.150 and 2018 c 299 s 914 are each amended to read as follows:

(1) After deduction for management costs as provided in RCW 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys received by the state from the sale or lease of state-owned aquatic lands and from the sale of valuable material from state-owned aquatic lands shall be deposited in the aquatic lands enhancement account which is hereby created in the state treasury. After appropriation, these funds shall be used solely for aquatic lands enhancement projects; for the purchase, improvement, or protection of aquatic lands for public purposes; for providing and improving access to the lands; and for volunteer cooperative fish and game projects. During the ~~((2013-2015, 2015-~~

~~2017, and~~) 2017-2019 and 2019-2021 fiscal biennia, the aquatic lands enhancement account may be used to support the shellfish program, the ballast water program, hatcheries, the Puget Sound toxic sampling program and steelhead mortality research at the department of fish and wildlife, the knotweed program at the department of agriculture, actions at the University of Washington for reducing ocean acidification, which may include the creation of a center on ocean acidification, the Puget Sound Corps program, and support of the marine resource advisory council and the Washington coastal marine advisory council. During the (~~2013-2015 and~~) 2017-2019 and 2019-2021 fiscal biennia, the legislature may transfer from the aquatic lands enhancement account to the geoduck aquaculture research account for research related to shellfish aquaculture. During the 2015-2017 fiscal biennium, the legislature may transfer moneys from the aquatic lands enhancement account to the marine resources stewardship trust account.

(2) In providing grants for aquatic lands enhancement projects, the recreation and conservation funding board shall:

(a) Require grant recipients to incorporate the environmental benefits of the project into their grant applications;

(b) Utilize the statement of environmental benefits, consideration, except as provided in RCW 79.105.610, of whether the applicant is a Puget Sound partner, as defined in RCW 90.71.010, whether a project is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310, and except as otherwise provided in RCW 79.105.630, and effective one calendar year following the development and statewide availability of model evergreen community management plans and ordinances under RCW 35.105.050, whether the applicant is an entity that has been recognized, and what gradation of recognition was received, in the evergreen community recognition program created in RCW 35.105.030 in its prioritization and selection process; and

(c) Develop appropriate outcome-focused performance measures to be used both for management and performance assessment of the grants.

(3) To the extent possible, the department should coordinate its performance measure system with other natural resource-related agencies as defined in RCW 43.41.270.

(4) The department shall consult with affected interest groups in implementing this section.

(5) Any project designed to address the restoration of Puget Sound may be funded under this chapter only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

Sec. 987. RCW 79A.25.210 and 2017 3rd sp.s. c 1 s 997 are each amended to read as follows:

The firearms range account is hereby created in the state general fund. Moneys in the account shall be subject to legislative appropriation and shall be used for purchase and development of land, construction or improvement of range facilities, including fixed structure construction or remodeling, equipment purchase, safety or environmental improvements, noise abatement, and liability protection for public and nonprofit firearm range training and practice facilities.

Grant funds shall not be used for expendable shooting supplies, or normal operating expenses. In making grants, the board shall give priority to projects for

noise abatement or safety improvement. Grant funds shall not supplant funds for other organization programs.

The funds will be available to nonprofit shooting organizations, school districts, and state, county, or local governments on a match basis. All entities receiving matching funds must be open on a regular basis and usable by law enforcement personnel or the general public who possess Washington concealed pistol licenses or Washington hunting licenses or who are enrolled in a firearm safety class.

Applicants for a grant from the firearms range account shall provide matching funds in either cash or in-kind contributions. The match must represent one dollar in value for each one dollar of the grant except that in the case of a grant for noise abatement or safety improvements the match must represent one dollar in value for each two dollars of the grant. In-kind contributions include but are not limited to labor, materials, and new property. Existing assets and existing development may not apply to the match.

Applicants other than school districts or local or state government must be registered as a nonprofit or not-for-profit organization with the Washington secretary of state. The organization's articles of incorporation must contain provisions for the organization's structure, officers, legal address, and registered agent.

Organizations requesting grants must provide the hours of range availability for public and law enforcement use. The fee structure will be submitted with the grant application.

Any nonprofit organization or agency accepting a grant under this program will be required to pay back the entire grant amount to the firearms range account if the use of the range facility is discontinued less than ten years after the grant is accepted.

Entities receiving grants must make the facilities for which grant funding is received open for hunter safety education classes and firearm safety classes on a regular basis for no fee.

Government units or school districts applying for grants must open their range facility on a regular basis for hunter safety education classes and firearm safety classes.

The board shall adopt rules to implement chapter 195, Laws of 1990, pursuant to chapter 34.05 RCW. During the 2017-2019 and 2019-2021 fiscal ~~((biennium))~~ biennia, expenditures from the firearms range account may be used to implement chapter 74, Laws of 2017 (SHB 1100) (concealed pistol licenses) and chapter 282, Laws of 2017 (SB 5268) (concealed pistol license notices).

Sec. 988. RCW 82.14.310 and 2013 2nd sp.s. c 4 s 1004 are each amended to read as follows:

(1) The county criminal justice assistance account is created in the state treasury. Beginning in fiscal year 2000, the state treasurer must transfer into the county criminal justice assistance account from the general fund the sum of twenty-three million two hundred thousand dollars divided into four equal deposits occurring on July 1, October 1, January 1, and April 1. For each fiscal year thereafter, the state treasurer must increase the total transfer by the fiscal growth factor, as defined in RCW 43.135.025, forecast for that fiscal year by the office of financial management in November of the preceding year.

(2) The moneys deposited in the county criminal justice assistance account for distribution under this section, less any moneys appropriated for purposes under subsections (4) and (5) of this section, must be distributed at such times as distributions are made under RCW 82.44.150 and on the relative basis of each county's funding factor as determined under this subsection.

(a) A county's funding factor is the sum of:

(i) The population of the county, divided by one thousand, and multiplied by two-tenths;

(ii) The crime rate of the county, multiplied by three-tenths; and

(iii) The annual number of criminal cases filed in the county superior court, for each one thousand in population, multiplied by five-tenths.

(b) Under this section and RCW 82.14.320 and 82.14.330:

(i) The population of the county or city is as last determined by the office of financial management;

(ii) The crime rate of the county or city is the annual occurrence of specified criminal offenses, as calculated in the most recent annual report on crime in Washington state as published by the Washington association of sheriffs and police chiefs, for each one thousand in population;

(iii) The annual number of criminal cases filed in the county superior court must be determined by the most recent annual report of the courts of Washington, as published by the administrative office of the courts;

(iv) Distributions and eligibility for distributions in the 1989-1991 biennium must be based on 1988 figures for both the crime rate as described under (ii) of this subsection and the annual number of criminal cases that are filed as described under (iii) of this subsection. Future distributions must be based on the most recent figures for both the crime rate as described under (ii) of this subsection and the annual number of criminal cases that are filed as described under (iii) of this subsection.

(3) Moneys distributed under this section must be expended exclusively for criminal justice purposes and may not be used to replace or supplant existing funding. Criminal justice purposes are defined as activities that substantially assist the criminal justice system, which may include circumstances where ancillary benefit to the civil or juvenile justice system occurs, and which includes (a) domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates, as defined in RCW 70.123.020, and (b) during the 2001-2003 fiscal biennium, juvenile dispositional hearings relating to petitions for at-risk youth, truancy, and children in need of services. Existing funding for purposes of this subsection is defined as calendar year 1989 actual operating expenditures for criminal justice purposes. Calendar year 1989 actual operating expenditures for criminal justice purposes exclude the following: Expenditures for extraordinary events not likely to reoccur, changes in contract provisions for criminal justice services, beyond the control of the local jurisdiction receiving the services, and major nonrecurring capital expenditures.

(4) Not more than five percent of the funds deposited to the county criminal justice assistance account may be available for appropriations for enhancements to the state patrol crime laboratory system and the continuing costs related to these enhancements. Funds appropriated from this account for such enhancements may not supplant existing funds from the state general fund.

(5) (~~During the 2011-2013 fiscal biennium, the amount that would otherwise be transferred into the county criminal justice assistance account from the general fund under subsection (1) of this section must be reduced by 3.4 percent.~~

(6) ~~During the 2013-2015 fiscal biennium, for the purposes of substance abuse and other programs for offenders, the legislature may appropriate from the county criminal justice assistance account such amounts as are in excess of the amounts necessary to fully meet the state's obligations to the counties and to the Washington state patrol. Excess amounts in this account are not the result of subsection (5) of this section.)~~ During the 2017-2019 fiscal biennium, the sum of one hundred fifty-three thousand dollars, and during the 2019-2021 fiscal biennium, the sum of five hundred ten thousand dollars, may be appropriated for the Washington state patrol to provide investigative assistance and report services to assist local law enforcement agencies to prosecute criminals. It is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

Sec. 989. RCW 82.19.040 and 2017 3rd sp.s. c 1 s 990 are each amended to read as follows:

(1) To the extent applicable, all of the definitions of chapter 82.04 RCW and all of the provisions of chapter 82.32 RCW apply to the tax imposed in this chapter.

(2) Beginning June 30, 2019, taxes collected under this chapter shall be deposited in the waste reduction, recycling, and litter control account under RCW 70.93.180, except that until June 30, 2021, one million two hundred fifty thousand dollars per fiscal year must be deposited in equal monthly amounts in the state parks renewal and stewardship account, with the remainder deposited in the waste reduction, recycling, and litter control account. It is the intent of the legislature to continue this policy in the ensuing biennium.

Sec. 990. RCW 83.100.230 and 2017 3rd sp.s. c 1 s 991 are each amended to read as follows:

The education legacy trust account is created in the state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for support of the common schools, and for expanding access to higher education through funding for new enrollments and financial aid, and other educational improvement efforts. During the 2015-2017 (~~and~~), 2017-2019, and 2019-2021 fiscal biennia appropriations from the account may be made for support of early learning programs. It is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

Sec. 991. RCW 86.26.007 and 2018 c 299 s 917 are each amended to read as follows:

The flood control assistance account is hereby established in the state treasury. At the beginning of the 2005-2007 fiscal biennium, the state treasurer shall transfer three million dollars from the general fund to the flood control assistance account. Each biennium thereafter the state treasurer shall transfer four million dollars from the general fund to the flood control assistance account(~~(, except that during the 2011-2013 fiscal biennium, the state treasurer shall transfer one million dollars from the general fund to the flood control assistance account)~~). Moneys in the flood control assistance account may be

spent only after appropriation for purposes specified under this chapter. (~~During the 2013-2015 fiscal biennium and the 2015-2017 fiscal biennium, the legislature may transfer from the flood control assistance account to the state general fund such amounts as reflect the excess fund balance of the account.~~) During the 2017-2019 and 2019-2021 fiscal ((biennium)) biennia, the legislature may appropriate moneys from the account for the purposes specified under chapter 90.94 RCW.

Sec. 992. RCW 90.50A.090 and 2013 c 96 s 2 are each amended to read as follows:

(1) The water pollution control revolving administration account is created in the state treasury. All receipts from charges authorized in this section must be deposited in the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only in a manner consistent with this section.

(2) The department is authorized to assess administration charges as a portion of the debt service for loans issued under the water pollution control revolving fund created in RCW 90.50A.020. The sole purpose of assessing administration charges is to predictably and adequately fund the department's costs of administering the water pollution control revolving fund loan program, as identified in subsection (5) of this section. The department must assess administration charges on each water pollution control revolving fund loan at the point the loan enters repayment status, after July 28, 2013, and rule changes are adopted to implement the administration charge. Loans that are at an interest rate below the established administration charge rate are exempt from the administration charge.

(3) The water pollution control revolving administration account consists of:

(a) Any administration charge levied by the department in conjunction with administration of the water pollution control revolving fund; and

(b) Any other revenues derived from gifts, grants, or bequests pledged to the state for the purpose of administering the water pollution control revolving fund.

(4) The state treasurer may invest and reinvest moneys in the water pollution control revolving administration account in the manner provided by law. All earnings from such investment and reinvestment must be credited to the water pollution control revolving administration account.

(5) Moneys in the water pollution control revolving administration account are to be used for the following water pollution ((~~control~~)) control revolving fund loan program costs:

(a) Administration costs associated with conducting application processes, managing contracts, collecting loan repayments, managing the revolving fund, providing technical assistance, and meeting state and federal reporting requirements; and

(b) Information and data system costs associated with loan tracking and fund management.

(6) Each biennium, the department may spend from the water pollution control revolving administration account an amount no greater than four percent of the water pollution control revolving fund new capital appropriation.

(7) For its 2017-2019 biennial operating budget submittal, and every biennium thereafter, the department must compare the projected water pollution

control revolving administration account balance and the projected administration charge income with projected program costs, including an adequate working capital reserve as defined by the office of financial management. In its submittal to the office of financial management, the department may:

(a) Find that the projected administration charge income is inadequate to fund the cost of administering the program, and that the rate of the charge must be increased. However, the administration charge may never exceed one percent on the declining principal loan balance;

(b) Find that the projected administration charge income exceeds what is needed to fund the cost of administering the program, and that the rate of the charge must be decreased;

(c) Find that there is an excess balance in the revolving administration account, and that the excess must be transferred to the water pollution control revolving fund to be used for loans; or

(d) Find that there is no need for any rate adjustments or balance transfers.

(8) At the point where the water pollution control revolving administration account adequately covers the program administration costs, the department may no longer use the federal administration allowance. If a federal capitalization grant is awarded after that point, all federal capitalization dollars must be used for making loans.

(9) By December 1, 2018, the department must submit to the appropriate legislative fiscal committees a report on implementation of the administration charge, including information on: The amount of income the administration charge has produced since its inception; the uses and adequacy of the income for administrative costs; any excess balances that have been transferred to the water pollution control revolving fund; and any additional sources that the department is using for program administration.

(10) During the 2019-2021 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the water pollution control revolving administration account to the water pollution control revolving account.

Sec. 993. RCW 90.56.500 and 2018 c 299 s 918 are each amended to read as follows:

(1) The state oil spill response account is created in the state treasury. All receipts from RCW 82.23B.020(1) shall be deposited in the account. All costs reimbursed to the state by a responsible party or any other person for responding to a spill of oil shall also be deposited in the account. Moneys in the account shall be spent only after appropriation. The account is subject to allotment procedures under chapter 43.88 RCW.

(2)(a) The account shall be used exclusively to pay for:

(i) The costs associated with the response to spills or imminent threats of spills of crude oil or petroleum products into the waters of the state; and

(ii) The costs associated with the department's use of an emergency response towing vessel.

~~(b) ((During the 2015-2017 biennium, the legislature may transfer up to two million two hundred twenty five thousand dollars from the account to the oil spill prevention account created in RCW 90.56.510.~~

(e)) During the 2017-2019 fiscal biennium, the legislature may transfer up to four million seven hundred twenty-one thousand dollars from the account to the oil spill prevention account created in RCW 90.56.510.

(c) During the 2019-2021 fiscal biennium, the legislature may transfer up to one million forty thousand dollars from the account to the oil spill prevention account created in RCW 90.56.510.

(3) Payment of response costs under subsection (2)(a)(i) of this section shall be limited to spills which the director has determined are likely to exceed one thousand dollars.

(4) Before expending moneys from the account, but without delaying response activities, the director shall make reasonable efforts to obtain funding for response costs under subsection (2) of this section from the person responsible for the spill and from other sources, including the federal government.

(5) Reimbursement for response costs from this account shall be allowed only for costs which are not covered by funds appropriated to the agencies responsible for response activities. Costs associated with the response to spills of crude oil or petroleum products shall include:

- (a) Natural resource damage assessment and related activities;
- (b) Spill related response, containment, wildlife rescue, cleanup, disposal, and associated costs;
- (c) Interagency coordination and public information related to a response; and
- (d) Appropriate travel, goods and services, contracts, and equipment.

Sec. 994. RCW 90.56.510 and 2015 c 274 s 7 are each amended to read as follows:

(1) The oil spill prevention account is created in the state treasury. All receipts from RCW 82.23B.020(2) shall be deposited in the account. Moneys from the account may be spent only after appropriation. The account is subject to allotment procedures under chapter 43.88 RCW. If, on the first day of any calendar month, the balance of the oil spill response account is greater than nine million dollars and the balance of the oil spill prevention account exceeds the unexpended appropriation for the current biennium, then the tax under RCW 82.23B.020(2) shall be suspended on the first day of the next calendar month until the beginning of the following biennium, provided that the tax shall not be suspended during the last six months of the biennium. If the tax imposed under RCW 82.23B.020(2) is suspended during two consecutive biennia, the department shall by November 1st after the end of the second biennium, recommend to the appropriate standing committees an adjustment in the tax rate. For the biennium ending June 30, 1999, and the biennium ending June 30, 2001, the state treasurer may transfer a total of up to one million dollars from the oil spill response account to the oil spill prevention account to support appropriations made from the oil spill prevention account in the omnibus appropriations act adopted not later than June 30, 1999.

(2) Expenditures from the oil spill prevention account shall be used exclusively for the administrative costs related to the purposes of this chapter, and chapters 90.48, 88.40, and 88.46 RCW. In addition, until June 30, ~~((2019))~~ 2021, expenditures from the oil spill prevention account may be used, subject to amounts appropriated specifically for this purpose, for the development and

annual review of local emergency planning committee emergency response plans in RCW 38.52.040(3). Starting with the 1995-1997 biennium, the legislature shall give activities of state agencies related to prevention of oil spills priority in funding from the oil spill prevention account. Costs of prevention include the costs of:

- (a) Routine responses not covered under RCW 90.56.500;
- (b) Management and staff development activities;
- (c) Development of rules and policies and the statewide plan provided for in RCW 90.56.060;
- (d) Facility and vessel plan review and approval, drills, inspections, investigations, enforcement, and litigation;
- (e) Interagency coordination and public outreach and education;
- (f) Collection and administration of the tax provided for in chapter 82.23B RCW; and
- (g) Appropriate travel, goods and services, contracts, and equipment.

(3) Before expending moneys from the account for a response under subsection (2)(a) of this section, but without delaying response activities, the director shall make reasonable efforts to obtain funding for response costs under this section from the person responsible for the spill and from other sources, including the federal government.

NEW SECTION. Sec. 995. (1)(a) A behavioral health recovery system transformation task force is established, with members as provided in this subsection.

(i) The president of the senate shall appoint two members from each of the two largest caucuses of the senate.

(ii) The speaker of the house of representatives shall appoint two members from each of the two largest caucuses of the house of representatives.

(iii) The governor shall appoint four members, representing the following:

- (A) The secretary of the department of social and health services or a designee;
- (B) The secretary of the department of health or a designee;
- (C) The director of the health care authority or a designee; and
- (D) A representative of the governor's office.

(b) The task force shall choose its cochairs from among its legislative membership. The legislative members must convene the initial meeting of the task force. All meetings of the task force must be scheduled and conducted in accordance with the requirements of both the senate and the house of representatives.

(2) The task force shall receive updates, monitor, and make recommendations to the governor, the office of financial management, and the legislature with respect to:

- (a) Patient and worker safety in the behavioral health system;
- (b) Expanding the behavioral health workforce, including reviewing licensing standards and practice models;
- (c) Best practices for the successful treatment of patients receiving long-term inpatient care, including practices related to admission to and discharge from the long-term involuntary inpatient treatment system;
- (d) Fiscal and operational management of the state behavioral health system;

(e) The stability and transition to community-based behavioral health services; and

(f) Successful implementation of the *Trueblood et al. v. Department of Social and Health Services, et al.* settlement.

(3) Staff support for the task force must be provided by the senate committee services and the house of representatives office of program research.

(4) Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(5) The expenses of the task force must be paid jointly by the senate and the house of representatives. Task force expenditures and meetings are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

(6) The task force shall report its findings and recommendations to the governor and the appropriate committees of the legislature by December 1, 2020.

NEW SECTION. Sec. 996. ORCA PASSES

Appropriations to state agencies include funding for orca transit passes for employees who are not represented or who bargained under authority other than chapter 41.80 or 47.64 RCW or RCW 41.56.473 or 41.56.475, who work in King, Pierce, and Snohomish counties. The purchase of orca transit passes shall be administered by the office of financial management.

**PART X
SUPPLEMENTAL
GENERAL GOVERNMENT**

Sec. 1001. 2018 c 299 s 109 (uncodified) is amended to read as follows:

FOR THE SUPREME COURT

General Fund—State Appropriation (FY 2018)	\$7,712,000
General Fund—State Appropriation (FY 2019)	(\$8,025,000)
	<u>\$8,043,000</u>
Pension Funding Stabilization Account—State Appropriation	\$671,000
TOTAL APPROPRIATION	(\$16,408,000)
	<u>\$16,426,000</u>

Sec. 1002. 2018 c 299 s 112 (uncodified) is amended to read as follows:

FOR THE COURT OF APPEALS

General Fund—State Appropriation (FY 2018)	\$17,342,000
General Fund—State Appropriation (FY 2019)	(\$18,066,000)
	<u>\$18,176,000</u>
Pension Funding Stabilization Account—State Appropriation	\$1,477,000
TOTAL APPROPRIATION	(\$36,885,000)
	<u>\$36,995,000</u>

Sec. 1003. 2018 c 299 s 113 (uncodified) is amended to read as follows:

FOR THE ADMINISTRATOR FOR THE COURTS

General Fund—State Appropriation (FY 2018).....	\$55,112,000
General Fund—State Appropriation (FY 2019).....	(\$58,597,000)
	<u>\$59,856,000</u>
General Fund—Federal Appropriation.....	\$2,174,000
General Fund—Private/Local Appropriation.....	\$676,000
Judicial Information Systems Account—State	
Appropriation.....	\$61,089,000
Judicial Stabilization Trust Account—State	
Appropriation.....	\$6,691,000
Pension Funding Stabilization Account—State	
Appropriation.....	\$4,580,000
TOTAL APPROPRIATION.....	(\$188,919,000)
	<u>\$190,178,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) 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.

(2) \$1,399,000 of the general fund—state appropriation for fiscal year 2018 and \$1,399,000 of the general fund—state appropriation for fiscal year 2019 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 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) \$7,313,000 of the general fund—state appropriation for fiscal year 2018 and \$7,313,000 of the general fund—state appropriation for fiscal year 2019 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 2017-2019 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 and senate fiscal committees 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) \$12,000,000 of the judicial information systems account—state appropriation is provided solely for the continued implementation of the superior courts case management system. Of the amount appropriated, \$8,300,000 is provided solely for expenditures in fiscal year 2018. The remaining appropriation of \$3,700,000 is provided solely for expenditures in fiscal year 2019 and shall lapse and remain unexpended if the superior court case management system is not live and fully functional in Cowlitz, Grays Harbor, Klickitat, Mason, Pacific, and Skamania counties by July 1, 2017, and Clallum, Jefferson, Kitsap, Skagit, and Whatcom counties by January 1, 2018.

(5) \$4,339,000 of the judicial information systems account—state appropriation is provided solely for the information network hub project.

(6)(a) \$10,390,000 of the judicial information systems account—state appropriation is provided solely for other judicial branch information technology projects, including:

- (i) The superior court case management system;
- (ii) The courts of limited jurisdiction case management system;
- (iii) The appellate court case management system; and
- (iv) Support staff for information technology projects.

(b) Expenditures from the judicial information systems account shall not exceed available resources. The office must coordinate with the steering committee for the superior court case management system and the steering committee for the courts of limited jurisdiction case management system to prioritize expenditures for judicial branch information technology projects. For any competitive procurement using amounts appropriated, the office of the chief information officer must review the qualifications and proposed work plan of the apparently successful bidder prior to final selection and review the proposed vendor contract prior to its execution. The office shall not enter into any contract using appropriated amounts that would cause total information technology expenditures to exceed projected resources in the judicial information systems account in the 2019-2021 fiscal biennium.

(7) \$811,000 of the general fund—state appropriation for fiscal year 2018 ~~((is))~~ and \$1,094,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the statewide fiscal impact on Thurston county courts. ~~((The administrative office of the courts must collaborate with Thurston county to create a new fee formula that accurately represents the state's impact on Thurston county courts.))~~

(8) \$53,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of chapter 272, Laws of 2017 (E2SHB 1163) (domestic violence).

(9) \$61,000 of the general fund—state appropriation for fiscal year 2018 and \$58,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

(10) \$120,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for staff to support the superior court judges association as provided in the agreement between the association and the office.

(11) \$2,265,000 of the judicial information systems account—state appropriation is provided solely for replacement of computer equipment, including servers, routers, and storage system upgrades.

(12) \$602,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for state costs for the implementation of Engrossed Second Substitute House Bill No. 1783 (legal financial obligations). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(13) \$1,900,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for grants to counties and cities for the impacts from Engrossed Second Substitute House Bill No. 1783 (legal financial obligations). Funding must be divided equally between counties and cities and distributed as grants to mitigate demonstrated costs and revenue losses from the legislation. It is the legislature's intent that grants will continue only through the 2019-2021 fiscal biennium as follows: (a) Funding in fiscal year 2020 must be distributed in the same proportion and basis as fiscal year 2019; and (b) funding for fiscal year 2021 must be divided eighty-five percent to counties and fifteen percent to cities and distributed based on demonstrated revenue losses from the legislation. If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

Sec. 1004. 2018 c 299 s 115 (uncodified) is amended to read as follows:

FOR THE OFFICE OF CIVIL LEGAL AID

General Fund—State Appropriation (FY 2018)	\$14,833,000
General Fund—State Appropriation (FY 2019)	(\$17,230,000)
	<u>\$17,405,000</u>
Judicial Stabilization Trust Account—State	
Appropriation	\$1,463,000
Pension Funding Stabilization Account—State	
Appropriation	\$44,000
TOTAL APPROPRIATION	(\$33,570,000)
	<u>\$33,745,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) An amount not to exceed \$40,000 of the general fund—state appropriation for fiscal year 2018 and an amount not to exceed \$40,000 of the general fund—state appropriation for fiscal year 2019 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.

(2) \$1,075,000 of the general fund—state appropriation for fiscal year 2018 and \$2,600,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the office to partially implement the civil legal aid reinvestment plan.

(3) \$338,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the addition of five contract attorneys beginning January 1, 2019, to further implement the civil legal aid reinvestment plan.

(4) \$300,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the office to automate, deploy, and host a plain language family law forms document assembly system.

(5) \$125,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a contract with the international families justice coalition to expand private capacity to provide legal services for indigent foreign nationals in

contested domestic relations and family law cases. Moneys may not be expended from this appropriation for private legal representation of clients in domestic relations and family law cases.

*Sec. 1005. 2018 c 299 s 116 (uncodified) is amended to read as follows:

FOR THE OFFICE OF THE GOVERNOR

General Fund—State Appropriation (FY 2018)	\$6,221,000
General Fund—State Appropriation (FY 2019)	(\$7,328,000)
	<u>\$8,799,000</u>

<i>Economic Development Strategic Reserve Account—State</i>	
<i>Appropriation</i>	(\$4,000,000)
	<u>\$2,000,000</u>

Pension Funding Stabilization Account—State	
Appropriation	\$676,000
TOTAL APPROPRIATION	(\$18,225,000)
	<u>\$17,696,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$703,000 of the general fund—state appropriation for fiscal year 2018 and \$703,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the office of the education ombuds.

(2) \$730,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1661 (child, youth, families/department). The amount of state and federal funding to be transferred from the department of social and health services to the department of children, youth, and families for the working connections child care services, administration, and staff must be included in the report required by the bill on how to incorporate the staff responsible for determining eligibility for the working connections child care program into the department of children, youth, and families. If the bill is not enacted by July 31, 2017, the amount provided in this subsection shall lapse.

(3) \$1,216,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1889 (corrections ombuds). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(4) \$5,000 of the general fund—state appropriation for fiscal year 2018 and \$5,000 of the general fund—state appropriation for fiscal year 2019 are provided to the office of the governor to support the Ruth Woo fellow. Funding will provide financial support for the Ruth Woo fellow participating in the governor's leadership academy internship program.

(5) \$291,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed House Bill No. 2759 (women's commission). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(6) \$1,471,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for executive protection costs.

*Sec. 1005 was partially vetoed. See message at end of chapter.

Sec. 1006. 2018 c 299 s 118 (uncodified) is amended to read as follows:

FOR THE PUBLIC DISCLOSURE COMMISSION

General Fund—State Appropriation (FY 2018)	\$2,697,000
General Fund—State Appropriation (FY 2019)	(\$3,965,000)
	<u>\$4,854,000</u>
<u>Public Disclosure Transparency Account—State</u>	
Appropriation	\$22,000
<u>Pension Funding Stabilization Account—State</u>	
Appropriation	\$260,000
TOTAL APPROPRIATION	(\$6,922,000)
	<u>\$7,833,000</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 2019 is provided solely for modernizing and migrating the public disclosure commission's business applications from an agency-based data center to the state data center or a cloud environment.

(2) \$875,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Engrossed Substitute House Bill No. 2938 (campaign finance). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

Sec. 1007. 2018 c 299 s 119 (uncodified) is amended to read as follows:

FOR THE SECRETARY OF STATE

General Fund—State Appropriation (FY 2018)	\$15,708,000
General Fund—State Appropriation (FY 2019)	(\$13,742,000)
	<u>\$14,640,000</u>
General Fund—Federal Appropriation	\$7,793,000
<u>Public Records Efficiency, Preservation, and Access</u>	
Account—State Appropriation	\$9,219,000
<u>Charitable Organization Education Account—State</u>	
Appropriation	\$673,000
<u>Local Government Archives Account—State</u>	
Appropriation	\$10,942,000
Election Account—Federal Appropriation	(\$4,387,000)
	<u>\$5,887,000</u>
<u>Washington State Heritage Center Account—State</u>	
Appropriation	\$10,626,000
<u>Pension Funding Stabilization Account—State</u>	
Appropriation	\$959,000
TOTAL APPROPRIATION	(\$74,049,000)
	<u>\$76,447,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,301,000 of the general fund—state appropriation for fiscal year 2018 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)(a) \$2,932,000 of the general fund—state appropriation for fiscal year 2018 and \$3,011,000 of the general fund—state appropriation for fiscal year

2019 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 2017-2019 fiscal 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.

(3) Any reductions to funding for the Washington talking book and Braille library may not exceed in proportion any reductions taken to the funding for the library as a whole.

(4) \$15,000 of the general fund—state appropriation for fiscal year 2018, \$15,000 of the general fund—state appropriation for fiscal year 2019, \$4,000 of the public records efficiency, preservation and access account, and \$2,253,000 of the local government archives account appropriation are provided solely for the implementation of chapter 303, Laws of 2017 (ESHB 1594) (public records administration).

(5) The office of the secretary of state will enter into an agreement with the office of the attorney general to reimburse costs associated with the requirements of chapter 303, Laws of 2017.

(6) \$35,000 of the general fund—state appropriation for fiscal year 2018 and \$39,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for humanities Washington speaker's bureau community conversations to expand programming in underserved areas of the state.

(7) \$285,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of House Bill No. 2406 (election security practices). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(8) \$600,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to reimburse King county for the cost of prepaid postage on return envelopes for 2018 primary and general election ballots.

Sec. 1008. 2018 c 299 s 121 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS

General Fund—State Appropriation (FY 2018)	\$243,000
General Fund—State Appropriation (FY 2019)	(\$252,000)
	<u>\$265,000</u>
Pension Funding Stabilization Account—State	
Appropriation	\$26,000
TOTAL APPROPRIATION	(\$521,000)
	<u>\$534,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$3,000 of the general fund—state appropriation for fiscal year 2018 and \$3,000 of the general fund—state appropriation for fiscal year 2019 are provided to the commission on Asian Pacific American affairs to support the Ruth Woo fellow. Funding will provide financial support for the Ruth Woo fellow participating in the governor's leadership academy, a ten-week summer internship program administered by the office of the governor. Funding is provided for, but not limited to, living expenses and travel costs.

Sec. 1009. 2018 c 299 s 124 (uncodified) is amended to read as follows:

FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS

General Fund—State Appropriation (FY 2018)	\$213,000
General Fund—State Appropriation (FY 2019)	(\$217,000)
	<u>\$223,000</u>
Pension Funding Stabilization Account—State	
Appropriation	\$30,000
TOTAL APPROPRIATION	(\$460,000)
	<u>\$466,000</u>

Sec. 1010. 2018 c 299 s 125 (uncodified) is amended to read as follows:

FOR THE ATTORNEY GENERAL

General Fund—State Appropriation (FY 2018)	\$7,868,000
General Fund—State Appropriation (FY 2019)	\$8,300,000
General Fund—Federal Appropriation	\$11,945,000
New Motor Vehicle Arbitration Account—State	
Appropriation	\$1,143,000
Legal Services Revolving Account—State	
Appropriation	(\$251,030,000)
	<u>\$254,118,000</u>
Tobacco Prevention and Control Account—State	
Appropriation	\$273,000
Medicaid Fraud Penalty Account—State Appropriation	\$3,511,000
Public Service Revolving Account—State	
Appropriation	\$2,723,000
Child Rescue Fund—State Appropriation	\$500,000
Local Government Archives Account—State Appropriation	\$660,000
Pension Funding Stabilization Account—State	

Appropriation	\$1,606,000
TOTAL APPROPRIATION	(\$289,559,000))
	<u>\$292,647,000</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. As part of its by agency report to the legislative fiscal committees and the office of financial management, the office of the attorney general shall include information detailing the agency's expenditures for its agency-wide overhead and a breakdown by division of division administration expenses.

(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) The attorney general shall annually report to the fiscal committees of the legislature all new cy pres awards and settlements and all new accounts, disclosing their intended uses, balances, the nature of the claim or account, proposals, and intended timeframes for the expenditure of each amount. The report shall be distributed electronically and posted on the attorney general's web site. The report shall not be printed on paper or distributed physically.

(4) \$353,000 of the general fund—state appropriation for fiscal year 2018 and \$353,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a grant to the Washington coalition of crime victim advocates to provide training, certification, and technical assistance for crime victim service center advocates.

(5) \$92,000 of the general fund—state appropriation for fiscal year 2018 and \$91,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 163, Laws of 2017 (SHB 1055) (military members/pro bono).

(6) \$49,000 of the legal services revolving account—state appropriation is provided solely for implementation of chapter 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

(7) \$276,000 of the general fund—state appropriation for fiscal year 2018 and \$259,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 294, Laws of 2017 (SSB 5835) (health outcomes/pregnancy).

(8) \$22,000 of the legal services revolving account—state appropriation is provided solely for implementation of chapter 295, Laws of 2017 (SHB 1258) (first responders/disability).

(9) \$35,000 of the legal services revolving account—state appropriation is provided solely for implementation of chapter 249, Laws of 2017 (ESHB 1714) (nursing staffing/hospitals).

(10) \$361,000 of the legal services revolving account—state appropriation and \$660,000 of the local government archives account—state appropriation are

provided solely for implementation of chapter 303, Laws of 2017 (ESHB 1594) (public records administration).

(11) \$40,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the implementation of chapter 243, Laws of 2017 (HB 1352) (small business owners).

(12) \$67,000 of the legal services revolving account—state appropriation is provided solely for the implementation of chapter 320, Laws of 2017 (SSB 5322) (dentists and third parties).

(13) \$11,000 of the legal services revolving account—state appropriation is provided solely for the implementation of chapter 53, Laws of 2017 (2SHB 1120) (regulatory fairness act).

(14) \$26,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 2578 (housing options). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(15) \$119,000 of the legal services revolving account—state appropriation is provided solely for implementation of chapter 1, Laws of 2018 (ESSB 6091).

(16) \$96,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 6029 (student loan bill of rights). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(17) \$48,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 2938 (campaign finance). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(18) \$116,000 of the legal services revolving account—state appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1439 (higher education student protection). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(19) \$72,000 of the legal services revolving account—state appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1889 (corrections ombuds, creating). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(20) \$78,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Second Substitute House Bill No. 1298 (job applicants/arrests). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(21) \$350,000 of the public service revolving account—state appropriation is provided solely for additional expert witness assistance for the public counsel unit.

Sec. 1011. 2018 c 299 s 127 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

General Fund—State Appropriation (FY 2018)	\$64,290,000
General Fund—State Appropriation (FY 2019)	(\$77,359,000)
	<u>\$77,276,000</u>
General Fund—Federal Appropriation	(\$295,840,000)
	<u>\$300,942,000</u>
General Fund—Private/Local Appropriation	(\$8,922,000)
	<u>\$8,773,000</u>

Public Works Assistance Account—State	
Appropriation.	\$8,086,000
Drinking Water Assistance Administrative	
Account—State Appropriation	\$507,000
Lead Paint Account—State Appropriation.	\$237,000
Building Code Council Account—State Appropriation.	\$15,000
Home Security Fund Account—State Appropriation.	\$54,268,000
Affordable Housing for All Account—State	
Appropriation.	\$13,866,000
Financial Fraud and Identity Theft Crimes	
Investigation and Prosecution Account—State	
Appropriation.	\$1,974,000
Low-Income Weatherization and Structural	
Rehabilitation Assistance Account—State	
Appropriation.	\$1,398,000
Community and Economic Development Fee Account—State	
Appropriation.	\$4,628,000
Washington Housing Trust Account—State	
Appropriation.	\$12,615,000
Prostitution Prevention and Intervention Account—	
State Appropriation	\$26,000
Public Facility Construction Loan Revolving	
Account—State Appropriation	\$841,000
Drinking Water Assistance Account—State	
Appropriation.	\$44,000
Liquor Revolving Account—State Appropriation	\$5,613,000
Energy Freedom Account—State Appropriation	\$5,000
Liquor Excise Tax Account—State Appropriation.	\$663,000
Economic Development Strategic Reserve Account—State	
Appropriation.	\$2,648,000
Financial Services Regulation Account—State	
Appropriation.	\$468,000
Pension Funding Stabilization Account—State	
Appropriation.	\$1,618,000
Statewide Tourism Marketing Account—State	
Appropriation.	(\$1,500,000)
	<u>\$1,501,000</u>
Life Sciences Discovery Account—State	
Appropriation.	\$50,000
TOTAL APPROPRIATION	(\$557,481,000)
	<u>\$562,352,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Repayments of outstanding mortgage and rental assistance program loans administered by the department under RCW 43.63A.640 shall be remitted to the department, including any current revolving account balances. The department shall collect payments on outstanding loans, and deposit them into the state general fund. Repayments of funds owed under the program shall be

remitted to the department according to the terms included in the original loan agreements.

(2) \$500,000 of the general fund—state appropriation for fiscal year 2018 and \$1,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a grant to resolution Washington to building statewide capacity for alternative dispute resolution centers and dispute resolution programs that guarantee that citizens have access to low-cost resolution as an alternative to litigation.

(3) \$375,000 of the general fund—state appropriation for fiscal year 2018 and \$375,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a grant to the retired senior volunteer program.

(4) The department shall administer its growth management act technical assistance and pass-through grants so that smaller cities and counties receive proportionately more assistance than larger cities or counties.

(5) \$375,000 of the general fund—state appropriation for fiscal year 2018 and \$375,000 of the general fund—state appropriation for fiscal year 2019 are provided solely as pass-through funding to Walla Walla Community College for its water and environmental center.

(6) \$2,642,000 of the economic development strategic reserve account—state appropriation and \$2,960,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for associate development organizations. During the 2017-2019 fiscal biennium, the department shall consider an associate development organization's total resources when making contracting and fund allocation decisions, in addition to the schedule provided in RCW 43.330.086.

(7) \$5,607,000 of the liquor revolving account—state appropriation is provided solely for the department to contract with the municipal research and services center of Washington.

(8)(a) \$500,000 of the general fund—state appropriation for fiscal year 2018, \$500,000 of the general fund—state appropriation for fiscal year 2019, \$24,734,000 of the home security fund—state appropriation, and \$8,860,000 of the affordable housing for all account—state appropriation are provided solely for the consolidated homeless grant. Of the amounts appropriated, \$5,000,000 is provided solely for emergency assistance to homeless families in the temporary assistance for needy families program.

(b) The department must distribute appropriated amounts from the home security account through performance-based contracts. The contracts must require that auditable documentation for the performance and financial metrics be provided to the joint legislative audit and review committee as requested for performance audits.

(9) \$700,000 of the general fund—state appropriation for fiscal year 2018 and \$1,436,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to identify and invest in strategic growth areas, support key sectors, and align existing economic development programs and priorities. The department must consider Washington's position as the most trade-dependent state when identifying priority investments. The department must engage states and provinces in the northwest as well as associate development organizations, small business development centers, chambers of commerce, ports, and other partners to leverage the funds provided. Sector leads

established by the department must include the industries of: (a) Tourism; (b) agriculture, wood products, and other natural resource industries; and (c) clean technology and renewable and nonrenewable energy. The department may establish these sector leads by hiring new staff, expanding the duties of current staff, or working with partner organizations and or other agencies to serve in the role of sector lead.

(10) The department is authorized to require an applicant to pay an application fee to cover the cost of reviewing the project and preparing an advisory opinion on whether a proposed electric generation project or conservation resource qualifies to meet mandatory conservation targets.

(11) Within existing resources, the department shall provide administrative and other indirect support to the developmental disabilities council.

(12) \$150,000 of the general fund—state appropriation for fiscal year 2018 and \$150,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the expansion of the current long-term care ombuds program to meet the immediate needs of individuals by advocating on behalf of and protecting residents of long-term care facilities from abuse, neglect, and exploitation.

(13) Within existing resources, the department of commerce shall consult with key crime victim services stakeholders to inform decisions about the funding distribution for federal fiscal years 2017-2019 victims of crime act victim assistance funding. These stakeholders must include, at a minimum, children's advocacy centers of Washington, Washington association of prosecuting attorneys, Washington association of sheriffs and police chiefs, Washington coalition against domestic violence, Washington coalition of sexual assault programs, Washington coalition of crime victim advocates, at least one representative from a child health coalition, and other organizations as determined by the department. Funding distribution considerations shall include, but are not limited to, geographic distribution of services, underserved populations, age of victims, best practices, and the unique needs of individuals, families, youth, and children who are victims of crime.

(14) \$643,000 of the liquor excise tax account—state appropriation is provided solely for the department of commerce to provide fiscal note assistance to local governments.

(15) \$300,000 of the general fund—state appropriation for fiscal year 2018 and \$300,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the northwest agriculture business center.

(16) \$150,000 of the general fund—state appropriation for fiscal year 2018 and \$150,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the regulatory roadmap program for the construction industry and to identify and coordinate with businesses in key industry sectors to develop additional regulatory roadmap tools.

(17) \$1,000,000 of the general fund—state appropriation for fiscal year 2018 and \$1,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington new Americans program. The department may require a cash match or in-kind contributions to be eligible for state funding.

(18) \$94,000 of the general fund—state appropriation for fiscal year 2018 and \$253,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely for implementation of chapter 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

(19) \$60,000 of the general fund—state appropriation for fiscal year 2018 is provided solely as a grant to the Hoh Indian tribe for critical infrastructure, including a backup electrical power generator to address recurrent power outages in the community.

(20) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for capacity-building grants through the Latino community fund to promote and improve education, economic empowerment, arts and culture, civic engagement, health, and environmental justice for Latino communities in Washington state.

(21) \$643,000 of the general fund—state appropriation for fiscal year 2018 and \$643,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to contract with a private, nonprofit organization to provide developmental disability ombuds services.

(22) \$39,000 of the general fund—state appropriation for fiscal year 2018 and \$39,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 290, Laws of 2017 (ESHB 1109) (victims of sexual assault).

(23) \$1,000,000 of the home security fund—state appropriation, \$2,000,000 of the Washington housing trust account—state appropriation, and \$1,000,000 of the affordable housing for all account—state appropriation are provided solely for the department of commerce for services to homeless families and youth through the Washington youth and families fund.

(24)(a) \$500,000 of the general fund—state appropriation for fiscal year 2018, \$500,000 of the general fund—state appropriation for fiscal year 2019, and \$2,500,000 of the home security fund—state appropriation are provided solely for the office of homeless youth prevention and protection programs to:

(i) Contract with other public agency partners to test innovative program models that prevent youth from exiting public systems into homelessness; and

(ii) Support the development of an integrated services model, increase performance outcomes, and ensure providers have the necessary skills and expertise to effectively operate youth programs.

(b) Of the amounts provided in this subsection, \$1,750,000 is provided solely for the department to decrease homelessness of youth under 18 years of age though increasing shelter capacity statewide with preference given to increasing the number of contracted HOPE beds and crisis residential center beds.

(c) The department must distribute appropriated amounts from the home security account through performance-based contracts. The contracts must require that auditable documentation for the performance and financial metrics be provided to the joint legislative audit and review committee as requested for performance audits.

(25) \$140,000 of the general fund—state appropriation for fiscal year 2018 and \$140,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to create a behavioral health supportive housing administrator within the department to coordinate development of effective behavioral health housing options and services statewide to aide in the discharge of individuals

from the state psychiatric hospitals. This position must work closely with the health care authority, department of social and health services, and other entities to facilitate linkages among disparate behavioral health community bed capacity-building efforts. This position must work to integrate building infrastructure capacity with ongoing supportive housing benefits, and must also develop and maintain a statewide inventory of mental health community beds by bed type.

(26)(a) \$1,000,000 of the home security fund—state appropriation for fiscal year 2018 and \$1,000,000 of the home security fund—state appropriation for fiscal year 2019 are provided solely to administer the grant program required in chapter 43.185C RCW, linking homeless students and their families with stable housing.

(b) The department must distribute appropriated amounts from the home security account through performance-based contracts that require, at a minimum, monthly reporting of performance and financial metrics. The contracts must require that auditable documentation for the performance and financial metrics be provided to the joint legislative audit and review committee as requested for performance audits.

(27) \$990,000 of the general fund—state appropriation for fiscal year 2018 and \$1,980,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for 150 community beds for individuals with a history of mental illness. Currently, there is little to no housing specific to populations with these co-occurring disorders; therefore, the department must consider how best to develop new bed capacity in combination with individualized support services, such as intensive case management and care coordination, clinical supervision, mental health, substance abuse treatment, and vocational and employment services. Case-management and care coordination services must be provided. Increased case-managed housing will help to reduce the use of jails and emergency services and will help to reduce admissions to the state psychiatric hospitals. The department must coordinate with the health care authority and the department of social and health services in establishing conditions for the awarding of these funds. The department must contract with local entities to provide a mix of (a) shared permanent supportive housing; (b) independent permanent supportive housing; and (c) low and no-barrier housing beds for people with a criminal history, substance abuse disorder, and/or mental illness.

Priority for permanent supportive housing must be given to individuals on the discharge list at the state psychiatric hospitals or in community psychiatric inpatient beds whose conditions present significant barriers to timely discharge.

(28) \$557,000 of the general fund—state appropriation for fiscal year 2018 and \$557,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to design and administer the achieving a better life experience program.

(29) \$512,000 of the general fund—state appropriation for fiscal year 2018 is provided solely to complete the requirements of the agricultural labor skills and safety grant program in chapter 43.330 RCW. This program expires July 1, 2018.

(30) \$150,000 of the general fund—state appropriation for fiscal year 2018 and \$150,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely for the implementation of chapter 225, Laws of 2017 (SSB 5713) (skilled worker program).

(31) \$50,000 of the general fund—state appropriation for fiscal year 2018 and \$50,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the wildfire project in the Wenatchee valley to provide public education on wildfire and forest health issues.

(32) \$167,000 of the general fund—state appropriation for fiscal year 2018 and \$167,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for community mobilization grants to safe Yakima and safe streets of Tacoma to foster community engagement through neighborhood organizing, law enforcement-community partnerships, neighborhood watch programs, youth mobilization, and business engagement.

(33)(a) \$83,000 of the general fund—state appropriation for fiscal year 2018 and \$83,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to create el nuevo camino pilot project for the purpose of addressing serious youth gang problems in midsize counties in eastern Washington. El nuevo camino pilot project must include one grant to an eligible applicant for the 2017-2019 fiscal biennium. The department shall adopt policies and procedures as necessary to administer the pilot project, including the application process, disbursement of the grant award to the selected applicant, and tracking compliance and measuring outcomes. Partners, grant recipients, prosecutors, mental health practitioners, schools, and other members of the el nuevo camino pilot project, shall ensure that programs, trainings, recruiting, and other operations for el nuevo camino pilot project prohibit discriminatory practices, including biased treatment and profiling of youth or their communities. For the purposes of this subsection, antidiscriminatory practices prohibit grant recipients or their partners from using factors such as race, ethnicity, national origin, immigration or citizenship status, age, religion, gender, gender identity, gender expression, sexual orientation, and disability in guiding or identifying affected populations.

(b) An eligible applicant:

(i) Is a county located in Washington or its designee;

(ii) Is located east of the Cascade mountain range with an estimated county population between ninety thousand and one hundred thousand as of January 1, 2017;

(iii) Has an identified gang problem;

(iv) Pledges and provides a minimum of sixty percent of matching funds over the same time period of the grant;

(v) Has established a coordinated effort with committed partners, including law enforcement, prosecutors, mental health practitioners, and schools;

(vi) Has established goals, priorities, and policies in compliance with the requirements of (c) of this subsection; and

(vii) Demonstrates a clear plan to engage in long-term antigang efforts after the conclusion of the pilot project.

(c) The grant recipient must:

(i) Work to reduce youth gang crime and violence by implementing the comprehensive gang model of the federal juvenile justice and delinquency prevention act of 1974;

(ii) Increase mental health services to unserved and underserved youth by implementing the best practice youth mental health model of the national center for mental health and juvenile justice;

(iii) Work to keep high-risk youth in school, reenroll dropouts, and improve academic performance and behavior by engaging in a grass roots team approach in schools with the most serious youth violence and mental health problems, which must include a unique and identified team in each district participating in the project;

(iv) Hire a project manager and quality assurance coordinator;

(v) Adhere to recommended quality control standards for Washington state research-based juvenile offender programs as set forth by the Washington state institute for public policy; and

(vi) Report to the department by September 1, 2019, with the following:

(A) The number of youth and adults served through the project and the types of services accessed and received;

(B) The number of youth satisfactorily completing chemical dependency treatment in the county;

(C) The estimated change in domestic violence rates;

(D) The estimated change in gang participation and gang violence;

(E) The estimated change in dropout and graduation rates;

(F) The estimated change in overall crime rates and crimes typical of gang activity;

(G) The estimated change in recidivism for youth offenders in the county; and

(H) Other information required by the department or otherwise pertinent to the pilot project.

(d) The department shall report the information from (c)(vi) of this subsection and other relevant data to the legislature and the governor by October 1, 2019.

(34)(a) During the 2017-2019 fiscal biennium, the department must revise its agreements and contracts with vendors to include a provision to require that each vendor agrees to equality among its workers by ensuring similarly employed individuals are compensated as equals as follows:

(i) Employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed;

(ii) Vendors may allow differentials in compensation for its workers based in good faith on any of the following:

(A) A seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels.

(B) A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience, that is: Consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential.

(C) A bona fide regional difference in compensation level must be: Consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential.

(b) The provision must allow for the termination of the contract if the department or department of enterprise services determines that the vendor is not in compliance with this agreement or contract term.

(c) The department must implement this provision with any new contract and at the time of renewal of any existing contract.

(35) \$102,000 of the general fund—state appropriation for fiscal year 2018 and \$75,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 315, Laws of 2017 (ESB 5128) (incremental energy).

(36) \$26,000 of the general fund—state appropriation for fiscal year 2018 and \$12,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 279, Laws of 2017 (SHB 1988) (vulnerable youth guardians).

(37) \$468,000 of the financial services regulation account—state appropriation is provided solely for the family prosperity account program.

(38) The department is authorized to suspend issuing any nonstatutorily required grants or contracts of an amount less than \$1,000,000 per year.

(39) The entire home security account appropriation in this section is provided solely for administration through performance-based contracts that require, at a minimum, monthly reporting of performance and financial metrics. The contracts must require that auditable documentation for the performance and financial metrics be provided to the joint legislative audit and review committee as requested for performance audits.

(40)(a) \$250,000 of the public works assistance account—state appropriation is provided solely for the department to contract with a consultant to study strategies for increasing the competitiveness of rural businesses in securing local government contracts within their same rural county, and for providing outreach services to employers in rural communities. The consultant must:

- (i) Be a 501(c)(3) nonprofit organization;
- (ii) Be located in a county with a population of less than two million; and
- (iii) Provide statewide business representation and expertise with relevant experience in the evaluation of rural economies.

(b) The study must include the following:

(i) An analysis of the net economic and employment impacts to rural communities of awarding local government contracts to businesses outside the rural county in comparison to awarding local government contracts to businesses based in the same rural county;

(ii) A survey of local government entities to collect relevant data to include but not be limited to: The total number and amount of contracts awarded in 2015 and 2016 by local governments in rural counties; the number and amount of contracts awarded to businesses based in rural counties in comparison to the number and amounts awarded to businesses based in nonrural counties; the number of contracts where a rural business responded to a request for proposal but was not the minimum bidder; the percentage spread between the rural business and the lowest bidder; and the number of times the local government moved to the next most qualified bidder in a request for qualification out of the total professional service contracts awarded;

(iii) A review of current regulations and best practices in other jurisdictions. The study must identify existing policy barriers, if present, and potential policy changes to increase the competitiveness of rural businesses in securing local government contracts within their same geographic region, including but not be limited to the risks and benefits of establishing a preference for local businesses for rural government contracts; and

(iv) Discussion on the implications for projects that receive federal funding. The study must be provided to the office of financial management and fiscal committees of the legislature by December 31, 2017.

(c) The department's external relations division must expand existing outreach services offered to rural employers to include training on processes to compete effectively for public works contracts within their communities. The external relations division must receive training on contract law to better support their outreach services. The cost of the training may not exceed \$10,000.

(41) \$40,000 of the general fund—state appropriation for fiscal year 2018 and \$40,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Federal Way day center to provide housing and other assistance to persons over 18 experiencing homelessness.

(42) \$200,000 of the general fund—state appropriation for fiscal year 2018 and \$200,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of Second Substitute Senate Bill No. 5254 (buildable lands and zoning). If this bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

(43) \$700,000 of the general fund—state appropriation for fiscal year 2018 and \$600,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for staff and upgrades to the homeless management information system.

(44) \$50,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the department to conduct a study on the current state of data center industry in Washington and whether changes to existing state policies would result in additional investment and job creation in Washington as well as advance the development of the state's technology ecosystems. The study is due to the appropriate committees of the legislature by December 1, 2017.

(45) \$500,000 of the general fund—state appropriation for 2018 is provided solely for the department to formulate a statewide tourism marketing plan in collaboration with a nonprofit statewide tourism organization as provided in Substitute Senate Bill No. 5251.

(46) \$80,000 of the general fund—state appropriation for fiscal year 2018 and \$80,000 of the general fund—state appropriation for fiscal year 2019 is provided solely as a grant to Klickitat county for a land use planner to process a backlog of permits that have not been processed by the Columbia river gorge commission due to lack of funds.

(47)(a) \$500,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a contract to study and report on independent contractor employment in Washington state. The contractor shall provide to the department an interim report to include a substantive update by November 1, 2018. The contractor report shall be provided to the department by June 1, 2019. The report must include information on the needs of workers earning income as independent contractors including sources of income, the amount of their

income derived from independent work, and a discussion of the benefits provided to such workers.

(b) The department must convene an advisory committee to provide assistance with the development of the study. The advisory committee must comprise:

(i) Individuals from the public and private sector with expertise in labor laws;

(ii) Representatives of labor unions;

(iii) Representatives from nonprofit organizations promoting economic security and educational opportunity; and

(iv) Individuals from business and industry.

(48) \$1,070,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to expand the small business export assistance program and ensure that at least one new employee is located outside the city of Seattle for purposes of assisting rural businesses with export strategies; and for continuing the economic gardening program.

(49) \$1,500,000 of the statewide tourism marketing account—state appropriation is provided solely for implementation of Engrossed Fourth Substitute Senate Bill No. 5251 (tourism marketing). Of the amount appropriated, \$198,000 is provided solely for expenditures of the department that are related to implementation of the statewide tourism marketing program and operation of the authority. If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(50) \$96,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Substitute Senate Bill No. 6175 (common interest ownership). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(51) \$1,576,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for administration and pass-through funding to assist Whatcom, Snohomish, King, Pierce, Kitsap, Thurston, and Clark counties with the implementation of chapter 16, Laws of 2017 3rd sp.s. (E2SSB 5254).

(52) \$50,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the city of Issaquah to host a regional or national sports medicine conference.

(53) \$149,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to fund a pilot project in Clark county to increase access to local workforce training. Funding must be used to contract with Partners in Careers to complete an assessment of basic literacy skills in connection to classes at Clark college or other programs to support the reading and math skills needed to complete workforce training; for case management to connect job seekers to community resources; and to support first time users or returners navigating the WorkSource system and engagement in on-the-job training and industry specific training in high demand fields.

(54) \$11,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a grant to the city of Port Angeles for the cost of analyzing bio char samples for evidence of dioxins, PAHs, and flame retardants and any other chemical compounds through a certified laboratory. Analysis results must be shared with local interest groups.

(55) \$20,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the office of homeless youth prevention and protection programs to conduct a survey of homeless youth service and informational gaps, especially in nonurban areas, with an emphasis on providing nonurban school districts with adequate informational resources related to homeless youth and youth in crisis services available in their community.

~~((57))~~ (56) \$150,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a grant to the city of Yakima to establish a gang prevention pilot program. The pilot program shall have the goal of creating a sustainable organized response to gang activity utilizing evidence-based resources.

~~((58))~~ (57) \$125,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a grant to the Seattle science foundation to develop a comprehensive 3D spinal cord atlas with the goal of providing clinicians and researchers with a digital map of the spinal cord.

~~((59))~~ (58) \$250,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to contract with the Washington state microenterprise association to assist people with limited incomes in nonmetro areas of the state to start and sustain small businesses and embrace the effects of globalization.

~~((60))~~ (59) \$240,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Substitute House Bill No. 2367 (child care collaboration task force). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

~~((64))~~ (60) \$174,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Third Substitute House Bill No. 2382 (surplus public property). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

~~((62))~~ (61) \$31,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Substitute House Bill No. 2667 (essential needs/ABD programs). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

~~((63))~~ (62)(a) ~~(\$300,000)~~ \$150,000 of the general fund—state appropriation for fiscal year 2019 and ~~(\$300,000)~~ \$150,000 of the general fund—local appropriation are provided solely for the department to contract with a consultant to study the current and ongoing impacts of the SeaTac international airport. The general fund—state funding provided in this subsection serves as a state match and may not be spent unless ~~(\$300,000)~~ \$150,000 of local matching funds is transferred to the department. The department must seek feedback on project scoping and consultant selection from the cities listed in (b) of this subsection.

(b) The study must include, but not be limited to:

(i) The impacts that the current and ongoing airport operations have on quality of life associated with air traffic noise, public health, traffic, congestion, and parking in residential areas, pedestrian access to and around the airport, public safety and crime within the cities, effects on residential and nonresidential property values, and economic development opportunities, in the cities of SeaTac, Burien, Des Moines, Tukwila, Federal Way, Normandy Park, and other impacted neighborhoods; and

(ii) Options and recommendations for mitigating any negative impacts identified through the analysis.

(c) The department must collect data and relevant information from various sources including the port of Seattle, listed cities and communities, and other studies.

(d) The study must be delivered to the legislature by ~~((December 1, 2019))~~ June 1, 2020.

~~((64))~~ (63) (a) \$125,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department of commerce to provide a grant to a nonprofit organization to assist fathers transitioning from incarceration to family reunification. The grant recipient must have experience contracting with:

(i) The department of corrections to support offender betterment projects; and

(ii) The department of social and health services to provide access and visitation services.

(b) The grant recipient must provide data on program outcomes to the Washington statewide reentry council. This data must be included in the Washington statewide reentry council's report of activities and recommendations to the governor and appropriate committees of the legislature as required by RCW 43.380.050.

~~((65))~~ (64) \$1,000,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department of contract with organizations and attorneys to provide legal representation and/or referral services for legal representation to indigent persons who are in need of legal services for matters related to their immigration status. Persons eligible for assistance under this contract must be determined to be indigent under standards developed under chapter 10.101 RCW.

~~((66))~~ (65) \$150,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a small business innovation exchange project to increase economic development opportunities for women, minority, and veteran owned small businesses in the south King county region.

~~((67))~~ (66) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a grant to the city of Federal Way for an emergency shelter to serve homeless families with children.

~~((68))~~ (67) \$250,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for capacity-building grants through the united Indians of all tribes foundation to promote and improve educational, cultural, and social services for Native American communities in Washington state.

~~((69))~~ (68) \$41,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Substitute House Bill No. 2101 (sexual assault nurse examiners). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

~~((70))~~ (69) \$40,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a grant to the Douglas county associate development organization that serves on the core leadership team of the Wenatchee valley's our valley our future community and economic development program to support communities adversely impacted by wildfire damage and the reduction of aluminum smelter facilities.

~~((71))~~ (70) \$800,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for providing grants for a criminal justice diversion center pilot program in Snohomish county. Snohomish county must collect and report data from the pilot program to the department of commerce. The department must submit a report to the appropriate committees of the legislature by October 1, 2019. The report must contain, at a minimum:

(a) An analysis of arrests and bookings for individuals served in the pilot program;

(b) An analysis of connections to behavioral health services made for individuals who were served by the pilot program;

(c) An analysis of impacts on housing stability for individuals served by the pilot program; and

(d) The number of individuals served by the pilot program who were connected to a detoxification program, completed a detoxification program, completed a chemical dependency assessment, completed chemical dependency treatment, or were connected to housing.

~~((72))~~ (71) \$5,869,000 of the home security fund account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1570 (homeless housing and assistance). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

~~((73))~~ (72) \$250,000 of the general fund—state appropriation is provided solely for a grant to a museum to assist with armistice day activities in schools and other community settings to celebrate the 100th anniversary of World War I and armistice day. Funding must be used for a World War I America museum exhibit, new curriculum, teacher training, student and classroom visits, and visits from veterans and active duty military.

~~((74))~~ (73) \$226,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to expand the state's capacity to enforce the lead-based paint program.

~~((75))~~ (74) \$60,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to submit the necessary Washington state membership dues for the Pacific Northwest economic region.

~~((76))~~ (75) \$50,000 of the life sciences discovery fund—state appropriation is provided solely for grants as generally described in chapter 43.350 RCW.

~~((77))~~ (76) \$188,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Substitute House Bill No. 1022 (crime victim participation). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

~~((78))~~ (77) \$62,000 of the general fund—state appropriation for fiscal year 2018 and \$116,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of Substitute House Bill No. 2580 (renewable natural gas). If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.

~~((79))~~ (78) \$200,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department of commerce to (a) develop a state economic growth strategy related to accelerating technology innovation; and (b) establish the feasibility and devise a plan for establishing a manufacturing innovation institute.

Sec. 1012. 2018 c 299 s 129 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

General Fund—State Appropriation (FY 2018)	\$11,775,000
General Fund—State Appropriation (FY 2019)	\$12,440,000
General Fund—Federal Appropriation	\$39,714,000
General Fund—Private/Local Appropriation	\$843,000
Economic Development Strategic Reserve Account—State Appropriation	\$314,000
Recreation Access Pass Account—State Appropriation	\$75,000
Personnel Service Fund—State Appropriation	(\$8,991,000)
	<u>\$8,991,000</u>
Higher Education Personnel Services Account—State Appropriation	\$1,497,000
Performance Audits of Government Account—State Appropriation	\$620,000
Statewide Information Technology System Development Revolving Account—State Appropriation	\$10,022,000
OFM Central Services—State Appropriation	\$19,280,000
Pension Funding Stabilization Account—State Appropriation	\$2,448,000
TOTAL APPROPRIATION	(\$107,919,000)
	<u>\$108,019,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section represent a transfer of expenditure authority of \$4,000,000 of the general fund—federal appropriation from the health care authority to the office of financial management to implement chapter 246, Laws of 2015 (all-payer health care claims database).

(2)(a) The student achievement council and all institutions of higher education eligible to participate in the state need grant shall ensure that data needed to analyze and evaluate the effectiveness of the state need grant program are promptly transmitted to the education data center so that it is available and easily accessible. The data to be reported must include but not be limited to:

- (i) The number of state need grant recipients;
- (ii) The number of students on the unserved waiting list of the state need grant;
- (iii) Persistence and completion rates of state need grant recipients and students on the state need grant unserved waiting list, disaggregated by institutions of higher education;
- (iv) State need grant recipients and students on state need grant unserved waiting list grade point averages; and
- (v) State need grant program costs.

(b) The student achievement council shall submit student unit record data for the state need grant program applicants and recipients to the education data center.

(3) \$149,000 of the general fund—state appropriation for fiscal year 2018 and \$144,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely to implement chapter 172, Laws of 2017 (SHB 1741) (educator preparation data/PESB).

(4) \$84,000 of the general fund—state appropriation for fiscal year 2018 and \$75,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to implement chapter 53, Laws of 2017 (2SHB 1120) (regulatory fairness act).

(5) The office of financial management must perform a legal and policy review of whether the lead organization of the statewide health claims database established in chapter 43.371 RCW may collect certain data from drug manufacturers and use this data to bring greater public transparency to prescription drug prices. Specifically, the review must analyze whether the organization may collect and use manufacturer's pricing data on high-cost new and existing prescription drugs, including itemized production and sales data and Canadian pricing. The office of financial management must report by December 15, 2017, to the health care committees of the legislature the results of the study and any necessary legislation to authorize the collection of pricing data and to produce public analysis and reports that help promote prescription drug transparency.

(6) \$500,000 of the general fund—state appropriation for fiscal year 2018, \$131,000 of the general fund—state appropriation for fiscal year 2019, and \$139,000 of the personnel service account—state appropriation are provided solely for implementation of Engrossed Second Substitute House Bill No. 1661 (children, youth, families department). The cost allocation contract must include a determination of the amount of administrative funding to be transferred between appropriations in sections 223(1) and 223(2) of this act to section 222(3) of this act for the new department of children, youth, and families. If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

(7) \$8,022,000 of the statewide information technology system development revolving account—state appropriation is provided solely for readiness activities related to the One Washington replacement project to modernize and improve administrative systems and related business processes across state government over a multi-biennia time period and this project is subject to the conditions, limitations, and review provided in section 724 of this act. The funding provided in this subsection is for conducting business warehouse planning and system integrations and contracting with a strategic partner for the design of the long-term program blueprint detailing the readiness, planning, and implementation activities related to this project. Legislative expectation is that the strategic partner selected for this design of this long-term blueprint will have proven experience in successfully managing similar efforts in other states or jurisdictions and that the ultimate project scope will integrate performance information and provide information on discrete units of costs for state governmental activities with the goal of improved management and efficiency. The office of financial management will provide the needed management support for this design effort and will ensure that state agencies fully participate in this initial design effort, including the office of chief information officer. The office of financial management will provide quarterly reports to the legislative fiscal committees and the legislative evaluation and accountability program committee. Before submitting additional funding

requests for this project, the office of financial management will submit a comprehensive detailed feasibility study and financial plan for the project to the legislative evaluation and accountability program committee.

(8) \$4,000,000 of the general fund—federal appropriation is provided solely for the procurement and implementation of the Washington state all payer claims database project and this project is subject to the conditions, limitations, and review provided in section 724 of this act.

(9) \$140,000 of the general fund—state appropriation for fiscal year 2018 and \$140,000 of the general fund—federal appropriation are provided solely for the authority to incorporate long-term inpatient care as defined in RCW 71.24.025 into the psychiatric managed care capitation risk model. The model shall be submitted to the governor and appropriate committees of the legislature by December 1, 2017. The model must integrate civil inpatient psychiatric hospital services including ninety and one hundred eighty day commitments provided in state hospitals or community settings into medicaid managed care capitation rates and nonmedicaid contracts. The model should phase-in the financial risk such that managed care organizations bear full financial risk for long-term civil inpatient psychiatric hospital commitments beginning January 2020. The model must address strategies to ensure that the state is able to maximize the state's allotment of federal disproportionate share funding.

(10) The office of financial management will convene a work group consisting of the department of social and health services and appropriate fiscal and policy staff from the house of representatives office of program research and senate committee services for the purpose of reviewing language traditionally added to section 201 in supplemental operating omnibus appropriations acts to allow the department to transfer moneys between sections of the act and to allow for moneys that are provided solely for a specified purpose to be used for other than that purpose. The work group will review the department's use of the language, develop options to reduce or eliminate the need for this language, and explore revisions to the language. The work group must also discuss alternatives to the language to achieve the shared goal of balancing expenditures to appropriation while preserving the legislature's ability to direct policy through appropriation. Alternatives should include increased use of supplemental budget decision packages, the creation of a reserve fund for unanticipated expenditures, and other measures the work group develops.

(11) Within existing resources, the labor relations section shall produce a report annually on workforce data and trends for the previous fiscal year. At a minimum, the report must include a workforce profile; information on employee compensation, including salaries and cost of overtime; and information on retention, including average length of service and workforce turnover.

(12) \$75,000 of the recreation access pass account—state appropriation is provided solely for the office of financial management, in consultation with the parks and recreation commission, department of natural resources, and department of fish and wildlife, to further analyze the cost and revenue potential of the options and recommendations in *Recreation Fees in Washington: Options and Recommendations* (The William D. Ruckelshaus Center, December 2017). The office must collaborate with other relevant agencies and appropriate stakeholders. The office must provide a report to the appropriate committees of the legislature by September 1, 2018. For each of the options, the report must:

(a) Identify the types of recreational access pass products, exemption and discount types, and levels;

(b) Specify price points and projected demand for each type of recreational access pass product that would result in revenue increases of five percent, ten percent, and fifteen percent;

(c) Describe implementation and logistical considerations of selling each of the options through a single place on the internet or through the department of fish and wildlife's licensing system;

(d) Identify fiscal impacts of changing the state access pass to each of the options identified including any combination state and federal recreational access pass options; and

(e) Provide any additional recommendations for implementation, transition, or changes in state law needed to implement each of the options.

(13) \$1,000,000 of the general fund—state appropriation for fiscal year 2018 is provided solely to support the implementation of the department of children, youth, and families. The department must submit an expenditure plan to the office of financial management and may expend implementation funds after the approval of the director of the office of financial management.

(14) The office of financial management must purchase a workiva software product that will produce the comprehensive annual financial report and other fiscal reports within existing resources.

(15) The office of financial management must procure GovDelivery, a software as a service, that enables government organizations to connect with citizens within existing resources.

(16) \$75,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of chapter 192, Laws of 2017 (SB 5849).

(17) \$192,000 of the general fund—state appropriation for fiscal year 2018 and \$288,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the office of financial management to contract with an entity or entities with expertise in public finance, commercial, and public banking to:

(a) Evaluate the benefits and risks of establishing and operating a state-chartered, public cooperative bank in the state of Washington, specifically including the business and operational issues raised by the 2017 infrastructure and public depository task force; and

(b) Develop a business plan for a public cooperative bank based on the federal home loan bank model whose members may only be the state and/or political subdivisions. The purpose of this bank is to assist the potential members of the bank to manage cash and investments more efficiently to increase yield while maintaining liquidity, and to establish a sustainable funding source of ready capital for infrastructure and economic development in the state of Washington. The business plan shall include, but is not limited to:

(i) Identification of potential members of the bank;

(ii) The capital structure that would be necessary;

(iii) Potential products the bank might offer;

(iv) Projections of earnings;

(v) Recommendations on corporate governance, accountability, and assurances;

(vi) Legal, constitutional, and regulatory issues;

(vii) If needed, how to obtain a federal master account and join the federal reserve;

(viii) Information technology security and cybersecurity;

(ix) Opportunities for collaborating with other financial institutions;

(x) Impacts on the state's debt limit;

(xi) In the event of failure, the risk to taxpayers, including any impact on Washington's bond rating and reputation;

(xii) Potential effects on the budgets and existing state agencies programs; and

(xiii) Other items necessary to establish a state-chartered, public cooperative bank modeled after the federal home loan bank or other similar institution.

The office of financial management shall facilitate the timely transmission of information and documents from all appropriate state departments and state agencies to the entity hired to carry out its contract. A status report must be provided to the governor and appropriate committees of the legislature by December 1, 2018, and final report and business plan provided to the appropriate committees of the legislature by June 30, 2019. The contract is exempt from the competitive procurement requirements in chapter 39.26 RCW.

(18) \$25,000 of the general fund—state appropriation for fiscal year 2018 and \$125,000 of the general fund—state appropriation for fiscal year 2019 are provided to the education research and data center within the office of financial management for the sole purpose of providing a report to the appropriate committees of the legislature by January 1, 2019, on postsecondary enrollment and completion of Washington students with demographic information included on race, ethnicity, gender, students with disabilities, English language proficiency, income level, region, and types of credentials, including but not limited to in- and out-of-state public and private traditional two- and four-year degree granting institutions, private vocational schools, state apprenticeship programs, and professional licenses. The appropriation must also be used to respond to data requests from researchers outside of state agencies and to develop a plan for improving data governance for more accurate and timely responses.

(19) \$52,000 of the general fund—state appropriation for fiscal year 2018 and \$412,000 of the general fund—state appropriation for fiscal year 2019 are provided to the office of financial management for staffing and support to prepare for the 2020 census.

(20)(a) \$179,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the sentencing guidelines commission to conduct a comprehensive review of the sentencing reform act under chapter 9.94A RCW and make recommendations to accomplish the following goals:

(i) Assess the degree to which the sentencing reform act as applied has achieved each of its stated purposes;

(ii) Ensure Washington's sentencing policies and practices are evidence-based, aligned with best practices, and consistent with federal and state case law;

(iii) Ensure Washington's sentencing laws and practices promote public safety by holding offenders accountable for their actions while also facilitating their successful reintegration into the community;

(iv) Simplify Washington's sentencing laws to make them easier to understand and apply; and

(v) Eliminate inconsistencies, which may have developed through various amendatory changes.

(b) In conducting the review under (a) of this subsection, the sentencing guidelines commission shall:

(i) Review the current sentencing grid and recommend changes to simplify the grid and increase judicial discretion, including, but not limited to: Reviewing and simplifying RCW 9.94A.501, 9.94A.505, 9.94A.525, and 9.94A.533; reviewing and simplifying the sentencing grid under RCW 9.94A.510 by reducing the number of cells in the grid and creating broader sentencing ranges for lower level offenses; reviewing and revising seriousness levels under RCW 9.94A.515 to ensure offenses have appropriately designated seriousness levels; reviewing the drug sentencing grid under RCW 9.94A.517 and 9.94A.518 to determine if drug offenses can be incorporated into a new or revised sentencing grid; and reviewing minimum term requirements under RCW 9.94A.540 to avoid inconsistencies with proposed changes to the grid and other sentencing policies;

(ii) Review mitigating and aggravating factors under RCW 9.94A.535 and sentencing enhancements under RCW 9.94A.533, including mandatory consecutive requirements, and recommend changes to reflect current sentencing purposes and policies and case law;

(iii) Review fines, fees, and other legal financial obligations associated with criminal convictions, including, but not limited to, a review of: Fines under RCW 9.94A.550; restitution under RCW 9.94A.750; and legal financial obligations under RCW 9.94A.760;

(iv) Review community supervision and community custody programs under RCW 9.94A.701 through 9.94A.723 and other related provisions, including, but not limited to: Reviewing and revising eligibility criteria for community custody under RCW 9.94A.701 and 9.94A.702; reviewing the length and manner of supervision for various offenses; reviewing earned time toward termination of supervision; and reviewing the consequences for violations of conditions; and

(v) Review available alternatives to full confinement, including, but not limited to: Work crew under RCW 9.94A.725 and home detention and electronic home monitoring under RCW 9.94A.734 through 9.94A.736.

(c) The sentencing guidelines commission shall report its findings and recommendations based on the review under (a) of this subsection to the governor and appropriate committees of the legislature by May 1, 2019.

Sec. 1013. 2018 c 299 s 130 (uncodified) is amended to read as follows:

FOR THE OFFICE OF ADMINISTRATIVE HEARINGS

General Fund—State Appropriation (FY 2019)	\$525,000
Administrative Hearings Revolving Account—State	
Appropriation	\$41,152,000
TOTAL APPROPRIATION	\$41,677,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$250,000 of the administrative hearings revolving account—state appropriation is provided solely for the agency, in collaboration with the office of financial management, to conduct a review of the agency's fee structure,

billing methodology, and assumptions about employee productivity which impact the fee structure and billing methodology.

(2) \$525,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the purposes of settling all claims related to and meeting the terms of the settlement agreement in *Turner v. Washington State Office of Administrative Hearings*, King county superior court, cause no. 14-2-06169-2. The expenditure of this appropriation is contingent on the release of all claims in the case, and the total settlement costs shall not exceed the appropriation in this section. If settlement is not fully executed and accepted by the court through the issuance of a court order dismissing this case by June 30, 2019, the appropriation in this section shall lapse.

Sec. 1014. 2018 c 299 s 135 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF REVENUE

General Fund—State Appropriation (FY 2018)	(\$129,925,000)	
		\$129,895,000
General Fund—State Appropriation (FY 2019)	(\$135,392,000)	
		\$135,670,000
Timber Tax Distribution Account—State		
Appropriation		\$6,765,000
Waste Reduction/Recycling/Litter Control—State		
Appropriation		\$156,000
State Toxics Control Account—State Appropriation		\$111,000
Business License Account—State Appropriation		\$16,640,000
Performance Audits of Government Account—State		
Appropriation		\$4,640,000
Pension Funding Stabilization Account—State		
Appropriation		\$13,488,000
Financial Services Regulation Account—State		
Appropriations		\$5,000,000
TOTAL APPROPRIATION	(\$312,117,000)	\$312,365,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$5,628,000 of the general fund—state appropriation for fiscal year 2018, \$5,628,000 of the general fund—state appropriation for fiscal year 2019, and \$11,257,000 of the business license account—state appropriation are provided solely for the taxpayer legacy system replacement project.

(2) Prior to the suspension of the streamlined sales tax mitigation program established under chapter 82.14 RCW, the department must analyze if and when expected revenue gains from the provisions of sections 201 through 213 of House Bill No. 2163 will be equal to or exceed revenue losses to local taxing districts, as measured under the streamlined sales tax mitigation system from the switch to destination sourcing of sales tax. The analysis must include a comprehensive review of tax, wage, census, and economic data. The review must consider online sales tax and streamlined sales tax mitigation trends for areas with rich concentrations of warehousing distribution and manufacturing centers. The department must provide a report and recommendations to the governor and appropriate committees of the legislature by November 1, 2018. If

House Bill No. 2163 (revenue) is not enacted by July 31, 2017, this subsection is void.

(3) \$8,028,000 of the general fund—state appropriation for fiscal year 2018 and \$6,304,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of House Bill No. 2163 (revenue). If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

~~((5))~~ (4) \$1,745,000 of the general fund—state appropriation for fiscal year 2018 and \$2,019,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 209, Laws of 2017 (EHB 2005).

~~((7))~~ (5) \$96,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Engrossed Fourth Substitute Senate Bill No. 5251 (tourism marketing). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

Sec. 1015. 2018 c 299 s 138 (uncodified) is amended to read as follows:

FOR THE INSURANCE COMMISSIONER

General Fund—Federal Appropriation	\$4,613,000
Insurance Commissioners Regulatory Account—State Appropriation	\$60,310,000
TOTAL APPROPRIATION	\$64,923,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$48,000 of the insurance commissioners regulatory account—state appropriation is provided solely for implementation of chapter 103, Laws of 2017 (EHB 1450) (title insurance rating orgs.).

(2) \$12,000 of the insurance commissioners regulatory account—state appropriation is provided solely for implementation of chapter 49, Laws of 2017 (SHB 1027) (surplus line broker licenses).

(3) \$29,000 of the insurance commissioners regulatory account—state appropriation is provided solely for implementation of Senate Bill No. 6059 (insurer annual disclosures). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(4) \$40,000 of the insurance commissioners regulatory account—state appropriation is provided solely for implementation of Substitute Senate Bill No. 6219 (reproductive health coverage). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(5) \$39,000 of the insurance commissioners regulatory account—state appropriation is provided solely for implementation of Senate Bill No. 5912 (tomosynthesis/mammography). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(6) \$29,000 of the insurance commissioners regulatory account—state appropriation is provided solely for implementation of Engrossed Substitute ~~((Senate))~~ House Bill No. ~~((6241 (school employees' benefits)). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~ 2408 (individual market health care coverage - availability).

(7) \$212,000 of the insurance commissioners regulatory account—state appropriation is provided solely for implementation of Substitute House Bill No.

2322 (insurers/risk mitigation). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

Sec. 1016. 2018 c 299 s 141 (uncodified) is amended to read as follows:

FOR THE UTILITIES AND TRANSPORTATION COMMISSION

General Fund—Private/Local Appropriation	(\$16,463,000)
	<u>\$16,464,000</u>
Public Service Revolving Account—State Appropriation	(\$40,252,000)
	<u>\$40,239,000</u>
Pipeline Safety Account—State Appropriation	(\$3,412,000)
	<u>\$3,413,000</u>
Pipeline Safety Account—Federal Appropriation	\$3,069,000
TOTAL APPROPRIATION	(\$63,196,000)
	<u>\$63,185,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) By December 31, 2017, the commission shall report findings and recommendations to the energy committees of the legislature on best practices and policies for electric utilities to develop distributed energy resource plans, applying the traditional utility regulatory principles of fairness, efficiency, reliability, and revenue stability. The report must address: A review of policies and practices for distributed energy resource planning in other states, an inventory of current utility distribution planning practices and capabilities in Washington, and recommendations for using distributed energy resource planning to inform utility integrated resource plans.

(2) \$2,093,000 of the public service revolving account—state appropriation is provided solely for the commission to cover the costs of moving its offices to a new location, in cooperation with the department of enterprise services.

(3) Up to \$800,000 of the public service revolving account—state appropriation in this section is for the utilities and transportation commission to supplement funds committed by a telecommunications company to expand rural broadband service on behalf of an eligible governmental entity. The amount in this subsection represents payments collected by the utilities and transportation commission pursuant to the Qwest performance assurance plan.

~~((5))~~ (4) The commission must begin a long-term study on the universal service program to the appropriate committees of the legislature on the need for future program funding and recommendations on potential funding mechanisms to improve availability of communications services, including broadband service, in unserved and underserved areas. A preliminary report providing a framework for the how the commission will approach the study is due January 1, 2019.

~~((6))~~ (5) Sufficient funding is provided in this section for the commission to convene a task force to make recommendations and report to the legislature regarding the most effective method of regulation of digital application-based micro-movers and the small goods movers that utilize their digital application. The report is due to the legislature by December 15, 2018.

Sec. 1017. 2018 c 299 s 142 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT

General Fund—State Appropriation (FY 2018)	\$7,040,000
General Fund—State Appropriation (FY 2019)	\$8,992,000
General Fund—Federal Appropriation	\$117,160,000
Enhanced 911 Account—State Appropriation	\$53,466,000
Disaster Response Account—State Appropriation	(\$42,007,000)
	<u>\$31,793,000</u>
Disaster Response Account—Federal Appropriation	(\$118,587,000)
	<u>\$68,721,000</u>
Military Department Rent and Lease Account—State Appropriation	\$615,000
Worker and Community Right-to-Know Account—State Appropriation	\$2,337,000
Oil Spill Prevention Account—State Appropriation	\$1,027,000
Pension Funding Stabilization Account—State Appropriation	\$1,243,000
Military Department Active State Service Account—State Appropriation	\$200,000
TOTAL APPROPRIATION	(\$352,674,000)
	<u>\$292,594,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The military department shall submit a report to the office of financial management and the legislative fiscal committees on February 1st, July 31st, and October 31st of each year 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 2017-2019 biennium based on current revenue and expenditure patterns.

(2) \$40,000,000 of the general fund—federal appropriation is provided solely for homeland security, subject to the following conditions: Any communications equipment purchased by local jurisdictions or state agencies shall be consistent with standards set by the Washington state interoperability executive committee.

(3) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the conditional scholarship program pursuant to chapter 28B.103 RCW.

(4) \$5,389,000 of the enhanced 911 account—state appropriation is provided solely for transitioning to an internet protocol based next generation 911 network and increased network costs during the transition and hardware required for the new system. The department's activities and procurement is a major information technology project subject to oversight and review by the office of the chief information officer.

(5) \$11,000,000 of the enhanced 911 account—state appropriation is provided solely for financial assistance to counties.

(6) \$2,000,000 of the enhanced 911 account—state appropriation is provided solely for one-time grants to Skagit, Cowlitz, Island, and Whatcom counties for replacing and upgrading the equipment necessary to maintain 911

service after the state's transition to a next generation 911 system. Grants may also be used to reimburse costs incurred in prior biennia for replacing and upgrading equipment for 911 services.

(7) \$784,000 of the disaster response account—state appropriation is provided solely for fire suppression training, equipment, and supporting costs to national guard soldiers and airmen.

(8) \$38,000 of the enhanced 911 account—state appropriation is provided solely for implementation of chapter 295, Laws of 2017 (SHB 1258) (first responders/disability).

(9) \$372,000 of the disaster response account—state appropriation is provided solely for implementation of chapter 312, Laws of 2017 (SSB 5046) (language of public notices).

(10) Appropriations provided to the department are sufficient to fund the administrative costs associated with implementation of chapter 173, Laws of 2017 (E2SHB 1802) (veterans/shared leave access).

(11) \$190,000 of the disaster response account—state appropriation is provided solely to Okanogan and Ferry counties to continue to address deficiencies within their communications infrastructure for 911 dispatch. Funding will be used to replace failing radio dispatching hardware within 911 dispatch centers; build interoperable communications between each county's dispatch center such that each can serve as a back-up to the other; and build upon the existing wireless microwave network for 911 calls, dispatch centers, and first responder radio operations.

(12) \$1,582,000 of the general fund—state appropriation for fiscal year 2019 and \$2,618,000 of the enhanced 911 account—state appropriation are provided solely for the department to complete the internet protocol based next generation 911 network project while maintaining financial assistance to counties.

(13) \$200,000 of the military department active state service account—state appropriation is provided solely for emergency response training and planning of national guard members with funding provided from Engrossed Second Substitute Senate Bill No. 6269 (oil transportation safety). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(14) \$150,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the emergency management division of the military department to conduct an update to the October 2006 report to the state emergency response commission regarding statewide response to chemical, biological, radiological, nuclear, and explosive materials.

Sec. 1018. 2017 3rd sp.s. c 1 s 146 (uncodified) is amended to read as follows:

FOR THE FORENSIC INVESTIGATION COUNCIL

Death Investigations Account—State Appropriation ~~(\$633,000)~~
\$660,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$250,000 of the death investigations 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.

(2) \$210,000 of the death investigations account appropriation is provided solely for providing financial assistance to local jurisdictions in identifying human remains.

(3) \$130,000 of the death investigations account appropriation is provided solely for the council to establish a statewide case management system for coroners and medical examiners. The council must confer with the state association of coroners and medical examiners in the implementation of the system.

Sec. 1019. 2018 c 299 s 147 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

General Fund—State Appropriation (FY 2018)	\$1,571,000
General Fund—State Appropriation (FY 2019)	(\$1,646,000)
	<u>\$1,662,000</u>
General Fund—Federal Appropriation	\$2,226,000
General Fund—Private/Local Appropriation	\$264,000
Pension Funding Stabilization Account—State Appropriation	\$136,000
TOTAL APPROPRIATION	(\$5,843,000)
	<u>\$5,859,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$103,000 of the general fund—state appropriation for fiscal year 2018 and \$103,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for archaeological determinations and excavations of inadvertently discovered skeletal human remains, and removal and reinterment of such remains when necessary.

(2) \$80,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department of archaeology and historic preservation to collaborate with the department of commerce to facilitate a capital needs assessment study of public libraries in distressed counties as defined by RCW 43.168.020(3). The study must assess library facility backlogs and the local funding capacity for both nonhistoric libraries and libraries on local, state, or national historic registries.

**Sec. 1020.* 2018 c 299 s 148 (uncodified) is amended to read as follows:

FOR THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY

<i>General Fund—State Appropriation (FY 2018)</i>	<i>\$187,000</i>
<i>General Fund—State Appropriation (FY 2019)</i>	<i>\$188,000</i>
Consolidated Technology Services Revolving Account—State Appropriation	<i>\$18,578,000</i>
Broadband Access Account—State Appropriation	<i>\$500,000</i>
TOTAL APPROPRIATION	<i>\$19,453,000</i>

The appropriations in this section are subject to the following conditions and limitations:

(1) (~~(\$7,263,000)~~) \$7,695,000 of the consolidated technology services revolving account—state appropriation is for the office of the chief information officer.

(2) (~~(\$10,668,000)~~) \$10,883,000 of the consolidated technology services revolving account—state appropriation is for the office of cyber security.

(3) The consolidated technology services agency shall work with customer agencies using the Washington state electronic records vault (WASERV) to identify opportunities to:

(a) Reduce storage volumes and costs associated with vault records stored beyond the agencies' record retention schedules; and

(b) Assess a customized service charge as defined in chapter 304, Laws of 2017 for costs of using WASERV to prepare data compilations in response to public records requests.

(4) The consolidated technology services agency shall provide desktop support services without charging a per device fee to the following agencies: The governor's office of Indian affairs, the commission on Asian Pacific American affairs, the citizen's commission on salaries for elected officials, the commission on Hispanic affairs, and the commission on African-American affairs. The consolidated technology services agency must not withhold or reduce desktop support services provided to small agencies that had been receiving desktop support services and had not previously received appropriations provided specifically for the purpose of reimbursing the consolidated technology services agency for those services.

(5) In conjunction with the office of the chief information officer's prioritization of proposed information technology expenditures, agency budget requests for proposed information technology expenditures shall include the following: The agency's priority ranking of each information technology request; the estimated cost for the current biennium; the estimated total cost of the request over all biennia; and the expected timeline to complete the request. The office of the chief information officer and the office of financial management may request agencies to include additional information on proposed information technology expenditure requests.

(6) The consolidated technology services agency must not increase fees charged for existing services without prior approval by the office of financial management. The agency may develop fees to recover the actual cost of new infrastructure to support increased use of cloud technologies.

(7) \$500,000 of the consolidated technology services revolving account—state appropriation is provided solely for the agency, in collaboration with the office of financial management, to conduct a zero-based budget review of the agency's services. Information and analysis submitted by the department for the zero-based review under this subsection shall include:

(a) A statement of the statutory basis or other basis for the creation of each program or service and the history of each program or service that is being reviewed;

(b) A description of how each program or service fits within the strategic plan and goals of the agency and an analysis of the quantified objectives of each program or service within the agency;

(c) Any available performance measures indicating the effectiveness and efficiency of each program or service;

(d) A description with supporting cost and staffing data of each program or service and the populations served by each program or service, and the level of funding and staff required to accomplish the goals of the program or service if different than the actual maintenance level;

(e) An analysis of the major costs and benefits of operating each program or service and the rationale for specific expenditure and staffing levels;

(f) An analysis estimating each program's or service's administrative and other overhead costs;

(g) An analysis of the levels of services provided;

(h) An analysis estimating the amount of funds or benefits that actually reach the intended recipients; and

(i) An analysis and recommendations for alternative service delivery models that would save money or improve service quality.

(8) Within existing resources, the agency must provide oversight of state procurement and contracting for information technology goods and services by the department of enterprise services.

(9) Within existing resources, the agency must host, administer, and support the state employee directory in an online format to provide public employee contact information.

**Sec. 1020 was vetoed. See message at end of chapter.*

Sec. 1021. 2018 c 299 s 144 (uncodified) is amended to read as follows:

FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS

Volunteer Firefighters' and Reserve Officers'

Administrative Account—State Appropriation ((~~\$1,217,000~~))
\$1,232,000

The appropriation in this section is subject to the following conditions and limitations: \$256,000 of the volunteer firefighters' and reserve officers' relief and pension administrative account—state appropriation is provided solely to the pension and benefit tracking system project and are subject to the conditions, limitations, and review provided in section 724 of this act.

**PART XI
SUPPLEMENTAL
HUMAN SERVICES**

Sec. 1101. 2018 c 299 s 201 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

(1) 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. 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 legislature finds that medicaid payment rates, as calculated by the department pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

(4) The department shall to the maximum extent practicable use the same system for delivery of spoken-language interpreter services for social services appointments as the one established for medical appointments in the health care authority. When contracting directly with an individual to deliver spoken language interpreter services, the department shall only contract with language access providers who are working at a location in the state and who are state-certified or state-authorized, except that when such a provider is not available, the department may use a language access provider who meets other certifications or standards deemed to meet state standards, including interpreters in other states.

(5) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management, and authorization systems within the department of social and health services are subject to technical oversight by the office of the chief information officer.

(6)(a) The department shall facilitate enrollment under the medicaid expansion for clients applying for or receiving state funded services from the department and its contractors. Prior to open enrollment, the department shall coordinate with the health care authority to provide referrals to the Washington health benefit exchange for clients that will be ineligible for medicaid.

(b) To facilitate a single point of entry across public and medical assistance programs, and to maximize the use of federal funding, the health care authority, the department of social and health services, and the health benefit exchange will coordinate efforts to expand HealthPlanfinder access to public assistance and medical eligibility staff. The department shall complete medicaid applications in the HealthPlanfinder for households receiving or applying for public assistance benefits.

(7) In accordance with RCW 71.24.380, the health care authority and the department are authorized to purchase medical and behavioral health services through integrated contracts upon request of all of the county authorities in a regional service area to become an early adopter of fully integrated purchasing

of medical and behavioral health services. The department may combine and transfer such amounts appropriated under sections 204, 208, and 213 of this act as may be necessary to fund early adopter contracts. The amount of medicaid funding transferred 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, times the number of clients enrolled. The amount of non-medicaid funding transferred from sections 204 and 208 may not exceed the amount that would have been contracted with a behavioral health organization if the county authorities had not requested to become an early adopter of fully integrated purchasing. These limits do not apply to the amounts provided in section 204(1)(s) of this act. If any funding that this act provides solely for a specific purpose is transferred under this subsection, that funding must be used consistently with the provisions and conditions for which it was provided.

(8) In accordance with RCW 71.24.380, the department is authorized to purchase mental health and substance use disorder services through integrated contracts with behavioral health organizations. The department may combine and transfer such amounts appropriated under sections 204 and 208 of this act as may be necessary to finance these behavioral health organization contracts. If any funding that this act provides solely for a specific purpose is transferred under this subsection, that funding must be used consistently with the provisions and conditions for which it was provided.

(9)(a) The appropriations to the department of social and health services in this act must be expended for the programs and in the amounts specified in this act. However, after May 1, (~~2018~~) 2019, unless prohibited by this act, the department may transfer general fund—state appropriations for fiscal year (~~2018~~) 2019 among programs and subprograms after approval by the director of the office of financial management. However, the department may not transfer state appropriations that are provided solely for a specified purpose except as expressly provided in (b) through (d) 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 (~~2018~~) 2019 caseload forecasts and utilization assumptions in the long-term care, developmental disabilities, (~~foster care, adoption support,~~) and public assistance programs, the department may transfer state appropriations that are provided solely for a specified purpose.

(c) Within the mental health program, the department may transfer appropriations that are provided solely for a specified purpose within and between subprograms as needed to fund actual expenditures through the end of fiscal year (~~2018~~) 2019.

(d) Within the developmental disabilities program, the department may transfer appropriations that are provided solely for a specified purpose within and between subprograms as needed to fund actual expenditures through the end of fiscal year (~~2018~~) 2019.

(e) The department may not transfer appropriations, and the director of the office of financial management may not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of the office 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.

(10) The department and the department of children, youth, and families shall coordinate to ensure that both agencies have sufficient funding for allocated and nonallocated central services and, if necessary, must enter into an interagency agreement to ensure that funds are transferred to the agency that incurs costs. The agencies shall jointly report to the office of financial management the status of state fiscal year 2019 allocated and nonallocated central services costs and whether fund transfers were required.

Sec. 1102. 2018 c 299 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 2018)	\$91,247,000
General Fund—State Appropriation (FY 2019)	(\$93,660,000)
	<u>\$93,353,000</u>
General Fund—Federal Appropriation	\$3,464,000
General Fund—Private/Local Appropriation	\$1,985,000
Washington Auto Theft Prevention Authority Account—	
State Appropriation	\$196,000
Pension Funding Stabilization Account—State	
Appropriation	\$8,721,000
TOTAL APPROPRIATION	(\$199,273,000)
	<u>\$198,966,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$331,000 of the general fund—state appropriation for fiscal year 2018 and \$331,000 of the general fund—state appropriation for fiscal year 2019 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) \$2,841,000 of the general fund—state appropriation for fiscal year 2018 and \$2,841,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for grants to county juvenile courts for the following juvenile justice programs identified by the Washington state institute for public policy (institute) in its report: "Inventory of Evidence-based, Research-based, and Promising Practices for Prevention and Intervention Services for Children and Juveniles in the Child Welfare, Juvenile Justice, and Mental Health Systems." Additional funding for this purpose is provided through an interagency agreement with the health care authority. 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.

(3) \$1,537,000 of the general fund—state appropriation for fiscal year 2018 and \$1,537,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for expansion of the following juvenile justice treatments and therapies in juvenile rehabilitation administration programs identified by the Washington state institute for public policy in its report: "Inventory of Evidence-based, Research-based, and Promising Practices for Prevention and Intervention Services for Children and Juveniles in the Child Welfare, Juvenile Justice, and Mental Health Systems." 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.

(4)(a) \$6,198,000 of the general fund—state appropriation for fiscal year 2018 and \$6,198,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to implement evidence- and research-based programs through community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants. In addition to funding provided in this subsection, funding to implement alcohol and substance abuse treatment programs for locally committed offenders is provided through an interagency agreement with the health care authority.

(b) The juvenile rehabilitation administration shall administer a block grant to county juvenile courts for the purpose of serving youth as defined in RCW 13.40.510(4)(a) in the county juvenile justice system. Funds dedicated to the block grant include: Consolidated juvenile service (CJS) funds, community juvenile accountability act (CJAA) grants, chemical dependency/mental health disposition alternative (CDDA), and suspended disposition alternative (SDA). The juvenile rehabilitation administration shall follow the following formula and must prioritize evidence-based programs and disposition alternatives and take into account juvenile courts program-eligible youth in conjunction with the number of youth served in each approved evidence-based program or disposition alternative: (i) Thirty-seven and one-half percent for the at-risk population of youth ten to seventeen years old; (ii) fifteen percent for the assessment of low, moderate, and high-risk youth; (iii) twenty-five percent for evidence-based program participation; (iv) seventeen and one-half percent for minority populations; (v) three percent for the chemical dependency and mental health disposition alternative; and (vi) two percent for the suspended dispositional alternatives. Funding for the special sex offender disposition alternative (SSODA) shall not be included in the block grant, but allocated on the average daily population in juvenile courts. Funding for the evidence-based expansion grants shall be excluded from the block grant formula. Funds may be used for promising practices when approved by the juvenile rehabilitation administration and juvenile courts, through the community juvenile accountability act committee, based on the criteria established in consultation with Washington state institute for public policy and the juvenile courts.

(c) If Second Substitute House Bill No. 1280 (referred and diverted youth) is enacted, then the administration must implement a stop-loss policy when allocating funding under (b) of this subsection in the 2017-2019 fiscal biennium. Under the stop-loss policy, funding formula changes may not result in a funding loss for any juvenile court of more than two percent from one year to the next. The committee in (d) of this subsection must establish a minimum base level of funding for juvenile courts with lower numbers of at-risk youth age 10 - 17. The

administration must report to the legislature by December 1, 2018, about how funding is used for referred youth and the impact of that use on overall use of funding. If the bill is not enacted by July 31, 2017, this subsection is null and void.

(d) The juvenile rehabilitation administration and the juvenile courts shall establish a block grant funding formula oversight committee with equal representation from the juvenile rehabilitation administration and the juvenile courts. The purpose of this committee is to assess the ongoing implementation of the block grant funding formula, utilizing data-driven decision making and the most current available information. The committee will be co-chaired by the juvenile rehabilitation administration and the juvenile courts, who will also have the ability to change members of the committee as needed to achieve its purpose. The committee may make changes to the formula categories in (b) of this subsection if it determines the changes will increase statewide service delivery or effectiveness of evidence-based program or disposition alternative resulting in increased cost/benefit savings to the state, including long-term cost/benefit savings. The committee must also consider these outcomes in determining when evidence-based expansion or special sex offender disposition alternative funds should be included in the block grant or left separate.

(e) The juvenile courts and administrative office of the courts must collect and distribute information and provide access to the data systems to the juvenile rehabilitation administration and the Washington state institute for public policy related to program and outcome data. The juvenile rehabilitation administration and the juvenile courts must work collaboratively to develop program outcomes that reinforce the greatest cost/benefit to the state in the implementation of evidence-based practices and disposition alternatives.

(5) \$98,000 of the general fund—state appropriation for fiscal year 2018 and \$98,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to the juvenile block grant funding formula oversight committee described in subsection (4)(d) of this section to contract with research entities to: (a) Assist juvenile justice programs identified as promising practices or research-based in undergoing the research necessary to demonstrate that the program is evidence-based; and (b) establish an annual, county-level evaluation of existing evidence-based juvenile justice programs.

(6) \$557,000 of the general fund—state appropriation for fiscal year 2018 and \$557,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for funding of the teamchild project.

(7) \$283,000 of the general fund—state appropriation for fiscal year 2018 and \$283,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the juvenile detention alternatives initiative.

(8) \$500,000 of the general fund—state appropriation for fiscal year 2018 and \$500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a grant program focused on criminal street gang prevention and intervention. The juvenile rehabilitation administration may award grants under this subsection. The juvenile rehabilitation administration shall give priority to applicants who have demonstrated the greatest problems with criminal street gangs. Applicants composed of, at a minimum, one or more local governmental entities and one or more nonprofit, nongovernmental organizations that have a documented history of creating and administering

effective criminal street gang prevention and intervention programs may apply for funding under this subsection. Each entity receiving funds must report to the juvenile rehabilitation administration on the number and types of youth served, the services provided, and the impact of those services on the youth and the community.

(9) The juvenile rehabilitation institutions may use funding appropriated in this subsection to purchase goods and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(10) \$75,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the department to coordinate the examination of data associated with juvenile gang and firearm offenses. The review of data must include information from the administrative office of the courts, the office of the superintendent of public instruction, the office of financial management—education research data center, the Washington association of sheriffs and police chiefs, the caseload forecast council, and the department of corrections. For the purpose of carrying out the data review, named organizations are authorized to share data to include details of criminal arrest and conviction data. The department shall report to the governor and the appropriate legislative committees by February 1, 2018, with any recommendations for public policy that increases public safety.

(11) \$107,000 of the general fund—state appropriation for fiscal year 2018 and \$432,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to provide housing services to clients releasing from incarceration into the community.

(12) \$75,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6160 (exclusive adult jurisdiction). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

Sec. 1103. 2018 c 299 s 204 (uncodified) is amended to read as follows:
**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
MENTAL HEALTH PROGRAM**

(1)	COMMUNITY SERVICES/BEHAVIORAL HEALTH ORGANIZATIONS	
	General Fund—State Appropriation (FY 2018)	\$381,760,000
	General Fund—Federal Appropriation	\$481,439,000
	General Fund—Private/Local Appropriation	\$8,932,000
	Dedicated Marijuana Account—State Appropriation (FY 2018)	\$3,684,000
	Pension Funding Stabilization Account—State Appropriation	\$39,000
	TOTAL APPROPRIATION	\$875,854,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) For the purposes of this subsection, amounts provided for behavioral health organizations shall also be available for the health care authority to contract with entities that assume the responsibilities of behavioral health organizations in regions in which the health care authority is purchasing medical

and behavioral health services through fully integrated contracts pursuant to RCW 71.24.380.

(b) \$6,590,000 of the general fund—state appropriation for fiscal year 2018 and \$3,810,000 of the general fund—federal appropriation are provided solely for the department and behavioral health organizations to continue to contract for implementation of high-intensity programs for assertive community treatment (PACT) teams. In determining the proportion of medicaid and nonmedicaid funding provided to behavioral health organizations with PACT teams, the department shall consider the differences between behavioral health organizations in the percentages of services and other costs associated with the teams that are not reimbursable under medicaid. The department may allow behavioral health organizations which have nonmedicaid reimbursable costs that are higher than the nonmedicaid allocation they receive under this section to supplement these funds with local dollars or funds received under (f) of this subsection. The department and behavioral health organizations shall maintain consistency with all essential elements of the PACT evidence-based practice model in programs funded under this section.

(c) From the general fund—state appropriations in this subsection, the department shall assure that behavioral health organizations reimburse the department of social and health services aging and long term support administration for the general fund—state cost of medicaid personal care services that enrolled behavioral health organization consumers use because of their psychiatric disability.

(d) \$1,760,000 of the general fund—federal appropriation is provided solely for the department to maintain a pilot project to put peer bridging staff into each behavioral health organization as part of the state psychiatric liaison teams to promote continuity of service as individuals return to their communities. The department must collect data and submit a report to the office of financial management and the appropriate committees of the legislature on the impact of peer staff on state hospital discharges and community placements by December 1, 2017.

(e) \$11,405,000 of the general fund—state appropriation for fiscal year 2018 is provided solely to assist behavioral health organizations with the costs of providing services to medicaid clients receiving services in psychiatric facilities classified as institutions of mental diseases. The department must distribute these amounts proportionate to the number of bed days for medicaid clients in institutions for mental diseases that were excluded from behavioral health organization fiscal year 2018 capitation rates because they exceeded the amounts allowed under federal regulations. The department must also use these amounts to directly pay for costs that are ineligible for medicaid reimbursement in institutions of mental disease facilities for American Indian and Alaska Natives who opt to receive behavioral health services on a fee for service basis. The amounts used for these individuals must be reduced from the allocation of the behavioral health organization where the individual resides. If a behavioral health organization receives more funding through this subsection than is needed to pay for the cost of their medicaid clients in institutions for mental diseases, they must use the remainder of the amounts to provide other services not covered under the medicaid program. The department must apply for a waiver from the center for medicaid and medicare services to allow for the full cost of

stays in institutions of mental diseases to be included in fiscal year 2019 behavioral health organization capitation rates. The department may tailor the fiscal year 2019 waiver to specific populations for which the center for medicaid and medicare services has indicated they are likely to approve and work to further expand the waiver to other populations in fiscal year 2020. The department must submit a report on the status of the waiver to the office of financial management and the appropriate committees of the legislature by December 1, 2017.

(f) \$81,930,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for persons and services not covered by the medicaid program. To the extent possible, levels of behavioral health organization spending shall be maintained in the following priority order: Crisis and commitment services; community inpatient services; and residential care services, including personal care and emergency housing assistance. These amounts must be distributed to behavioral health organizations proportionate to the fiscal year 2017 allocation of flexible nonmedicaid funds. The department must include the following language in medicaid contracts with behavioral health organizations unless they are provided formal notification from the center for medicaid and medicare services that the language will result in the loss of federal medicaid participation: "The contractor may voluntarily provide services that are in addition to those covered under the state plan, although the cost of these services cannot be included when determining payment rates unless including these costs are specifically allowed under federal law or an approved waiver."

(g) The department is authorized to continue to contract directly, rather than through contracts with behavioral health organizations for children's long-term inpatient facility services.

(h) \$1,125,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the Spokane county behavioral health organization to implement services to reduce utilization and the census at eastern state hospital. Such services shall include:

(A) High intensity treatment team for persons who are high utilizers of psychiatric inpatient services, including those with co-occurring disorders and other special needs;

(B) Crisis outreach and diversion services to stabilize in the community individuals in crisis who are at risk of requiring inpatient care or jail services;

(C) Mental health services provided in nursing facilities to individuals with dementia, and consultation to facility staff treating those individuals; and

(D) Services at the sixteen-bed evaluation and treatment facility.

At least annually, the Spokane county behavioral health organization shall assess the effectiveness of these services in reducing utilization at eastern state hospital, identify services that are not optimally effective, and modify those services to improve their effectiveness.

(i) \$1,204,000 of the general fund—state appropriation for fiscal year 2018 is provided solely to reimburse Pierce and Spokane counties for the cost of conducting 180-day commitment hearings at the state psychiatric hospitals.

(j) Behavioral health organizations may use local funds to earn additional federal medicaid match, provided the locally matched rate does not exceed the upper-bound of their federally allowable rate range, and provided that the enhanced funding is used only to provide medicaid state plan or waiver services

to medicaid clients. Additionally, behavioral health organizations may use a portion of the state funds allocated in accordance with (f) of this subsection to earn additional medicaid match, but only to the extent that the application of such funds to medicaid services does not diminish the level of crisis and commitment, community inpatient, residential care, and outpatient services presently available to persons not eligible for medicaid.

(k) \$2,291,000 of the general fund—state appropriation for fiscal year 2018 is 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 must collect information from the behavioral health organizations on their plan for using these funds, the numbers of individuals served, and the types of services provided and submit a report to the office of financial management and the appropriate fiscal committees of the legislature by December 1st of each year of the biennium.

(l) Within the amounts appropriated in this section, funding is provided for the department to develop and phase in intensive mental health services for high needs youth consistent with the settlement agreement in *T.R. v. Dreyfus and Porter*.

(m) The department must establish minimum and maximum funding levels for all reserves allowed under behavioral health organization contracts and insert contract language that clearly states the requirements and limitations. The department must monitor and ensure that behavioral health organization reserves do not exceed maximum levels. The department must monitor behavioral health organization revenue and expenditure reports and must require a behavioral health organization to submit a corrective action plan on how it will spend its excess reserves within a reasonable period of time, when its reported reserves exceed maximum levels established under the contract. The department must review and approve such plans and monitor to ensure compliance. If the department determines that a behavioral health organization has failed to provide an adequate excess reserve corrective action plan or is not complying with an approved plan, the department must reduce payments to the behavioral health organization in accordance with remedial actions provisions included in the contract. These reductions in payments must continue until the department determines that the behavioral health organization has come into substantial compliance with an approved excess reserve corrective action plan.

(n) \$2,309,000 of the general fund—state appropriation for fiscal year 2018 and \$2,169,000 of the general fund—federal appropriation are provided solely for the department to increase rates for community hospitals that provide a minimum of 200 medicaid psychiatric inpatient days. The department must increase both medicaid and nonmedicaid psychiatric per-diem reimbursement rates for these providers within these amounts. The amounts in this subsection include funding for additional hold harmless payments resulting from the rate increase. The department shall prioritize increases for hospitals not currently paid based on provider specific costs using a similar methodology used to set rate for existing inpatient facilities and the latest available cost report information. Rate increases for providers must be set so as not to exceed the amounts provided within this subsection. The rate increase related to

nonmedicaid clients must be done to maintain the provider at the same percentage as currently required under WAC 182-550-4800.

(o) \$100,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the department to collaborate with tribal governments and develop a plan for establishing an evaluation and treatment facility that will specialize in providing care specifically to the American Indian and Alaska Native population. The plan must include options for maximizing federal participation and, ensure that utilization will be based on medical necessity, and identify a specific geographic location where a tribal evaluation and treatment facility will be built.

(p) \$1,466,000 of the general fund—state appropriation for fiscal year 2018 and \$1,663,000 of the general fund—federal appropriation are provided solely for the department to contract with community hospitals or freestanding evaluation and treatment centers to provide up to forty-eight long-term inpatient care beds as defined in RCW 71.24.025. The department must seek proposals and contract directly for these services rather than contracting through behavioral health organizations. The department must coordinate with the department of social and health services in developing the contract requirements, selecting contractors, and establishing processes for identifying patients that will be admitted to these facilities. The department must not use any of the amounts provided under this subsection for contracts with facilities that are subject to federal funding restrictions that apply to institutions of mental diseases, unless they have received a waiver that allows for full federal participation in these facilities.

(q) \$4,983,000 of the general fund—state appropriation for fiscal year 2018 and \$10,849,000 of the general fund—federal appropriation are provided solely for the department to increase medicaid capitation payments for behavioral health organizations. The department must work with the actuaries responsible for certifying behavioral health capitation rates to adjust average salary assumptions in order to implement this increase. In developing further updates for medicaid managed care rates for behavioral health services, the department must include and make available all applicable documents and analysis to legislative staff from the fiscal committees throughout the process. The department must require the actuaries to develop and submit rate ranges for each behavioral health organization prior to certification of specific rates.

(r) The number of beds allocated for use by behavioral health organizations at eastern state hospital shall be 192 per day. The number of nonforensic beds allocated for use by behavioral health organizations at western state hospital shall be 557 per day. In fiscal year 2019, the department must reduce the number of beds allocated for use by behavioral health organizations at western state hospital by 30 beds to allow for the repurposing of a civil ward at western state hospital to provide forensic services. The contracted beds provided under (p) of this subsection shall be allocated to the behavioral health organizations in lieu of beds at the state hospitals and be incorporated in their allocation of state hospital patient days of care for the purposes of calculating reimbursements pursuant to RCW 71.24.310. It is the intent of the legislature to continue the policy of expanding community based alternatives for long term civil commitment services that allow for state hospital beds to be prioritized for forensic patients.

(s) \$11,405,000 of the general fund—state appropriation for fiscal year 2018 and \$8,840,000 of the general fund—federal appropriation are provided solely to maintain enhancements of community mental health services. The department must contract these funds for the operation of community programs in which the department determines there is a need for capacity that allows individuals to be diverted or transitioned from the state hospitals including but not limited to: (i) Community hospital or free standing evaluation and treatment services providing short-term detention and commitment services under the involuntary treatment act to be located in the geographic areas of the King behavioral health organization, the Spokane behavioral health organization outside of Spokane county, and the Thurston Mason behavioral health organization; (ii) one new full program of an assertive community treatment team in the King behavioral health organization and two new half programs of assertive community treatment teams in the Spokane behavioral health organization and the Pierce behavioral health organization; and (iii) three new recovery support services programs in the Great Rivers behavioral health organization, the greater Columbia behavioral health organization, and the north sound behavioral health organization. In contracting for community evaluation and treatment services, the department may not use these resources in facilities that meet the criteria to be classified under federal law as institutions for mental diseases. If the department is unable to come to a contract agreement with a designated behavioral health organization for any of the services identified above, it may consider contracting for that service in another region that has the need for such service.

(t) \$200,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for clubhouse programs. The department must develop options and cost estimates for implementation of clubhouse programs statewide through a medicaid state plan amendment or a medicaid waiver and submit a report to the office of financial management and the appropriate committees of the legislature by December 1, 2018.

(u) \$212,000 of the general fund—state appropriation for fiscal year 2018 is provided solely to fund one pilot project in Pierce county and one in Yakima county to promote increased utilization of assisted outpatient treatment programs. The department shall require two behavioral health organizations to contract with local government to establish the necessary infrastructure for the programs. The department, in collaboration with the health care authority, shall provide a report by October 15, 2018, to the office of financial management and the appropriate fiscal and policy committees of the legislature to include the number of individuals served, outcomes to include reduced use of inpatient treatment and state hospital stays, and recommendations for further implementation based on lessons learned and best practices identified by the pilot projects.

(v) The department, in collaboration with the health care authority, shall work to ensure that a single platform provider credentialing system is implemented. The authority and department shall ensure that appropriate cost offsets and cost avoidance are assumed for reduced staff time required for provider credentialing activity and reductions in improper billing activity when implementing provider credentialing systems.

(w) No more than \$6,464,000 of the general fund—federal appropriation may be expended for supported housing and employment services described in

initiative 3a and 3b of the medicaid transformation demonstration waiver under healthier Washington. Under this initiative, the department and the health care authority shall ensure that allowable and necessary services are provided to eligible clients as identified by the department or its providers or third party administrator. The department and the authority in consultation with the medicaid forecast work group, shall ensure that reasonable reimbursements are established for services deemed necessary within an identified limit per individual. The department shall not increase general fund—state expenditures under this initiative. The secretary in collaboration with the director of the authority shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The secretary in cooperation with the director shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2018)	\$330,214,000
General Fund—State Appropriation (FY 2019)	(\$259,313,000)
	<u>\$373,002,000</u>
General Fund—Federal Appropriation	(\$181,793,000)
	<u>\$148,594,000</u>
General Fund—Private/Local Appropriation	(\$61,282,000)
	<u>\$48,338,000</u>
Pension Funding Stabilization Account—State	
Appropriation	\$34,746,000
TOTAL APPROPRIATION	(\$867,348,000)
	<u>\$934,894,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The state psychiatric 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) \$311,000 of the general fund—state appropriation for fiscal year 2018 and \$310,000 of the general fund—state appropriation for fiscal year 2019 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)(b) 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. The department must collect data from the city of Lakewood on the use of the funds and the number of calls responded to by the community policing program and submit a report with this information to the office of financial management and the appropriate fiscal committees of the legislature each December of the fiscal biennium.

(c) \$45,000 of the general fund—state appropriation for fiscal year 2018 and \$45,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for payment to the city of Lakewood for police services provided by the city at western state hospital and adjacent areas.

(d) \$44,000 of the general fund—state appropriation for fiscal year 2018 and \$19,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for payment to the city of Medical Lake for police services provided by the city at eastern state hospital and adjacent areas. The city must develop a proposal and estimated costs for developing a community policing program in the area surrounding eastern state hospital and submit the proposal to the department by September 30, 2018. The city must provide current and historical data for police services to eastern state hospital and adjacent areas which justify funding for a community policing program and continued funding for base police services and a community policing program.

(e) \$20,883,000 of the general fund—state appropriation for fiscal year 2018 and \$33,558,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of efforts to improve the timeliness of competency restoration services pursuant to chapter 5, Laws of 2015 (SSB 5889) (timeliness of competency treatment and evaluation services). These amounts must be used to maintain and further increase the number of forensic beds at western state hospital and eastern state hospital. Pursuant to chapter 7, Laws of 2015 1st sp. sess. (2E2SSB 5177) (timeliness of competency treatment and evaluation services), the department may contract some of these amounts for services at alternative locations if the secretary determines that there is a need.

(f) \$3,928,000 of the general fund—state appropriation for fiscal year 2018 and \$4,249,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to maintain and further increase implementation of efforts to improve the timeliness of competency evaluation services for individuals who are in local jails pursuant to chapter 5, Laws of 2015 (SSB 5889) (timeliness of competency treatment and evaluation services). This funding must be used solely to maintain increases in the number of staff providing competency evaluation services.

(g) \$135,000 of the general fund—state appropriation for fiscal year 2018 and \$135,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to hire an on-site safety compliance officer, stationed at Western State Hospital, to provide oversight and accountability of the hospital's response to safety concerns regarding the hospital's work environment.

(h) \$20,234,000 of the general fund—state appropriation for fiscal year 2018 and \$20,234,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to meet the requirements of the systems improvement agreement with the centers for medicare and medicaid services as outlined in seven conditions of participation and to maintain federal funding. The department shall specifically account for all spending related to the agreement and reconcile it back to the original funding plan. Changes of more than ten percent in any area of the spending plan must be submitted to the office of financial management for approval. The department must submit a financial analysis to the office of financial management and the appropriate committees of the legislature which compares current staffing levels at eastern and western state hospitals, at the ward level, with the specific staffing levels recommended in the state hospitals' clinical model analysis project report submitted by OTB Solutions in 2016. To the extent that the financial analysis includes any differential in staffing from what was recommended in the report, the department

must clearly identify these differences and the associated costs. The department must submit the financial analysis by September 1, 2017.

(i) Within these amounts, the department must hire chemical dependency professionals to provide integrated substance use disorder and mental health treatment at the state psychiatric hospitals.

(j) \$1,000 of the general fund—state appropriation for fiscal year 2018 and \$2,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of Senate Bill No. 5118 (personal needs allowance). ~~((If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.))~~

(k) ~~\$34,584,000 of the general fund—state appropriation for fiscal year 2018 ((is)) and \$44,271,000 of the general fund—state appropriation for fiscal year 2019~~ are provided solely for increased staffing and other costs at the state hospitals that are required to maintain federal certification and compliance with federal agreements. Throughout the biennium, the department must track state hospital staffing expenditures, including the use of overtime and contracted locums, to allotments and submit monthly reports to the office of financial management. The office of financial management must review these reports and make a determination as to whether the overspending in these areas is required to maintain federal certification and compliance with federal agreements. The office of financial management must notify the department each month whether and to what level the overspending on staffing is approved and may be maintained and whether and to what level the department must reduce such expenditures. By December 2, 2018, the office of financial management must provide a report to the appropriate committees of the legislature on spending beyond appropriations for staffing at the state hospitals and identify the level of overspending that has been approved and any direction provided by the office of financial management to reduce overspending on staffing that was not required to maintain federal certification and compliance with federal agreements.

(l) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to track compliance with RCW 71.05.365 requirements for transition of state hospital patients into community settings within fourteen days of the determination that they no longer require active psychiatric treatment at an inpatient level of care. The department must use these funds to track the following elements related to this requirement: (i) The date on which an individual is determined to no longer require active psychiatric treatment at an inpatient level of care; (ii) the date on which the behavioral health organizations and other organizations responsible for resource management services for the person is notified of this determination; and (iii) the date on which either the individual is transitioned to the community or has been re-evaluated and determined to again require active psychiatric treatment at an inpatient level of care. The department must provide this information in regular intervals to behavioral health organizations and other organizations responsible for resource management services. The department must summarize the information and provide a report to the office of financial management and the appropriate committees of the legislature on progress toward meeting the fourteen day standard by December 1, 2018.

(m) \$140,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department and the University of Washington to begin

implementation the first phase of a collaborative plan for a high-quality forensic teaching service. Indirect charges for amounts contracted to the University of Washington must not exceed ten percent. The department and the University of Washington must research and pursue behavioral health workforce education grants from federal or private foundations that could be used in support of this project. By November 1, 2018, the department, in collaboration with the University of Washington, must submit a report to the office of financial management and the appropriate committees of the legislature with a progress update, readiness to proceed to the second phase of the project, a detailed cost analysis of the second phase, and identification of any federal or private grants identified and the status of those applications.

(n) \$12,190,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to develop and implement an acuity based staffing tool at western state hospital and eastern state hospital in collaboration with the hospital staffing committees. The staffing tool must be designed and implemented to identify, on a daily basis, the clinical acuity on each patient ward and determine the minimum level of direct care staff by profession to be deployed to meet the needs of the patients on each ward. The department must also continue to develop, in collaboration with the office of financial management's labor relations office, the staffing committees, and state labor unions, an overall state hospital staffing plan which looks at all positions and functions of the facilities and is informed by a review of the Oregon state hospital staffing model. \$300,000 of the amounts in this subsection are provided solely for and must be used for staff costs required to establish, monitor, track, and report monthly staffing and expenditures at the state hospitals, including overtime and use of locums, to the functional categories identified in the recommended staffing plan. The remainder of the funds must be used for direct care staffing needed in order to implement the acuity based staffing tool. The allotments and tracking of staffing and expenditures must include all areas of the state hospitals, must be done at the ward level, and must include contracted facilities providing forensic restoration services as well as the office of forensic mental health services. By September 1, 2018, the department and hospital staffing committees must submit a report to the office of financial management and the appropriate committees of the legislature that includes the following: (a) Progress in implementing the acuity based staffing tool; (b) a comparison of average daily staffing expenditures to budgeted staffing levels and the recommended state hospital staffing plan by function; and (c) metrics and facility performance for the use of overtime and extra duty pay, patient length of stay, discharge management, active treatment planning, medication administration, patient and staff aggression, and staff recruitment and retention. The department must use information gathered from implementation of the clinical staffing tool and the hospital-wide staffing model to inform and prioritize future budget requests for staffing at the state hospitals. Beginning on January 1, 2019, the department must submit calendar quarterly reports to the office of financial management and the appropriate committees of the legislature which includes monitoring of monthly spending and staffing levels compared to allotments and to the recommended state hospital staffing model. These reports must include an update from the hospital staffing committees.

(o) \$250,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department, in collaboration with the health care authority, to develop and implement a predictive modeling tool which identifies clients who are at high risk of future involvement with the criminal justice system and for developing a model to estimate demand for civil and forensic state hospital bed needs pursuant to the following requirements.

(i) The predictive modeling tool must be developed to leverage data from a variety of sources and identify factors that are strongly associated with future criminal justice involvement. By December 1, 2018, the department must submit a report to the office of financial management and the appropriate committees of the legislature which describes the following: (A) The proposed data sources to be used in the predictive model and how privacy issues will be addressed; (B) modeling results including a description of measurable factors most strongly predictive of risk of future criminal justice involvement; (C) an assessment of the accuracy, timeliness, and potential effectiveness of the tool; (D) identification of interventions and strategies that can be effective in reducing future criminal justice involvement of high risk patients; and (E) the timeline for implementing processes to provide monthly lists of high-risk client to contracted managed care organizations and behavioral health organizations.

(ii) The model for civil and forensic state hospital bed need must be developed in consultation with staff from the office of financial management and the appropriate fiscal committees of the state legislature. The model shall incorporate factors for capacity in state hospitals as well as contracted facilities which provide similar levels of care, referral patterns, wait lists, lengths of stay, and other factors identified as appropriate for predicting the number of beds needed to meet the demand for civil and forensic state hospital services. The department must submit a report to the office of financial management and the appropriate committees of the legislature by October 1, 2018, with a description of the model and the estimated civil and forensic state hospital bed need through the end of fiscal year 2021. The department must continue to update the model on a calendar quarterly basis and provide updates to the office of financial management and the appropriate committees of the legislature accordingly.

(p) \$20,000 of the general fund—state appropriation for fiscal year 2019 and \$8,000 of the general fund—federal appropriation are provided solely to implement Substitute Senate Bill No. 6237 (personal needs allowance) or Substitute House Bill No. 2651 (personal needs allowance). ~~((If neither bill is enacted by June 30, 2018, the amounts provided in this subsection shall lapse.))~~

(q) \$46,601,000 of the general fund—state appropriation for fiscal year 2018 ((is)) and \$19,017,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to pay fines, plaintiff's attorney fees, and increased court monitor costs for failing to meet court ordered timelines for competency restoration and evaluations under *Trueblood v. Department of Social and Health Services*.

(r) \$1,148,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for purposes of maintaining basic life-and-safety equipment and structures in a manner that supports a safe and compliant environment of care at the state hospitals. The department must develop a budget structure that allows for transparency in the management and monitoring of these expenditures as well as related performance and outcomes. The department must report to the

office of financial management on expenditure levels and outcomes achieved at the close of each fiscal year.

(3) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2018)	\$486,000
General Fund—Federal Appropriation	\$3,148,000
Pension Funding Stabilization Account—State	
Appropriation	\$28,000
TOTAL APPROPRIATION	\$3,662,000

The appropriations in this subsection are subject to the following conditions and limitations: \$446,000 of the general fund—state appropriation for fiscal year 2018 and \$89,000 of the general fund—federal appropriation are provided solely for the University of Washington's evidence-based practice institute which supports the identification, evaluation, and implementation of evidence-based or promising practices. The institute must work with the department to develop a plan to seek private, federal, or other grant funding in order to reduce the need for state general funds. The department must collect information from the institute on the use of these funds and submit a report to the office of financial management and the appropriate fiscal committees of the legislature by December 1st of each year of the biennium.

(4) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2018)	\$9,265,000
General Fund—State Appropriation (FY 2019)	(\$2,979,000)
	\$5,773,000
General Fund—Federal Appropriation	(\$8,310,000)
	\$6,278,000
General Fund—Private/Local Appropriation	\$251,000
Pension Funding Stabilization Account—State	
Appropriation	\$526,000
TOTAL APPROPRIATION	(\$21,331,000)
	\$22,093,000

The appropriations in this subsection are subject to the following conditions and limitations:

~~((+))~~ The department must complete an update of the state quality strategy required under federal managed care regulations and submit to the center for medicaid and medicare services by October 1, 2017. The department must provide a report to the office of financial management and the appropriate committees of the legislature by December 1, 2017, which includes the following: ~~((+))~~ (a) A copy of the quality strategy submitted to the center for medicaid and medicare services; ~~((+))~~ (b) identification of all performance measures that are currently being measured for behavioral health organizations, and managed care organizations and the variations in performance among these entities; ~~((+))~~ (c) identification of any performance measures that are included in behavioral health organization and managed care organization 2018 contracts and whether these measures are connected to payment; and ~~((+))~~ (d) identification of any performance measures planned for incorporation of behavioral health organization and managed care organization 2019 contracts

and whether these measures will be connected to payment during that contract period.

~~((b) \$62,000 of the general fund—state appropriation for fiscal year 2018 and \$41,000 of the general fund—federal appropriation are provided solely for the implementation of chapter 207, Laws of 2017 (E2SHB 1819) (children's mental health).~~

~~(c) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to adopt license and certification fees in fiscal year 2018 to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower costs of licensing for these programs than for other organizations which are not accredited.)~~

Sec. 1104. 2018 c 299 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 2018)	\$601,589,000
General Fund—State Appropriation (FY 2019)	(\$663,644,000)
	<u>\$653,996,000</u>
General Fund—Federal Appropriation	(\$1,302,369,000)
	<u>\$1,294,369,000</u>
General Fund—Private/Local Appropriation	(\$2,407,000)
	<u>\$534,000</u>
Pension Funding Stabilization Account—State Appropriation	\$6,872,000
TOTAL APPROPRIATION	(\$2,576,881,000)
	<u>\$2,557,360,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) Individuals receiving services 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.

(b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and 43.135.055, the department is authorized to increase nursing facility, assisted living facility, and adult family home fees as necessary to fully support the actual costs of conducting the licensure, inspection, and regulatory programs. The license fees may not exceed the department's annual licensing and oversight activity costs and shall include the department's cost of paying providers for the amount of the license fee attributed to medicaid clients.

(i) The current annual renewal license fee for adult family homes shall be \$225 per bed beginning in fiscal year 2018 and \$225 per bed beginning in fiscal

year 2019. A processing fee of \$2,750 shall be charged to each adult family home when the home is initially licensed. This fee is nonrefundable. A processing fee of \$700 shall be charged when adult family home providers file a change of ownership application.

(ii) The current annual renewal license fee for assisted living facilities shall be \$106 per bed beginning in fiscal year 2018 and \$116 per bed beginning in fiscal year 2019.

(iii) The current annual renewal license fee for nursing facilities shall be \$359 per bed beginning in fiscal year 2018 and \$359 per bed beginning in fiscal year 2019.

(c) \$7,142,000 of the general fund—state appropriation for fiscal year 2018, \$18,249,000 of the general fund—state appropriation for fiscal year 2019, and \$27,336,000 of the general fund—federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw under the provisions of chapters 74.39A and 41.56 RCW for the 2017-2019 fiscal biennium. ~~((Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the appropriation in this subsection shall lapse.))~~

(d) \$787,000 of the general fund—state appropriation for fiscal year 2018, \$2,183,000 of the general fund—state appropriation for fiscal year 2019, and \$3,714,000 of the general fund—federal appropriation are provided solely for the homecare agency parity impacts of the agreement between the governor and the service employees international union healthcare 775nw. ~~((Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the appropriation in this subsection shall lapse.))~~

(e) The department may authorize a one-time waiver of all or any portion of the licensing and processing fees required under RCW 70.128.060 in any case in which the department determines that an adult family home is being relicensed because of exceptional circumstances, such as death or incapacity of a provider, and that to require the full payment of the licensing and processing fees would present a hardship to the applicant. In these situations the department is also granted the authority to waive the required residential administrator training for a period of 120 days if necessary to ensure continuity of care during the relicensing process.

(f) Community residential cost reports that are submitted by or on behalf of contracted agency providers are required to include information about agency staffing including health insurance, wages, number of positions, and turnover.

(g) \$650,000 of the general fund—state appropriation for fiscal year 2018, \$650,000 of the general fund—state appropriation for fiscal year 2019, and \$800,000 of the general fund—federal appropriation are provided solely for the development and implementation of eight enhanced respite beds across the state for children. These services are intended to provide families and caregivers with a break in caregiving, the opportunity for behavioral stabilization of the child, and the ability to partner with the state in the development of an individualized service plan that allows the child to remain in his or her family home. The department must provide the legislature with a respite utilization report in January of each year that provides information about the number of children

who have used enhanced respite in the preceding year, as well as the location and number of days per month that each respite bed was occupied.

(h) \$900,000 of the general fund—state appropriation for fiscal year 2018 and \$900,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the development and implementation of eight community respite beds across the state for adults. These services are intended to provide families and caregivers with a break in caregiving and the opportunity for stabilization of the individual in a community-based setting as an alternative to using a residential habilitation center to provide planned or emergent respite. The department must provide the legislature with a respite utilization report by January of each year that provides information about the number of individuals who have used community respite in the preceding year, as well as the location and number of days per month that each respite bed was occupied.

(i) \$100,000 of the general fund—state appropriation for fiscal year 2018, \$95,000 of the general fund—state appropriation for fiscal year 2019, and \$195,000 of the general fund—federal appropriation are provided solely for discharge case managers stationed at the state psychiatric hospitals. Discharge case managers will transition clients ready for hospital discharge into less restrictive alternative community placements. The transition of clients ready for discharge will free up bed capacity at the state psychiatric hospitals.

(j) \$1,239,000 of the general fund—state appropriation for fiscal year 2018, \$2,055,000 of the general fund—state appropriation for fiscal year 2019, and \$3,218,000 of the general fund—federal appropriation are provided solely to create new community alternative placement beds that prioritize the transition of clients who are ready for discharge from the state psychiatric hospitals, but who have additional long-term care or developmental disability needs.

(i) Community alternative placement beds include enhanced service facility beds, adult family home beds, skilled nursing facility beds, shared supportive housing beds, state operated living alternative beds, and assisted living facility beds.

(ii) Each client must receive an individualized assessment prior to leaving one of the state psychiatric hospitals. The individualized assessment must identify and authorize personal care, nursing care, behavioral health stabilization, physical therapy, or other necessary services to meet the unique needs of each client. It is the expectation that, in most cases, staffing ratios in all community alternative placement options described in (j)(i) of this subsection will need to increase to meet the needs of clients leaving the state psychiatric hospitals. If specialized training is necessary to meet the needs of a client before he or she enters a community placement, then the person centered service plan must also identify and authorize this training.

(iii) When reviewing placement options, the department must consider the safety of other residents, as well as the safety of staff, in a facility. An initial evaluation of each placement, including any documented safety concerns, must occur within thirty days of a client leaving one of the state psychiatric hospitals and entering one of the community placement options described in (j)(i) of this subsection. At a minimum, the department must perform two additional evaluations of each placement during the first year that a client has lived in the facility.

(iv) During fiscal year 2018, in a presentation to the select committee on quality improvement in state hospitals, the department must describe the process of fielding and subsequently investigating complaints of abuse, neglect, and exploitation within the community alternative placement options described in (j)(i) of this subsection. At a minimum, the presentation must include data about the number of complaints, and the nature of complaints, over the preceding five fiscal years.

(v) During fiscal year 2019, in a presentation to the select committee on quality improvement in state hospitals, the department must provide an update about clients placed out of the state psychiatric hospitals into the community alternative placement options described in (j)(i) of this subsection. At a minimum, for each setting, the presentation must include data about the number of placements, average daily rate, complaints fielded, and complaints investigated. The presentation must also include information about modifications, including the placement of clients into alternate settings, that occurred due to the evaluations required under (j)(iii) of this subsection.

In developing bed capacity, the department shall consider the complex needs of individuals waiting for discharge from the state psychiatric hospitals.

(k) \$738,000 of the general fund—state appropriation for fiscal year 2018, \$1,963,000 of the general fund—state appropriation for fiscal year 2019, and \$2,701,000 of the general fund—federal appropriation are provided solely for expanding the number of clients receiving services under the basic plus medicaid waiver. Approximately six hundred additional clients are anticipated to graduate from high school during the 2017-2019 fiscal biennium and will receive employment services under this expansion.

(l) \$14,127,000 of the general fund—state appropriation for fiscal year 2018, \$25,428,000 of the general fund—state appropriation for fiscal year 2019, and \$39,554,000 of the general fund—federal appropriation are provided solely to increase the benchmark rate for community residential service providers offering supported living, group home, and licensed staff residential services to individuals with development disabilities. The amounts in this subsection (l)(l) include funding to increase the benchmark rate by the following amounts:

- (i) \$1.25 per hour effective July 1, 2017, and;
- (ii) An additional \$1.00 per hour effective July 1, 2018.

The amounts provided in this subsection must be used to improve the recruitment and retention of quality direct care staff to better protect the health and safety of clients with developmental disabilities.

(m) Respite personal care provided by individual providers to developmental disabilities administration clients, as authorized by the department and accessed by clients through a medicaid waiver, must be funded in maintenance level of the operating budget on the basis of actual and forecasted client utilization.

(n) \$4,000 of the general fund—state appropriation for fiscal year 2018, \$11,000 of the general fund—state appropriation for fiscal year 2019, and \$13,000 of the general fund—federal appropriation are provided solely to implement chapter 270, Laws of 2017 (SB 5118) (personal needs allowance).

(o) \$1,716,000 of the general fund—state appropriation for fiscal year 2018, \$3,493,000 of the general fund—state appropriation for fiscal year 2019, and

\$4,267,000 of the general fund—federal appropriation are provided solely for a targeted vendor rate increase to contracted client service providers.

(i) Within the amounts provided in this subsection, \$1,674,000 of the general fund—state appropriation for fiscal year 2018, \$3,424,000 of the general fund—state appropriation for fiscal year 2019, and \$4,126,000 of the general fund—federal appropriation are provided solely for a vendor rate increase of two percent in fiscal year 2018 and an additional two percent in fiscal year 2019 for all contracted vendors with the exception of nursing home providers, the program of all-inclusive care for the elderly, nurse delegators, community residential service providers, individual providers, agency providers, and adult family homes.

(ii) Within the amounts provided in this subsection, \$42,000 of the general fund—state appropriation for fiscal year 2018, \$69,000 of the general fund—state appropriation for fiscal year 2019, and \$141,000 of the general fund—federal appropriation are provided solely to increase vendor rates for adult residential care and enhanced adult residential care in the 2017-2019 fiscal biennium up to the statewide minimum wage established in Initiative Measure No. 1433.

(p) \$51,000 of the general fund—state appropriation for fiscal year 2018, \$51,000 of the general fund—state appropriation for fiscal year 2019, and \$102,000 of the general fund—federal appropriation are provided solely to increase the daily rate for private duty nursing in adult family homes by \$63.77.

(q) \$371,000 of the general fund—state appropriation for fiscal year 2018, \$445,000 of the general fund—state appropriation for fiscal year 2019, and \$1,069,000 of the general fund—federal appropriation are provided solely for increasing the hourly rate for nurse delegators from \$32.96 to \$45.32 effective September 1, 2017.

(r) \$212,000 of the general fund—state appropriation for fiscal year 2018 and \$269,000 of the general fund—federal appropriation are provided solely to implement Senate Bill No. . . . (S-2907.2). ~~((If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.))~~

(s) \$2,199,000 of the general fund—state appropriation for fiscal year 2018, \$2,878,000 of the general fund—state appropriation for fiscal year 2019, and \$6,388,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the adult family home council under the provisions of chapter 41.56 RCW for the 2017-2019 fiscal biennium. ~~((Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.))~~

(t) \$83,000 of the general fund—state appropriation for fiscal year 2019 and \$751,000 of the general fund—federal appropriation are provided solely for the development of an information technology solution that is flexible enough to accommodate all service providers impacted by the requirements for electronic visit verification outlined in the 21st century cures act.

(u) \$75,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for job training at the support education empowerment disability solutions program.

(v) \$623,000 of the general fund—state appropriation for fiscal year 2019 and \$623,000 of the general fund—federal appropriation are provided solely to hold community residential service provider rates harmless for instruction and support services and administration, to the extent possible within amounts appropriated in this subsection, if the tiered rate methodology is implemented effective January 1, 2019.

~~((*) (w))~~ (w) \$21,000 of the general fund—state appropriation for fiscal year 2019 and \$26,000 of the general fund—federal appropriation are provided solely to implement Substitute House Bill No. 2651 (personal needs allowance). ~~((If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.~~

~~((y))~~ (x) \$34,000 of the general fund—state appropriation for fiscal year 2018, \$293,000 of the general fund—state appropriation for fiscal year 2019, and \$480,000 of the general fund—federal appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 6199 (consumer directed employer organizations). ~~((If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.~~

~~((z))~~ (y) The department of social and health services developmental disabilities administration shall participate in the development of an implementation plan to build statewide capacity among school districts to improve transition planning for students in special education who meet criteria for services from the developmental disabilities administration, pursuant to section 501(57) of this act.

~~((aa))~~ (z) \$290,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the enhancement of existing parent-to-parent programs that serve parents of children with a developmental disability and the establishment of new programs in Okanogan county and Whitman county.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2018)	\$99,622,000
General Fund—State Appropriation (FY 2019)	(\$105,704,000)
	<u>\$111,350,000</u>
General Fund—Federal Appropriation	(\$202,562,000)
	<u>\$208,228,000</u>
General Fund—Private/Local Appropriation	\$27,041,000
Pension Funding Stabilization Account—State Appropriation	\$12,441,000
TOTAL APPROPRIATION	(\$447,370,000)
	<u>\$458,682,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) Individuals receiving services 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.

(b) \$495,000 of the general fund—state appropriation for fiscal year 2018 and \$495,000 of the general fund—state appropriation for fiscal year 2019 are for the department to fulfill its contracts with the school districts under chapter 28A.190 RCW to provide transportation, building space, and other support

services as are reasonably necessary to support the educational programs of students living in residential habilitation centers.

(c) \$2,978,000 of the general fund—state appropriation for fiscal year 2018, \$2,978,000 of the general fund—state appropriation for fiscal year 2019, and \$5,956,000 of the general fund—federal appropriation are for additional staff to ensure compliance with centers for medicare and medicaid services requirements for habilitation, nursing care, staff safety, and client safety at the residential habilitation centers.

(d) The residential habilitation centers may use funds appropriated in this subsection to purchase goods, supplies, and services through hospital group purchasing organizations when it is cost-effective to do so.

(e) \$2,000 of the general fund—state appropriation for fiscal year 2018, \$5,000 of the general fund—state appropriation for fiscal year 2019, and \$5,000 of the general fund—federal appropriation are provided solely to implement chapter 270, Laws of 2017 (SB 5118) (personal needs allowance).

(f) \$325,000 of the general fund—state appropriation for fiscal year 2019 and \$325,000 of the general fund—federal appropriation are provided solely for purposes of maintaining basic life-and-safety equipment and structures in a manner that supports a safe and compliant environment of care at the residential habilitation centers. The department is to develop a budget structure that allows for transparency in the management and monitoring of these expenditures as well as related performance and outcomes. The department is to report to the office of financial management on expenditure levels and outcomes achieved at the close of each fiscal year.

(g) \$2,288,000 of the general fund—state appropriation for fiscal year 2018, ~~(\$5,496,000)~~ \$10,146,000 of the general fund—state appropriation for fiscal year 2019, and ~~(\$7,784,000)~~ \$12,434,000 of the general fund—federal appropriation are provided solely for additional staffing resources to provide direct care to clients living in the intermediate care facilities at Rainier school, Fircrest school, and Lakeland village to address deficiencies identified by the centers for medicare and medicaid services, for clients to transition to nursing facilities at the Fircrest school and Lakeland village, and to gather information for the 2019 legislative session that will support appropriate levels of care for residential habilitation center clients.

(i) The department of social and health services must contract with the William D. Ruckelshaus center or other neutral party to facilitate meetings and discussions about how to support appropriate levels of care for residential habilitation clients based on the clients' needs and ages. The options explored in the meetings and discussions must include, but are not limited to, conversion of cottages from certification as an intermediate care facility to certification and licensure as a skilled nursing facility, developing a state operated nursing facility for eligible clients, and placement of additional clients from the residential habilitation centers into state operated living alternatives. An agreed-upon preferred vision must be included within a report to the office of financial management and appropriate fiscal and policy committees of the legislature before December 1, 2018. The report must describe the policy rationale, implementation plan, timeline, and recommended statutory changes for the preferred vision.

The parties invited to participate in the meetings and discussion must include:

(A) One member from each of the two largest caucuses in the senate, who shall be appointed by the majority leader and minority leader of the senate;

(B) One member from each of the two largest caucuses in the house of representatives, who shall be appointed by the speaker and minority leader of the house of representatives;

(C) One member from the office of the governor, appointed by the governor;

(D) One member from the developmental disabilities council;

(E) One member from the ARC of Washington;

(F) One member from the Washington federation of state employees;

(G) One member from the service employee international union 1199;

(H) One member from the developmental disabilities administration within the department of social and health services;

(I) One member from the aging and long term support administration within the department of social and health services; and

(J) Two members who are family members or guardians of current residential habilitation center residents.

(ii) Before November 1, 2018, the department of social and health services must submit a report to the office of financial management and the appropriate fiscal and policy committees of the legislature that includes the following information: All information provided for subsections A through D below must be provided so as to clearly identify data that represents the intermediate care facility versus the skilled nursing facility components of the residential habilitation centers.

(A) The current number of clients living in the residential habilitation centers from the most recent month of available data. The information must be provided by month for each cottage on each campus, and must distinguish between long-term and short-term admissions.

(B) The average age of clients living in the residential habilitation centers from fiscal year 2013 through fiscal year 2018. The information must be provided by month for each cottage on each campus.

(C) The number of staff, segmented by the type of position, at the residential habilitation centers from fiscal year 2013 through fiscal year 2018. The information must be provided by month for each cottage on each campus. Any staff that are not directly associated with a cottage must be provided separately for each campus.

(D) Ratios of staff to clients at the residential habilitation centers from fiscal year 2013 through fiscal year 2018. The ratios must include, but are not limited to, the number of direct care staff per client and the number of indirect care staff per client. The ratio of direct care staff per client must be provided by month for each cottage on each campus. The ratio of indirect care staff per client must be provided by month for each campus.

(E) The number of individuals with a developmental disability residing long term at the state psychiatric hospitals from fiscal year 2013 through fiscal year 2018. The information must be provided by month for each of the state psychiatric hospitals.

(F) The average age of individuals with a developmental disability residing long term at the state psychiatric hospitals from fiscal year 2013 through fiscal

year 2018. The information must be provided by month for each of the state psychiatric hospitals.

(G) The following information pertinent to the goal of transitioning from the use of intermediate care facilities on residential habilitation center campuses to skilled nursing facilities, when appropriate to individual client needs and preferences, no later than January 1, 2021:

(I) An analysis of existing facilities that might serve as skilled nursing facilities, including options on residential habilitation center campuses and options off campus that might be purchased, rented, or leased by the state. The report must display location, closure date if applicable, and total bed capacity for each facility.

(II) The number of clients living in intermediate care facility cottages at the residential habilitation centers who meet the functional criteria for nursing facility level of care as determined by assessments conducted by the department.

(III) The number of clients living in intermediate care facility cottages at the residential habilitation centers whom, directly or through their legal guardian, express interest in or willingness to live in a skilled nursing facility in interviews and assessments conducted by the department.

(IV) A description of the process and a feasibility analysis for the transition of a cottage or multiple cottages at a residential habilitation center from certification as an intermediate care facility to certification and licensure as a skilled nursing facility no later than January 1, 2021. This section of the report must include, but is not limited to, a description of the role for the department of health, department of social and health services, and the centers for medicare and medicaid services.

(V) The estimated capital investment needed to transition a cottage, or multiple cottages, at a residential habilitation center from certification as an intermediate care facility to certification and licensure as a skilled nursing facility no later than January 1, 2021.

(H) Options for the alternate use of buildings, vacant or occupied, at Fircrest, Rainier, Yakima valley, or Lakeland village. The suggestions must include but are not limited to expanding capacity for nursing care, dental care, and other specialty services for individuals with developmental or intellectual disabilities.

(I) Options for transferring the ownership of charitable, educational, penal, and reform institutions land on the Fircrest campus from the department of natural resources to the department of social and health services.

(I) Purchase of the charitable, educational, penal, and reform institutions land on the Fircrest campus by the department of social and health services. This option must include but is not limited to the most recent appraisal of the value of charitable, educational, penal, and reform institutions land on the Fircrest campus.

(II) A land swap of equal value between the charitable, educational, penal, and reform institutions land on the Fircrest campus and other state-owned property.

(III) A combination of the options outlined within (I) and (II) of this subsection (g)(ii)(I).

(J) Options for the additional use of state operated living alternative placements to assist clients with the transition from an institutional setting to a

community setting. The report must identify the number of clients who could transition into state operated living alternative placements, and the length of time necessary to transition clients into the additional placements.

(K) Options for establishing additional crisis stabilization services at the residential habilitation centers. The report must identify the operating costs, capital costs, timeline, and desired location associated with the additional capacity.

(L) Options for transferring individuals who have been residing long term at the state psychiatric hospitals into an alternative location, or multiple locations. One of the options must explore the possibility of transferring these individuals to the residential habilitation centers. For any option that is explored, the report must identify the operating costs, capital costs, timeline, and desired location associated with the additional capacity.

(M) The expenditures for overtime, prescription drugs, controlled substances, medical supplies, janitorial supplies, household supplies, maintenance supplies, and office supplies at the residential habilitation centers from fiscal year 2013 through fiscal year 2018. The information must be provided by month for each campus. The department must also provide the strategy, or strategies, that are being implemented to decrease expenditures for overtime, prescription drugs, controlled substances, medical supplies, janitorial supplies, household supplies, maintenance supplies, and office supplies at the residential habilitation centers.

(h) \$23,000 of the general fund—state appropriation for fiscal year 2019 and \$23,000 of the general fund—federal appropriation are provided solely to implement Substitute House Bill No. 2651 (personal needs allowance). ~~((If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.))~~

(i) \$121,000 of the general fund—state appropriation for fiscal year 2018, \$41,000 of the general fund—state appropriation for fiscal year 2019, and \$161,000 of the general fund—federal appropriation are provided solely for the replacement of items destroyed by fire at the laundry facility at Fircrest, and for the transportation of laundry from Fircrest to Rainier.

(j) \$802,000 of the general fund—state appropriation for fiscal year 2019 and \$801,000 of the general fund—federal appropriation are provided solely for the transition of residents due to the decertification of the Rainier school PAT A intermediate care facility by the centers for medicare and medicaid services in calendar year 2019. It is the intent of the legislature that the developmental disabilities administration complete the transitions of Rainier PAT A residents by September 2019.

(3) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2018)	\$2,351,000
General Fund—State Appropriation (FY 2019)	(\$2,400,000)
	<u>\$2,506,000</u>
General Fund—Federal Appropriation	(\$2,982,000)
	<u>\$3,041,000</u>
Pension Funding Stabilization Account—State Appropriation	\$270,000
TOTAL APPROPRIATION	(\$8,003,000)

\$8,168,000

(4) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2018)	\$55,000
General Fund—State Appropriation (FY 2019)	\$62,000
General Fund—Federal Appropriation	\$1,092,000
Pension Funding Stabilization Account—State Appropriation	\$11,000
TOTAL APPROPRIATION	\$1,220,000

Sec. 1105. 2018 c 299 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 2018)	\$1,077,208,000
General Fund—State Appropriation (FY 2019)	(\$1,208,320,000)
	<u>\$1,182,221,000</u>
General Fund—Federal Appropriation	(\$2,844,955,000)
	<u>\$2,826,756,000</u>
General Fund—Private/Local Appropriation	(\$35,766,000)
	<u>\$33,953,000</u>
Traumatic Brain Injury Account—State Appropriation	\$4,540,000
Skilled Nursing Facility Safety Net Trust Account— State Appropriation	\$133,360,000
Pension Funding Stabilization Account—State Appropriation	\$13,165,000
TOTAL APPROPRIATION	(\$5,317,314,000)
	<u>\$5,271,203,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed \$200.47 for fiscal year 2018 and shall not exceed \$216.64 for fiscal year 2019.

(b) The department shall provide a medicaid rate add-on to reimburse the medicaid share of the skilled nursing facility safety net assessment as a medicaid allowable cost. The nursing facility safety net rate add-on may not be included in the calculation of the annual statewide weighted average nursing facility payment rate.

(2) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and 43.135.055, the department is authorized to increase nursing facility, assisted living facility, and adult family home fees as necessary to fully support the actual costs of conducting the licensure, inspection, and regulatory programs. The license fees may not exceed the department's annual licensing and oversight activity costs and shall include the department's cost of paying providers for the amount of the license fee attributed to medicaid clients.

(a) The current annual renewal license fee for adult family homes shall be \$225 per bed beginning in fiscal year 2018 and \$225 per bed beginning in fiscal year 2019. A processing fee of \$2,750 shall be charged to each adult family home when the home is initially licensed. This fee is nonrefundable. A processing fee of \$700 shall be charged when adult family home providers file a change of ownership application.

(b) The current annual renewal license fee for assisted living facilities shall be \$106 per bed beginning in fiscal year 2018 and \$116 per bed beginning in fiscal year 2019.

(c) The current annual renewal license fee for nursing facilities shall be \$359 per bed beginning in fiscal year 2018 and \$359 per bed beginning in fiscal year 2019.

(3) The department is authorized to place long-term care clients residing in nursing homes and paid for with state only funds into less restrictive community care settings while continuing to meet the client's care needs.

(4) \$1,858,000 of the general fund—state appropriation for fiscal year 2018 and \$1,857,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for operation of the volunteer services program. Funding shall be prioritized towards serving populations traditionally served by long-term care services to include senior citizens and persons with disabilities.

(5) \$14,674,000 of the general fund—state appropriation for fiscal year 2018, \$37,239,000 of the general fund—state appropriation for fiscal year 2019, and \$55,716,000 of the general fund—federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw under the provisions of chapters 74.39A and 41.56 RCW for the 2017-2019 fiscal biennium. (~~Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the appropriation in this subsection shall lapse.~~)

(6) \$4,833,000 of the general fund—state appropriation for fiscal year 2018, \$13,413,000 of the general fund—state appropriation for fiscal year 2019, and \$22,812,000 of the general fund—federal appropriation are provided solely for the homecare agency parity impacts of the agreement between the governor and the service employees international union healthcare 775nw. (~~Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the appropriation in this subsection shall lapse.~~)

(7) \$5,094,000 of the general fund—state appropriation for fiscal year 2018 and \$5,094,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for services and support to individuals who are deaf, hard of hearing, or deaf-blind.

(8) The department may authorize a one-time waiver of all or any portion of the licensing and processing fees required under RCW 70.128.060 in any case in which the department determines that an adult family home is being relicensed because of exceptional circumstances, such as death or incapacity of a provider, and that to require the full payment of the licensing and processing fees would present a hardship to the applicant. In these situations the department is also granted the authority to waive the required residential administrator training for a period of 120 days if necessary to ensure continuity of care during the relicensing process.

(9) In accordance with RCW 18.390.030, the biennial registration fee for continuing care retirement communities shall be \$1,889 for each facility.

(10) \$234,000 of the general fund—state appropriation for fiscal year 2018 and \$479,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely for the kinship navigator program in the Colville Indian reservation, Yakama Nation, and other tribal areas.

(11) \$42,000 of the general fund—state appropriation for fiscal year 2018, \$127,000 of the general fund—state appropriation for fiscal year 2019, and \$169,000 of the general fund—federal appropriation are provided solely to implement chapter 270, Laws of 2017 (SB 5118) (personal needs allowance).

(12) Within available funds, the aging and long term support administration must maintain a unit within adult protective services that specializes in the investigation of financial abuse allegations and self-neglect allegations.

(13) Within amounts appropriated in this subsection, the department shall assist the legislature to continue the work of the joint legislative executive committee on planning for aging and disability issues.

(a) A joint legislative executive committee on aging and disability is continued, with members as provided in this subsection.

(i) Four members of the senate, with the leaders of the two largest caucuses each appointing two members, and four members of the house of representatives, with the leaders of the two largest caucuses each appointing two members;

(ii) A member from the office of the governor, appointed by the governor;

(iii) The secretary of the department of social and health services or his or her designee;

(iv) The director of the health care authority or his or her designee;

(v) A member from disability rights Washington and a member from the office of long-term care ombuds;

(vi) The insurance commissioner or his or her designee, who shall serve as an ex officio member; and

(vii) Other agency directors or designees as necessary.

(b) The committee must make recommendations and continue to identify key strategic actions to prepare for the aging of the population in Washington, including state budget and policy options, by conducting at least, but not limited to, the following tasks:

(i) Identify strategies to better serve the health care needs of an aging population and people with disabilities to promote healthy living and palliative care planning;

(ii) Identify strategies and policy options to create financing mechanisms for long-term service and supports that allow individuals and families to meet their needs for service;

(iii) Identify policies to promote financial security in retirement, support people who wish to stay in the workplace longer, and expand the availability of workplace retirement savings plans;

(iv) Identify ways to promote advance planning and advance care directives and implementation strategies for the Bree collaborative palliative care and related guidelines;

(v) Identify ways to meet the needs of the aging demographic impacted by reduced federal support;

(vi) Identify ways to protect the rights of vulnerable adults through assisted decision-making and guardianship and other relevant vulnerable adult protections;

(vii) Identify options for promoting client safety through residential care services and consider methods of protecting older people and people with disabilities from physical abuse and financial exploitation;

(viii) Identify other policy options and recommendations to help communities adapt to the aging demographic in planning for housing, land use, and transportation; and

(ix) Identify ways to support individuals with developmental disabilities with long-term care needs who are enrolled members of a federally recognized Indian tribe, or residing in the household of an enrolled members of a federally recognized Indian tribe, and are receiving care from a family member.

(c) At least one committee meeting must be devoted to the exploration of legislation that would allow family members to provide personal care services to persons with developmental disabilities or long-term care needs under a voluntary consumer-directed medicaid service program. During the meeting, the committee should hear testimony from as many impacted parties as possible, including clients, providers, advocacy groups, and staff from state agencies. Testimony should explore program design, program oversight, necessary statutory changes, barriers to implementation, fiscal estimates, and timeline for implementation.

(d) Staff support for the committee shall be provided by the office of program research, senate committee services, the office of financial management, and the department of social and health services.

(e) Within existing appropriations, the cost of meetings must be paid jointly by the senate, house of representatives, and the office of financial management. Joint 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. The joint committee members may be reimbursed for travel expenses as authorized under RCW 43.03.050 and 43.03.060, and chapter 44.04 RCW as appropriate. Advisory committee members may not receive compensation or reimbursement for travel and expenses.

(14)(a) The department of social and health services must facilitate a stakeholder work group consisting of assisted living provider associations and the state long-term care ombuds in a collaborative effort to redesign the medicaid payment methodology for contracted assisted living, adult residential care, and enhanced adult residential care. The department must submit a report with the final work group recommendations to the appropriate legislative committees by November 30, 2017. A proposed timeline for implementation of the new methodology must be included in the report. The new methodology must:

(i) Adhere to the standards of an acuity-based payment system as originally intended by the legislature, and the department will rely on the time study conducted in 2003 in establishing the acuity scale;

(ii) Create a standardized methodology that supports a reasonable medicaid payment that promotes access, choice, and quality;

(iii) Incorporate metrics such as medians, lids, floors, and other options that provide flexibility to adjust to economic conditions while maintaining the integrity of the methodology;

(iv) Be supported by relevant, reliable, verifiable, and independent data to the extent possible; and

(v) To the extent possible, repurpose and streamline data sources and modeling that the aging and long-term support administration uses for other rate-setting processes.

(b) In developing payment metrics for medicaid-covered services, staff and service requirements must be reviewed for assisted living, adult residential care, and enhanced adult residential care as described in chapters 74.39A and 18.20 RCW. At a minimum, the proposed rate methodology must include a component that recognizes staffing for intermittent nursing and personal care services. Service area adjustments based on population density must be reviewed and compared with other options to recognize high-cost areas. The most recent and complete wage data available through the bureau of labor statistics must also be included for review and consideration. The methodology work group must consider operational requirements and indirect services in developing the model. The work group must include a rate component that recognizes statutory and regulatory physical plant requirements. The work group must review and consider physical plant requirements for assisted living as described in chapter 51.50 RCW. A fair rental valuation must be reviewed and considered as an option for the capital component. The recognition of food for medicaid residents must also be included in the work group considerations. The department's current methodology to address room and board requirements, and the appropriateness of the continued use of the 2003 time study and whether it can be reasonably adjusted or whether a new time study should be conducted, must be reviewed and considered by the work group.

(15) Within amounts appropriated in this section, the department must pay medicaid nursing facility payment rates for public hospital district providers in rural communities as defined under chapter 70.44 RCW that are no less than June 30, 2016, reimbursement levels. This action is intended to assure continued access to essential services in rural communities.

(16) \$5,370,000 of the general fund—state appropriation for fiscal year 2018, \$10,199,000 of the general fund—state appropriation for fiscal year 2019, and \$18,346,000 of the general fund—federal appropriation are provided solely for a targeted vendor rate increase to contracted client service providers.

(a) Within the amounts provided in this subsection, \$2,763,000 of the general fund—state appropriation for fiscal year 2018, \$5,741,000 of the general fund—state appropriation for fiscal year 2019, and \$9,775,000 of the general fund—federal appropriation are provided solely for a vendor rate increase of two percent in fiscal year 2018 and an additional two percent in fiscal year 2019 for all contracted vendors with the exception of nursing home providers, the program of all-inclusive care for the elderly, nurse delegators, community residential service providers, individual providers, agency providers, and adult family homes.

(b) Within the amounts provided in this subsection, \$2,607,000 of the general fund—state appropriation for fiscal year 2018, \$4,458,000 of the general fund—state appropriation for fiscal year 2019, and \$8,571,000 of the general fund—federal appropriation are provided solely to increase vendor rates for nursing homes, assisted living facilities including adult residential care and enhanced adult residential care, adult day health and adult day care providers,

and home care agency administration in the 2017-2019 fiscal biennium up to the statewide minimum wage established in Initiative Measure No. 1433.

(17) \$4,815,000 of the general fund—state appropriation for fiscal year 2018, \$8,527,000 of the general fund—state appropriation for fiscal year 2019, and \$12,277,000 of the general fund—federal appropriation are provided solely to create new community alternative placement beds that prioritize the transition of clients who are ready for discharge from the state psychiatric hospitals, but who have additional long-term care or developmental disability needs.

(a) Community alternative placement beds include enhanced service facility beds, adult family home beds, skilled nursing facility beds, shared supportive housing beds, state operated living alternative beds, and assisted living facility beds.

(b) Each client must receive an individualized assessment prior to leaving one of the state psychiatric hospitals. The individualized assessment must identify and authorize personal care, nursing care, behavioral health stabilization, physical therapy, or other necessary services to meet the unique needs of each client. It is the expectation that, in most cases, staffing ratios in all community alternative placement options described in (a) of this subsection will need to increase to meet the needs of clients leaving the state psychiatric hospitals. If specialized training is necessary to meet the needs of a client before he or she enters a community placement, then the person centered service plan must also identify and authorize this training.

(c) When reviewing placement options, the department must consider the safety of other residents, as well as the safety of staff, in a facility. An initial evaluation of each placement, including any documented safety concerns, must occur within thirty days of a client leaving one of the state psychiatric hospitals and entering one of the community placement options described in (a) of this subsection. At a minimum, the department must perform two additional evaluations of each placement during the first year that a client has lived in the facility.

(d) During fiscal year 2018, in a presentation to the select committee on quality improvement in state hospitals, the department must describe the process of fielding and subsequently investigating complaints of abuse, neglect, and exploitation within the community alternative placement options described in (a) of this subsection. At a minimum, the presentation must include data about the number of complaints, and the nature of complaints, over the preceding five fiscal years.

(e) During fiscal year 2019, in a presentation to the select committee on quality improvement in state hospitals, the department must provide an update about clients placed out of the state psychiatric hospitals into the community alternative placement options described in (a) of this subsection. At a minimum, for each setting, the presentation must include data about the number of placements, average daily rate, complaints fielded, and complaints investigated. The presentation must also include information about modifications, including the placement of clients into alternate settings, that occurred due to the evaluations required under (c) of this subsection.

In developing bed capacity, the department shall consider the complex needs of individuals waiting for discharge from the state psychiatric hospitals.

(18) \$315,000 of the general fund—state appropriation for fiscal year 2018, \$315,000 of the general fund—state appropriation for fiscal year 2019, and \$630,000 of the general fund—federal appropriation are provided solely for discharge case managers stationed at the state psychiatric hospitals. Discharge case managers will transition clients ready for hospital discharge into less restrictive alternative community placements. The transition of clients ready for discharge will free up bed capacity at the state psychiatric hospitals.

(19) \$135,000 of the general fund—state appropriation for fiscal year 2018, \$135,000 of the general fund—state appropriation for fiscal year 2019, and \$270,000 of the general fund—federal appropriation are provided solely for financial service specialists stationed at the state psychiatric hospitals. Financial service specialists will help to transition clients ready for hospital discharge into alternative community placements. The transition of clients ready for discharge will free up bed capacity at the state hospitals.

(20) \$5,007,000 of the general fund—state appropriation for fiscal year 2018, \$5,143,000 of the general fund—state appropriation for fiscal year 2019, and \$10,154,000 of the general fund—federal appropriation are provided solely to implement chapter 286, Laws of 2017 (SB 5715) (nursing home payments).

(21) \$750,000 of the general fund—state appropriation for fiscal year 2018 and \$750,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to implement chapter 287, Laws of 2017 (SB 5736) (nutrition programs).

(22) \$183,000 of the general fund—state appropriation for fiscal year 2018, \$92,000 of the general fund—state appropriation for fiscal year 2019, and \$2,479,000 of the general fund—federal appropriation are provided solely to finish the programming necessary to give the department the ability to pay individual provider overtime when hours over 40 hours per week are authorized for payment and are subject to the conditions, limitations, and review provided in section 724 of this act.

(23) \$229,000 of the general fund—state appropriation for fiscal year 2018, \$229,000 of the general fund—state appropriation for fiscal year 2019, and \$458,000 of the general fund—federal appropriation are provided solely to increase the daily rate for private duty nursing in adult family homes by \$63.77.

(24) \$246,000 of the general fund—state appropriation for fiscal year 2018 and \$313,000 of the general fund—federal appropriation are provided solely to implement Senate Bill No. . . . (S-2907.2). ~~((If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.))~~

(25)(a) No more than \$41,388,000 of the general fund—federal appropriation may be expended for tailored support for older adults and medicaid alternative care described in initiative 2 of the medicaid transformation demonstration waiver under healthier Washington. The department shall not increase general fund—state expenditures on this initiative. The secretary in collaboration with the director of the health care authority shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The secretary in cooperation with the director shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(b) No more than \$2,200,000 of the general fund—federal appropriation may be expended for supported housing and employment services described in initiative 3a and 3b of the medicaid transformation demonstration waiver under healthier Washington. Under this initiative, the department and the health care authority shall ensure that allowable and necessary services are provided to eligible clients as identified by the department or its providers third party administrator. The department and the authority in consultation with the medicaid forecast work group shall ensure that reasonable reimbursements are established for services deemed necessary within an identified limit per individual. The department shall not increase general fund—state expenditures under this initiative. The secretary in cooperation with the director shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The secretary in cooperation with the director shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(26) \$351,000 of the general fund—state appropriation for fiscal year 2018, \$421,000 of the general fund—state appropriation for fiscal year 2019, and \$1,012,000 of the general fund—federal appropriation are provided solely for increasing the hourly rate for nurse delegators from \$32.96 to \$45.32 effective September 1, 2017.

(27) \$10,017,000 of the general fund—state appropriation for fiscal year 2018, \$13,111,000 of the general fund—state appropriation for fiscal year 2019, and \$29,104,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the adult family home council under the provisions of chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). ~~((If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.))~~

(28) \$217,000 of the general fund—state appropriation for fiscal year 2019 and \$1,949,000 of the general fund—federal appropriation are provided solely for the development of an information technology solution that is flexible enough to accommodate all service providers impacted by the requirements for electronic visit verification outlined in the 21st century cures act.

(29) \$40,000 of the general fund—state appropriation for fiscal year 2019 and \$40,000 of the general fund—federal appropriation are provided solely for the department, in partnership with the department of health and the health care authority, to assist a collaborative public-private entity with implementation of recommendations in the state plan to address alzheimer's disease and other dementias.

~~((31))~~ (30) \$1,000,000 of the general fund—state appropriation for fiscal year 2019 and \$1,200,000 of the general fund—federal appropriation are provided solely to maintain client access to medicaid contracted assisted living, enhanced adult residential care, and adult residential care services under chapter 74.39A RCW. Licensed assisted living facilities that contract with the department to serve medicaid clients under these specified contract types must have an average medicaid occupancy of at least sixty percent, determined using the medicaid days from the immediately preceding calendar year during the

months of July 1st through December 31st to qualify for additional funding under this subsection.

~~((32))~~ (31) \$615,000 of the general fund—state appropriation for fiscal year 2019 and \$698,000 of the general fund—federal appropriation are provided solely to implement Substitute House Bill No. 2651 (personal needs allowance). ~~((If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.~~

~~(33))~~ (32) \$166,000 of the general fund—state appropriation for fiscal year 2018, \$800,000 of the general fund—state appropriation for fiscal year 2019, and \$1,510,000 of the general fund—federal appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 6199 (consumer directed employer organizations). ~~((If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.~~

(34)) (33) \$100,000 of the general fund—state appropriation for fiscal year 2019 and \$100,000 of the general fund—federal appropriation are provided solely for the department of social and health services aging and long-term support administration to contract for an updated actuarial model of the 2016 independent feasibility study and actuarial modeling of public and private options for leveraging private resources to help individuals prepare for long-term services and supports needs. The follow-up study must model alternative variations of the previously studied public long-term care benefit for workers, funded through a payroll deduction that would provide a time-limited long-term care insurance benefit, including but not limited to alternative minimum hours worked per year for vesting.

(b) The feasibility study and actuarial analysis must include input from the joint legislative executive committee on aging and disability and other interested stakeholders, and must include an analysis of each variation based on:

- (i) The expected costs and benefits for participants;
- (ii) The total anticipated number of participants;
- (iii) The projected savings to the state medicaid program, if any; and
- (iv) Legal and financial risks to the state.

(c) The department must provide status updates to the joint legislative executive committee on aging and disability. The feasibility study and actuarial analysis shall be completed and submitted to the department by September 1, 2018. The department shall submit a report, including the director's findings and recommendations based on the feasibility study and actuarial analysis, to the governor and the appropriate committees of the legislature by October 1, 2018.

~~((35))~~ (34) \$50,000 of the general fund—state appropriation for fiscal year 2019 and \$50,000 of the general fund—federal appropriation are provided solely for the department of social and health services aging and long-term support administration to contract with the area agencies on aging to convene a work group to include long-term care industry members, family members who provide long-term services and supports, and other groups with interest in long-term services and supports to develop a proposal on how family members could be included as providers of long-term services and supports under the previously studied public long-term care benefit. The work group shall review options and propose:

(a) Minimum qualifications that would allow a family caregiver to serve as a long-term services and supports provider, which may:

(i) Be distinct from the qualifications on the effective date of this act for individual providers;

(ii) Require training based primarily on the individual needs and preferences of the beneficiary;

(iii) Take into account the existing relationship between the family caregiver and the beneficiary, the duration of the caregiving experience, and the type of care being provided.

(b) Administrative program options for providing compensation, benefits, and protections for family caregivers, considering cost-effectiveness and administrative simplification. The program options shall consider how to preserve the quality of the long-term care workforce and must include worker protections and benefits.

(c) The work group shall develop recommendations and provide the recommendations to the joint legislative and executive committee on aging and disability by November 15, 2018.

Sec. 1106. 2018 c 299 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 2018)	\$362,611,000
General Fund—State Appropriation (FY 2019)	(\$373,055,000)
	<u>\$397,696,000</u>
General Fund—Federal Appropriation	(\$1,443,711,000)
	<u>\$1,441,999,000</u>
General Fund—Private/Local Appropriation	(\$5,144,000)
	<u>\$5,330,000</u>
Administrative Contingency Account—State Appropriation	\$5,400,000
Pension Funding Stabilization Account—State Appropriation	\$29,264,000
<u>Domestic Violence Prevention Account—State Appropriation</u>	<u>\$1,002,000</u>
TOTAL APPROPRIATION	(\$2,219,185,000)
	<u>\$2,243,302,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) ~~\$125,399,000~~ of the general fund—state appropriation for fiscal year 2018, ~~(\$124,458,000)~~ \$130,143,000 of the general fund—state appropriation for fiscal year 2019, \$836,761,000 of the general fund—federal appropriation, \$5,400,000 of the administrative contingency account—state appropriation, and \$8,155,000 of the pension funding stabilization account—state 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. The department must create a WorkFirst budget structure that allows for transparent tracking of budget units and subunits of expenditures where these units and subunits are mutually exclusive from other department budget units. The budget structure must include budget units for the following: Cash assistance, child care, WorkFirst activities, and administration of the program. Within these budget units, the department must develop program index

codes for specific activities and develop allotments and track expenditures using these codes. The department shall report to the office of financial management and the relevant fiscal and policy committees of the legislature prior to adopting a structure change.

(b) (~~(\$260,135,000)~~) \$265,323,000 of the amounts in (a) of this subsection are provided solely for assistance to clients, including grants, diversion cash assistance, and additional diversion emergency assistance including but not limited to assistance authorized under RCW 74.08A.210. The department may use state funds to provide support to working families that are eligible for temporary assistance for needy families but otherwise not receiving cash assistance. Within amounts provided in (b) of this subsection, \$1,622,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5890 (foster care and adoption). (~~(If the bill is not enacted by July 31, 2017, the amount provided in this subsection shall lapse.)~~) Of the amounts provided in this subsection (1)(b), \$8,975,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to increase the grant standard.

(c) \$158,444,000 of the amounts in (a) of this subsection are provided solely for WorkFirst job search, education and training activities, barrier removal services, limited English proficiency services, and tribal assistance under RCW 74.08A.040. The department must allocate this funding based on client outcomes and cost effectiveness measures. Amounts provided in (c) of this subsection include funding for implementation of chapter 156, Laws of 2017 (2SSB 5347) (WorkFirst "work activity"). Within amounts provided in (c) of this subsection, the department shall implement the working family support program. The department shall adopt rules to take effect July 31, 2017, to limit the working family support program at 10,000 households.

(~~(\$1,700,000)~~) \$2,949,000 of the funds appropriated in (~~(e) of~~) this subsection (1)(c) are provided solely for enhanced transportation assistance provided that the department prioritize the use of these funds for the recipients most in need of financial assistance to facilitate their return to work. The department must not utilize these funds to supplant repayment arrangements that are currently in place to facilitate the reinstatement of drivers' licenses.

(d)(i) \$477,054,000 of the amounts in (a) of this subsection are provided solely for the working connections child care program under RCW (~~(43.215.135)~~) 43.216.020. In order to not exceed the appropriated amount, the department shall manage the program so that the average monthly caseload does not exceed 33,000 households and the department shall give prioritized access into the program according to the following order:

(A) Families applying for or receiving temporary assistance for needy families (TANF);

(B) TANF families curing sanction;

(C) Foster children;

(D) Families that include a child with special needs;

(E) Families in which a parent of a child in care is a minor who is not living with a parent or guardian and who is a full-time student in a high school that has a school-sponsored on-site child care center;

(F) Families with a child residing with a biological parent or guardian who have received child protective services, child welfare services, or a family

assessment response from the department in the past six months, and has received a referral for child care as part of the family's case management.

(G) Families that received subsidies within the last thirty days and:

(I) Have reapplied for subsidies; and

(II) Have household income of two hundred percent federal poverty level or below; and

(H) All other eligible families.

(ii) The department, within existing appropriations, must ensure quality control measures for the working connections child care program by maximizing the use of information technology systems and the development or modification of the application and standard operating procedures to ensure that cases are:

(A) Appropriately and accurately processed; and

(B) Routinely monitored for eligibility in a manner that is similar to processes and systems currently in place for regular monitoring in other public assistance programs. Eligibility criteria routinely monitored must include, at a minimum:

(I) Participation in work or other approved activities;

(II) Household composition; and

(III) Maximum number of subsidized child care hours authorized.

The department must submit a preliminary report by December 1, 2017, and a final report by December 1, 2018, to the governor and the appropriate fiscal and policy committees of the legislature detailing the specific actions taken to implement this subsection.

(iii) Of the amounts provided in (d) of this subsection, \$4,620,000 of the appropriation for fiscal year 2018 and \$4,792,000 of the appropriation for fiscal year 2019 are provided for a base rate increase, a rate increase for Family Friend and Neighbor providers, covering an increase for health insurance premiums, and increasing paid professional development days from three days to five days. This funding is for the 2017-2019 collective bargaining agreement covering family child care providers as set forth in section 940 of this act.

(iv) Of the amounts provided in (d) of this subsection, \$8,547,000 of the general fund—state appropriation for fiscal year 2018 and \$10,438,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for subsidy base rate increases for child care center providers.

(e) \$34,248,000 of the general fund—federal appropriation is provided solely for child welfare services within the department of children, youth, and families.

(f) (~~(\$170,292,000)~~) \$170,788,000 of the amounts in (1)(a) of this section are provided solely for WorkFirst and working connections child care administration and overhead. \$127,000 of the funds appropriated in this subsection for fiscal year 2019 are provided solely for implementation of chapter 9, Laws of 2017 3rd sp. sess. (working connections child care).

(g) The amounts in subsections (1)(b) through (e) of this section shall be expended for the programs and in the amounts specified. However, the department may transfer up to 10 percent of funding between subsections (1)(b) through (f) of this section. The department shall provide notification prior to any transfer to the office of financial management and to the appropriate legislative committees and the legislative-executive WorkFirst oversight task force. The

approval of the director of financial management is required prior to any transfer under this subsection.

(h) Each calendar quarter, the department shall provide a maintenance of effort and participation rate tracking report for temporary assistance for needy families to the office of financial management, the appropriate policy and fiscal committees of the legislature, and the legislative-executive WorkFirst oversight task force. The report must detail the following information for temporary assistance for needy families:

(i) An overview of federal rules related to maintenance of effort, excess maintenance of effort, participation rates for temporary assistance for needy families, and the child care development fund as it pertains to maintenance of effort and participation rates;

(ii) Countable maintenance of effort and excess maintenance of effort, by source, provided for the previous federal fiscal year;

(iii) Countable maintenance of effort and excess maintenance of effort, by source, for the current fiscal year, including changes in countable maintenance of effort from the previous year;

(iv) The status of reportable federal participation rate requirements, including any impact of excess maintenance of effort on participation targets;

(v) Potential new sources of maintenance of effort and progress to obtain additional maintenance of effort; and

(vi) A two-year projection for meeting federal block grant and contingency fund maintenance of effort, participation targets, and future reportable federal participation rate requirements.

(i) In the 2017-2019 fiscal biennium, it is the intent of the legislature to provide appropriations from the state general fund for the purposes of (b) through (f) of this subsection if the department does not receive additional federal temporary assistance for needy families contingency funds in each fiscal year as assumed in the budget outlook.

(j) The department must submit a report by December 1, 2018, to the governor and the appropriate fiscal and policy committees of the legislature that estimates the caseload and fiscal impact of returning to pre-2011 temporary assistance for needy families policies. At a minimum, the report must include an analysis of the caseload and fiscal impact of:

(i) Removing the sixty-month lifetime limit;

(ii) Lessening sanction policies; and

(iii) No longer requiring the WorkFirst orientation.

(2) \$1,657,000 of the general fund—state appropriation for fiscal year 2018 and \$1,657,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for naturalization services.

(3) \$2,366,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for employment services for refugees and immigrants, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services; and \$2,366,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for employment services for refugees and immigrants, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services.

(4) On January 1, 2017, and annually thereafter, the department must report to the governor and the legislature on all sources of funding available for both refugee and immigrant services and naturalization services during the current fiscal year and the amounts expended to date by service type and funding source. The report must also include the number of clients served and outcome data for the clients.

(5) To ensure expenditures remain within available funds appropriated in this section, the legislature establishes the benefit under the state food assistance program, pursuant to RCW 74.08A.120, to be one hundred percent of the federal supplemental nutrition assistance program benefit amount.

(6) The department shall review clients receiving services through the aged, blind, or disabled assistance program, to determine whether they 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.

(7) ~~(\$1,848,000)~~ \$2,913,000 of the general fund—state appropriation for fiscal year 2018, ~~(\$16,267,000)~~ \$12,034,000 of the general fund—federal appropriation are provided solely for ESAR Architectural Development and are subject to the conditions, limitations, and review provided in section 724 of this act.

(8) The department shall continue the interagency agreement with the department of veterans' affairs to establish a process for referral of veterans who may be eligible for veterans' services. This agreement must include out-stationing department of veterans' affairs staff in selected community service office locations in King and Pierce counties to facilitate applications for veterans' services.

(9) \$750,000 of the general fund—state appropriation for fiscal year 2018 and \$750,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for operational support of the Washington information network 211 organization.

(10) \$90,000 of the general fund—state appropriation for fiscal year 2018, \$8,000 of the general fund—state appropriation for fiscal year 2019, and \$36,000 of the general fund—federal appropriation are provided solely for implementation of chapter 270, Laws of 2017 (SB 5118) (personal needs allowance).

(11) \$438,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1831 (public assistance/resources). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(12) \$43,000 of the general fund—state appropriation for fiscal year 2018 and \$16,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of Engrossed Second Substitute Bill No. 2667 (essential needs/ABD programs). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(13) \$58,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Substitute House Bill No. 2651 (personal needs allowance). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(14) \$5,000,000 of the general fund—federal appropriation is provided solely for the resources to initiate successful employment program. The department shall submit a preliminary report of its findings of the impact of this program on increasing employment to the appropriate committees of the legislature no later than January 1, 2019, with a final report submitted no later than June 30, 2019.

(15) \$121,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Substitute Senate Bill No. 5683 (Pacific Islander health care). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(16) \$51,000 of the general fund—state appropriation for fiscal year 2019 and \$21,000 of the general fund—federal appropriation are provided solely to implement Second Substitute House Bill No. 1513 (youth voter registration information). ~~((If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.))~~

(17) \$22,000 of the general fund—state appropriation for fiscal year 2019 and \$43,000 of the general fund—federal appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 6037 (uniform parentage act). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

Sec. 1107. 2018 c 299 s 209 (uncodified) is amended to read as follows:
**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
 VOCATIONAL REHABILITATION PROGRAM**

General Fund—State Appropriation (FY 2018)	\$13,890,000
General Fund—State Appropriation (FY 2019)	(\$14,443,000)
	<u>\$14,564,000</u>
General Fund—Federal Appropriation	\$109,730,000
Pension Funding Stabilization Account—State Appropriation	\$2,024,000
TOTAL APPROPRIATION	(\$140,087,000)
	<u>\$140,208,000</u>

The appropriations in this section are subject to the following conditions and limitations: The department of social and health services vocational rehabilitation program shall participate in the development of an implementation plan to build statewide capacity among school districts to improve transition planning for students in special education who meet criteria for services from the developmental disabilities administration, pursuant to ~~((section 501(57) of this act))~~ section 1401(58) of this act.

Sec. 1108. 2018 c 299 s 210 (uncodified) is amended to read as follows:
**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
 SPECIAL COMMITMENT PROGRAM**

General Fund—State Appropriation (FY 2018)	\$46,202,000
General Fund—State Appropriation (FY 2019)	(\$47,157,000)
	<u>\$48,469,000</u>
Pension Funding Stabilization Account—State Appropriation	\$4,858,000
TOTAL APPROPRIATION	(\$98,217,000)
	<u>\$99,529,000</u>

The appropriations in this section are subject to the following conditions and limitations: The special commitment center 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.

Sec. 1109. 2018 c 299 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 2018)	\$33,712,000
General Fund—State Appropriation (FY 2019)	(\$29,364,000)
	<u>\$29,989,000</u>
General Fund—Federal Appropriation	(\$43,831,000)
	<u>\$44,070,000</u>
Pension Funding Stabilization Account—State	
Appropriation	\$6,247,000
TOTAL APPROPRIATION	(\$113,154,000)
	<u>\$114,018,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$300,000 of the general fund—state appropriation for fiscal year 2018 and \$500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a Washington state mentoring organization to continue its public-private partnerships to provide technical assistance and training to mentoring programs that serve at-risk youth.

(2) Within amounts appropriated in this section, the department shall provide to the department of health, where available, the following data for all nutrition assistance programs funded by the United States department of agriculture and administered by the department. The department must provide the report for the preceding federal fiscal year by February 1, 2018, and February 1, 2019. The report must provide:

- (a) The number of people in Washington who are eligible for the program;
- (b) The number of people in Washington who participated in the program;
- (c) The average annual participation rate in the program;
- (d) Participation rates by geographic distribution; and
- (e) The annual federal funding of the program in Washington.

(3) \$1,216,000 of the general fund—state appropriation for fiscal year 2019 and \$515,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1661 (child, youth, families department). ~~((If the bill is not enacted by July 31, 2017, the amount provided in this subsection shall lapse.))~~

(4) \$81,000 of the general fund—state appropriation for fiscal year 2018, \$86,000 of the general fund—state appropriation for fiscal year 2019, and \$167,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the Washington federation of state employees for the language access providers under the provisions of chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). ~~((If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.))~~

Sec. 1110. 2018 c 299 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 2018)	\$82,245,000
General Fund—State Appropriation (FY 2019)	(\$42,783,000)
	<u>\$42,761,000</u>
General Fund—Federal Appropriation	(\$57,081,000)
	<u>\$56,866,000</u>
TOTAL APPROPRIATION	(\$182,109,000)
	<u>\$181,872,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$39,000 of the general fund—state appropriation for fiscal year 2018 and \$11,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1661 (child, youth, families department). ~~((If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.))~~

(2) \$12,000 of the general fund—state appropriation for fiscal year 2018, \$12,000 of the general fund—state appropriation for fiscal year 2019, and \$24,000 of the general fund—federal appropriation are provided solely for the implementation of chapter 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

(3) Within the amounts appropriated in this section, the department must extend master property insurance to all buildings owned by the department valued over \$250,000 and to all locations leased by the department with contents valued over \$250,000.

(4) \$157,000 of the general fund—state appropriation for fiscal year 2018, \$159,000 of the general fund—state appropriation for fiscal year 2019, and \$134,000 of the general fund—federal appropriation are provided solely for legal support, including formal proceedings and informal client advice, associated with adult protective service investigations.

Sec. 1111. 2018 c 299 s 213 (uncodified) is amended to read as follows:

FOR THE STATE HEALTH CARE AUTHORITY

During the 2017-2019 fiscal biennium, the health care authority shall provide support and data as required by the office of the state actuary in providing the legislature with health care actuarial analysis, including providing any information in the possession of the health care authority or available to the health care authority through contracts with providers, plans, insurers, consultants, or any other entities contracting with the health care authority.

Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management, and authorization systems within the health care authority are subject to technical oversight by the office of the chief information officer.

The health care authority shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The health care authority 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 health care authority 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.

The appropriations to the health care authority in this act shall be expended for the programs and in the amounts specified in this act. To the extent that appropriations in this section are insufficient to fund actual expenditures in excess of caseload forecasts and utilization assumptions, the authority, after May 1, ((2018)) 2019, may transfer general fund—state appropriations for fiscal year ((2018)) 2019 that are provided solely for a specified purpose. The authority may not transfer funds, and the director of the office 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. The director of the office 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 must include a narrative explanation and justification of changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications and transfers.

(1) MEDICAL ASSISTANCE

General Fund—State Appropriation (FY 2018)	\$2,024,969,000
General Fund—State Appropriation (FY 2019)	(\$2,084,494,000)
	<u>\$2,153,027,000</u>
General Fund—Federal Appropriation	(\$11,823,330,000)
	<u>\$11,931,660,000</u>
General Fund—Private/Local Appropriation	(\$204,427,000)
	<u>\$242,408,000</u>
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation	\$15,086,000
Hospital Safety Net Assessment Account—State	
Appropriation	(\$693,099,000)
	<u>\$713,117,000</u>
Medicaid Fraud Penalty Account—State Appropriation	(\$28,154,000)
	<u>\$22,800,000</u>
Medical Aid Account—State Appropriation	\$528,000
Dedicated Marijuana Account—State Appropriation	
(FY 2018)	\$17,616,000
Dedicated Marijuana Account—State Appropriation	
(FY 2019)	(\$18,405,000)
	<u>\$18,677,000</u>
Pension Funding Stabilization Account—State	
Appropriation	\$4,538,000

TOTAL APPROPRIATION	(\$16,914,646,000)
	<u>\$17,144,426,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(a) \$268,117,000 of the general fund—state appropriation for fiscal year 2018 and \$264,704,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the authority to implement a single, standard medicaid preferred drug list to be used by all contracted medicaid managed health care systems, on or before January 1, 2018. The preferred drug list shall be developed in consultation with all contracted managed health care systems and the state pharmacy and therapeutics committee or drug utilization review board and shall further the goals and objectives of the medicaid program. The list shall be designed to maximize federal rebates and supplemental rebates and ensure access to clinically effective and appropriate drug therapies under each class. Entities eligible for 340B drug pricing shall continue to operate under their current pricing agreement, unless otherwise required by federal laws or regulations. The authority may utilize external consultants with expertise in evidence-based drug class reviews, pharmacy benefit management, and purchasing to assist with the completion of this development and implementation. The authority shall require each managed care organization that has contracted with the authority to provide care to medicaid beneficiaries to use the established preferred drug list; and shall prohibit each managed care organization and any of its agents from negotiating or collecting rebates for any medications listed in the state's medicaid single preferred drug list whether preferred or nonpreferred. To assist in the implementation of the single preferred drug list, contracted medicaid managed health care systems shall provide the authority drug-specific financial information in a format and frequency determined by the authority to include the actual amounts paid to pharmacies for prescription drugs dispensed to covered individuals compared to the cost invoiced to the health plan and individual rebates collected for prescription drugs dispensed to medicaid members. Information disclosed to the authority by the manufacturer pursuant to this provision shall only be used for the purposes of developing and implementing a single, standard state preferred drug list in accordance with this provision. The authority, medicaid managed care organizations, and all other parties shall maintain the confidentiality of drug-specific financial and other proprietary information and such information shall not be subject to the Washington public records act. The authority shall provide a report to the governor and appropriate committees of the legislature by November 15, 2018, and by November 15, 2019, including a comparison of the amount spent in the previous two fiscal years to expenditures under the new system by, at a minimum, fund source, total expenditure, drug class, and top twenty-five drugs. The data provided to the authority shall be aggregated in any report by the authority, the legislature, or the office of financial management so as not to disclose the proprietary or confidential drug-specific information, or the proprietary or confidential information that directly or indirectly identifies financial information linked to a single manufacturer. It is the intent of the legislature to revisit this policy in subsequent biennia to determine whether it is in the best interest of the state.

(b) \$113,356,000 of the general fund—state appropriation for fiscal year 2018 and \$140,578,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for managed care capitation payments.

(c) \$122,244,000 of the general fund—state appropriation for fiscal year 2018 and ~~(\$116,038,000)~~ \$96,640,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for ~~((the authority through the competitive procurement process, to contract with licensed dental health plans or managed health care plans on a prepaid or fixed-sum risk basis to provide carved-out managed dental care services on a statewide basis that will result in greater efficiency and will facilitate better access and oral health outcomes for medicaid enrollees. Except in areas where only a single plan is available, the authority must contract with at least two plans. The authority shall include in the contracts: (i) Quarterly reporting requirements to include medicaid utilization and encounter data by current dental technology (CDT) code; (ii) a direction to increase the dental provider network; (iii) a commitment to retain innovative programs that improve access and care such as the access to baby and child dentistry program; (iv) a program to reduce emergency room use for dental purposes; (v) a requirement to ensure that dental care is being coordinated with the primary care provider of the patient to ensure integrated care; (vi) a provision that no less than eighty five percent of the contracting fee be used to directly offset the cost of providing direct patient care as opposed to administrative costs; and (vii) a provision to ensure the contracting fee shall be sufficient to compensate county health departments and federally qualified health centers for dental patient care. The plan(s) awarded this contract must absorb all start-up costs associated with moving the program from fee for service to managed care and shall commit to achieving an overall savings to the program based on 2016 fee-for-service experience. In order to comply with state insurance underwriting standards, the authority shall ensure that savings offered by dental plans are actuarially sound. Starting January 31, 2019, and every year thereafter through December 2024, the authority shall submit an annual report to the governor and the appropriate committees of the legislature detailing how the contracted entities have met the requirements of the contract. The report shall include specific information to include utilization, how the contracted entities have increased their dental provider networks, how the emergency room use for dental purposes has been reduced, and how dental care has been integrated with patients' primary care providers. If after the end of five years the data reported does not demonstrate sufficient progress to address the stated contracted goals, the legislature will reevaluate whether carved-out dental managed care needs to be replaced with a different delivery model. The authority is authorized to seek any necessary state plan amendments or federal waivers to implement this subsection. Additional dental program savings achieved by the plans beyond those assumed in the 2017-2019 omnibus appropriations act will be used to increase dental provider reimbursement rates. By October 30, 2018, the authority shall report to the governor and the appropriate committees of the legislature anticipated savings related to reduction in dental emergency department visits and utilization once managed care dental coverage begins))~~ fee-for-service dental services. The authority must provide these services through fee-for-service and may not proceed with either a carved-out or carved-

in managed care dental option. Any contracts that have been procured or that are in the process of being procured shall not be entered into or implemented.

(d) \$1,505,087,000 of the general fund—state appropriation for fiscal year 2018 and \$1,538,030,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for medicaid services and the medicaid program. However, the authority shall not accept or expend any federal funds received under a medicaid transformation waiver under healthier Washington except as described in (e) and (f) of this subsection until specifically approved and appropriated by the legislature. To ensure compliance with legislative directive budget requirements and terms and conditions of the waiver, the authority shall implement the waiver and reporting requirements with oversight from the office of financial management. The legislature finds that appropriate management of the innovation waiver requires better analytic capability, transparency, consistency, timeliness, accuracy, and lack of redundancy with other established measures and that the patient must be considered first and foremost in the implementation and execution of the demonstration waiver. In order to effectuate these goals, the authority shall: (i) Require the Dr. Robert Bree collaborative and the health technology assessment program to reduce the administrative burden upon providers by only requiring performance measures that are nonuplicative of other nationally established measures. The joint select committee on health care oversight will evaluate the measures chosen by the collaborative and the health technology assessment program for effectiveness and appropriateness; (ii) develop a patient satisfaction survey with the goal to gather information about whether it was beneficial for the patient to use the center of excellence location in exchange for additional out-of-pocket savings; (iii) ensure patients and health care providers have significant input into the implementation of the demonstration waiver, in order to ensure improved patient health outcomes; and (iv) in cooperation with the department of social and health services, consult with and provide notification of work on applications for federal waivers, including details on waiver duration, financial implications, and potential future impacts on the state budget, to the joint select committee on health care oversight prior to submitting waivers for federal approval. By federal standard, the medicaid transformation demonstration waiver shall not exceed the duration originally granted by the centers for medicare and medicaid services and any programs created or funded by this waiver do not create an entitlement. Beginning May 15, 2019, and continuing through December 15, 2019, by the 15th of each month, the director in consultation with the secretary shall report to the fiscal chair of the appropriate committees of the legislature in the manner and form requested the status of the medicaid transformation waiver, including any anticipated or proposed changes to accruals or expenditures.

(e) No more than \$486,683,000 of the general fund—federal appropriation and no more than \$129,103,000 of the general fund—local appropriation may be expended for transformation through accountable communities of health described in initiative 1 of the medicaid transformation demonstration wavier under healthier Washington, including preventing youth drug use, opioid prevention and treatment, and physical and behavioral health integration. Under this initiative, the authority shall take into account local input regarding community needs. In order to ensure transparency to the appropriate fiscal committees of the legislature, the authority shall provide fiscal staff of the

legislature query ability into any database of the fiscal intermediary that authority staff would be authorized to access. The authority shall not increase general fund—state expenditures under this initiative. The director shall report to the joint select committee on health care oversight no less than quarterly, and include details for each accountable community of health, on the financial status and measurable health outcomes. The director shall also report to the fiscal committees of the legislature all of the expenditures under this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees. By December 15, 2019, the authority in collaboration with each accountable community of health shall demonstrate how it will be self-sustaining by the end of the demonstration waiver period, including sources of outside funding, and provide this reporting to the joint select committee on health care oversight. If by the third year of the demonstration waiver there are not measurable, improved patient outcomes and financial returns, the Washington state institute for public policy will conduct an audit of the accountable communities of health, in addition to the process set in place through the independent evaluation required by the agreement with centers for medicare and medicaid services. Prior to the 2018 legislative session, the human services, health care, and judiciary committees of the legislature will convene a joint work session to review models in the delivery system and the impacts on medical liability. The work sessions should include integrated delivery models with multiple health care providers and medical malpractice insurance carriers.

(f) No more than \$38,425,000 of the general fund—federal appropriation may be expended for supported housing and employment services described in initiative 3a and 3b of the medicaid transformation demonstration waiver under healthier Washington. Under this initiative, the authority and the department of social and health services shall ensure that allowable and necessary services are provided to eligible clients as identified by the department or its third party administrator. The authority and the department in consultation with the medicaid forecast work group, shall ensure that reasonable reimbursements are established for services deemed necessary within an identified limit per individual. The authority shall not increase general fund—state expenditures under this initiative. The director shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The director shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(g) No later than November 1, 2018, and each year thereafter, the authority shall report to the governor and appropriate committees of the legislature: (i) Savings attributed to behavioral and physical integration in areas that are scheduled to integrate in the following calendar year, and (ii) savings attributed to behavioral and physical health integration and the level of savings achieved in areas that have integrated behavioral and physical health.

(h) Sufficient amounts are appropriated in this subsection to implement the medicaid expansion as defined in the social security act, section 1902(a)(10)(A)(i)(VIII).

(i) The legislature finds that medicaid payment rates, as calculated by the health care authority pursuant to the appropriations in this act, bear a reasonable

relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that the cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

(j) Based on quarterly expenditure reports and caseload forecasts, if the health care authority estimates that expenditures for the medical assistance program will exceed the appropriations, the health care authority 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.

(k) In determining financial eligibility for medicaid-funded services, the health care authority is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.

(l) 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.

(m) When a person is ineligible for medicaid solely by reason of residence in an institution for mental diseases, the health care authority 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.

(n) \$4,261,000 of the general fund—state appropriation for fiscal year 2018, \$4,261,000 of the general fund—state appropriation for fiscal year 2019, and \$8,522,000 of the general fund—federal appropriation are provided solely for low-income disproportionate share hospital payments.

(o) Within the amounts appropriated in this section, the health care authority shall provide disproportionate share hospital payments to hospitals that provide services to children in the children's health program who are not eligible for services under Title XIX or XXI of the federal social security act due to their citizenship status.

(p) \$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. The supplemental payments are subject to retrospective interim and final cost settlements based on the nursing homes' as-filed and final medicare cost reports. The timing of the interim and final cost settlements shall be at the health care authority's discretion. During either the interim cost settlement or the final cost settlement, the health care authority shall recoup from the public hospital districts the supplemental payments that exceed the medicaid cost limit and/or

the medicare upper payment limit. The health care authority shall apply federal rules for identifying the eligible incurred medicaid costs and the medicare upper payment limit.

(q) The health care authority shall continue the inpatient hospital certified public expenditures program for the 2017-2019 fiscal 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 health care authority shall submit reports to the governor and legislature by November 1, 2017, and by November 1, 2018, that evaluate whether savings continue to exceed costs for this program. If the certified public expenditures (CPE) program in its current form is no longer cost-effective to maintain, the health care authority 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 2018 and fiscal year 2019, hospitals in the program shall be paid and shall retain 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 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. The baseline amount will be determined by the total of (i) the inpatient claim payment amounts that would have been paid during the fiscal year had the hospital not been in the CPE program based on the reimbursement rates developed, implemented, and consistent with policies approved in the 2017-2019 biennial operating appropriations act and in effect on July 1, 2015, (ii) one-half of the indigent assistance disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005, and (iii) all of the other disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005 to the extent the same disproportionate share hospital programs exist in the 2017-2019 fiscal biennium. 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 distributed in monthly payments. The grants will be recalculated and redistributed as the baseline is updated during the fiscal year. The grant payments are subject to an interim settlement within eleven months after the end of the fiscal year. A final settlement shall be performed. To the extent that either settlement determines that a hospital has received funds in excess of what it would have received as described in this subsection, the hospital must repay the excess amounts to the state when requested. \$359,000 of the general fund—state appropriation for fiscal year 2018 and (~~(\$361,000)~~) \$553,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for state grants for the participating hospitals.

(r) The health care authority shall seek public-private partnerships and federal funds that are or may become available to provide on-going support for outreach and education efforts under the federal children's health insurance program reauthorization act of 2009.

(s) The health care authority shall target funding for maternity support services towards pregnant women with factors that lead to higher rates of poor birth outcomes, including hypertension, a preterm or low birth weight birth in the most recent previous birth, a cognitive deficit or developmental disability, substance abuse, severe mental illness, unhealthy weight or failure to gain weight, tobacco use, or African American or Native American race. The health care authority shall prioritize evidence-based practices for delivery of maternity support services. To the extent practicable, the health care authority shall develop a mechanism to increase federal funding for maternity support services by leveraging local public funding for those services.

(t) The authority shall submit reports to the governor and the legislature by September 15, 2018, and no later than September 15, 2019, that delineate the number of individuals in medicaid managed care, by carrier, age, gender, and eligibility category, receiving preventative services and vaccinations. The reports should include baseline and benchmark information from the previous two fiscal years and should be inclusive of, but not limited to, services recommended under the United States preventative services task force, advisory committee on immunization practices, early and periodic screening, diagnostic, and treatment (EPSDT) guidelines, and other relevant preventative and vaccination medicaid guidelines and requirements.

(u) Managed care contracts must incorporate accountability measures that monitor patient health and improved health outcomes, and shall include an expectation that each patient receive a wellness examination that documents the baseline health status and allows for monitoring of health improvements and outcome measures.

(v) Sufficient amounts are appropriated in this section for the authority to provide an adult dental benefit.

(w) The health care authority shall coordinate with the department of social and health services to provide referrals to the Washington health benefit exchange for clients that will be ineligible for medicaid.

(x) To facilitate a single point of entry across public and medical assistance programs, and to maximize the use of federal funding, the health care authority, the department of social and health services, and the health benefit exchange will coordinate efforts to expand HealthPlanfinder access to public assistance and medical eligibility staff. The health care authority shall complete medicaid applications in the HealthPlanfinder for households receiving or applying for medical assistance benefits.

(y) \$90,000 of the general fund—state appropriation for fiscal year 2018, \$90,000 of the general fund—state appropriation for fiscal year 2019, and \$180,000 of the general fund—federal appropriation are provided solely to continue operation by a nonprofit organization of a toll-free hotline that assists families to learn about and enroll in the apple health for kids program.

(z) The appropriations in this section reflect savings and efficiencies by transferring children receiving medical care provided through fee-for-service to medical care provided through managed care.

(aa) Within the amounts appropriated in this section, the authority shall reimburse for primary care services provided by naturopathic physicians.

(bb) Within the amounts appropriated in this section, the authority shall continue to provide coverage for pregnant teens that qualify under existing pregnancy medical programs, but whose eligibility for pregnancy related services would otherwise end due to the application of the new modified adjusted gross income eligibility standard.

(cc) Sufficient amounts are appropriated in this section to remove the mental health visit limit and to provide the shingles vaccine and screening, brief intervention, and referral to treatment benefits that are available in the medicaid alternative benefit plan in the classic medicaid benefit plan.

(dd) The authority shall use revenue appropriated from the dedicated marijuana fund for contracts with community health centers under RCW 69.50.540 in lieu of general fund—state payments to community health centers for services provided to medical assistance clients, and it is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

(ee) \$127,000 of the general fund—state appropriation for fiscal year 2018 and \$1,144,000 of the general fund—federal appropriation are provided solely to the ProviderOne provider overtime project and are subject to the conditions, limitations, and review provided in section 724 of this act.

(ff) \$175,000 of the general fund—state appropriation for fiscal year 2018 and \$825,000 of the general fund—federal appropriation are provided solely to the ProviderOne CORE operating rules project and are subject to the conditions, limitations, and review provided in section 724 of this act.

(gg) \$1,483,000 of the general fund—state appropriation for fiscal year 2018, \$1,594,000 of the general fund—state appropriation for fiscal year 2019, and \$1,509,000 of the general fund—federal appropriation are provided for a rate increase effective July 1, 2018, and for performance payments to reward successful beneficiary engagement in the health homes program for fee-for-service enrollees and these are the maximum amounts in each fiscal year the authority may expend for this purpose.

(hh) \$450,000 of the general fund—state appropriation for fiscal year 2018, \$450,000 of the general fund—state appropriation for fiscal year 2019, and \$1,058,000 of the general fund—federal appropriation are provided solely for the authority to hire ten nurse case managers to coordinate medically assisted treatment and movements to medical homes for those being treated for opioid use disorder. Nurses shall be located in areas and provider settings with the highest concentration of opioid use disorder patients.

(ii) Sufficient amounts are appropriated in this section for the authority to provide a collaborative care benefit beginning July 1, 2017.

(jj) The authority and the department of social and health services shall convene a work group consisting of representatives of skilled nursing facilities, adult family homes, assisted living facilities, managers of in-home long-term care, hospitals, and managed health care systems. The work group shall identify barriers that may prevent skilled nursing facilities from accepting and admitting clients from acute care hospitals in a timely and appropriate manner. The work group shall consider what additional resources are needed to allow for faster transfers of enrollees, including those with complex needs. By December 1,

2017, the authority shall report the work group's findings to the governor and the appropriate committees of the legislature.

(kk) Within the amounts appropriated within this section, the authority shall implement the plan to show how improved access to home health nursing reduces potentially preventable readmissions, increases access to care, reduces hospital length of stay, and prevents overall hospital admissions for clients receiving private duty nursing, medically intensive care, or home health benefits as described in their report to the legislature dated December 15, 2016, entitled home health nursing. The authority shall report to the governor and appropriate committees of the legislature by December 31, 2017, information regarding the effect of the ten dollar rate increases for skilled nursing care delivered via private duty nursing or home health nursing, and how the rate changes impacted the utilization and cost of emergency room visits, reduced the length of stay for initial hospital admissions, and reduced utilization and costs of preventable hospital readmissions. The report will quantify potential cost saving opportunities that may exist through improved access to private duty and home health nursing statewide.

(ll) Within the amounts appropriated within this section, beginning July 1, 2017, the authority must increase facility fees to birth centers to the amount listed on page two of their report to the legislature dated October 15, 2016, entitled reimbursement for births performed at birth centers. This increased rate is applicable in both a fee for service setting and is the minimum allowable rate in a managed care setting. The authority shall report to the governor and appropriate committees of the legislature by October 15, 2018, updated information regarding access to care, improvements to the Cesarean section rate, and savings outcomes for utilizing birth centers as an alternative to hospitals.

(mm) Beginning no later than January 1, 2018, for any service eligible under the medicaid state plan for encounter payments, managed care organizations at the request of a rural health clinic shall pay the full published encounter rate directly to the clinic. At no time will a managed care organization be at risk for or have any right to the supplemental portion of the claim. Payments will be reconciled on at least an annual basis between the managed care organization and the authority, with final review and approval by the authority. By September 31, 2017, the authority shall report to the legislature on its progress implementing this subsection.

(nn) Within the amounts appropriated in this section, and in consultation with appropriate parties, including the rural health clinic association of Washington and the centers for medicare and medicaid services, by December 1, 2017, the authority shall submit a report to the governor and appropriate committees of the legislature evaluating legislative and administrative options to reduce or eliminate any amounts owed by rural health clinics under the payment reconciliation process established in the medicaid state plan.

(oo) \$500,000 of the general fund—state appropriation for fiscal year 2019 and \$500,000 of the general fund—federal appropriation are provided solely for the authority to implement the oral health connections pilot project in Spokane, Thurston, and Cowlitz counties. The authority shall work in collaboration with Washington dental service foundation to jointly develop and implement the program. The purpose of the three-year pilot is to test the effect that enhanced dental benefits for adult medicaid clients with diabetes and pregnant women

have on access to dental care, health outcomes, and medical care costs. The authority must model the pilot on the access to baby and child dentistry program. The pilot program must include enhanced reimbursement rates for participating dental providers, including denturists licensed under chapter 18.30 RCW, and an increase in the allowable number of periodontal treatments to up to four per calendar year. Diabetic or pregnant adult medicaid clients who are receiving dental care within the pilot region(s), regardless of location of the service within the pilot region(s), are eligible for the increased number of periodontal treatments. The Washington dental service foundation shall partner with the authority and provide wraparound services to link patients to care. The authority and Washington dental service foundation shall jointly develop the program. The authority and foundation shall provide a joint progress report to the appropriate committees of the legislature on December 1, 2017, and December 1, 2018.

(pp) Sufficient amounts are appropriated in this section to increase the daily rate by \$155.20 for skilled nursing performed by licensed practical nurses and registered nurses who serve medically intensive children's program clients who reside in a group home setting.

(qq) During the 2017-2019 fiscal biennium, the authority must revise its agreements and contracts with vendors to include a provision to require that each vendor agrees to equality among its workers by ensuring similarly employed individuals are compensated as equals as follows:

(i) Employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed;

(ii) Vendors may allow differentials in compensation for its workers based in good faith on any of the following:

(A) A seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels.

(B) A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience, that is: Consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential.

(C) A bona fide regional difference in compensation level must be: Consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential.

(iii) The provision must allow for the termination of the contract if the authority or department of enterprise services determines that the vendor is not in compliance with this agreement or contract term.

(iv) The authority must implement this provision with any new contract and at the time of renewal of any existing contract.

(rr) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a pilot program for treatment of inmates at the Snohomish county jail who are undergoing detoxification from heroin and other opioids and for connecting those individuals with treatment providers in the community upon their release.

(ss) \$6,487,000 of the general fund—state appropriation for fiscal year 2018 and (~~(\$1,340,000)~~) \$28,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the physical health care costs of medicaid clients receiving services in facilities classified as institutions for mental diseases for longer than 15 days in a calendar month. The authority must apply for a waiver from the center for medicare and medicaid services to allow for the full cost of stays in institutions for mental diseases to be included in managed care rates beginning on July 1, 2018. The authority must submit a report on the status of the waiver to the office of financial management and the appropriate committees of the legislature by December 1, 2017.

(tt) The authority shall evaluate adding a tele-pyschiatry consultation benefit for medicaid covered individuals. The authority shall submit a report with the cost associated with adding such a benefit to the governor and appropriate committees of the legislature by October 1, 2017.

(uu) \$33,000 of the general fund—state appropriation for fiscal year 2018, and \$42,000 of the general fund—federal appropriation are provided solely for the bleeding disorder collaborative for care.

(vv) \$304,000 of the general fund—state appropriation for fiscal year 2018, \$304,000 of the general fund—state appropriation for fiscal year 2019, and \$608,000 of the general fund—federal appropriation are provided solely for the authority to contract with the University of Washington tele-pain pain management program and pain management call center to advance primary care provider knowledge of complex pain management issues, including opioid addiction.

(ww) \$165,000 of the general fund—state appropriation for fiscal year 2018, \$329,000 of the general fund—state appropriation for fiscal year 2019, and \$604,000 of the general fund—federal appropriation are provided solely for implementation of chapter 202, Laws of 2017 (Engrossed Second Substitute House Bill No. 1713) (children's mental health).

(xx) \$1,813,000 of the general fund—state appropriation for fiscal year 2018, \$3,764,000 of the general fund—state appropriation for fiscal year 2019, and \$12,930,000 of the general fund—federal appropriation are provided solely for implementation of chapter 110, Laws of 2017 (Second Substitute House Bill No. 1338) (state health insurance pool).

(yy) \$68,000 of the general fund—state appropriation for fiscal year 2018, \$1,118,000 of the general fund—state appropriation for fiscal year 2019, and \$943,000 of the general fund—federal appropriation are provided solely for implementation of chapter 198, Laws of 2017 (Substitute House Bill No. 1520) (hospital payment methodology).

(zz) Sufficient amounts are appropriated in this section for the implementation of chapter 273, Laws of 2017 (Engrossed Second Substitute House Bill No. 1358) (community asst. referral programs).

(aaa) \$69,000 of the general fund—state appropriation for fiscal year 2018, \$560,000 of the general fund—state appropriation for fiscal year 2019, and \$308,000 of the general fund—federal appropriation are provided solely for the authority to implement, operate, and maintain a provider credentialing system and are subject to the conditions, limitations, and review provided in section 724 of this act. The authority, in collaboration with the department of health, department of corrections, department of social and health services, the public

employees' benefits board, and the department of labor and industries, shall work to ensure that a single platform provider credentialing system is implemented. The authority, departments, and board shall ensure that appropriate cost offsets and cost avoidance are assumed for reduced staff time required for provider credentialing activity and reductions in improper billing activity when implementing provider credentialing systems. The authority must enter into agreements with the department of labor and industries and the public employees' benefits board to pay their share of the costs of implementing and operating a new provider credentialing system. The authority shall submit a report to the office of financial management and appropriate committees of the legislature outlining projected cost savings and cost avoidance no later than December 1, 2018.

(bbb) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$400,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department and the health care authority to enter into an interagency agreement to contract with Washington autism alliance and advocacy (WAAA) to educate and assist persons seeking the authority's services to address a suspected or diagnosed autism spectrum disorder or developmental disability related to autism spectrum disorder. The department or the authority may refer such individuals to WAAA to support them in navigating the health care system. The authority, in collaboration with the department and the WAAA, shall submit a report to the governor and the appropriate committees of the legislature by December 15, 2018, and December 15, 2019, detailing how many persons were referred to, how many persons received services from, and what services were provided by the WAAA. The reports shall also include what health care services the WAAA was able to connect the referred persons to, the length of time these connections took, the type of health coverage the person referred had at the time of referral and whether alternate coverage was obtained.

(ccc) \$20,000 of the general fund—state appropriation for fiscal year 2019 and \$20,000 of the general fund—federal appropriation are provided solely for the authority, in partnership with the department of social and health services and the department of health, to assist a collaborative public-private entity with implementation of recommendations in the state plan to address alzheimer's disease and other dementias.

(ddd) \$5,825,000 of the general fund—state appropriation for fiscal year 2019 and \$8,019,000 of the general fund—federal appropriation are provided solely for an increase in primary care provider rates for pediatric care services that are currently reimbursed solely at the existing medical assistance rates that are applicable for the child's medical assistance eligibility group. These amounts are the maximum that the authority may spend for this purpose. The authority must pursue a state plan amendment to increase pediatric primary care provider and pediatric vaccine rates through state directed payments through a permissible payment model. The codes considered for these increases should follow those that were used under the temporary increase provided in calendar years 2013 and 2014 as outlined in section 1202 of the affordable care act. Both physician and nonphysician practitioners are eligible for these increases and are not required to attest. Increases are based upon eligible codes. The authority must provide a report to the governor and appropriate committees of the legislature by November 1, 2019, detailing how the amounts provided in this

subsection were used, what percentage increase was provided for pediatric primary care provider evaluation and management rates, what percentage increase was provided for pediatric vaccine rates, how utilization has changed within each category, and how these rate increases have impacted access to care.

(eee) \$50,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the authority to conduct a study to identify strategies for enhancing access to primary care for medical assistance clients. The authority may collaborate with other stakeholders as appropriate. The authority shall provide a report with recommendations to the appropriate committees of the legislature by December 1, 2018. The study shall, to the extent possible:

(i) Review the effect of the temporary rate increase provided as part of the patient protection and affordable care act on:

- (A) The number of providers serving medical assistance clients;
- (B) The number of medical assistance clients receiving services; and
- (C) Utilization of primary care services.

(ii) Identify client barriers to accessing primary care services;

(iii) Identify provider barriers to accepting medical assistance clients;

(iv) Identify strategies for incentivizing providers to accept more medical assistance clients;

(v) Prioritize areas for investment that are likely to have the most impact on increasing access to care; and

(vi) Strategically review the current medicaid rates and identify specific areas and amounts that may promote access to care.

(fff) \$1,400,000 of the general fund—state appropriation for fiscal year 2019 and \$3,900,000 of the general fund—federal appropriation are provided solely to increase the rates paid to rural hospitals that meet the criteria in ~~((hhh))~~ (fff)(i) through (iv) of this subsection. Payments for state and federal medical assistance programs for services provided by such a hospital, regardless of the beneficiary's managed care enrollment status, must be increased to one hundred fifty percent of the hospital's fee-for-service rates. The authority must discontinue this rate increase after June 30, 2019, and return to the payment levels and methodology for these hospitals that were in place as of January 1, 2018. Hospitals participating in the certified public expenditures program may not receive increased reimbursement for inpatient services. Hospitals qualifying for this rate increase must:

(i) Be certified by the centers for medicare and medicaid services as sole community hospitals as of January 1, 2013;

(ii) Have had less than one hundred fifty acute care licensed beds in fiscal year 2011;

(iii) Have a level III adult trauma service designation from the department of health as of January 1, 2014; and

(iv) Be owned and operated by the state or a political subdivision.

(ggg) \$40,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to create a work group at the Robert Bree collaborative to identify best practices for mental health services regarding patient mental health treatment and patient management. The work group shall identify best practices on patient confidentiality, discharging patients, treating patients with homicide ideation and suicide ideation, recordkeeping to decrease variation in practice

patterns in these areas, and other areas as defined by the work group. The work group shall be composed of clinical and administrative experts including psychologists, psychiatrists, advanced practice psychiatric nurses, social workers, marriage and family therapists, certified counselors, and mental health counselors.

(hhh) \$1,006,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Substitute Senate Bill No. 5683 (Pacific Islander health care). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(iii) \$50,000 of the general fund—state appropriation for fiscal year 2019 and \$50,000 of the general fund—federal appropriation are provided solely for implementation of Engrossed Second Substitute House Bill No. 2779 (children's mental health services). ~~((If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.))~~

(jjj) \$31,000 of the general fund—state appropriation for fiscal year 2018 and \$44,000 of the general fund—federal appropriation are provided solely for implementation of chapter 303, Laws of 2017 (public records administration).

~~(kkk) ((\$358,000 of the general fund—state appropriation and \$1,123,000 of the general fund—federal appropriation for fiscal year 2019 are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5179 (hearing instrument coverage). If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.))~~ Sufficient funds are provided for the implementation of adult hearing instrument coverage.

(lll) \$335,000 of the general fund—state appropriation for fiscal year 2019 and \$50,000 general fund—federal appropriation are provided solely for implementation of Substitute Senate Bill No. 6452 (child mental health consult). ~~((If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.))~~

(mmm)(i) \$200,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the authority to assist the governor by convening and providing administrative, analytical, and communication support to the governor's Indian health council, including procuring technical assistance from the American Indian health commission for Washington state, to:

(A) Address current or proposed policies or actions that have tribal implications and are not able to be resolved or addressed at the agency level;

(B) Facilitate training for state agency leadership, staff, and legislators on the Indian health system and tribal sovereignty; and

(C) Provide oversight of contracting and performance of service coordination organizations or service contracting entities as defined in RCW 70.320.010 in order to address their impacts on services to American Indians and Alaska Natives and relationships with Indian health care providers.

(ii) The council shall include:

(A) One tribal liaison from each of the authorities; the department of children, youth, and families; the department of commerce; the department of corrections; the department of health; the department of social and health services; the office of the insurance commissioner; the office of the superintendent of public instruction; and the Washington health benefit exchange;

(B) One individual from each tribe in Washington state, designated by the tribal legislative body, who is either the tribe's American Indian health commission for Washington state delegate or an individual specifically designated for this role, or his or her designee;

(C) The chief executive officer of the Indian health service Portland area office and each service unit in Washington state or his or her designee;

(D) The chief executive officer of each urban Indian health program in Washington state or his or her designee who may be the urban Indian health program's American Indian health commission for Washington state delegate;

(E) The executive director of the American Indian health commission for Washington state or his or her designee;

(F) The executive director of the northwest Portland area Indian health board or his or her designee;

(G) One member from each of the two largest caucuses of the house of representatives, appointed by the speaker of the house of representatives, or his or her designee;

(H) One member from each of the two largest caucuses of the senate, appointed by the president of the senate, or his or her designee; and

(I) Two individuals representing the governor's office.

(iii) The council will meet at least three times per year when the legislature is not in session, with one meeting to be hosted by the authority and the other two meetings to be hosted by tribes or, if no tribe is able to host, then by a member state agency. The members representing the tribes, the Indian health service Portland area office and service units, the urban Indian health programs, the American Indian health commission for Washington state, and the northwest Portland area Indian health board shall be paid per diem and travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(iv) By December 1, 2018, the council, with assistance from the authority, will submit a report to the governor and the appropriate legislative committees with recommendations to raise the health status of American Indians and Alaska Natives throughout Washington state to at least the levels set forth in the goals contained within the federal health people 2020 initiative or successor objectives, including draft legislation and fiscal budgets for:

(A) Increasing savings to the state general fund resulting from the one hundred percent federal medical assistance percentage applicable to services received through an Indian health service facility, whether operated by the Indian health service or by an Indian tribe or tribal organization pursuant to 42 U.S.C. Sec. 1396d; realized by the state for services which are received through an Indian health service facility whether operated by the Indian health service or by an Indian tribe or tribal organization pursuant to 42 U.S.C. Sec. 1396(b);

(B) Appropriating such increased savings for an Indian health improvement reinvestment account to be expended solely for improving health outcomes and access to quality and culturally appropriate health care for American Indians and Alaska Natives;

(C) Developing model performance measures and risk adjustment methodologies for medicaid managed care value-based purchasing that account for the Indian health delivery system;

(D) Improving population health through tribally determined practices and resources such as the American Indian health commission for Washington state's "pulling together for wellness" framework;

(E) Developing written and technical assistance to support the incorporation of cultural awareness and of strategies to address historical trauma and intergenerational trauma in treatment planning for services covered by medicaid and other services provided by the state;

(F) Expanding tribal representation on state agency boards, committees (including the emergency management council), and nongovernmental entities to whom the state delegates activities or tasks that directly impact the Indian health delivery system; and

(G) Other strategies to improve population health and increase access to quality health care for American Indians and Alaska Natives.

(nnn) \$139,000 of the general fund—state appropriation for fiscal year 2019 and \$139,000 of the general fund—federal appropriation (~~for fiscal year 2019~~) are provided solely for implementation of Substitute Senate Bill No. 6549 (ABCD dental). (~~If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.~~)

(ooo) \$500,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a community hospital located in Toppenish to convert fifteen existing acute care beds to long-term psychiatric beds.

(2) PUBLIC EMPLOYEES' BENEFITS BOARD AND EMPLOYEE BENEFITS PROGRAMS

State Health Care Authority Administration Account—

State Appropriation \$34,481,000

The appropriation in this subsection is subject to the following conditions and limitations:

(a) The authority and the public employees' benefits board shall consult with the Washington state institute for public policy on the cost-effectiveness of the wellness plan and any changes to the plan that can be made to increase the health care efficiency of the wellness plan. The authority shall report its findings to the governor and the appropriate committees of the legislature by October 15, 2018.

(b) The authority and the public employees' benefits board shall ensure that procurement for employee health benefits during the 2019-2021 fiscal biennium is consistent with the funding limitations provided in part 9 of this act.

(c) \$236,000 of the state health care authority administration account—state appropriation for fiscal year 2018 and \$236,000 of the state health care authority administration account—state appropriation for fiscal year 2019 are provided solely to the affordable care act employer shared responsibility project and are subject to the conditions, limitations, and review provided in section 724 of this act.

(d) All savings resulting from reduced claim costs or other factors identified after December 31, 2016, must be reserved for funding employee health benefits in the 2019-2021 fiscal biennium. Any changes to benefits, including covered prescription drugs, must be approved by the public employees' benefits board. Upon procuring benefits for calendar years 2018 and 2019, the public employees' benefits board shall: (1) Not consider any changes to benefits, including prescription drugs, without considering comprehensive analysis of the

cost of those changes; and (2) not adopt a package of benefits and premiums that results in a projected unrestricted reserve funding level lower than was projected under the assumptions made prior to procurement. For this purpose, assumptions means projections about the levels of future claims, costs, enrollment and other factors, prior to any changes in benefits. The certificates of coverage agreed to by the health care authority for calendar years 2018 and 2019 must ensure that no increases in coverage of prescription drugs, services, or other benefits may occur prior to approval by the public employees' benefits board at the time of procurement of benefits for the ensuing calendar year. The public employees' benefits board may, within the funds provided, adopt a virtual diabetes prevention program and adjust the waiting period for dental crown replacement in the Uniform dental program to align with the dental managed care plans.

(e) Within the amounts appropriated within this section, the authority, in consultation with one Washington within the office of financial management, the office of the chief information officer, and other state agencies with statewide payroll or benefit systems, shall prepare a report describing options for the replacement of the Pay 1 information technology system. The report shall evaluate the potential costs, benefits, and feasibility of integrating the functions currently performed by Pay 1 into an existing or new statewide system, as well for a stand-alone system. The report shall also update the business and system requirements documents previously developed for a Pay 1 replacement system. This report shall be provided to the governor and appropriate committees of the legislature by September 30, 2018.

(f) The public employees' benefits board, in collaboration with the authority, shall work to ensure that a single platform provider credentialing system is implemented. The authority and the board shall ensure that appropriate cost offsets and cost avoidance are assumed for reduced staff time required for provider credentialing activity and reductions in improper billing activity when implementing provider credentialing systems. The board must enter into an agreement with the authority to pay its share of the costs of implementing and operating a new provider credentialing system.

(3) SCHOOL EMPLOYEES' BENEFITS BOARD

School Employees' Insurance Administrative

Account—State Appropriation \$28,730,000

The appropriation in this subsection is subject to the following conditions and limitations: \$28,730,000 of the school employees' insurance administrative account—state appropriation is provided solely for implementation of the school employees' benefits board until the new board commences provision of benefits on January 1, 2020. It is the intent of the legislature that the state health care authority administration account be reimbursed for the appropriation to this account made in part VII of this act, with interest.

(4) HEALTH BENEFIT EXCHANGE

General Fund—State Appropriation (FY 2018) \$5,184,000
General Fund—State Appropriation (FY 2019) \$5,651,000
General Fund—Federal Appropriation ~~(\$53,892,000)~~
\$52,070,000
Health Benefit Exchange Account—State Appropriation ~~(\$59,385,000)~~

	<u>\$61,207,000</u>
TOTAL APPROPRIATION	<u>\$124,112,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The receipt and use of medicaid funds provided to the health benefit exchange from the health care authority are subject to compliance with state and federal regulations and policies governing the Washington apple health programs, including timely and proper application, eligibility, and enrollment procedures.

(b)(i) By July 15th and January 15th of each year, the authority shall make a payment of one-half the general fund—state appropriation and one-half the health benefit exchange account—state appropriation to the exchange.

(ii) For the 2017-2019 biennium, for the purpose of annually calculating issuer assessments, exchange operational costs may include up to three months of additional operating costs.

(iii) The exchange shall monitor actual to projected revenues and make necessary adjustments in expenditures or carrier assessments to ensure expenditures do not exceed actual revenues.

(iv) Payments made from general fund—state appropriation and health benefit exchange account—state appropriation shall be available for expenditure for no longer than the period of the appropriation from which it was made. When the actual cost of materials and services have been fully determined, and in no event later than the lapsing of the appropriation, any unexpended balance of the payment shall be returned to the authority for credit to the fund or account from which it was made, and under no condition shall expenditures exceed actual revenue.

(c) \$271,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2595 (automatic voter registration). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(d) \$196,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Substitute Senate Bill No. 5683 (Pacific Islander health care). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(5) COMMUNITY BEHAVIORAL HEALTH PROGRAM

General Fund—State Appropriation (FY 2019)	(\$542,049,000) <u>\$496,723,000</u>
General Fund—Federal Appropriation	(\$919,359,000) <u>\$879,650,000</u>
General Fund—Private/Local Appropriation	\$18,261,000
Criminal Justice Treatment Account—State Appropriation	\$6,490,000
Problem Gambling Account—State Appropriation	\$728,000
Dedicated Marijuana Account—State Appropriation (FY 2019)	\$28,486,000
Pension Funding Stabilization Account—State Appropriation	\$857,000
TOTAL APPROPRIATION	(\$1,516,230,000) <u>\$1,431,195,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) For the purposes of this subsection, amounts provided for behavioral health organizations shall also be available for the health care authority to contract with entities that assume the responsibilities of behavioral health organizations in regions in which the health care authority is purchasing medical and behavioral health services through fully integrated contracts pursuant to RCW 71.24.380.

(b) \$6,590,000 of the general fund—state appropriation for fiscal year 2019 and \$3,810,000 of the general fund—federal appropriation are provided solely for the authority and behavioral health organizations to continue to contract for implementation of high-intensity programs for assertive community treatment (PACT) teams. In determining the proportion of medicaid and nonmedicaid funding provided to behavioral health organizations with PACT teams, the authority shall consider the differences between behavioral health organizations in the percentages of services and other costs associated with the teams that are not reimbursable under medicaid. The authority may allow behavioral health organizations which have nonmedicaid reimbursable costs that are higher than the nonmedicaid allocation they receive under this section to supplement these funds with local dollars or funds received under (f) of this subsection. The authority and behavioral health organizations shall maintain consistency with all essential elements of the PACT evidence-based practice model in programs funded under this section.

(c) From the general fund—state appropriations in this subsection, the authority shall assure that behavioral health organizations reimburse the department of social and health services aging and long term support administration for the general fund—state cost of medicaid personal care services that enrolled behavioral health organization consumers use because of their psychiatric disability.

(d) \$1,760,000 of the general fund—federal appropriation is provided solely for the authority to maintain a pilot project to put peer bridging staff into each behavioral health organization as part of the state psychiatric liaison teams to promote continuity of service as individuals return to their communities.

(e) \$6,858,000 of the general fund—state appropriation for fiscal year 2019 and \$4,023,000 of the general fund—federal appropriation are provided solely for new crisis triage or stabilization centers. The authority must seek proposals from behavioral health organizations for the use of these funds based on regional priorities. Services in these facilities may include crisis stabilization and intervention, individual counseling, peer support, medication management, education, and referral assistance. The authority shall monitor each center's effectiveness at lowering the rate of state psychiatric hospital admissions.

(f) \$81,930,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for persons and services not covered by the medicaid program. To the extent possible, levels of behavioral health organization spending must be maintained in the following priority order: Crisis and commitment services; community inpatient services; and residential care services, including personal care and emergency housing assistance. These amounts must be distributed to behavioral health organizations proportionate to the fiscal year 2017 allocation of flexible nonmedicaid funds. The authority must include the following

language in medicaid contracts with behavioral health organizations unless they are provided formal notification from the center for medicaid and medicare services that the language will result in the loss of federal medicaid participation: "The contractor may voluntarily provide services that are in addition to those covered under the state plan, although the cost of these services cannot be included when determining payment rates unless including these costs are specifically allowed under federal law or an approved waiver."

(g) The authority is authorized to continue to contract directly, rather than through contracts with behavioral health organizations for children's long-term inpatient facility services.

(h) \$1,125,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the Spokane county behavioral health organization to implement services to reduce utilization and the census at eastern state hospital. Such services shall include:

(i) High intensity treatment team for persons who are high utilizers of psychiatric inpatient services, including those with co-occurring disorders and other special needs;

(ii) Crisis outreach and diversion services to stabilize in the community individuals in crisis who are at risk of requiring inpatient care or jail services;

(iii) Mental health services provided in nursing facilities to individuals with dementia, and consultation to facility staff treating those individuals; and

(iv) Services at the sixteen-bed evaluation and treatment facility.

At least annually, the Spokane county behavioral health organization shall assess the effectiveness of these services in reducing utilization at eastern state hospital, identify services that are not optimally effective, and modify those services to improve their effectiveness.

(i) \$1,204,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to reimburse Pierce and Spokane counties for the cost of conducting one hundred eighty-day commitment hearings at the state psychiatric hospitals.

(j) Behavioral health organizations may use local funds to earn additional federal medicaid match, provided the locally matched rate does not exceed the upper-bound of their federally allowable rate range, and provided that the enhanced funding is used only to provide medicaid state plan or waiver services to medicaid clients. Additionally, behavioral health organizations may use a portion of the state funds allocated in accordance with (f) of this subsection to earn additional medicaid match, but only to the extent that the application of such funds to medicaid services does not diminish the level of crisis and commitment, community inpatient, residential care, and outpatient services presently available to persons not eligible for medicaid.

(k) \$2,291,000 of the general fund—state appropriation for fiscal year 2019 is 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 authority must collect information from the behavioral health organizations on their plan for using these funds, the numbers of individuals served, and the types of services provided and submit a report to the office of financial management and the appropriate fiscal committees of the legislature by December 1st of each year of the biennium.

(l) Within the amounts appropriated in this section, funding is provided for the authority to develop and phase in intensive mental health services for high needs youth consistent with the settlement agreement in *T.R. v. Dreyfus and Porter*.

(m) The authority must establish minimum and maximum funding levels for all reserves allowed under behavioral health organization contracts and insert contract language that clearly states the requirements and limitations. The authority must monitor and ensure that behavioral health organization reserves do not exceed maximum levels. The authority must monitor behavioral health organization revenue and expenditure reports and must require a behavioral health organization to submit a corrective action plan on how it will spend its excess reserves within a reasonable period of time, when its reported reserves exceed maximum levels established under the contract. The authority must review and approve such plans and monitor to ensure compliance. If the authority determines that a behavioral health organization has failed to provide an adequate excess reserve corrective action plan or is not complying with an approved plan, the authority must reduce payments to the behavioral health organization in accordance with remedial actions provisions included in the contract. These reductions in payments must continue until the authority determines that the behavioral health organization has come into substantial compliance with an approved excess reserve corrective action plan.

(n) \$3,079,000 of the general fund—state appropriation for fiscal year 2019 and \$2,892,000 of the general fund—federal appropriation are provided solely for the authority to increase rates for community hospitals that provide a minimum of two hundred medicaid psychiatric inpatient days. The authority must increase both medicaid and nonmedicaid psychiatric per-diem reimbursement rates for these providers within these amounts. The amounts in this subsection include funding for additional hold harmless payments resulting from the rate increase. The authority shall prioritize increases for hospitals not currently paid based on provider specific costs using a similar methodology used to set rates for existing inpatient facilities and the latest available cost report information. Rate increases for providers must be set so as not to exceed the amounts provided within this subsection. The rate increase related to nonmedicaid clients must be done to maintain the provider at the same percentage as currently required under WAC 182-550-4800.

(o) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the authority to collaborate with tribal governments and develop a plan for establishing an evaluation and treatment facility that will specialize in providing care specifically to the American Indian and Alaska Native population. The plan must include options for maximizing federal participation and ensure that utilization will be based on medical necessity and identify a specific geographic location where a tribal evaluation and treatment facility will be built.

(p) \$7,103,000 of the general fund—state appropriation for fiscal year 2019 and \$8,052,000 of the general fund—federal appropriation are provided solely for the authority to contract with community hospitals or freestanding evaluation and treatment centers to provide up to forty-eight long-term inpatient care beds as defined in RCW 71.24.025. The authority must seek proposals and contract directly for these services rather than contracting through behavioral health

organizations. The authority must not use any of the amounts provided under this subsection for contracts with facilities that are subject to federal funding restrictions that apply to institutions of mental diseases, unless they have received a waiver that allows for full federal participation in these facilities.

(q) \$1,133,000 of the general fund—state appropriation for fiscal year 2019 and \$1,297,000 of the general fund—federal appropriation are provided solely to increase the number of psychiatric residential treatment beds for individuals transitioning from psychiatric inpatient settings. The authority must seek proposals from behavioral health organizations for the use of these amounts and coordinate with the department of social and health services in awarding these funds. The authority must not allow for any of the amounts provided under this subsection to be used for services in facilities that are subject to federal funding restrictions that apply to institutions of mental diseases, unless they have received a waiver that allows for full federal participation in these facilities.

(r) \$6,744,000 of the general fund—state appropriation for fiscal year 2019 and \$14,516,000 of the general fund—federal appropriation are provided solely for the authority to increase medicaid capitation payments for behavioral health organizations. The authority must work with the actuaries responsible for certifying behavioral health capitation rates to adjust average salary assumptions in order to implement this increase. In developing further updates for medicaid managed care rates for behavioral health services, the authority must require the contracted actuaries to: (i) Review and consider comparison of salaries paid by government agencies and hospitals that compete with community providers for behavioral health workers in developing salary assumptions; and (ii) review data to see whether a specific travel assumption for high congestion areas is warranted. The authority must include and make available all applicable documents and analysis to legislative staff from the fiscal committees throughout the process. The authority must require the actuaries to develop and submit rate ranges for each behavioral health organization prior to certification of specific rates.

(s) The number of beds allocated for use by behavioral health organizations at eastern state hospital shall be one hundred ninety two per day. The number of nonforensic beds allocated for use by behavioral health organizations at western state hospital shall be five hundred fifty-seven per day. In fiscal year 2019, the authority must reduce the number of beds allocated for use by behavioral health organizations at western state hospital by thirty beds to allow for the repurposing of a civil ward at western state hospital to provide forensic services. The contracted beds provided under (p) of this subsection shall be allocated to the behavioral health organizations in lieu of beds at the state hospitals and be incorporated in their allocation of state hospital patient days of care for the purposes of calculating reimbursements pursuant to RCW 71.24.310. It is the intent of the legislature to continue the policy of expanding community based alternatives for long term civil commitment services that allow for state hospital beds to be prioritized for forensic patients.

(t) \$11,405,000 of the general fund—state appropriation for fiscal year 2019 and \$8,840,000 of the general fund—federal appropriation are provided solely to maintain enhancements of community mental health services. The authority must contract these funds for the operation of community programs in which the authority determines there is a need for capacity that allows individuals to be

diverted or transitioned from the state hospitals including but not limited to: (i) Community hospital or free standing evaluation and treatment services providing short-term detention and commitment services under the involuntary treatment act to be located in the geographic areas of the King behavioral health organization, the Spokane behavioral health organization outside of Spokane county, and the Thurston Mason behavioral health organization; (ii) one new full program of an assertive community treatment team in the King behavioral health organization and two new half programs of assertive community treatment teams in the Spokane behavioral health organization and the Pierce behavioral health organization; and (iii) three new recovery support services programs in the Great Rivers behavioral health organization, the greater Columbia behavioral health organization, and the north sound behavioral health organization. In contracting for community evaluation and treatment services, the authority may not use these resources in facilities that meet the criteria to be classified under federal law as institutions for mental diseases. If the authority is unable to come to a contract agreement with a designated behavioral health organization for any of the services identified above, it may consider contracting for that service in another region that has the need for such service.

(u) \$1,296,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for clubhouse programs. The authority shall ensure that \$400,000 is used for the biennium for support of the Spokane clubhouse program and the remaining funds must be used for support of new clubhouse programs. The authority must develop options and cost estimates for implementation of clubhouse programs statewide through a medicaid state plan amendment or a medicaid waiver and submit a report to the office of financial management and the appropriate committees of the legislature by December 1, 2018.

(v) \$213,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to fund one pilot project in Pierce county and one in Yakima county to promote increased utilization of assisted outpatient treatment programs. The authority shall require two behavioral health organizations to contract with local government to establish the necessary infrastructure for the programs. The authority shall provide a report by October 15, 2018, to the office of financial management and the appropriate fiscal and policy committees of the legislature to include the number of individuals served, outcomes to include reduced use of inpatient treatment and state hospital stays, and recommendations for further implementation based on lessons learned and best practices identified by the pilot projects.

(w) \$3,278,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 is provided solely for a memorandum of understanding with the department of social and health services juvenile rehabilitation administration to provide substance abuse treatment programs for juvenile offenders. Of the amounts provided in this subsection (5)(w):

(i) \$1,130,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 is provided solely for alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these funds as described in section 203(4) of this act.

(ii) \$282,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 is provided solely for the expansion of evidence-based treatments and therapies as described in section 203(2) of this act.

(x) During fiscal year 2019, any amounts provided in this section that are used for case management services for pregnant and parenting women must be contracted directly between the authority and providers rather than through contracts with behavioral health organizations.

(y) Within the amounts appropriated in this section, the authority may contract with the University of Washington and community-based providers for the provision of the parent-child assistance program or other specialized chemical dependency case management providers for pregnant, post-partum, and parenting women. For all contractors: (i) Service and other outcome data must be provided to the authority by request; and (ii) indirect charges for administering the program must not exceed ten percent of the total contract amount.

(z) \$1,750,000 of the general fund—federal appropriation (from the substance abuse prevention and treatment federal block grant) is provided solely for the continued funding of existing county drug and alcohol use prevention programs.

(aa) \$200,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 is provided solely for a contract with the Washington state institute for public policy to conduct cost-benefit evaluations of the implementation of chapter 3, Laws of 2013 (Initiative Measure No. 502).

(bb) \$500,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 is provided solely to design and administer the Washington state healthy youth survey and the Washington state young adult behavioral health survey.

(cc) \$396,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 is provided solely for maintaining increased services to pregnant and parenting women provided through the parent child assistance program.

(dd) \$250,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 is provided solely for a grant to the office of superintendent of public instruction to provide life skills training to children and youth in schools that are in high needs communities.

(ee) \$386,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 is provided solely to maintain increased prevention and treatment services provided by tribes and federally recognized American Indian organizations to children and youth.

(ff) \$2,684,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 and \$950,000 of the general fund—federal appropriation are provided solely to maintain increased residential treatment services for children and youth.

(gg) \$250,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 is provided solely for training and technical assistance for the implementation of evidence based, research based, and promising programs which prevent or reduce substance use disorders.

(hh) \$2,434,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 is provided solely for expenditure into the home visiting services account.

(ii) \$2,500,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 is provided solely for grants to community-based programs that provide prevention services or activities to youth, including programs for school-based resource officers. These funds must be utilized in accordance with RCW 69.50.540.

(jj) Within the amounts provided in this section, behavioral health organizations must provide outpatient chemical dependency treatment for offenders enrolled in the medicaid program who are supervised by the department of corrections pursuant to a term of community supervision. Contracts with behavioral health organizations must require that behavioral health organizations include in their provider network specialized expertise in the provision of manualized, evidence-based chemical dependency treatment services for offenders. The department of corrections and the authority must develop a memorandum of understanding for department of corrections offenders on active supervision who are medicaid eligible and meet medical necessity for outpatient substance use disorder treatment. The agreement will ensure that treatment services provided are coordinated, do not result in duplication of services, and maintain access and quality of care for the individuals being served. The authority must provide all necessary data, access, and reports to the department of corrections for all department of corrections offenders that receive medicaid paid services.

(kk) \$562,000 of the general fund—federal appropriation is provided solely for the authority to develop a memorandum of understanding with the department of health for implementation of chapter 297, Laws of 2017 (ESHB 1427) (opioid treatment programs). The authority must use these amounts to reimburse the department of health for costs incurred through the implementation of the bill.

(ll) \$2,580,000 of the general fund—state appropriation for fiscal year 2019 and \$2,320,000 of the general fund—federal appropriation are provided solely for the development and operation of two secure detoxification facilities. The authority must not use any of these amounts for services in facilities that are subject to federal funding restrictions that apply to institutions for mental diseases, unless they have received a waiver that allows for full federal participation in these facilities.

(mm) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for parenting education services focused on pregnant and parenting women.

(nn) Within existing appropriations, the authority shall prioritize the prevention and treatment of intravenous opiate-based drug use.

(oo) The criminal justice treatment account—state appropriation is provided solely for treatment and treatment support services for offenders with a substance use disorder pursuant to RCW 71.24.580. The authority must offer counties the option to administer their share of the distributions provided for under RCW 71.24.580(5)(a). If a county is not interested in administering the funds, the authority shall contract with a behavioral health organization or administrative services organization to administer these funds consistent with the plans approved by local panels pursuant to RCW 71.24.580(5)(b). The authority must provide a report to the office of financial management and the

appropriate committees of the legislature which identifies the distribution of criminal justice treatment account funds by September 30, 2018.

(pp) \$23,090,000 of the general fund—state appropriation for fiscal year 2019 and \$46,222,000 of the general fund—federal appropriation are provided solely for the enhancement of community-based behavioral health services. This funding must be allocated to behavioral health organizations proportionate to their regional population. In order to receive these funds, each region must submit a plan to address the following issues: (i) Reduction in their use of long-term commitment beds through community alternatives; (ii) compliance with RCW 71.05.365 requirements for transition of state hospital patients into community settings within fourteen days of the determination that they no longer require active psychiatric treatment at an inpatient level of care; (iii) improvement of staff recruitment and retention in community behavioral health facilities; (iv) diversion of individuals with behavioral health issues from the criminal justice system; and (v) efforts to improve recovery oriented services, including, but not limited to, expansion of clubhouse models. The plans are not limited to the amounts in this subsection and may factor in all resources available for behavioral health. The authority must identify metrics for tracking progress in each of the areas identified. The authority must collect information on the metrics and outcomes and submit a report summarizing the findings to the office of financial management and the appropriate committees of the legislature by June 30, 2020. Twenty percent of the general fund—state appropriation amounts for each behavioral health organization must be used to increase their nonmedicaid funding and the remainder must be used to increase medicaid rates up to but not exceeding the top of each behavioral health organizations medicaid rate range.

(qq) (~~(\$11,023,000)~~ \$24,819,000) of the general fund—state appropriation for fiscal year 2019 is provided solely to assist behavioral health organizations with the costs of providing services to medicaid clients receiving services in psychiatric facilities classified as institutions of mental diseases. The authority must distribute these amounts proportionate to the number of bed days for medicaid clients in institutions for mental diseases that were excluded from behavioral health organization fiscal year 2019 capitation rates because they exceeded the amounts allowed under federal regulations. The authority must also use these amounts to directly pay for costs that are ineligible for medicaid reimbursement in institutions of mental disease facilities for American Indian and Alaska Natives who opt to receive behavioral health services on a fee-for-service basis. The amounts used for these individuals must be reduced from the allocation of the behavioral health organization where the individual resides. If a behavioral health organization receives more funding through this subsection than is needed to pay for the cost of their medicaid clients in institutions for mental diseases, they must use the remainder of the amounts to provide other services not covered under the medicaid program. The authority must explore options for continuing to expand waivers which allow for federal matching funds to be used in these facilities. The authority must submit a report on the status of the waiver to the office of financial management and the appropriate committees of the legislature by December 1, 2018.

(rr) \$14,500,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to ensure a smooth transition to integrated managed care

for behavioral health regions and to maintain the existing level of regional behavioral health crisis and diversion programs, and other required behavioral health administrative service organization services. These amounts must be used to support the regions transitioning to become mid-adopters for full integration of physical and behavioral health care. These amounts must be distributed proportionate to the population of each regional area covered. The maximum amount allowed per region is \$3,175 per 1,000 residents. These amounts must be used to provide a reserve for nonmedicaid services in the region and to stabilize the new crisis services system. The authority must require all behavioral health organizations transitioning to full integration to either spend down or return all reserves in accordance with contract requirements and federal and state law. Behavioral health organization reserves may not be used to pay for services to be provided beyond the end of a behavioral health organization's contract or for start-up costs in full integration regions. The authority must ensure that any increases in expenditures in behavioral health reserve spend-down plans are required for the operation of services during the contract period and do not result in overpayment to providers.

(ss) \$806,000 of the general fund—federal appropriation is provided solely for the authority to develop a peer support program for individuals with substance use disorders. These amounts must be used for development of training and certification of peers specialists. The authority must submit a state plan amendment which provides for these services to be included in behavioral health capitation rates beginning in fiscal year 2020 and allows for federal matching funds to be leveraged for these services.

(tt) \$200,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the authority, in collaboration with the department of social and health services, to further develop efforts to shift funding and risk for most civil long-term inpatient commitments into fully integrated care contracts beginning in January 2020. The funding and risk for patients at the state hospitals who have been committed pursuant to dismissal of felony charges after being determined incompetent to stand trial shall not be incorporated into integrated care contracts.

(i) By December 1, 2018, the authority, in coordination with the department of social and health services, must submit a report to the office of financial management and the appropriate committees of the legislature on the following: (A) Actuarial estimates on the impact to per member per month payments and estimated annual state and federal costs for medicaid managed care organizations with fully integrated contracts; (B) actuarial estimates on the estimated annual costs for administrative services organizations; (C) estimates of the per-diem cost at the state hospitals that will be charged to entities with responsibility for paying for long-term civil inpatient commitments once these are incorporated into fully integrated care contracts; and (D) estimates of the amount of funding that can be reduced from direct appropriations for the state hospitals to reflect the shift in financial responsibility.

(ii) The authority must also explore and report on options for fully leveraging the state's share of federal medicaid disproportionate share funding allowed for institutions of mental diseases, including but not limited to: (A) Prioritizing the use of this funding for forensic patients and those civilly committed pursuant to dismissal of a felony charge; (B) obtaining an institution

for mental diseases—disproportionate share hospital waiver to allow for regular medicaid federal financial participation to be used at the state hospitals; and (C) shifting some of the state's current disproportionate share funding used at the state hospitals to community-based institutions for mental diseases to reduce the state cost of patients for whom regular federal medicaid match is not allowed.

(uu) \$2,732,000 of the general fund—state appropriation for fiscal year 2019 and \$9,026,000 of the general fund—federal appropriation are provided solely for the authority to implement strategies to improve access to prevention and treatment of opioid use disorders. The authority may use these funds for the following activities: (i) Expansion of hub and spoke treatment networks; (ii) expansion of pregnant and parenting case management programs; (iii) grants to tribes to prevent opioid use and expand treatment for opioid use disorders; (iv) development and implementation of a tool to track medication assisted treatment provider capacity; (v) support of drug take-back programs which allow individuals to return unused opioids and other drugs for safe disposal; (vi) purchase and distribution of opioid reversal medication; and (vii) maintaining support for youth prevention services. The authority must coordinate these activities with the department of health to avoid duplication of effort and must work to identify additional federal resources that can be used to maintain and expand these efforts. The authority must submit a report to the office of financial management and the appropriate committees of the legislature on the status of these efforts by December 1, 2018. The report must include identification of any increase in behavioral health federal block grants or other federal funding awards received by the authority and the plan for the use of these funds.

(vv) \$150,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the authority to contract with actuaries to develop estimates for the cost of implementing new behavioral health service types in the medicaid state plan. The authority must coordinate with behavioral health organizations to identify: (i) Eligible behavioral health service types that are currently provided to medicaid enrollees without federal funding and are dependent on state, local, or other funds; and (ii) eligible behavioral health service types that are not currently available to medicaid enrollees due to the lack of federal funding. The authority must contract with the actuaries responsible for certifying state behavioral health capitation rates to develop estimates for the cost of implementing each of these services. The estimates must identify the cost of implementing each service statewide, the estimated state and federal medicaid cost, and any estimated offset in state non-medicaid spending. The authority must submit a report to the office of financial management and the appropriate committees of the legislature identifying the services and costs estimates by November 1, 2018.

(ww) \$446,000 of the general fund—state appropriation for fiscal year 2019 and \$89,000 of the general fund—federal appropriation are provided solely for the University of Washington's evidence-based practice institute which supports the identification, evaluation, and implementation of evidence-based or promising practices. The institute must work with the authority to develop a plan to seek private, federal, or other grant funding in order to reduce the need for state general funds. The authority must collect information from the institute on the use of these funds and submit a report to the office of financial management

and the appropriate fiscal committees of the legislature by December 1st of each year of the biennium.

(xx) No more than \$13,098,000 of the general fund—federal appropriation may be expended for supported housing and employment services described in initiative 3a and 3b of the medicaid transformation demonstration waiver under healthier Washington. Under this initiative, the ~~((department and the health care))~~ authority and the department of social health services shall ensure that allowable and necessary services are provided to eligible clients as identified by the ~~((department))~~ authority or its providers or third party administrator. The ~~((department and the))~~ authority and the department of social and health services in consultation with the medicaid forecast work group, shall ensure that reasonable reimbursements are established for services deemed necessary within an identified limit per individual. The ~~((department))~~ authority shall not increase general fund—state expenditures under this initiative. The ~~((secretary))~~ director in collaboration with the ~~((director of the authority))~~ secretary of the department of social and health services shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The ~~((secretary))~~ director in cooperation with the ~~((director))~~ secretary shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(yy) \$2,000,000 of the general fund—state appropriation for fiscal year 2019 and \$2,000,000 of the general fund—federal appropriation are provided solely for the health care authority to implement a process that increases access to children's long-term inpatient program (CLIP) by increasing bed capacity through current and new providers of services.

(zz) \$727,000 of the general fund—state appropriation for fiscal year 2019 and \$1,005,000 of the general fund—federal appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 6491 (outpatient behavioral health). ~~((If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.))~~

((aaa) \$77,000 of the general fund—state appropriation for fiscal year 2019 and \$181,000 of the general fund—federal appropriation are provided solely to implement House Bill No. 1534 (psychiatric payment/rural). If this bill is not enacted by June 30, 2019, the amounts provided in this subsection shall lapse.

Sec. 1112. 2018 c 299 s 215 (uncodified) is amended to read as follows:

FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS

Worker and Community Right-to-Know Account—State

Appropriation	\$10,000
Accident Account—State Appropriation	(\$22,565,000)
	<u>\$22,812,000</u>
Medical Aid Account—State Appropriation	(\$22,566,000)
	<u>\$22,813,000</u>
TOTAL APPROPRIATION	(\$45,141,000)
	<u>\$45,635,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$145,000 of the accident account—state appropriation for fiscal year 2019 and \$145,000 of the medical aid account—state for fiscal year 2019

are provided solely for implementation of Substitute House Bill No. 1723 (Hanford occupational disease). ~~((If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse:))~~

Sec. 1113. 2018 c 299 s 216 (uncodified) is amended to read as follows:

FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

General Fund—State Appropriation (FY 2018)	\$21,668,000
General Fund—State Appropriation (FY 2019)	\$23,139,000
General Fund—Private/Local Appropriation	\$6,673,000
Death Investigations Account—State Appropriation	\$148,000
Municipal Criminal Justice Assistance Account—State Appropriation	\$460,000
Pension Funding Stabilization Account—State Appropriation	\$460,000
Washington Auto Theft Prevention Authority Account—State Appropriation	\$8,167,000
24/7 Sobriety Account—State Appropriation	(\$20,000)
	<u>\$18,000</u>
TOTAL APPROPRIATION	(\$60,735,000)
	<u>\$60,733,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$5,000,000 of the general fund—state appropriation for fiscal year 2018 and \$5,000,000 of the general fund—state appropriation for fiscal year 2019, are provided to the Washington association of sheriffs and police chiefs solely to verify the address and residency of registered sex offenders and kidnapping offenders under RCW 9A.44.130. The association may use no more than \$50,000 per fiscal year of the amounts provided on program management activities.

(2) \$1,284,000 of the general fund—state appropriation for fiscal year 2018 and \$1,546,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for seventy-five percent of the costs of providing six additional statewide basic law enforcement trainings in fiscal year 2018, and seven additional statewide basic law enforcement trainings in fiscal year 2019. The criminal justice training commission must schedule its funded classes to minimize wait times throughout each fiscal year and meet statutory wait time requirements.

(3) \$792,000 of the general fund—local appropriation is provided solely to purchase ammunition for the basic law enforcement academy. Jurisdictions shall reimburse to the criminal justice training commission the costs of ammunition, based on the average cost of ammunition per cadet, for cadets that they enroll in the basic law enforcement academy.

(4) The criminal justice training commission may not run a basic law enforcement academy class of fewer than 30 students.

(5) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a school safety program. 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 hired after the effective date of this section.

(6) \$96,000 of the general fund—state appropriation for fiscal year 2018 and \$96,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the school safety center within the commission. The safety center shall act as an information dissemination and resource center when an incident occurs in a school district in Washington or in another state, coordinate activities relating to school safety, and review and approve manuals and curricula used for school safety models and training. Through an interagency agreement, the commission shall provide funding for the office of the superintendent of public instruction to continue to develop and maintain a school safety information web site. The school safety center advisory committee shall develop and revise the training program, using the best practices in school safety, for all school safety personnel. The commission shall provide research-related programs in school safety and security issues beneficial to both law enforcement and schools.

(7) \$146,000 of the general fund—state appropriation for fiscal year 2018 and \$146,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the costs of providing statewide advanced driving training with the use of a driving simulator.

(8) \$679,000 of the general fund—state appropriation for fiscal year 2018 and \$587,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 261, Laws of 2017 (SHB 1501) (attempts to obtain firearms).

(9) \$57,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of chapter 295, Laws of 2017 (SHB 1258) (first responders/disability).

(10) \$198,000 of the general fund—state appropriation for fiscal year 2018 and \$414,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 290, Laws of 2017 (ESHB 1109) (victims of sexual assault).

(11) \$117,000 of the general fund—state appropriation for fiscal year 2018, \$117,000 of the general fund—state appropriation for fiscal year 2019, and \$1,000,000 of the Washington auto theft prevention account—state appropriation are provided solely for the first responder building mapping information system.

(12) \$595,000 of the general fund—state appropriation for fiscal year 2018 and \$595,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to continue crisis intervention training required in chapter 87, Laws of 2015.

(13) \$250,000 of the general fund—state appropriation for fiscal year 2018 and \$250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the criminal justice training commission to deliver research-based programs to instruct, guide, and support local law enforcement agencies in fostering the "guardian philosophy" of policing, which emphasizes de-escalating conflicts and reducing the use of force.

(14) \$429,000 of the general fund—state appropriation for fiscal year 2018 and \$429,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for expenditure into the nonappropriated Washington internet

crimes against children account for the implementation of chapter 84, Laws of 2015.

(15) \$842,000 of the general fund—state appropriation for fiscal year 2018 and \$1,260,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the purpose of creating and funding on an ongoing basis the: (a) Updating and providing of basic and in-service training for peace officers and corrections officers that emphasizes de-escalation and use of less lethal force; and (b) creation and provision of an evidence-based leadership development program, in partnership with Microsoft, that trains, equips, and supports law enforcement leaders using research-based strategies to reduce crime and improve public trust. Of the amounts appropriated in this subsection, \$907,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the training in (a) of this subsection.

(16) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to the Washington association of sheriffs and police chiefs to fund pilot projects in Benton county to support local law enforcement education for law enforcement, medical professionals, first responders, courts, educators, and others to raise awareness and identifying warning signs of human trafficking. Any educational opportunities created through the pilot projects in Benton county may provide access for adjacent counties if resources and availability permits.

(17) \$500,000 of the general fund—state appropriation for fiscal year 2018 is provided solely to the Washington association of sheriffs and police chiefs to administer statewide training in the use of the Washington state gang database, established in compliance with RCW 43.43.762, and provide grant funding to ensure agencies enter appropriate and reliable data into the database. The training shall develop professionals with regional responsibilities for database administration throughout the state.

(18) \$1,000,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for providing grants for the mental health field response team grant program established in House Bill No. 2892 (mental health field response). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(19) \$176,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Substitute House Bill No. 1022 (crime victim participation). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(20) \$50,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the Washington association of sheriffs and police chiefs to convene a work group to develop strategies for identification and intervention against potential perpetrators of mass shootings, with an emphasis on school safety, and report on recommendations for their prevention.

(a) The work group includes, but is not limited to, representatives of the superintendent of public instruction, the school safety center advisory committee, state colleges and universities, local law enforcement, the Washington state patrol, the attorney general, mental health experts, victims of mass shootings, and the American civil liberties union of Washington.

(b) The work group shall assess and make recommendations regarding:

(i) Strategies to identify persons who may commit mass shootings associated with K-12 schools and colleges and universities;

(ii) A survey of services around the state available for those experiencing a mental health crisis;

(iii) A survey of state and federal laws related to intervening against potential perpetrators or confiscating their firearms; and

(iv) Strategies used by other states or recommended nationally to address the problem of mass shootings.

(c) The work group shall submit a report, which may include findings, recommendations, and proposed legislation, to the appropriate committees of the legislature by December 1, 2018. The report shall consider the following strategies:

(i) Promoting to the public the availability of extreme risk protection orders as a means of avoiding mass shootings;

(ii) A rapid response interdisciplinary team composed of law enforcement, mental health experts, and other appropriate parties who could be mobilized to intervene and prevent a potential crisis at a school or institution of higher learning; and

(iii) Whether reasonable restrictions should be imposed on the access to firearms by those suffering from a mental illness that are consistent with the individual right to bear arms.

Sec. 1114. 2018 c 299 s 217 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

General Fund—State Appropriation (FY 2018)	\$6,513,000
General Fund—State Appropriation (FY 2019)	\$9,285,000
General Fund—Federal Appropriation	\$11,876,000
Asbestos Account—State Appropriation	\$526,000
Electrical License Account—State Appropriation	\$53,776,000
Farm Labor Contractor Account—State Appropriation	\$28,000
Worker and Community Right-to-Know Account—State Appropriation	\$991,000
Public Works Administration Account—State Appropriation	\$9,849,000
Manufactured Home Installation Training Account—State Appropriation	\$377,000
Accident Account—State Appropriation	(\$320,925,000)
	<u>\$321,904,000</u>
Accident Account—Federal Appropriation	(\$16,765,000)
	<u>\$19,839,000</u>
Medical Aid Account—State Appropriation	(\$334,083,000)
	<u>\$334,447,000</u>
Medical Aid Account—Federal Appropriation	(\$3,739,000)
	<u>\$4,182,000</u>
Plumbing Certificate Account—State Appropriation	\$1,880,000
Pressure Systems Safety Account—State Appropriation	\$4,433,000
Construction Registration Inspection Account—State Appropriation	\$20,945,000
Pension Funding Stabilization Account—State Appropriation	\$1,435,000

TOTAL APPROPRIATION .....	..((\$797,426,000))
	<u>\$802,286,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$123,000 of the accident account—state appropriation and \$22,000 of the medical aid—state appropriation are provided solely for implementation of chapter 150, Laws of 2017 (House Bill No. 1906) (farm internship).

(2) The department, in collaboration with the health care authority, shall work to ensure that a single platform provider credentialing system is implemented. The authority and department shall ensure that appropriate cost offsets and cost avoidance are assumed for reduced staff time required for provider credentialing activity and reductions in improper billing activity when implementing provider credentialing systems. The department must enter into an agreement with the health care authority to pay its share of the costs of implementing and operating a new provider credentialing system.

(3) \$5,802,000 of the accident account—state appropriation and \$5,676,000 of the medical aid account—state appropriation are provided solely for business transformation projects and are subject to the conditions, limitations, and review provided in section 724 of this act.

(4) \$19,128,000 of the construction registration inspection account—state appropriation is provided solely to implement House Bill No. 1716 (construction inspection account). ~~((If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.))~~

(5) \$2,000,000 of the accident account—state appropriation and \$2,000,000 of the medical account—state appropriation are provided solely for a contract with a workforce institute to provide supplemental instruction for information technology apprentices. Funds spent for this purpose must be matched by an equal amount of funding from the information technology industry members, except small and mid-sized employers. Up to \$2,000,000 may be spent to provide supplemental instruction for apprentices at small and mid-sized businesses. "Small and mid-sized employers" means those that have fewer than one hundred employees or have less than five percent net profitability.

(6) \$250,000 of the medical aid account—state appropriation and \$250,000 of the accident account—state appropriation are provided solely for the department of labor and industries safety and health assessment and research for prevention program to conduct research to address the high injury rates of the janitorial workforce. The research must quantify the physical demands of common janitorial work tasks and assess the safety and health needs of janitorial workers. The research must also identify potential risk factors associated with increased risk of injury in the janitorial workforce and measure workload based on the strain janitorial work tasks place on janitors' bodies. The department must conduct interviews with janitors and their employers to collect information on risk factors, identify the tools, technologies, and methodologies used to complete work, and understand the safety culture and climate of the industry. The department must issue an initial report to the legislature, by June 30, 2020, assessing the physical capacity of workers in the context of the industry's economic environment and ascertain usable support tools for employers and workers to decrease risk of injury. After the initial report, the department must

produce annual progress reports, beginning in 2021 through the year 2022 or until the tools are fully developed and deployed. The annual progress reports must be submitted to the legislature by December 1st of each year such reports are due.

(7) \$1,272,000 of the public works administration account—state appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 1673 (responsible bidder criteria). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(8) \$185,000 of the accident account—state appropriation and \$185,000 of the medical aid account—state appropriation are provided solely to implement Substitute House Bill No. 1723 (Hanford/occupational disease). ~~((If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.))~~

(9) \$422,000 of the medical aid account—state appropriation is provided solely to implement Second Substitute Senate Bill No. 6245 (spoken language interpreters). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(10) \$51,000 of the medical aid account—state appropriation and \$50,000 of the accident account—state appropriation are provided solely for the implementation of Substitute House Bill No. 1022 (crime victim participation). ~~((If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.))~~

Sec. 1115. 2018 c 299 s 218 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF VETERANS AFFAIRS

(1) The appropriations in this section are subject to the following conditions and limitations:

(a) The department of veterans affairs 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 must 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.

(b) Each year, there is fluctuation in the revenue collected to support the operation of the state veteran homes. When the department has foreknowledge that revenue will decrease, such as from a loss of census or from the elimination of a program, the legislature expects the department to make reasonable efforts to reduce expenditures in a commensurate manner and to demonstrate that it has made such efforts. In response to any request by the department for general fund—state appropriation to backfill a loss of revenue, the legislature shall consider the department's efforts in reducing its expenditures in light of known or anticipated decreases to revenues.

(2) HEADQUARTERS

General Fund—State Appropriation (FY 2018)	\$1,913,000
General Fund—State Appropriation (FY 2019)	\$1,907,000
Charitable, Educational, Penal, and Reformatory Institutions Account—State Appropriation	\$10,000
Pension Funding Stabilization Account—State Appropriation	\$185,000
TOTAL APPROPRIATION	\$4,015,000

The appropriations in this subsection are subject to the following conditions and limitations: \$85,000 of the general fund—state appropriation for fiscal year 2018 and \$84,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 173, Laws of 2017 (ESSB 1802) (veterans' shared leave pool).

(3) FIELD SERVICES

General Fund—State Appropriation (FY 2018)	\$6,077,000
General Fund—State Appropriation (FY 2019)	(\$6,126,000)
	<u>\$6,329,000</u>
General Fund—Federal Appropriation	\$3,747,000
General Fund—Private/Local Appropriation	\$4,794,000
Veteran Estate Management Account—Private/Local Appropriation	\$664,000
Pension Funding Stabilization Account—State Appropriation	\$443,000
TOTAL APPROPRIATION	(\$21,851,000)
	<u>\$22,054,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$300,000 of the general fund—state appropriation for fiscal year 2018 and \$300,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to provide crisis and emergency relief and education, training, and employment assistance to veterans and their families in their communities through the veterans innovation program.

(b) \$200,000 of the general fund—state appropriation for fiscal year 2018 and \$200,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 192, Laws of 2017 (SB 5849) (veterans' services).

(c) \$110,000 of the general fund—state appropriation for fiscal year 2018 and \$110,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the expansion of the veterans conservation corps by fifteen paid internships.

(d) \$203,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to replace the payee automated system.

(4) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2018)	\$11,925,000
General Fund—State Appropriation (FY 2019)	(\$5,831,000)
	<u>\$16,381,000</u>
General Fund—Federal Appropriation	(\$84,027,000)

	<u>\$75,640,000</u>
General Fund—Private/Local Appropriation	.....((\$27,983,000))
	<u>\$25,820,000</u>
Pension Funding Stabilization Account—State	
Appropriation	..... \$1,462,000
TOTAL APPROPRIATION	..... \$131,228,000

The appropriations in this subsection are subject to the following conditions and limitations: The amounts provided in this subsection include a general fund—state backfill for a revenue shortfall at the Washington soldiers home in Orting and the Walla Walla veterans home.

Sec. 1116. 2018 c 299 s 219 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF HEALTH

General Fund—State Appropriation (FY 2018)	..... \$70,667,000
General Fund—State Appropriation (FY 2019)	.....((\$78,618,000))
	<u>\$80,084,000</u>
General Fund—Federal Appropriation	.....((\$550,114,000))
	<u>\$550,154,000</u>
General Fund—Private/Local Appropriation	.....((\$186,257,000))
	<u>\$186,529,000</u>
Hospital Data Collection Account—State Appropriation	..... ((\$347,000))
	<u>\$366,000</u>
Health Professions Account—State Appropriation	.....((\$132,578,000))
	<u>\$133,517,000</u>
Aquatic Lands Enhancement Account—State Appropriation	..... \$623,000
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation	..... \$9,872,000
Safe Drinking Water Account—State Appropriation	..... \$5,667,000
Drinking Water Assistance Account—Federal	
Appropriation	..... \$15,990,000
Waterworks Operator Certification—State Appropriation	..... \$1,836,000
Drinking Water Assistance Administrative Account—State	
Appropriation	..... \$371,000
Site Closure Account—State Appropriation	..... \$168,000
Biotoxin Account—State Appropriation	.....((\$1,968,000))
	<u>\$1,768,000</u>
State Toxics Control Account—State Appropriation	..... \$4,249,000
Medicaid Fraud Penalty Account—State Appropriation	..... \$1,098,000
Medical Test Site Licensure Account—State	
Appropriation	..... \$2,591,000
Youth Tobacco and Vapor Products Prevention Account—State	
Appropriation	..... \$3,363,000
Dedicated Marijuana Account—State Appropriation	
(FY 2018)	..... \$9,761,000
Dedicated Marijuana Account—State Appropriation	
(FY 2019)	..... \$9,764,000
Public Health Supplemental Account—Private/Local	
Appropriation	.....((\$3,248,000))
	<u>\$4,248,000</u>

Pension Funding Stabilization Account—State

Appropriation	\$3,821,000
Accident Account—State Appropriation	\$343,000
Medical Aid Account—State Appropriation	\$53,000
Suicide-Safer Homes Project Account—State Appropriation	\$50,000
TOTAL APPROPRIATION	(\$1,093,417,000)
	<u>\$1,096,953,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) 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 of health and the state board of health shall not implement any new or amended rules pertaining to primary and secondary school facilities until the rules and a final cost estimate have been presented to the legislature, and the legislature has formally funded implementation of the rules through the omnibus appropriations act or by statute. 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.

(2) During the 2017-2019 fiscal biennium, each person subject to RCW 43.70.110(3)(c) is required to pay only one surcharge of up to twenty-five dollars annually for the purposes of RCW 43.70.112, regardless of how many professional licenses the person holds.

(3) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to adopt license and certification fees in fiscal years 2018 and 2019 to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower costs of licensing for these programs than for other organizations which are not accredited.

(4)(a) \$5,000,000 of the general fund—state appropriation for fiscal year 2018 and \$5,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to support the local health jurisdictions to improve their ability to address (i) communicable disease

monitoring and prevention and (ii) chronic disease and injury prevention. The department and representatives of local health jurisdictions must work together to arrive at a mutually acceptable allocation and distribution of funds and to determine the best accountability measures to ensure efficient and effective use of funds, emphasizing the use of shared services.

(b) By December 31, 2017, the department shall provide a preliminary report, and by November 30, 2018, a final report, to the appropriate committees of the legislature regarding:

(i) The allocation of funding, as provided in this subsection, to the local health jurisdictions;

(ii) Steps taken by the local health jurisdictions that received funding to improve communicable disease monitoring and prevention and chronic disease and injury prevention;

(iii) An assessment of the effectiveness of the steps taken by local health jurisdictions and the criteria measured; and

(iv) Any recommendations for future models for service delivery to address communicable and chronic diseases.

(5)(a) \$1,000,000 of the general fund—state appropriation for fiscal year 2018 and \$1,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department, as part of foundational public health services, to implement strategies to control the spread of communicable diseases and other health threats. These strategies may include updating or replacing equipment in the state public health laboratory; addressing health inequities among state residents; reporting on the root cause analyses of adverse events at medical facilities; performing critical activities to prevent adverse health consequences of hepatitis C; or assessing information technology system consolidation and modernization opportunities for statewide public health data systems.

(b) By November 30, 2018, the department shall develop a statewide governmental public health improvement plan and provide it to the appropriate committees of the legislature.

(6) \$26,000 of the general fund—state appropriation for fiscal year 2018 and \$10,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 295, Laws of 2017 (SHB 1258) (first responders/disability).

(7) Within amounts appropriated in this section, funding is provided to implement chapter 312, Laws of 2017 (SSB 5046) (language of public notices).

(8) \$39,000 of the general fund—local appropriation is provided solely for the implementation of chapter 249, Laws of 2017 (ESHB 1714) (nurse staffing plans).

(9) \$27,000 of the health professions account—state appropriation and \$50,000 of the Suicide-Safer Homes Project account are provided solely for the implementation of chapter 262, Laws of 2017 (E2SHB 1612) (reducing access to lethal means).

(10) \$269,000 of the health professions account—state appropriation is provided solely for the implementation of chapter 297, Laws of 2017 (ESHB 1427) (opioid treatment program).

(11) \$350,000 of the general fund—state appropriation for fiscal year 2018 and \$350,000 of the general fund—state appropriation for fiscal year 2019 are

provided to the department solely to cover costs of providing increased capacity under existing contracts with suicide prevention lines to respond to calls to the national suicide prevention lifeline.

(12) \$40,000 of the general fund—state appropriation for fiscal year 2018 and \$90,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the midwifery licensure and regulatory program to supplement revenue from fees. The department shall charge no more than five hundred twenty-five dollars annually for new or renewed licenses for the midwifery program.

(13)(a) Within amounts appropriated in this section, the department, in consultation with advocacy groups and experts that focus on hunger and poverty issues, shall produce a report regarding ongoing nutrition assistance programs funded by the United States department of agriculture and administered in Washington state. The report must be a compilation, by program, of data already collected by the department of social and health services, the department of health, the office of the superintendent of public instruction, and the Washington state department of agriculture, and it must include, where available, but is not limited to:

- (i) The number of people in Washington who are eligible for the program;
- (ii) The number of people in Washington who participated in the program;
- (iii) The average annual participation rate in the program;
- (iv) Participation rates by geographic distribution; and
- (v) The annual federal funding of the program in Washington.

(b) The department shall report to the appropriate committees of the legislature and to the governor. An initial report is due by April 30, 2018, and a second report is due by April 30, 2019.

(14) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems eligibility, case management, and authorization systems within the department of health are subject to technical oversight by the office of the state chief information officer.

(15) \$2,604,000 of the health professions account—state appropriation is provided solely for the medical quality assurance commission to address increased workload.

(16) \$896,000 of the health professions account—state appropriation is provided solely for the pharmacy commission to improve research and communication to pharmacies regarding the development and implementation of new and changing rules.

(17) \$9,000,000 of the general fund—federal appropriation is provided solely for the department to implement projects and activities during the 2017-2019 fiscal biennium that are designed to improve the health and well-being of individuals living with human immunodeficiency virus, including:

(a) A health disparity project to increase access to dental, mental health, and housing services for populations that have historically experienced limited access to needed services, including Latino individuals in central Washington;

(b) A project to establish a peer-to-peer network for individuals living with human immunodeficiency virus. Trained navigators will work to link individuals living with human immunodeficiency virus to medical care, housing support, training, and other needed services;

(c) A project to expand the MAX clinic within Harborview hospital to serve an increased number of high-need clients and establishing a MAX clinic to serve high-need clients in Pierce county. This project shall also provide statewide training for staff of the department, of local health jurisdictions, and of providers of services for persons with human immunodeficiency virus;

(d) The development of a single eligibility portal to allow statewide usage and streamlined case management for individuals who are living with human immunodeficiency virus and receiving public health services; and

(e) An assessment and evaluation of the effectiveness of each of the projects outlined in subsections (a) through (d) of this subsection.

(18) \$6,096,000 of the general fund—local appropriation is provided solely for the department to target its efforts in the HIV early intervention program toward populations with health disparities.

(19) \$1,118,000 of the general fund—local appropriation is provided solely for equipment, testing supplies, and materials necessary to add x-linked adrenoleukodystrophy to the mandatory newborn screening panel. The department is authorized to increase the newborn screening fee by \$8.10.

(20) \$1,500,000 of the general fund—state appropriation for fiscal year 2018 and \$1,500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for:

(a) Increased screening, case management, and an electronic data reporting system to identify children who are at the highest risk of having elevated levels of lead in their blood, prioritizing children who live in areas where the risk is highest; and

(b) Sampling and testing of drinking water and water fixtures in public schools. The department, in collaboration with the educational service districts, must prioritize testing within elementary schools where drinking water and water fixtures have not been tested for contaminants at any time, and elementary schools where drinking water and water fixtures have not been tested within the past three years. Consistent with the United States environmental protection agency's manual, "3Ts for Reducing Lead in Drinking Water in Schools—Revised Technical Guidance," the department must develop guidance and testing protocols for the lead action level for drinking water and for testing drinking water and drinking water fixtures in public and private schools. The guidance must include:

(i) Actions to take if test results exceed the federal action level or public drinking water standard;

(ii) Recommendations to schools on prioritizing fixture replacement, and options for further reducing lead, including replacement of fixtures or use of certified filters when results are below the federal action level for schools, but exceed the maximum level recommended by the American Academy of Pediatrics; and

(iii) Recommendations for communicating test results and risk to parents and the community, including that there is no safe level of lead in water and that action may be warranted even if levels are below the action level.

(21) \$277,000 of the general fund—local appropriation is provided solely to implement chapter 207, Laws of 2017 (E2SHB 1819) (children's mental health).

(22) \$130,000 of the general fund—state appropriation for fiscal year 2018 and \$130,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely to increase the funding for the breast, cervical, and colon health program administered by the department.

(23) Within the amounts appropriated in this section, and in accordance with RCW 43.20B.110 and 70.41.100, the department shall set fees to include the full costs of the performance of inspections pursuant to RCW 70.41.080.

(24) Within the amounts appropriated in this section, and in accordance with RCW 43.70.110 and 71.12.470, the department shall set fees to include the full costs of the performance of inspections pursuant to RCW 71.12.485.

(25) \$27,000 of the general fund—state appropriation for fiscal year 2018 and \$16,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 273, Laws of 2017 (E2SHB 1358) (community assistance referral programs).

(26) \$224,000 of the health professions account—state appropriation is provided solely for the implementation of chapter 320, Laws of 2017 (SSB 5322) (dentists and third parties).

(27) \$93,000 of the health professions account—state appropriation is provided solely for the implementation of chapter 101, Laws of 2017 (ESHB 1431) (osteopathic medicine and surgery).

(28) \$82,000 of the general fund—local appropriation is provided solely for the implementation of chapter 263, Laws of 2017 (SSB 5152) (pediatric transitional care).

(29) \$25,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the department to prepare and submit a report about the certificate of need program to the governor and the appropriate fiscal and policy committees of the legislature by October 1, 2017. By health care setting, for each of the preceding ten fiscal years, the report must show the total number of applications, the total number of accepted applications, the total number of beds requested, the total number of beds approved, and a summary of the most common reasons for declining an application. The report must include suggestions for modifying the program to increase the number of successful applications. At least one suggestion must address the goal of adding psychiatric beds within hospitals.

(30) The department, in collaboration with the health care authority, shall work to ensure that a single platform provider credentialing system is implemented. The authority and department shall ensure that appropriate cost offsets and cost avoidance are assumed for reduced staff time required for provider credentialing activity and reductions in improper billing activity when implementing provider credentialing systems.

(31) \$28,000 of the general fund—state appropriation for fiscal year 2018 and \$28,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for staffing capacity at the department to support a performance audit of the fee-setting process for each health profession licensed by the department.

(32) The appropriations in this section include sufficient funding for the implementation of chapter 294, Laws of 2017 (SSB 5835) (health outcomes/pregnancy).

(33) \$670,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a collaboration between local public health, accountable communities of health, and health care providers to reduce preventable

hospitalizations. This one-year initiative will take place in the Tacoma/Pierce county local health jurisdiction.

(34) \$556,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to replace the comprehensive hospital abstract reporting system and is subject to the conditions, limitations, and review provided in section 724, chapter 1, Laws of 2017 3rd sp. sess.

(35) \$40,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department, in partnership with the department of social and health services and the health care authority, to assist a collaborative public-private entity with implementation of recommendations in the state plan to address alzheimer's disease and other dementias.

(36) In accordance with RCW 70.96A.090, 71.24.035, 43.20B.110, and 43.135.055, the department is authorized to adopt fees for the review and approval of mental health and substance use disorder treatment programs in fiscal years 2018 and 2019 as necessary to support the costs of the regulatory program. The department's fee schedule must have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower cost of licensing for these programs than for other organizations which are not accredited.

(37) \$30,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the nursing care quality assurance commission to convene and facilitate a work group to assess the need for nurses in long-term care settings and to make recommendations regarding worker recruitment, training, and retention challenges for long-term care providers in the sectors of skilled nursing facilities, assisted-living facilities, and adult family homes.

(a) The work group must:

(i) Determine the current and projected worker vacancy rates in the long-term care sectors compared to the workload projections for these sectors;

(ii) Develop recommendations for a standardized training curriculum for certified nursing assistants that ensures that workers are qualified to provide care in each sector, including integration into the curriculum of specific training for the care of clients with dementia, developmental disabilities, and mental health issues;

(iii) Review academic and other prerequisites for training for licensed practical nurses to identify any barriers to career advancement for certified nursing assistants;

(iv) Identify barriers to career advancement for long-term care workers; and

(v) Evaluate the oversight roles of the department of health and the department of social and health services for nurse training programs and make recommendations for streamlining those roles.

(b) The members of the work group must include the following:

(i) The chair of the house health care and wellness committee or his or her designee;

(ii) The chair of the senate health and long-term care committee or his or her designee;

(iii) The assistant secretary of the aging and disability support administration of the department of social and health services, or his or her designee;

(iv) A member of the Washington apprenticeship and training council, chosen by the director of the department of labor and industries;

(v) A representative from the health services quality assurance division of the department of health, chosen by the secretary;

(vi) The executive director of the Washington state board for community and technical colleges or his or her designee;

(vii) A representative of the largest statewide association representing nurses;

(viii) A representative of the largest statewide union representing home care workers;

(ix) A representative of the largest statewide association representing assisted living and skilled nursing facilities;

(x) A representative of the adult family home council of Washington; and

(xi) The Washington state long-term care ombuds or his or her designee.

(d) The work group must meet at least three times, and the first meeting must occur no later than July 15, 2018. The commission must report no later than December 15, 2018, to the governor and the legislature regarding the work group's assessments and recommendations.

(38) \$150,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to implement training and education recommendations described in the 2016 report of the community health worker task force. The department shall report to the legislature on the progress of implementation no later than June 30, 2019. These moneys shall only be used to cover the cost of the department's staff time, meeting expenses, and community outreach.

(39) \$3,000,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to Seattle and King county public health for core public health services that prevent and stop the spread of communicable disease, including but not limited to zoonotic and emerging diseases and chronic hepatitis B and hepatitis C.

(40) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$360,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to coordinate with local health jurisdictions to establish and maintain comprehensive Group B programs to ensure safe and reliable drinking water. These amounts shall be used to support the costs of the development and adoption of rules, policies and procedures, and for technical assistance, training, and other program-related costs.

(41) \$485,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Second Substitute House Bill No. 2671 (behavioral health/agricultural industry). ~~((If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.))~~

(42) \$113,000 of the general fund—local appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 6037 (uniform parentage act).

~~((If this bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(43) \$19,000 of the health professions account—state appropriation is provided solely to implement Substitute Senate Bill No. 6273 (state charity care). ~~((If this bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(44) \$200,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a grant to the Benton-Franklin local health jurisdiction to expand its youth suicide prevention activities and to serve as a case study to identify best practice materials, training, intervention practices, and promotional strategies that can be replicated in other local health jurisdictions. The amounts appropriated must be used for the following activities:

(a) Prior to September 1, 2018, the Benton-Franklin local health jurisdiction must document the materials, training, intervention practices, and promotional strategies for youth suicide prevention that are available within Benton county and Franklin county.

(b) Prior to October 1, 2018, the Benton-Franklin local health jurisdiction must host a summit about the issue of youth suicide prevention. The summit must include attendees from schools, health care organizations, nonprofit organizations, and other relevant organizations from Benton county and Franklin county. The summit may also include attendees from other areas of the state who have unique knowledge and expertise with the issue of youth suicide prevention. Prior to the summit, the Benton-Franklin local health jurisdiction must share the result of the work described in (a) of this subsection with all attendees. During the summit, the Benton-Franklin local health jurisdiction must survey the attendees to determine best practices for educational materials, training, intervention practices, and promotional strategies.

(c) Prior to November 1, 2018, the Benton-Franklin local health jurisdiction must complete a plan for expanding youth suicide prevention that is based primarily on the survey of attendees described in (b) of this subsection. For each investment, the plan must describe the amount of funding utilized, as well as the expected results. The plan must be shared with the office of financial management, and the appropriate fiscal and policy committees of the legislature, by November 10, 2018.

(d) Prior to June 15, 2019, the Benton-Franklin local health jurisdiction must complete a final report summarizing the work completed to satisfy (a) through (c) of this subsection. The final report must include a description of outcomes that can be measured and linked to the expansion of youth suicide prevention activities funded by this subsection. The final report will serve as a guide for further expansion of youth suicide prevention in Benton-Franklin, or within other local health jurisdictions. The final report must be shared with the office of financial management, and the appropriate fiscal and policy committees of the legislature, by June 30, 2019.

(45) \$300,000 of the general fund—state appropriation for fiscal year 2019, \$626,000 of the emergency medical services account appropriation, and \$70,000 of the health professions account appropriation are provided solely for the department to establish a statewide electronic emergency medical services data system for licensed ambulances and aid services to report and furnish patient encounter data, for the distribution of health care supplies through the hub and

spoke community-based public health programs, and for knowledge-based identity verification for the prescription monitoring program. The secretary shall be responsible for coordinating the statewide response to the opioid epidemic.

(46) \$375,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to contract with a private or nonprofit business or organization with experience using evidence-based practices and promising practices for global strategies to reduce health disparities and address root social determinants of health for underserved communities in rural Washington state; with experience in working with underserved populations who face barriers to basic health and economic resources, including lack of access to preventative care, contributing to mismanagement of chronic disease and shortened lifespan; and with expertise regarding Washington state's global health institutions to bring strategies that have proven effective in developing countries to underserved communities in the United States. The program should engage marginalized communities in order to identify barriers and social determinants that most impact health, including access to housing and food and economic stability and be able to identify, train, and provide tools to community leaders. The department must report to the legislature by December 1, 2019, regarding identified barriers and any recommendations for interventions.

(47) \$160,000 of the medicaid fraud penalty account—state appropriation is provided solely for additional staffing to coordinate the integration of the prescription monitoring program data into electronic health systems pursuant to chapter 297, Laws of 2017 (ESHB 1427) (opioid treatment programs).

(48) \$25,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to implement Engrossed Second Substitute Senate Bill No. 6529 (pesticide application safety). ~~((If this bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(49) \$791,000 of the health professions account—state appropriation is provided solely to implement House Bill No. 2313 (chiropractic quality assurance commission). ~~((If this bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(50) \$1,028,000 of the health professions account—state appropriation is provided solely for the Washington medical commission for increased litigation.

(51) \$905,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for costs associated with the measles outbreak response.

(i) Of the amounts provided in this subsection, \$161,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department of health for non-budgeted costs.

(ii) Of the amounts provided in this subsection, \$744,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for Clark county.

Sec. 1117. 2018 c 299 s 220 (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 in this act. However, after May 1, ~~((2018.))~~ 2019 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 ~~((2018))~~ 2019 between programs. The department may not transfer funds, and the director of financial

management may not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state 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 must 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 2018)	\$60,866,000
General Fund—State Appropriation (FY 2019)	(\$61,152,000)
	<u>\$63,968,000</u>
General Fund—Federal Appropriation	\$400,000
Pension Funding Stabilization Account—State	
Appropriation	\$7,602,000
TOTAL APPROPRIATION	(\$130,020,000)
	<u>\$132,836,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$35,000 of the general fund—state appropriation for fiscal year 2018 and \$35,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the 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 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.

(b)(i) During the 2017-2019 fiscal biennium, the department must revise its agreements and contracts with vendors to include a provision to require that each vendor agrees to equality among its workers by ensuring similarly employed individuals are compensated as equals as follows:

(A) Employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed;

(B) Vendors may allow differentials in compensation for its workers based in good faith on any of the following:

(I) A seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels.

(II) A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience, that is: Consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential.

(III) A bona fide regional difference in compensation level must be: Consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential.

(ii) The provision must allow for the termination of the contract if the department or department of enterprise services determines that the vendor is not in compliance with this agreement or contract term.

(iii) The department must implement this provision with any new contract and at the time of renewal of any existing contract.

(c) \$488,000 of the general fund—state appropriation for fiscal year 2018 and \$964,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for information technology business solutions and are subject to the conditions, limitations, and review provided in section 724 of this act.

(d) The department, in collaboration with the health care authority, shall work to ensure that a single platform provider credentialing system is implemented. The authority and department shall ensure that appropriate cost offsets and cost avoidance are assumed for reduced staff time required for provider credentialing activity and reductions in improper billing activity when implementing provider credentialing systems.

(e) \$51,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the implementation of Substitute House Bill No. 2638 (graduated reentry program). ((If the bill is not enacted by June 30, 2018, the amount in this subsection shall lapse.))

(2) CORRECTIONAL OPERATIONS

General Fund—State Appropriation (FY 2018)	.....	\$499,134,000
General Fund—State Appropriation (FY 2019)	.....	(\$515,165,000)
		<u>\$526,843,000</u>
General Fund—Federal Appropriation	.....	\$818,000
Washington Auto Theft Prevention Authority Account—State		
Appropriation	.....	\$4,588,000
Pension Funding Stabilization Account—State		
Appropriation	.....	\$62,831,000
TOTAL APPROPRIATION	.....	(\$1,082,536,000)
		<u>\$1,094,214,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department may contract for beds statewide to the extent that it is at no net cost to the department. The department shall calculate and report the average cost per offender per day, inclusive of all services, on an annual basis for a facility that is representative of average medium or lower offender costs. The duration of the contracts may be for up to four years. The department shall not pay a rate greater than \$85 per day per offender for all costs associated with the offender while in the local correctional facility to include programming and health care costs, or the equivalent of \$85 per day per bed including programming and health care costs for full units. The capacity provided at local correctional facilities must be for offenders whom the department of corrections defines as medium or lower security offenders. Programming provided for inmates held in local jurisdictions is included in the rate, and details regarding the type and amount of programming, and any conditions regarding transferring

offenders must be negotiated with the department as part of any contract. Local jurisdictions must provide health care to offenders that meet standards set by the department. The local jail must provide all medical care including unexpected emergent care. The department must utilize a screening process to ensure that offenders with existing extraordinary medical/mental health needs are not transferred to local jail facilities. If extraordinary medical conditions develop for an inmate while at a jail facility, the jail may transfer the offender back to the department, subject to terms of the negotiated agreement. Health care costs incurred prior to transfer are the responsibility of the jail.

(b) \$501,000 of the general fund—state appropriation for fiscal year 2018 and \$501,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to maintain the facility, property, and assets at the institution formerly known as the maple lane school in Rochester.

(c) \$1,379,000 of the general fund—state appropriation for fiscal year 2018, and \$1,379,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to contract for the use of inmate bed capacity in lieu of prison beds operated by the state to meet prison capacity needs.

~~((d)) \$250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to enter into an agreement to purchase electricity for the Monroe correctional complex from a source located in Snohomish county that is fueled using commercial or industrial waste from an on-site lumber mill that employs at least 150 people.~~

(e)) (d) Within the amounts appropriated in this section, funding is provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th offense/felony).

~~((f))~~ (e) The appropriations in this section include sufficient funding for the implementation of chapter 226, Laws of 2017 (HB 1153) (vulnerable persons/crimes).

~~((g))~~ (f) Within the amounts appropriated in this section, the department of corrections must review the use of full body scanners at state correctional facilities for women to reduce the frequency of strip and body cavity searches and report with recommendations to the governor and the appropriate legislative committees by November 15, 2017. The report must address the cost of technology, installation, and maintenance; the benefits to personnel and inmates; information regarding accumulated exposure to radiation; and general guidelines for implementation at a pilot facility.

~~((h))~~ (g) \$400,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to contract with an independent third party to: (i) Provide a comprehensive review of the prison staffing model; and (ii) develop an updated prison staffing model for use by the department.

~~((i))~~ (h) \$240,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to install a body scanner at the Washington corrections center for women as a pilot project to reduce strip searches. The department must collect data on its change in practices, the benefits or issues with utilizing body scanners in the prison, and provide a report to the legislature and the appropriate fiscal committees of the legislature by October 15, 2019.

~~((j))~~ (i) \$240,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute

House Bill No. 1889 (corrections ombuds). ((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))

(3) COMMUNITY SUPERVISION

General Fund—State Appropriation (FY 2018)	.....	\$179,455,000
General Fund—State Appropriation (FY 2019)	.....	(\$189,378,000)
		<u>\$202,178,000</u>
General Fund—Federal Appropriation	.....	\$2,898,000
Pension Funding Stabilization Account—State		
Appropriation	.....	\$12,791,000
TOTAL APPROPRIATION	.....	(\$384,522,000)
		<u>\$397,322,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department of corrections shall contract with local and tribal governments for the provision of jail capacity to house offenders who violate the terms of their community supervision. A contract shall not have a cost of incarceration in excess of \$85 per day per offender. A contract shall not have a year-to-year increase in excess of three percent per year. The contracts may include rates for the medical care of offenders which exceed the daily cost of incarceration and the limitation on year-to-year increases, provided that medical payments conform to the department's offender health plan and pharmacy formulary, and all off-site medical expenses are preapproved by department utilization management staff.

(b) The department shall engage in ongoing mitigation strategies to reduce the costs associated with community supervision violators, including improvements in data collection and reporting and alternatives to short-term confinement for low-level violators.

(c) By January 1, 2018, the department of corrections shall provide a report to the office of financial management and the appropriate fiscal and policy committees of the legislature to include a review of the department's policies and procedures related to swift and certain sanctioning, and identification of legal decisions that impact caseload and operations. The report shall include recommendations for improving public and staff safety while decreasing recidivism through improved alignment of the department's policies and procedures with current best practices concerning swift and certain sanctioning. The report shall include a review of department practices, legal decisions that impact caseload and operations, an analysis of current best practices in other jurisdictions that have adopted swift and certain sanctioning, and recommendations to improve the department's practices and procedures.

(d) Within the amounts appropriated in this section, funding is provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th offense/felony).

(e) \$1,742,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Substitute House Bill No. 2638 (graduated reentry program). ((If the bill is not enacted by June 30, 2018, the amount in this subsection shall lapse.))

(f) \$1,170,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to cover costs associated with reducing the

risk of miscalculating the end of community supervision and prison earned release dates for individuals releasing from the custody of the department.

(4) CORRECTIONAL INDUSTRIES

General Fund—State Appropriation (FY 2018)	\$6,278,000
General Fund—State Appropriation (FY 2019)	(\$5,959,000)
	<u>\$6,680,000</u>
Pension Funding Stabilization Account—State	
Appropriation	\$510,000
TOTAL APPROPRIATION	(\$12,747,000)
	<u>\$13,468,000</u>

(5) INTERAGENCY PAYMENTS

General Fund—State Appropriation (FY 2018)	\$45,002,000
General Fund—State Appropriation (FY 2019)	(\$42,889,000)
	<u>\$42,526,000</u>
TOTAL APPROPRIATION	(\$87,891,000)
	<u>\$87,528,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$13,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Substitute House Bill No. 2638 (graduated reentry program). ~~((If the bill is not enacted by June 30, 2018, the amount in this subsection shall lapse.))~~

(b) \$72,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1889 (corrections ombuds). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(6) OFFENDER CHANGE

General Fund—State Appropriation (FY 2018)	\$52,685,000
General Fund—State Appropriation (FY 2019)	(\$56,724,000)
	<u>\$55,243,000</u>
Pension Funding Stabilization Account—State	
Appropriation	\$4,434,000
TOTAL APPROPRIATION	(\$113,843,000)
	<u>\$112,362,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department of corrections shall use funds appropriated in this subsection (6) for offender programming. The department shall develop and implement a written comprehensive plan for offender programming that prioritizes programs which follow the risk-needs-responsivity model, are evidence-based, and have measurable outcomes. The department is authorized to discontinue ineffective programs and to repurpose underspent funds according to the priorities in the written plan.

(b) The department shall submit a report by December 1, 2018, to the appropriate committees of the legislature regarding the department's compliance with this subsection. The report must: (i) Include a summary of the

comprehensive plan; (ii) analyze state funds allocated to cognitive behavioral change programs and reentry specific programs, including percentages and amounts of funds used in evidence-based practices and the number of people being served; (iii) identify discontinued and newly implemented cognitive behavioral change programs and reentry specific programs, including information used by the department in evaluating the effectiveness of discontinued and implemented programs; and (iv) provide recommendations to improve program outcomes, including recommended strategies, deadlines, and funding.

(c) Within the amounts appropriated in this section, funding is provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th offense/felony).

(d) \$334,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Substitute House Bill No. 2638 (graduated reentry program). ~~((If the bill is not enacted by June 30, 2018, the amount in this subsection shall lapse.))~~

(7) HEALTH CARE SERVICES

General Fund—State Appropriation (FY 2018)	\$144,271,000
General Fund—State Appropriation (FY 2019)	(\$146,621,000)
	\$152,049,000
TOTAL APPROPRIATION	(\$290,892,000)
	\$296,320,000

The appropriations in this subsection are subject to the following conditions and limitations: The state prison medical facilities may use funds appropriated in this subsection to purchase goods, supplies, and services through hospital or other group purchasing organizations when it is cost effective to do so.

***Sec. 1118.** 2018 c 299 s 223 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

(1)(a) The appropriations to the department of children, youth, and families in this act must be expended for the programs and in the amounts specified in this act. However, after May 1, 2019, unless prohibited by this act, the department may transfer general fund—state appropriations for fiscal year 2019 among programs after approval by the director of the office of financial management. However, the department may not transfer state appropriations 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 2019 caseload forecasts and utilization assumptions in the foster care, adoption support, child protective services, and working connections child care programs, the department may transfer state appropriations that are provided solely for a specified purpose.

(2) The department and the department of social and health services shall coordinate to ensure that both agencies have sufficient funding for allocated and nonallocated central services and, if necessary, must enter into an interagency agreement to ensure that funds are transferred to the agency that incurs costs. The agencies shall jointly report to the office of financial management the status of state fiscal year 2019 allocated and nonallocated central services costs and whether fund transfers were required.

~~((4))~~ (3) CHILDREN AND FAMILIES SERVICES PROGRAM

General Fund—State Appropriation (FY 2019) ~~(\$361,756,000)~~
\$360,630,000

General Fund—Federal Appropriation ~~(\$246,625,000)~~
\$247,413,000

General Fund—Private/Local Appropriation ~~(\$1,477,000)~~
\$1,412,000

~~((Domestic Violence Prevention Account—State~~
~~Appropriation~~ ~~\$1,002,000)~~

Pension Funding Stabilization Account—State
 Appropriation \$13,976,000

TOTAL APPROPRIATION ~~(\$624,836,000)~~
\$623,431,000

The appropriations in this section are subject to the following conditions and limitations:

(a) \$748,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to contract for the operation of one pediatric interim care center. The center shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the center must be in need of special care as a result of substance abuse by their mothers. The center shall also provide on-site training to biological, adoptive, or foster parents. The center shall provide at least three months of consultation and support to the parents accepting placement of children from the center. The center may recruit new and current foster and adoptive parents for infants served by the center. The department shall not require case management as a condition of the contract.

(b) \$253,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the costs of hub home foster families that provide a foster care delivery model that includes a licensed hub home. Use of the hub home model is intended to support foster parent retention, improve child outcomes, and encourage the least restrictive community placements for children in out-of-home care.

(c) \$579,000 of the general fund—state appropriation for fiscal year 2019 and \$55,000 of the general fund—federal appropriation are provided solely for a receiving care center east of the Cascade mountains.

(d) \$990,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for services provided through children's advocacy centers.

(e) \$1,351,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of performance-based contracts for family support and related services pursuant to RCW 74.13B.020.

(f) \$7,173,000 of the general fund—state appropriation for fiscal year 2019 and \$6,022,000 of the general fund—federal appropriation are provided solely for family assessment response. Amounts appropriated in this subsection are sufficient to implement Substitute Senate Bill No. 6309 (family assessment response).

(g) \$94,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a contract with a child advocacy center in Spokane to provide continuum of care services for children who have experienced abuse or neglect and their families.

(h) \$2,933,000 of the general fund—state appropriation for fiscal year 2019 and \$876,000 of the general fund—federal appropriation are provided solely for the department to reduce the caseload ratios of social workers serving children in foster care to promote decreased lengths of stay and to make progress towards achievement of the Braam settlement caseload outcome.

(i)(A) \$540,000 of the general fund—state appropriation for fiscal year 2019, \$328,000 of the general fund private/local appropriation, and \$126,000 of the general fund—federal appropriation are provided solely for a contract with an educational advocacy provider with expertise in foster care educational outreach. The amounts in this subsection are provided solely for contracted education coordinators to assist foster children in succeeding in K-12 and higher education systems and to assure a focus on education during the department's transition to performance-based contracts. Funding must be prioritized to regions with high numbers of foster care youth, or regions where backlogs of youth that have formerly requested educational outreach services exist. The department is encouraged to use private matching funds to maintain educational advocacy services.

(B) The department shall contract with the office of the superintendent of public instruction, which in turn shall contract with a nongovernmental entity or entities to provide educational advocacy services pursuant to RCW 28A.300.590.

(j) The department shall continue to implement policies to reduce the percentage of parents requiring supervised visitation, including clarification of the threshold for transition from supervised to unsupervised visitation prior to reunification.

(k) \$111,000 of the general fund—state appropriation for fiscal year 2019 and \$26,000 of the general fund—federal appropriation are provided solely for a base rate increase for licensed family child care providers. In addition, \$45,000 of the general fund—state appropriation for fiscal year 2019 and \$11,000 of the general fund—federal appropriation are provided solely for increasing paid professional days from three days to five days for licensed family child care providers. Amounts in this subsection are provided solely for the 2017-2019 collective bargaining agreement covering family child care providers as set forth in section 940 of this act. Amounts provided in this subsection are contingent on the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). ~~((If the bill is not enacted by July 31, 2017, the amounts provided in this subsection (k) shall lapse.))~~

(l) \$321,000 of the general fund—state appropriation for fiscal year 2019 and \$133,000 of the general fund—federal appropriation are provided solely to implement chapter 265, Laws of 2017 (SHB 1867) (ext. foster care transitions).

(m) \$400,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a contract with a national nonprofit organization to, in partnership with private matching funds, subcontract with a community organization for specialized, enhanced adoption placement services for legally free children in state custody. The contract must supplement, but not supplant, the work of the department to secure permanent adoptive homes for children.

(n) \$375,000 of the general fund—state appropriation for fiscal year 2019 and \$56,000 of the general fund—federal appropriation are provided solely for the department to develop, implement, and expand strategies to improve the

capacity, reliability, and effectiveness of contracted visitation services for children in temporary out-of-home care and their parents and siblings. Strategies may include, but are not limited to, increasing mileage reimbursement for providers, offering transportation-only contract options, and mechanisms to reduce the level of parent-child supervision when doing so is in the best interest of the child. The department must submit an analysis of the strategies and associated outcomes no later than October 1, 2018.

(o) For purposes of meeting the state's maintenance of effort for the state supplemental payment program, the department of children, youth, and families shall track and report to the department of social and health services the monthly state supplemental payment amounts attributable to foster care children who meet eligibility requirements specified in the state supplemental payment state plan. Such expenditures must equal at least \$3,100,000 annually and may not be claimed toward any other federal maintenance of effort requirement. Annual state supplemental payment expenditure targets must continue to be established by the department of social and health services. Attributable amounts must be communicated by the department of children, youth, and families to the department of social and health services on a monthly basis.

(p) \$1,018,000 of the general fund—state appropriation for fiscal year 2019 and \$195,000 of the general fund—federal appropriation are provided solely for a six percent base rate increase for child care center providers, effective September 1, 2017.

(q) \$1,230,000 of the general fund—state appropriation for fiscal year 2019 and \$78,000 of the general fund—federal appropriation are provided solely to increase the travel reimbursement for in-home service providers.

(r) The department is encouraged to control exceptional reimbursement decisions so that the child's needs are met without excessive costs.

(s) \$1,342,000 of the general fund—state appropriation for fiscal year 2019 and \$959,000 of the general fund—federal appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 5890 (foster care and adoption). Within the amounts provided in this section, \$366,000 of the general fund—state appropriation for fiscal year 2019 and \$174,000 of the general fund—federal appropriation are provided solely for short-term care for licensed foster families. If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

(t) \$197,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to conduct biennial inspections and certifications of facilities, both overnight and day shelters, that serve those who are under 18 years old and are homeless.

(u) (~~(\$848,000)~~) \$1,741,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to operate emergent placement contracts. The department shall not include the costs to operate emergent placement contracts in the calculations for family foster home maintenance payments.

(v) The appropriations in this section include sufficient funding for the implementation of Second Substitute Senate Bill No. 6453 (kinship caregiver legal support).

(w) \$250,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to contract with a county-wide nonprofit

organization with early childhood expertise in Pierce county for a pilot project that convenes stakeholders to develop and plan an intervention using the help me grow model to prevent child abuse and neglect.

(x) \$692,000 of the general fund—state appropriation for fiscal year 2019 and \$487,000 of the general fund—federal appropriation are provided solely for the department to implement an enhanced rate add-on for providers who increase bed capacity for behavioral rehabilitation services as measured against the provider's average bed capacity as of the first six months of fiscal year 2018. The department must report to the legislature no later than January 1, 2019, on the effect of this enhanced rate add-on on increasing behavioral rehabilitation services bed capacity and rates of placement.

(y) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed House Bill No. 2008 (state services for children). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(z) \$87,000 of the general fund—state appropriation for fiscal year 2019 and \$38,000 of the general fund—state appropriation are provided solely for implementation of Substitute Senate Bill No. 6222 (extended foster care eligibility). ~~((If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.))~~

(aa) \$533,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to expand performance-based contracts for family support and related services through network administrators, pursuant to Engrossed Senate Bill No. 6407 (H-5083.2).

(bb)(i) The department of children, youth, and families in collaboration with the office of the superintendent of public instruction, the department of commerce office of homeless youth prevention and protection programs, and the student achievement council must convene a work group with aligned nongovernmental agencies, including a statewide nonprofit coalition that is representative of communities of color and low-income communities focused on educational equity, to create a plan for children and youth in foster care and children and youth experiencing homelessness to facilitate educational equity with their general student population peers and to close the disparities between racial and ethnic groups by 2027. The work group must:

(A) Review the educational outcomes of children and youth in foster care and children and youth experiencing homelessness, including:

(I) Kindergarten readiness, early grade reading, school stability, high school completion, postsecondary enrollment, and postsecondary completion; and

(II) Disaggregated data by race and ethnicity;

(B) Consider the outcomes, needs, and services for children and youth in foster care and children and youth experiencing homelessness, and the specific needs of children and youth of color and those with special education needs;

(C) Map current education support services, including eligibility, service levels, service providers, outcomes, service coordination, data sharing, and overall successes and challenges;

(D) Engage stakeholders in participating in the analysis and development of recommendations, including foster youth and children and youth experiencing homelessness, foster parents and relative caregivers, birth parents, caseworkers,

school districts and educators, early learning providers, postsecondary education advocates, and federally recognized tribes;

(E) Make recommendations for an optimal continuum of education support services to foster and homeless children and youth from preschool to postsecondary education that would provide for shared and sustainable accountability to reach the goal of educational parity, including recommendations to:

- (I) Align indicators and outcomes across organizations and programs;
- (II) Improve racial and ethnic equity in educational outcomes;
- (III) Ensure access to consistent and accurate annual educational outcomes data;

(IV) Address system barriers such as data sharing;

(V) Detail options for governance and oversight to ensure educational services are continually available to foster and homeless children and youth regardless of status;

(VI) Detail a support structure that will ensure that educational records, educational needs, individualized education programs, credits, and other records will follow children and youth when they transition from district to district or another educational program or facility;

(VII) Explore the option of creating a specific statewide school district that supports the needs of and tracks the educational progress of children and youth in foster care and children and youth experiencing homelessness;

(VIII) Identify where opportunities exist to align policy, practices, and supports for students experiencing homelessness and foster students; and

(IX) Outline which recommendations can be implemented using existing resources and regulations and which require policy, administrative, and resource adjustments.

(ii) The work group should seek to develop an optimal continuum of services using research-based program strategies and to provide for prevention, early intervention, and seamless transitions.

(iii) Nothing in this subsection ~~((4))~~ (3)(bb) permits disclosure of confidential information protected from disclosure under federal or state law, including but not limited to information protected under chapter 13.50 RCW. Confidential information received by the work group retains its confidentiality and may not be further disseminated except as allowed under federal and state law.

(iv) By December 17, 2018, the work group must provide a report to the legislature on its analysis as described under this subsection ~~((4))~~ (3)(bb), the recommended plan, and any legislative and administrative changes needed to facilitate educational equity for children and youth in foster care and children and youth experiencing homelessness with their general student population peers by 2027.

(cc) \$3,025,000 of the general fund—state appropriation for fiscal year 2019 and \$1,907,000 of the general fund—federal appropriation are provided solely for rate increases for behavioral rehabilitation services providers.

~~((2))~~ (4) EARLY LEARNING PROGRAM
General Fund—State Appropriation (FY 2019). ~~(\$126,846,000)~~
\$125,365,000

General Fund—Federal Appropriation	(\$149,289,000)
	<u>\$173,089,000</u>
<u>General Fund—Private/Local Appropriation</u>	<u>\$727,000</u>
Education Legacy Trust Account—State Appropriation	\$14,190,000
Home Visiting Services Account—State Appropriation	\$5,489,000
Home Visiting Services Account—Federal Appropriation.	\$11,706,000
WA Opportunity Pathways Account—State Appropriation	\$40,000,000
Pension Funding Stabilization Account—State Appropriation.	\$468,000
TOTAL APPROPRIATION	(\$347,988,000)
	<u>\$371,034,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(a) \$67,938,000 of the general fund—state appropriation for fiscal year 2019, \$12,125,000 of the education legacy trust account—state appropriation, and \$40,000,000 of the opportunity pathways account appropriation are provided solely for the early childhood education and assistance program. These amounts shall support at least 13,491 slots in fiscal year 2019.

(b) \$200,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers.

(c)((+)) The department is 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 fund the child care subsidies paid by the department of social and health services on behalf of the department.

~~((ii)(A) If the department receives additional federal child care and development funding while the legislature is not in session, the department shall request a federal allotment adjustment through the unanticipated receipts process defined in RCW 43.79.270 and shall prioritize its request based on the following priorities:~~

~~(I) Increasing child care rates comparable to market rates based on the most recent market survey;~~

~~(II) Increasing access to infant and toddler child care;~~

~~(III) Increasing access to child care in geographic areas where supply for subsidized child care does not meet the demand;~~

~~(IV) Providing nurse consultation services to licensed providers;~~

~~(V) Allowing working connections child care consumers who are full-time community or technical college students to attend college full-time and not have to meet work requirements; and~~

~~(VI) Meeting new or expanded federal mandates.~~

~~(B) The secretary of the department shall consult with the chairs and ranking members of the appropriate policy committees of the legislature prior to submitting the unanticipated receipt.)~~

(d)(i) (~~(\$78,090,000)~~) \$100,309,000 of the general fund—federal appropriation is provided solely for the working connections child care program under RCW 43.215.135. In order to not exceed the appropriated amount, the department shall manage the program so that the average monthly caseload does not exceed 33,000 households. The department shall give prioritized access into the program according to the following order:

(A) Families applying for or receiving temporary assistance for needy families (TANF);

(B) TANF families curing sanction;

(C) Foster children;

(D) Families that include a child with special needs;

(E) Families in which a parent of a child in care is a minor who is not living with a parent or guardian and who is a full-time student in a high school that has a school-sponsored on-site child care center;

(F) Families with a child residing with a biological parent or guardian who have received child protective services, child welfare services, or a family assessment response from the department in the past six months, and has received a referral for child care as part of the family's case management;

(G) Families that received subsidies within the last thirty days and:

(I) Have reapplied for subsidies; and

(II) Have household income of two hundred percent federal poverty level or below; and

(H) All other eligible families.

(ii) The department, in collaboration with the department of social and health services, must submit a final report by December 1, 2018, to the governor and the appropriate fiscal and policy committees of the legislature on quality control measures for the working connections child care program. The report must include:

(A) A detailed narrative of the procurement and implementation of an improved time and attendance system, including a detailed accounting of the costs of procurement and implementation;

(B) A comprehensive description of all processes, including computer algorithms and additional rule development, that the department and the department of social and health services plan to establish prior to and after full implementation of the time and attendance system. At a minimum, processes must be designed to:

(I) Ensure the department's auditing efforts are informed by regular and continuous alerts of the potential for overpayments;

(II) Avoid overpayments to the maximum extent possible and expediently recover overpayments that have occurred;

(III) Withhold payment from providers when necessary to incentivize receipt of the necessary documentation to complete an audit;

(IV) Establish methods for reducing future payments or establishing repayment plans in order to recover any overpayments;

(V) Sanction providers, including termination of eligibility, who commit intentional program violations or fail to comply with program requirements, including compliance with any established repayment plans; and

(VI) Consider pursuit of prosecution in cases with fraudulent activity; and

(C) A description of the process by which fraud is identified and how fraud investigations are prioritized and expedited.

(iii) Beginning July 1, 2018, and annually thereafter, the department, in collaboration with the department of social and health services, must report to the governor and the appropriate fiscal and policy committees of the legislature on the status of overpayments in the working connections child care program. The report must include the following information for the previous fiscal year:

(A) A summary of the number of overpayments that occurred;

(B) The reason for each overpayment;

(C) The total cost of overpayments;

(D) A comparison to overpayments that occurred in the past two preceding fiscal years; and

(E) Any planned modifications to internal processes that will take place in the coming fiscal year to further reduce the occurrence of overpayments.

(e) Within available amounts, the department in consultation with the office of financial management and the department of social and health services shall report enrollments and active caseload for the working connections child care program to the legislative fiscal committees and the legislative-executive WorkFirst oversight task force on an agreed upon schedule. The report shall also identify the number of cases participating in both temporary assistance for needy families and working connections child care. The department must also report on the number of children served through contracted slots.

(f) \$1,560,000 of the general fund—state appropriation for fiscal year 2019 and \$6,712,000 of the general fund—federal appropriation are provided solely for the seasonal child care program. If federal sequestration cuts are realized, cuts to the seasonal child care program must be proportional to other federal reductions made within the department.

(g) \$4,674,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the early childhood intervention prevention services (ECLIPSE) program. The department shall contract for ECLIPSE services to provide therapeutic child care and other specialized treatment services to abused, neglected, at-risk, and/or drug-affected children. The department shall ensure that contracted providers pursue receipt of federal funding associated with the early support for infants and toddlers program. Priority for services shall be given to children referred from the department.

(h) \$42,706,000 of the general fund—state appropriation for fiscal year 2019 and ~~(\$13,954,000)~~ \$14,001,000 of the general fund—federal appropriation are provided solely to maintain the requirements set forth in chapter 7, Laws of 2015, 3rd sp. sess. The department shall place a ten percent administrative overhead cap on any contract entered into with the University of Washington. In its annual report to the governor and the legislature, the department shall report the total amount of funds spent on the quality rating and improvements system and the total amount of funds spent on degree incentives, scholarships, and tuition reimbursements. Of the amounts provided in this subsection (4)(h), \$577,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a six percent base rate increase for child care center providers.

(i) \$1,728,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for reducing barriers for low-income providers to participate in the early achievers program.

(j) \$300,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a contract with a nonprofit entity experienced in the provision of promoting early literacy for children through pediatric office visits.

(k) \$2,000,000 of the education legacy trust account—state appropriation is provided solely for early intervention assessment and services.

(l) \$3,445,000 of the general fund—federal appropriation for fiscal year 2019 is provided solely for the department to procure a time and attendance system and are subject to the conditions, limitations, and review provided in section 724 of this act.

(m) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management and authorization systems within the department are subject to technical oversight by the office of the chief information officer. The department must collaborate with the office of the chief information officer to develop a strategic business and technology architecture plan for a child care attendance and billing system that supports a statewide architecture.

(n)(i)(A) The department is required to provide to the education research and data center, housed at the office of financial management, data on all state-funded early childhood programs. These programs include the early support for infants and toddlers, early childhood education and assistance program (ECEAP), and the working connections and seasonal subsidized childcare programs including license exempt facilities or family, friend, and neighbor care. The data provided by the department to the education research data center must include information on children who participate in these programs, including their name and date of birth, and dates the child received services at a particular facility.

(B) ECEAP early learning professionals must enter any new qualifications into the department's professional development registry starting in the 2015-16 school year, and every school year thereafter. By October 2017, and every October thereafter, the department must provide updated ECEAP early learning professional data to the education research data center.

(C) The department must request federally funded head start programs to voluntarily provide data to the department and the education research data center that is equivalent to what is being provided for state-funded programs.

(D) The education research and data center must provide an updated report on early childhood program participation and K-12 outcomes to the house of representatives appropriations committee and the senate ways and means committee using available data by March 2018 for the school year ending in 2017.

(ii) The department, in consultation with the department of social and health services, must withhold payment for services to early childhood programs that do not report on the name, date of birth, and the dates a child received services at a particular facility.

(o) The department shall work with state and local law enforcement, federally recognized tribal governments, and tribal law enforcement to develop a

process for expediting fingerprinting and data collection necessary to conduct background checks for tribal early learning and child care providers.

(p) \$2,651,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the 2017-2019 collective bargaining agreement covering family child care providers as set forth in section 940 of this act. Amounts provided in this subsection (4)(p) are contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the amount provided in this subsection shall lapse. Of the amounts provided in this subsection:

(i) \$273,000 is for a base rate increase;

(ii) \$55,000 is for increasing paid professional development days from three days to five days;

(iii) \$1,708,000 is for the family child care providers 501(c)(3) organization for the substitute pool, training and quality improvement support services, and administration;

(iv) \$114,000 is for increasing licensing incentive payments; and

(v) \$500,000 is for needs based grants.

(q) \$175,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to contract with a nonprofit entity that provides quality improvement services to participants in the early achievers program to implement a community-based training module that supports licensed child care providers who have been rated in early achievers and who are specifically interested in serving children in the early childhood education and assistance program. The module must be functionally translated into Spanish and Somali. The module must prepare trainees to administer all aspects of the early childhood education and assistance program for eligible children in their licensed program and must be offered to 105 child care providers to serve children eligible for the early childhood education and assistance program by June 30, 2019.

(r) \$219,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of chapter 236, Laws of 2017 (SHB 1445) (dual language in early learning & K-12).

(s) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of chapter 202, Laws of 2017 (E2SHB 1713) (children's mental health).

(t) \$317,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 162, Laws of 2017 (SSB 5357) (outdoor early learning programs).

(u) \$50,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department, in collaboration with the department of health, to submit a report on child care nurse consultation to the governor and appropriate fiscal and policy committees of the legislature by December 1, 2018. The report must address the following:

(i) Provide background on what nurse consultation services are currently available to licensed child care providers; and

(ii) Provide options and recommendations, including fiscal estimates, for a plan to provide nurse consultation services to licensed child care providers who request assistance in addressing the health and behavioral needs of children in their care.

(v) \$163,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to develop a community-based training module in managing and sustaining a child care business for child care providers and entrepreneurs. To develop the training, the department must consult with the statewide child care resource and referral network, the community and technical college system, and one or more community-based organizations with experience in preparing child care providers for entry into the workforce. By November 1, 2018, the department must offer the training as a pilot in rural Jefferson county and urban Pierce county. The department must report on the results of the pilot to the governor and the legislature by December 1, 2019.

(w) \$74,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed House Bill No. 2861 (trauma-informed child care). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(x) \$750,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of the expanded learning opportunity quality initiative pursuant to RCW 43.215.100(3)(d).

(y) \$150,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to implement Engrossed Second Substitute House Bill No. 2779 (children mental health services). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

~~((3))~~ (5) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2019)	(\$51,709,000)
	<u>\$52,824,000</u>
General Fund—Federal Appropriation	(\$15,928,000)
	<u>\$16,672,000</u>
TOTAL APPROPRIATION	(\$67,637,000)
	<u>\$69,496,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The appropriations provided in this subsection are provided solely for implementation of Engrossed Second Substitute House Bill No. 1661 (child, youth, families department). If the bill is not enacted by July 31, 2017, the amount provided in this subsection shall lapse.

(b)(i) During the 2017-2019 fiscal biennium, the department must revise its agreements and contracts with vendors to include a provision to require that each vendor agrees to equality among its workers by ensuring similarly employed individuals are compensated as equals as follows:

(A) Employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed;

(B) Vendors may allow differentials in compensation for its workers based in good faith on any of the following:

(I) A seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels.

(II) A bona fide job-related factor or factors may include, but not be limited to, education, training, or experience, that is: Consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential.

(III) A bona fide regional difference in compensation level must be: Consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential.

(ii) The provision must allow for the termination of the contract if the department or department of enterprise services determines that the vendor is not in compliance with this agreement or contract term.

(iii) The department must implement this provision with any new contract and at the time of renewal of any existing contract.

(c)(i) \$150,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to conduct a study, jointly with the office of homeless youth prevention and protection programs within the department of commerce, on the public system response to families and youth in crisis who are seeking services to address family conflict in the absence of child abuse and neglect.

(ii) In conducting the study required under this section, the department and the office shall involve stakeholders involved in advocating and providing services to truants and at-risk youth, and shall consult with local jurisdictions, the Washington administrative office of the courts, and other entities as appropriate. The study shall review the utilization of existing resources such as secure crisis residential centers, crisis residential centers, and HOPE beds and make recommendations to assure effective use or redeployment of these resources.

(iii) The department and office shall develop recommendations to improve the delivery of services to youth and families in conflict which shall include a plan to provide community-based early intervention services as well as intensive interventions for families and youth facing crisis so severe that a youth cannot continue to reside in the home or is at risk of experiencing homelessness. Recommendations may include changes to family reconciliation services, and revisions to the at-risk youth and child in need of services petition processes, including consideration of a combined family in need of services petition process or a civil citation process.

(iv) The department and the office shall jointly submit recommendations required by this section to the governor and the appropriate legislative committees no later than December 15, 2018.

(d) \$1,000,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to support the implementation of the department of children, youth, and families. The department must submit an expenditure plan to the office of financial management and may expend implementation funds after the approval of the director of the office of financial management.

(e) \$111,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed House Bill No. 2008 (state services for children). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

**Sec. 1118 was partially vetoed. See message at end of chapter.*

**PART XII
SUPPLEMENTAL
NATURAL RESOURCES**

Sec. 1201. 2018 c 299 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund—State Appropriation (FY 2018)	.....	\$19,735,000
General Fund—State Appropriation (FY 2019)	.....	(\$22,505,000)
		<u>\$22,508,000</u>
General Fund—Federal Appropriation	.....	\$106,467,000
General Fund—Private/Local Appropriation	.....	\$23,008,000
Reclamation Account—State Appropriation	.....	\$4,101,000
Flood Control Assistance Account—State Appropriation	.....	\$4,173,000
State Emergency Water Projects Revolving Account—State Appropriation	.....	\$40,000
Waste Reduction/Recycling/Litter Control—State Appropriation	.....	(\$14,787,000)
		<u>\$14,788,000</u>
State Drought Preparedness Account—State Appropriation	.....	\$204,000
State and Local Improvements Revolving Account (Water Supply Facilities)—State Appropriation	.....	\$164,000
Aquatic Algae Control Account—State Appropriation	.....	\$522,000
Water Rights Tracking System Account—State Appropriation	.....	\$47,000
Site Closure Account—State Appropriation	.....	\$582,000
Wood Stove Education and Enforcement Account—State Appropriation	.....	\$560,000
Worker and Community Right-to-Know Account—State Appropriation	.....	\$1,869,000
Water Rights Processing Account—State Appropriation	.....	\$39,000
State Toxics Control Account—State Appropriation	.....	(\$149,327,000)
		<u>\$150,176,000</u>
State Toxics Control Account—Private/Local Appropriation	.....	\$499,000
Local Toxics Control Account—State Appropriation	.....	\$4,864,000
Water Quality Permit Account—State Appropriation	.....	(\$44,403,000)
		<u>\$44,421,000</u>
Underground Storage Tank Account—State Appropriation	.....	\$3,661,000
Biosolids Permit Account—State Appropriation	.....	\$2,203,000
Environmental Legacy Stewardship Account—State Appropriation	.....	(\$41,421,000)
		<u>\$41,423,000</u>
Hazardous Waste Assistance Account—State Appropriation	.....	(\$6,593,000)
		<u>\$6,594,000</u>
Radioactive Mixed Waste Account—State Appropriation	.....	(\$18,425,000)
		<u>\$18,426,000</u>
Air Pollution Control Account—State Appropriation	.....	\$3,477,000
Oil Spill Prevention Account—State Appropriation	.....	(\$9,744,000)
		<u>\$9,745,000</u>

Air Operating Permit Account—State Appropriation	\$3,816,000
Freshwater Aquatic Weeds Account—State Appropriation	\$1,459,000
Oil Spill Response Account—State Appropriation	\$7,076,000
Dedicated Marijuana Account—State Appropriation (FY 2019)	\$98,000
Pension Funding Stabilization Account—State Appropriation	\$2,924,000
Water Pollution Control Revolving Administration Account—State Appropriation	\$3,595,000
TOTAL APPROPRIATION	(\$502,388,000)
	<u>\$503,264,000</u>

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) \$15,000,000 of the general fund—state appropriation for fiscal year 2018 and \$15,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for activities within the water resources program.

(3) \$228,000 of the general fund—state appropriation for fiscal year 2018 and \$227,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to grant to the northwest straits commission to distribute equally among the seven Puget Sound marine resource committees.

(4) Within existing resources, the department of ecology must engage stakeholders in a revision of WSR 13-22-073, rule amendments to chapter 173-350 WAC, to revise the proposed rule and submit a report to the senate local government and energy, environment, and telecommunications committees and the house of representatives local government and environment committees by September 1, 2017. The report must include a summary of areas of consensus and dispute, proposed resolution of disputes, a list of engaged stakeholders, a proposed timeline for potential rule adoption, and the most recent draft of proposed amendment language, if any.

(5) \$180,000 of the general fund—state appropriation for fiscal year 2019, \$44,000 of the waste reduction, recycling and litter control account—state appropriation, \$720,000 of the state toxics control account—state appropriation, \$17,000 of the local toxics control account—state appropriation, \$220,000 of the water quality permit account—state appropriation, \$23,000 of the underground storage tank account—state appropriation, \$132,000 of the environmental legacy stewardship account—state appropriation, \$39,000 of the hazardous waste assistance account—state appropriation, \$86,000 of the radioactive mixed waste account—state appropriation, \$18,000 of the air pollution control account—state appropriation, \$41,000 of the oil spill prevention account—state appropriation, and \$23,000 of the air operating permit account—state appropriation are provided solely for modernizing and migrating the department of ecology's business applications from an agency-based data center to the state data center or a cloud environment and are subject to the conditions, limitations, and review provided in section 724, chapter 1, Laws of 2017 3rd sp. sess.

(6) \$80,000 of the hazardous waste assistance account—state appropriation is provided solely for the implementation of Substitute House Bill No. 2634 (antifouling paints). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(7) \$97,000 of the state toxics control account—state appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 2658 (perfluorinated chemicals). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(8) \$42,000 of the general fund—state appropriation for fiscal year 2018 and \$102,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of Executive Order No. 12-07, Washington's response to ocean acidification.

(9) \$81,000 of the oil spill prevention account—state appropriation is provided solely for rule-making and other implementation costs of chapter 239, Laws of 2017 (short line railroad).

(10) \$73,000 of the state toxics control account—state appropriation is provided solely for implementing the provisions of Engrossed Substitute Senate Bill No. 6413 (firefighting/toxic chemicals). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(11) \$1,143,000 of the oil spill prevention account—state appropriation is provided solely for implementing the provisions of Engrossed Second Substitute Senate Bill No. 6269 (strengthening oil transportation safety). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(12) \$190,000 of the general fund—state appropriation for fiscal year 2018, \$1,707,000 of the general fund—state appropriation for fiscal year 2019, and \$2,000,000 of the flood control assistance account—state appropriation are provided solely for the implementation of chapter 1, Laws of 2018 (ESSB 6091) (water availability).

(13) \$11,000 of the state toxics control account—state appropriation and \$17,000 of the air pollution control account—state appropriation are provided solely for the implementation of Substitute Senate Bill No. 6055 (apple maggot/outdoor burning). If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.

(14) \$14,000 of the state toxics control account—state appropriation and \$13,000 of the water quality permit account—state appropriation are provided solely for the implementation of Engrossed House Bill No. 2957 (nonnative finfish escape). If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.

(15)(a) \$625,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to address water use in violation of chapter 90.03 or 90.44 RCW in priority watersheds. The legislature recognizes that water use in violation of chapter 90.03 or 90.44 RCW in priority watersheds can impair existing instream flows and senior water rights and supports actions taken by the department to reduce water use in violation of chapter 90.03 or 90.44 RCW. The department shall engage in compliance and enforcement work to ensure compliance with requirements under chapters 90.03 and 90.44 RCW. Funding is authorized to be used for technical assistance, informal enforcement, and formal enforcement actions.

(b) The department shall use funds appropriated under this section to work in water resource inventory areas where: (a) Rules have been adopted under chapters 90.22 or 90.54 RCW; (b) those rules do not specify mitigation requirements for groundwater withdrawals exempt from permitting under RCW 90.44.050; and (c) the department believes water use in violation of chapter 90.03 or 90.44 RCW is negatively impacting streamflows.

(c) The department shall submit a report to the legislature by December 1, 2019, that summarizes the compliance and enforcement work completed in each basin, including the estimated benefit to streamflows occurring from actions taken.

(d) Appropriations under this section should not replace or otherwise impact funds appropriated to the department to carry out duties under RCW 90.03.605 and chapter 90.08 RCW.

(16) \$187,000 of the state toxics control account—state appropriation is provided solely to the department to begin a multiyear study to distinguish the sources of emissions of the toxic air pollutant that poses the greatest cancer risk at the air monitoring station that is located closest to a port in the state with the highest volume of container traffic in domestic and foreign waterborne trade, as measured by the United States bureau of transportation statistics for the most recent year such statistics were available, as of January 1, 2017. The local air pollution control authority may financially contribute to the completion of this study, and the department is encouraged to consult with the local air pollution control authority in designing and implementing this study.

(17) \$98,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 is provided solely for the department to begin conducting research into appropriate protocols and accreditation standards for marijuana testing laboratories. By January 15, 2019, the department must report to the appropriate committees of the legislature with preliminary recommendations regarding laboratory accreditation standards that should be applied to marijuana testing laboratories.

(18) \$778,000 of the state toxics control account—state appropriation is provided solely to the department to cover the cost of expert witnesses, discovery, motions practice, and other expenses that will occur during the preparation and trial phases of the *Lighthouse Resources Inc. et al. v. Inslee et al.* case.

Sec. 1202. 2018 c 299 s 303 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund—State Appropriation (FY 2018)	\$8,993,000
General Fund—State Appropriation (FY 2019)	(\$10,328,000)
	<u>\$10,578,000</u>
General Fund—Federal Appropriation	\$6,977,000
Winter Recreation Program Account—State Appropriation	\$3,292,000
ORV and Nonhighway Vehicle Account—State Appropriation	\$392,000
Snowmobile Account—State Appropriation	\$5,632,000
Aquatic Lands Enhancement Account—State Appropriation	\$367,000
Recreation Access Pass Account—State Appropriation	\$50,000
Parks Renewal and Stewardship Account—State	
Appropriation	(\$124,299,000)
	<u>\$124,833,000</u>

Parks Renewal and Stewardship Account—Private/Local	
Appropriation	((\$420,000))
	<u>\$615,000</u>
Pension Funding Stabilization Account—State	
Appropriation	\$1,498,000
TOTAL APPROPRIATION	((\$162,248,000))
	<u>\$163,227,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$129,000 of the general fund—state appropriation for fiscal year 2018 and \$129,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a grant for the operation of the Northwest weather and avalanche center.

(2) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the commission to pay assessments charged by local improvement districts.

(3) \$700,000 of the parks renewal and stewardship account—state appropriation is provided solely for the commission to replace 32 existing automated pay stations and to install 38 additional automated pay stations within state parks.

(4) \$50,000 of the recreation access pass account—state appropriation is provided solely for the commission, using its authority under RCW 79A.05.055(3) and in partnership with the department of fish and wildlife and the department of natural resources, to coordinate a process to develop options and recommendations to improve consistency, equity, and simplicity in recreational access fee systems while accounting for the fiscal health and stability of public land management. The process must be collaborative and include other relevant agencies and appropriate stakeholders. The commission must contract with the William D. Ruckelshaus Center or another neutral third party to facilitate meetings and discussions with parties involved in the process and provide a report to the appropriate committees of the legislature by December 1, 2017. The process must analyze and make recommendations on:

(a) Opportunities for federal and state recreational permit fee coordination, including the potential for developing a system that allows a single pass to provide access to federal and state lands;

(b) Opportunities to enhance consistency in the way state and federal recreational access fees apply to various types of recreational users, including those that travel to public lands by motor vehicle, boat, bicycle, foot, or another method; and

(c) Opportunities to develop a comprehensive and consistent statewide approach to recreational fee discounts and exemptions to social and other groups including, but not limited to, disabled persons, seniors, disabled veterans, foster families, low-income residents, and volunteers. This analysis must examine the cost of such a program, and should consider how recreational fee discounts fit into the broader set of benefits provided by the state to these social groups. This includes a review of the efficacy, purpose, and cost of existing recreational fee discounts and exemptions, as well as opportunities for new or modified social

group discounts and exemptions. The department of veterans affairs and the department of social and health services must be included in this portion of the process.

(5) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the commission to carry out forest health related activities at the Squilchuck state park.

Sec. 1203. 2018 c 299 s 306 (uncodified) is amended to read as follows:

FOR THE CONSERVATION COMMISSION

General Fund—State Appropriation (FY 2018)	\$7,074,000
General Fund—State Appropriation (FY 2019)	(\$7,329,000)
	<u>\$7,629,000</u>
General Fund—Federal Appropriation	\$2,301,000
Public Works Assistance Account—State Appropriation	\$7,619,000
State Toxics Control Account—State Appropriation	\$1,000,000
Pension Funding Stabilization Account—State Appropriation	\$254,000
TOTAL APPROPRIATION	(\$25,577,000)
	<u>\$25,877,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$7,602,000 of the public works assistance account—state appropriation is provided solely for implementation of the voluntary stewardship program. This amount may not be used to fund agency indirect and administrative expenses.

(2)(a) \$50,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the commission to convene and facilitate a food policy forum. The director of the commission is responsible for appointing participating members of the food policy forum in consultation with the director of the department of agriculture. In making appointments, the director of the commission must attempt to ensure a diversity of knowledge, experience, and perspectives by building on the representation established by the food system roundtable initiated by executive order No. 10-02.

(b) In addition to members appointed by the director of the state conservation commission, four legislators may serve on the food policy forum in an ex officio capacity. Legislative participants must be appointed as follows:

- (i) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives; and
- (ii) The president of the senate shall appoint one member from each of the two largest caucuses of the senate.

(c) The commission shall coordinate with the office of farmland preservation and the department of agriculture to avoid duplication of effort. The commission must report to the appropriate committees of the legislature, consistent with RCW 43.01.036, with the forum's recommendations by June 30, 2019.

(3) \$275,000 of the general fund—state appropriation for fiscal year 2018 and \$475,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for grants and technical assistance. Of the amounts provided in

this subsection, \$25,000 in fiscal year 2018 and \$225,000 in fiscal year 2019 are provided solely for activities related to water quality improvements and fecal coliform DNA speciation statewide.

Sec. 1204. 2018 c 299 s 307 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

General Fund—State Appropriation (FY 2018)	\$46,860,000
General Fund—State Appropriation (FY 2019)	(\$47,569,000)
	<u>\$47,788,000</u>
General Fund—Federal Appropriation	(\$130,365,000)
	<u>\$130,369,000</u>
General Fund—Private/Local Appropriation	(\$63,918,000)
	<u>\$63,920,000</u>
ORV and Nonhighway Vehicle Account—State Appropriation	\$699,000
Aquatic Lands Enhancement Account—State	
Appropriation	\$10,423,000
Recreational Fisheries Enhancement—State	
Appropriation	\$3,118,000
Warm Water Game Fish Account—State Appropriation	\$2,660,000
Eastern Washington Pheasant Enhancement Account—State	
Appropriation	\$675,000
State Wildlife Account—State Appropriation	(\$117,751,000)
	<u>\$117,755,000</u>
Special Wildlife Account—State Appropriation	\$3,234,000
Special Wildlife Account—Federal Appropriation	\$505,000
Special Wildlife Account—Private/Local Appropriation	\$3,573,000
Wildlife Rehabilitation Account—State Appropriation	\$361,000
Ballast Water and Biofouling Management Account—State	
Appropriation	\$10,000
Hydraulic Project Approval Account—State Appropriation	(\$29,000)
	<u>\$179,000</u>
Environmental Legacy Stewardship Account—State	
Appropriation	\$2,763,000
Regional Fisheries Enhancement Salmonid Recovery Account—	
Federal Appropriation	\$5,001,000
Oil Spill Prevention Account—State Appropriation	\$1,120,000
Pension Funding Stabilization Account—State	
Appropriation	\$5,178,000
Oyster Reserve Land Account—State Appropriation	\$527,000
Performance Audits of Government Account—State	
Appropriation	\$325,000
Aquatic Invasive Species Management Account—State	
Appropriation	\$1,656,000
TOTAL APPROPRIATION	(\$446,581,000)
	<u>\$448,699,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$67,000 of the general fund—state appropriation for fiscal year 2018 and \$467,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely to pay for emergency fire suppression costs. These amounts may not be used to fund agency indirect and administrative expenses.

(2) \$1,109,000 of the general fund—state appropriation for fiscal year 2018 and \$1,109,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for payments in lieu of real property taxes to counties that elect to receive the payments for department-owned game lands within the county.

(3) \$415,000 of the general fund—state appropriation for fiscal year 2018, \$415,000 of the general fund—state appropriation for fiscal year 2019, and \$440,000 of the general fund—federal appropriation are provided solely for county assessments.

(4) Prior to submitting its 2019-2021 biennial operating and capital budget requests related to state fish hatcheries to the office of financial management, the department shall contract with the hatchery scientific review group (HSRG) to review the proposed requests. 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 with its agency budget proposal.

(5) \$400,000 of the general fund—state appropriation for fiscal year 2018 and \$400,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the United States army corps of engineers. Prior to implementation of any Puget Sound nearshore ecosystem restoration projects in Whatcom county, the department must consult with and seek, to the maximum extent practicable, consensus on those projects among appropriate landowners, federally recognized Indian tribes, agencies, and community and interest groups.

(6) Within the amounts appropriated in this section, the department shall identify additional opportunities for partnerships in order to keep fish hatcheries operational. Such partnerships shall aim to maintain fish production and salmon recovery with less reliance on state operating funds.

(7) \$525,000 of the general fund—state appropriation for fiscal year 2018 and \$525,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for training for a work unit to engage and empower diverse stakeholders in decisions about fish and wildlife, the continued conflict transformation with the wolf advisory group, and for cost share partnerships with livestock owners and the use of range riders to reduce the potential for depredation of livestock from wolves. The department shall cooperate with the department of agriculture to shift the responsibility of implementing cost-sharing contracts with livestock producers to use nonlethal actions to minimize livestock loss from wolves and other carnivores to the department of agriculture.

(8) \$1,259,000 of the state wildlife account—state appropriation is provided solely for the fish program, including implementation of Substitute House Bill No. 1597 (commercial fishing). If the bill is not enacted by July 31, 2017, the amount provided in this subsection shall lapse.

(9) \$1,630,000 of the aquatic invasive species management account, \$600,000 of the general fund—federal appropriation, \$62,000 of the state

wildlife account—state appropriation, and \$10,000 of the ballast water and biofouling management account—state appropriation are provided solely for activities related to aquatic invasive species, including implementation of Substitute House Bill No. 1429 or Substitute Senate Bill No. 5303 (aquatic invasive species). If neither bill is enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

(10) Within amounts provided in this section, the department must consult with affected tribes and landowners in Skagit county to develop and implement a plan designed to address elk-related agricultural damage and vehicular collisions by using all available and appropriate methods including, but not limited to, cooperative fencing projects and harvest in order to minimize elk numbers on private lands and maximize the number of elk located on state and federal lands. The plan must be implemented by September 1, 2018.

(11) Within the appropriations of this section, the department shall initiate outreach with recreational fishing stakeholders so that recreational fishing guide and non-guided angler data can be collected and analyzed to evaluate changes in the structure of guide licensing, with the objectives of: (a) Improving the fishing experience and ensuring equitable opportunity for both guided and non-guided river anglers, (b) managing fishing pressure to protect wild steelhead and other species; and (c) ensuring that recreational fish guiding remains a sustainable economic contributor to rural economies. The department shall convene public meetings in the North Olympic Peninsula and Klickitat River areas, and may include other areas of the state, and shall provide the appropriate standing committees of the legislature a summary of its findings, by December 31, 2017.

(12)(a) \$5,500,000 of the general fund—state appropriation for fiscal year 2018, \$5,500,000 of the general fund—state appropriation for fiscal year 2019, and \$325,000 of the performance audits of government account—state appropriation are provided solely as one-time funding to support the department in response to its budget shortfall. Of the amounts provided in this subsection, \$450,000 of the general fund—state appropriation for fiscal year 2018 and \$450,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to grant to the regional fisheries enhancement groups. In order to address this shortfall on a long-term basis, the department must develop a plan for balancing projected revenue and expenditures and improving the efficiency and effectiveness of agency operations, including:

(i) Expenditure reduction options that maximize administrative and organizational efficiencies and savings, while avoiding hatchery closures and minimizing impacts to fisheries and hunting opportunities; and

(ii) Additional revenue options and an associated outreach plan designed to ensure that the public, stakeholders, the commission, and legislators have the opportunity to understand and impact the design of the revenue options.

(iii) The range of options created under (a)(i) and (ii) of this subsection must be prioritized by impact on achieving financial stability, impact on the public and fisheries and hunting opportunities, and on timeliness and ability to achieve intended outcomes.

(b) In consultation with the office of financial management, the department must consult with an outside management consultant to evaluate and implement efficiencies to the agency's operations and management practices. Specific areas of evaluation must include:

(i) Potential inconsistencies and increased costs associated with the decentralized nature of organizational authority and operations;

(ii) The department's budgeting and accounting processes, including work done at the central, program, and region levels, with specific focus on efficiencies to be gained by centralized budget control;

(iii) Executive management, program management, and regional management structures, specifically addressing accountability.

(c) In carrying out these planning requirements, the department must provide quarterly updates to the commission, office of financial management, and appropriate legislative committees. The department must provide a final summary of its process and plan by September 1, 2018.

(d) The department, in cooperation with the office of financial management shall conduct a zero-based budget review of its operating budget and activities to be submitted with the department's 2019-2021 biennial budget submittal. Information and analysis submitted by the department for the zero-based review under this subsection shall include:

(i) A statement of the statutory basis or other basis for the creation of each program and the history of each program that is being reviewed;

(ii) A description of how each program fits within the strategic plan and goals of the agency and an analysis of the quantified objectives of each program within the agency;

(iii) Any available performance measures indicating the effectiveness and efficiency of each program;

(iv) A description with supporting cost and staffing data of each program and the populations served by each program, and the level of funding and staff required to accomplish the goals of the program if different than the actual maintenance level;

(v) An analysis of the major costs and benefits of operating each program and the rationale for specific expenditure and staffing levels;

(vi) An analysis estimating each program's administrative and other overhead costs;

(vii) An analysis of the levels of services provided; and

(viii) An analysis estimating the amount of funds or benefits that actually reach the intended recipients.

(13) \$580,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of chapter 1, Laws of 2018 (ESSB 6091) (water availability).

(14) \$76,000 of the general fund—state appropriation for fiscal year 2018 and \$472,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to increase enforcement of vessel traffic near orca whales, especially commercial and recreational whale watchers and shipping, and to reduce underwater noise levels that interfere with feeding and communication. While the patrol focus is to be on orca whale protection when the animals are present, nothing prohibits responses to emergent public safety or in-progress poaching incidents. In the event that orca whales are not present in marine waters of Puget Sound, emphasis will be placed on patrols that protect living marine resources in northern Puget Sound.

(15) \$837,000 of the general fund—state appropriation for fiscal year 2019 is appropriated for the department to increase hatchery production of key prey

species fish throughout the Puget Sound, coast, and Columbia river. The department shall work with the governor, federal partners, tribal co-managers, the hatchery scientific review group, and other interested parties to develop a biennial hatchery production plan by December 31, 2018, that will: (a) Identify, within hatchery standards and endangered species act constraints, hatchery programs and specific facilities to contribute to the dietary needs of orca whales; (b) consider prey species preferences and migratory patterns of orca whales; and (c) include adaptive management provisions to ensure the conservation and enhancement of wild stocks. The final plan will be reviewed by the hatchery scientific review group and submitted to the appropriate committees of the legislature by December 31, 2018.

(16) \$115,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for an interagency agreement with the office of financial management for facilitation services and support the governor's efforts to develop a long-term action plan for orca whale recovery.

(17) \$55,000 of the state wildlife account—state appropriation is provided solely for implementing the provisions of Engrossed Substitute Senate Bill No. 6127 (halibut fishery). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(18) \$65,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Engrossed House Bill No. 2957 (nonnative finfish escape). If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.

(19) \$183,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to evaluate translocation as a management tool to advance the recovery of wolves using the state environmental policy act (SEPA) process. The department shall provide a report to the legislature outlining the results of the SEPA process no later than December 31, 2019.

(20) \$373,000 of the general fund—state appropriation for fiscal year 2018 and \$417,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to complete the third and final phase of the Puget Sound steelhead research project.

(21) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$400,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to add a veterinarian, microbiologist, and make laboratory upgrades to ensure the hatchery program complies with recent changes in water quality and health laws.

(22) \$400,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for restoration costs that are a result of wildfire damage.

(23) \$300,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to implement and enforce chapter 2, Laws of 2016 (Initiative Measure No. 1401).

(24) The department must ensure the following actions occur prior to initiating construction of the Buckmire slough project:

(a) The department shall engage with hunters and other stakeholders to consider alternative project designs that balance the multiple recreational uses and species habitat needs at the wildlife area;

(b) The department shall quantify potential habitat and recreational hunting loss associated with the project, and will work with stakeholders and interested members of the public to develop strategies for mitigating those losses; and

(c) Where necessary, the department shall make payments to all public and private entities that contributed to the purchase of the unit's 540 acres of waterfowl habitat, in amounts that are required by the funding entity.

(25) \$216,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for increased wildlife conflict response and cost-share contracts between the department and landowners to reduce the potential for wolf-livestock conflict, including but not limited to contracts for range riders.

Sec. 1205. 2018 c 299 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

General Fund—State Appropriation (FY 2018)	\$74,728,000
General Fund—State Appropriation (FY 2019)	(\$49,316,000)
	<u>\$60,944,000</u>
General Fund—Federal Appropriation	(\$36,496,000)
	<u>\$54,450,000</u>
General Fund—Private/Local Appropriation	(\$3,230,000)
	<u>\$4,430,000</u>
Forest Development Account—State Appropriation	(\$50,122,000)
	<u>\$50,125,000</u>
ORV and Nonhighway Vehicle Account—State Appropriation	\$7,843,000
Surveys and Maps Account—State Appropriation	\$2,479,000
Aquatic Lands Enhancement Account—State Appropriation	(\$16,188,000)
	<u>\$16,189,000</u>
Resources Management Cost Account—State Appropriation	(\$121,520,000)
	<u>\$121,527,000</u>
Surface Mining Reclamation Account—State Appropriation	\$4,122,000
Disaster Response Account—State Appropriation	\$23,076,000
Forest and Fish Support Account—State Appropriation	\$12,789,000
Aquatic Land Dredged Material Disposal Site Account—State Appropriation	\$400,000
Natural Resources Conservation Areas Stewardship Account—State Appropriation	\$232,000
State Toxics Control Account—State Appropriation	(\$10,709,000)
	<u>\$10,710,000</u>
Forest Practices Application Account—State Appropriation	\$1,896,000
Air Pollution Control Account—State Appropriation	\$870,000
NOVA Program Account—State Appropriation	\$733,000
Pension Funding Stabilization Account—State Appropriation	\$3,239,000
Derelict Vessel Removal Account—State Appropriation	\$1,945,000
Community Forest Trust Account—State Appropriation	\$52,000
Agricultural College Trust Management Account—State	

Appropriation	\$3,055,000
TOTAL APPROPRIATION	(\$425,040,000)
	<u>\$455,834,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,420,000 of the general fund—state appropriation for fiscal year 2018 and \$1,352,000 of the general fund—state appropriation for fiscal year 2019 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) \$44,455,000 of the general fund—state appropriation for fiscal year 2018(~~(\$16,546,000)~~) and \$29,044,000 of the general fund—state appropriation for fiscal year 2019, and \$16,050,000 of the disaster response account—state appropriation are provided solely for emergency fire suppression. The general fund—state appropriations provided in this subsection may not be used to fund the department's indirect and administrative expenses. The department's indirect and administrative costs shall be allocated among its remaining accounts and appropriations.

(3) \$5,000,000 of the forest and fish support account—state appropriation is provided solely for outcome-based performance contracts with tribes to participate in the implementation of the forest practices program. Contracts awarded may only contain indirect costs set at or below the rate in the contracting tribe's indirect cost agreement with the federal government. If federal funding for this purpose is reinstated, the amount provided in this subsection shall lapse.

(4) \$1,640,000 of the general fund—state appropriation for fiscal year 2018 and \$1,640,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to carry out the forest practices adaptive management program pursuant to RCW 76.09.370 and the May 24, 2012, settlement agreement entered into by the department and the department of ecology. Scientific research must be carried out according to the master project schedule and work plan of cooperative monitoring, evaluation, and research priorities adopted by the forest practices board. The forest practices board shall submit a report to the legislature following review, approval, and solicitation of public comment on the cooperative monitoring, evaluation, and research master project schedule, to include: Cooperative monitoring, evaluation, and research science and related adaptive management expenditure details, accomplishments, the use of cooperative monitoring, evaluation, and research science in decision-making, and funding needs for the coming biennium. For new or amended forest practices rules adopted or new or amended board manual provisions approved under chapter 76.09 RCW, the forest practices board shall also report on its evaluation of the scientific basis for the rule or board manual provisions including a technical assessment of the value-added benefits for aquatic resources and the corresponding economic impact to the regulated community from the rule or board manual. The report shall be provided to the appropriate committees of the legislature by November 1, 2018.

(5) \$147,000 of the general fund—state appropriation for fiscal year 2018 and \$147,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely for chapter 280, Laws of 2017 (ESHB 2010) (homelessness/wildfire areas), including local capacity for wildfire suppression in any county located east of the crest of the Cascade mountain range that shares a common border with Canada and has a population of one hundred thousand or fewer. The funding provided in this subsection must be provided to these counties for radio communication equipment, or to fire protection service providers within these counties for residential wildfire risk reduction activities, including education and outreach, technical assistance, fuel mitigation, and other residential risk reduction measures. For the purposes of this subsection, fire protection service providers include fire departments, fire districts, emergency management services, and regional fire protection service authorities. The department must prioritize funding to counties authorized in this subsection, and fire protection service providers within those counties that serve a disproportionately higher percentage of low-income residents as defined in RCW 84.36.042, that are located in areas of higher wildfire risk, and whose fire protection service providers have a shortage of reliable equipment and resources. Of the amount provided in this subsection, \$7,000 per fiscal year is provided for department administration costs.

(6) Sufficient funding is provided in this section and the capital appropriations act to implement chapter 248, Laws of 2017 (E2SHB 1711) (forest health treatments).

(7) \$211,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of chapter 319, Laws of 2017 (ESSB 5198) (fire retardant use). The department shall study and report on the types and efficacy of fire retardants used in fire suppression activities, their potential impact on human health and natural resources, and make recommendations to the legislature by December 31, 2017.

(8) \$505,000 of the general fund—state appropriation for fiscal year 2018 and \$486,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 95, Laws of 2017 (2SSB 5546) (forest health treatment assessment). The department shall establish a forest health assessment and treatment framework that consists of biennial forest health assessments, treatments, and progress review and reporting.

(9) \$150,000 of the aquatic lands enhancement account—state appropriation is provided solely for continued facilitation and support services for the marine resources advisory council.

(10) \$250,000 of the aquatic lands enhancement account—state appropriation is provided solely for implementation of the state marine management plan and ongoing costs of the Washington coastal marine advisory council to serve as a forum and provide recommendations on coastal management issues.

(11) \$406,000 of the general fund—state appropriation for fiscal year 2018 and \$350,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for Teanaway community forest operations management costs, such as management plan oversight and forest health.

(12) \$150,000 of the state toxics control account—state appropriation is provided solely for the department to meet its obligations as a potentially liable party under the Washington model toxics control act at Whitmarsh landfill and the east waterway site.

(13) \$25,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for conducting an aerial survey of the Washington coast forests to monitor the occurrence and spread of Swiss needle cast disease.

(14) \$25,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the department to grant to the University of Washington, Olympic natural resources center to develop a plan to mitigate the effects of Swiss needle cast disease on douglas fir tree species.

(15) Within existing resources, the department, in collaboration with the emergency management division of the military department, must develop agreements with other state agencies to recruit state employees to voluntarily participate in the wildfire suppression program. Other agency staff are eligible to receive training, fire gear, and any other necessary items to be ready for deployment to fight wildfires when called. The department shall cover agency staff costs directly or through reimbursement and must submit a request for an appropriation in the next legislative session to fulfill this requirement. The department must provide a report detailing the opportunities, challenges, and recommendations for increasing state employee voluntary participation in the wildfire suppression program to the appropriate committees of the legislature by December 1, 2017.

(16) \$160,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementing the provisions of Engrossed Substitute Senate Bill No. 6109 (wildland urban interface). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(17) \$42,000 of the forest development account—state appropriation, \$56,000 of the resources management cost account—state appropriation, and \$2,000 of the agricultural college trust management account—state appropriation are provided solely for the implementation of Engrossed Substitute House Bill No. 2285 (marbled murrelet reports). If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.

(18) \$6,000 of the forest development account—state appropriation, \$36,000 of the resources management cost account—state appropriation, and \$1,000 of the agricultural college trust management account—state appropriation are provided solely for the implementation of Third Substitute House Bill No. 2382 (surplus public property). If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.

(19) \$57,000 of the general fund—state appropriation for fiscal year 2018 and \$136,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of Substitute House Bill No. 2561 (wildland fire advisory committee). If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.

(20) \$403,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of House Bill No. 2733 (prescribed burn certificate program). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

~~((22))~~ (21) \$380,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for one full-time natural resource scientist, one full-time information technology specialist, and related support costs dedicated to earthquake and tsunami hazards. Duties for these positions include, but are not limited to, developing inventories, maps, evacuation routes, educational

materials, databases, and other activities that increase preparedness for earthquakes and tsunamis.

~~((23))~~ (22) \$37,000 of the aquatic lands enhancement account—state appropriation and \$37,000 of the resources management cost account—state appropriation are provided solely for the implementation of Engrossed House Bill No. 2957 (nonnative finfish escape). If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.

~~((24))~~ (23) \$25,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to enhance the department's efforts to develop and submit a proposed amendment to the 1997 Washington state trust lands habitat conservation plan for a marbled murrelet long-term conservation strategy. In meeting the department's legal and fiduciary obligations to beneficiaries of state lands and state forestlands, the proposed amendment shall be consistent with the requirements of the 1997 state lands habitat conservation plan, the associated implementation agreement and incidental take permit, and the federal endangered species act.

~~((25))~~ (24) \$198,000 of the natural resources conservation areas stewardship account—state appropriation is provided solely for weed control and maintenance of public access at natural areas.

Sec. 1206. 2018 c 299 s 309 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE

General Fund—State Appropriation (FY 2018)	.....	\$16,888,000
General Fund—State Appropriation (FY 2019)	.....	(\$17,465,000)
		<u>\$18,163,000</u>
General Fund—Federal Appropriation	.....	(\$32,134,000)
		<u>\$32,599,000</u>
General Fund—Private/Local Appropriation	.....	\$193,000
Aquatic Lands Enhancement Account—State Appropriation	.....	\$2,563,000
State Toxics Control Account—State Appropriation	.....	\$6,066,000
Water Quality Permit Account—State Appropriation	.....	\$73,000
Pension Funding Stabilization Account—State		
Appropriation	.....	\$1,041,000
TOTAL APPROPRIATION	.....	(\$76,423,000)
		<u>\$77,586,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$6,108,445 of the general fund—state appropriation for fiscal year 2018 and \$6,102,905 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementing the food assistance program as defined in RCW 43.23.290.

(2) Within amounts appropriated in this section, the department shall provide to the department of health, where available, the following data for all nutrition assistance programs that are funded by the United States department of agriculture and administered by the department. The department must provide the report for the preceding federal fiscal year by February 1, 2018, and February 1, 2019. The report must provide:

- (a) The number of people in Washington who are eligible for the program;
- (b) The number of people in Washington who participated in the program;

- (c) The average annual participation rate in the program;
- (d) Participation rates by geographic distribution; and
- (e) The annual federal funding of the program in Washington.

(3) \$132,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to fund an aquaculture coordinator. The aquaculture coordinator will work with shellfish growers and federal, state, and local governments to improve the efficiency and effectiveness of shellfish farm permitting. Many of those improvements will come directly from the shellfish interagency permitting team recommendations.

(4) \$14,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementing Substitute Senate Bill No. 6055 (apple maggot/outdoor burning). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(5) \$2,000 of the general fund—state appropriation for fiscal year 2018 and \$18,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 1, Laws of 2018 (ESSB 6091) (water availability).

(6) \$144,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the implementation of Second Engrossed Substitute House Bill No. 1508 (student meals and nutrition). If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.

(7) \$1,000 of the general fund—state appropriation for fiscal year 2018 and \$6,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of Engrossed House Bill No. 2957 (nonnative finfish escape). If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.

(8) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the industrial hemp research pilot program. Expenditures shall be prioritized for processing licenses and expanding the industrial hemp market.

(9) \$534,000 of the state toxics control account—state appropriation is provided ~~((solely for a monitoring program to study the impacts of the use of imidacloprid as a means to control burrowing shrimp and related costs))~~ to support research related to burrowing shrimp infestations in Willapa bay and Grays harbor. Department costs include, but are not limited to, oversight and participation on a technical advisory committee, technical assistance, planning, and reporting activities. The department may also use the funding provided in this subsection, as needed, for payments to Washington State University, the United States department of agriculture, and outside consultants ((for their participation in the monitoring program and technical advisory committee)). Research funded pursuant to this appropriation includes but is not limited to dye dispersal studies to understand the oceanographic dynamics of Willapa bay, Grays harbor, or both, laboratory studies to assess toxicity of candidate chemicals to control burrowing shrimp, and support of researchers in publishing original research related to control of burrowing shrimp, including research assessing potential impacts to nontarget organisms in Willapa bay and Grays harbor. The department must report to the appropriate committees of the legislature by June 1, 2019, on the progress of ~~((the monitoring program))~~ expenditures under this subsection.

(10) \$80,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to provide to the sheriff's departments of Ferry county and Stevens county to cooperate with the department and the department of fish and wildlife on wolf management activities. Of the amount provided in this subsection, \$40,000 is for the Ferry county sheriff's department and \$40,000 is for the Stevens county sheriff's department.

Sec. 1207. 2018 c 299 s 310 (uncodified) is amended to read as follows:

FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM

Pollution Liability Insurance Agency Underground Storage Tank Revolving Account—State	
Appropriation	\$90,000
Pollution Liability Insurance Program Trust Account—State	
Appropriation	(\$1,340,000)
	<u>\$1,512,000</u>
TOTAL APPROPRIATION	(\$1,430,000)
	<u>\$1,602,000</u>

Sec. 1208. 2018 c 299 s 311 (uncodified) is amended to read as follows:

FOR THE PUGET SOUND PARTNERSHIP

General Fund—State Appropriation (FY 2018)	\$2,783,000
General Fund—State Appropriation (FY 2019)	\$2,526,000
General Fund—Federal Appropriation	(\$10,334,000)
	<u>\$11,605,000</u>
Aquatic Lands Enhancement Account—State	
Appropriation	\$1,419,000
State Toxics Control Account—State Appropriation	\$721,000
Pension Funding Stabilization Account—State	
Appropriation	\$277,000
TOTAL APPROPRIATION	(\$18,060,000)
	<u>\$19,331,000</u>

The appropriations in this section are subject to the following conditions and limitations: By October 15, 2018, the Puget Sound partnership shall provide the governor a single, prioritized list of state agency 2019-2021 capital and operating budget requests related to Puget Sound restoration.

**PART XIII
SUPPLEMENTAL
TRANSPORTATION**

Sec. 1301. 2018 c 299 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund—State Appropriation (FY 2018)	\$1,688,000
General Fund—State Appropriation (FY 2019)	(\$2,145,000)
	<u>\$3,038,000</u>
Architects' License Account—State Appropriation	
	(\$1,203,000)
	<u>\$1,141,000</u>
Professional Engineers' Account—State Appropriation	
	(\$3,926,000)
	<u>\$4,095,000</u>
Real Estate Commission Account—State Appropriation	
	(\$11,547,000)

	<u>\$10,910,000</u>
Uniform Commercial Code Account—State Appropriation	((\$3,469,000))
	<u>\$1,687,000</u>
Real Estate Education Program Account—State Appropriation	\$276,000
Real Estate Appraiser Commission Account—State Appropriation	((\$1,870,000))
	<u>\$1,597,000</u>
Business and Professions Account—State Appropriation	((\$21,985,000))
	<u>\$20,100,000</u>
Real Estate Research Account—State Appropriation	\$415,000
Landscape Architects' License Account—State	\$4,000
Geologists' Account—State Appropriation	\$53,000
Derelict Vessel Removal Account—State Appropriation	\$33,000
CPL Renewal Notification Account—State Appropriation	\$183,000
Firearms Range Account—State Appropriation	\$75,000
Pension Funding Stabilization Account—State Appropriation	\$95,000
TOTAL APPROPRIATION	((\$48,967,000))
	<u>\$45,390,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$105,000 of the business and professions account appropriation is provided solely to implement chapter 46, Laws of 2017 (SHB 1420) (theatrical wrestling).

(2) \$183,000 of the concealed pistol license renewal notification account appropriation and \$75,000 of the firearms range account appropriation are provided solely to implement chapter 74, Laws of 2017 (SHB 1100) (concealed pistol license) and chapter 282, Laws of 2017 (SB 5268) (concealed pistol license notices).

(3) \$198,000 of the general fund—state appropriation for fiscal year 2018 and ((~~\$11,000~~)) \$86,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for costs related to sending notices to persons to encourage the renewal of vessel registrations.

(4) \$32,000 of the general fund—state appropriation for fiscal year 2018 and \$32,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department of licensing to issue identicards to youths released from juvenile rehabilitation facilities.

(5) The appropriations in this section include sufficient funding for the implementation of Third Substitute House Bill No. 1169 (student loan assistance).

(6) \$60,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to implement Senate Bill No. 6298 (domestic violence harassment/firearms). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(7) \$265,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill

No. 1439 (higher education student protection). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

Sec. 1302. 2018 c 299 s 402 (unclassified) is amended to read as follows:

FOR THE STATE PATROL

General Fund—State Appropriation (FY 2018)	\$43,800,000
General Fund—State Appropriation (FY 2019)	\$46,662,000
General Fund—Federal Appropriation	\$16,255,000
General Fund—Private/Local Appropriation	\$3,085,000
Death Investigations Account—State Appropriation	\$8,207,000
County Criminal Justice Assistance Account—State Appropriation	(\$3,752,000)
	<u>\$3,905,000</u>
Municipal Criminal Justice Assistance Account—State Appropriation	\$1,520,000
Fire Service Trust Account—State Appropriation	\$131,000
Vehicle License Fraud Account—State Appropriation	\$110,000
Disaster Response Account—State Appropriation	(\$12,400,000)
	<u>\$17,375,000</u>
Fire Service Training Account—State Appropriation	\$11,121,000
Aquatic Invasive Species Management Account—State Appropriation	\$54,000
Pension Funding Stabilization Account—State Appropriation	\$3,295,000
State Toxics Control Account—State Appropriation	\$548,000
Fingerprint Identification Account—State Appropriation	(\$15,745,000)
	<u>\$15,470,000</u>
Dedicated Marijuana Account—State Appropriation (FY 2019)	\$2,803,000
TOTAL APPROPRIATION	(\$169,488,000)
	<u>\$174,341,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$270,000 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.

(2) ~~(\$12,400,000)~~ \$17,375,000 of the disaster response account—state appropriation is provided solely for Washington state fire service resource mobilization costs incurred in response to an emergency or disaster authorized under RCW 43.43.960 through 43.43.964. The state patrol shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from this account. This work shall be done in coordination with the military department.

(3) \$700,000 of the fire service training account—state appropriation is provided solely for the firefighter apprenticeship training program.

(4) \$41,000 of the general fund—state appropriation for fiscal year 2018 and \$41,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 272, Laws of 2017 (E2SHB 1163) (domestic violence).

(5) \$125,000 of the general fund—state appropriation for fiscal year 2018 and \$116,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 261, Laws of 2017 (SHB 1501) (attempts to obtain firearms).

(6) \$104,000 of the general fund—state appropriation for fiscal year 2018 and \$90,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 308, Laws of 2017 (SHB 1863) (fire incident reporting system).

(7) \$3,421,000 of the fingerprint identification account—state appropriation is provided solely for the completion of the state patrol's plan to upgrade the criminal history system, and is subject to the conditions, limitations, and review provided in section 724 of this act.

(8) \$1,039,000 of the fingerprint identification account—state appropriation is provided solely for the implementation of a sexual assault kit tracking database project and is subject to the conditions, limitations, and review provided in section 724 of this act.

(9) \$495,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the costs related to the 1995 king air maintenance. By June 30, 2019, the state patrol is directed to sell the 1983 king air and proceeds generated from the sale of the 1983 king air must be deposited into the state patrol highway account.

(10) \$2,803,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 is provided solely for the Washington state patrol to create a new drug enforcement task force for the purposes of controlling the potential diversion and illicit production or distribution of marijuana and marijuana-related products in Washington.

(11) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the Washington state patrol to coordinate with the governor's office of Indian affairs, federally recognized tribal governments, and the U.S. justice department to conduct a study to determine how to increase state criminal justice protective and investigative resources for reporting and identifying missing Native American women in the state.

(12) The amounts in this subsection are provided solely for implementing the recommendations of the joint legislative task force on sexual assault forensic examination, and for monitoring and testing untested sexual assault examination kits.

(a) \$500,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the state patrol to:

(i) Work in conjunction with state or nonstate entities to test sexual assault kits pursuant to RCW 43.43.545;

(ii) Conduct forensic analysis of sexual assault examination kits in the custody of the state patrol pursuant to chapter 247, Laws of 2015; and

(ii) Continue the task force.

(b) \$1,375,000 of the general fund—state appropriation for fiscal year 2018 and \$1,375,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely for the implementation of chapter 247, Laws of 2015 to address the state's backlog in sexual assault examination kits. The seven full-time employees funded under this subsection must work exclusively on processing sexual assault exam kits through the crime laboratory division.

(c) Within amounts provided in this section, the Washington state patrol shall adopt rules necessary to implement RCW 43.43.545.

(13) \$153,000 of the county criminal justice assistance account—state appropriation for fiscal year 2019 is provided solely for the Washington state patrol to support local police, sheriffs' departments, and multi-agency task forces in the prosecution of criminals. However, the office of financial management must reduce the allotment for the amount provided in this subsection if allotment of the full appropriation will put the account into deficit.

**PART XIV
SUPPLEMENTAL
EDUCATION**

Sec. 1401. 2018 c 299 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund—State Appropriation (FY 2018)	.....	\$46,525,000
General Fund—State Appropriation (FY 2019)	.....	(\$58,392,000)
		<u>\$57,466,000</u>
General Fund—Federal Appropriation	.....	(\$83,422,000)
		<u>\$86,830,000</u>
General Fund—Private/Local Appropriation	.....	\$8,049,000
Washington Opportunity Pathways Account—State Appropriation	.....	\$584,000
Dedicated Marijuana Account—State Appropriation (FY 2018)	.....	\$513,000
Dedicated Marijuana Account—State Appropriation (FY 2019)	.....	\$515,000
Performance Audits of Government Account—State Appropriation	.....	\$211,000
Pension Funding Stabilization Account—State Appropriation	.....	\$2,126,000
TOTAL APPROPRIATION	.....	(\$200,337,000)
		<u>\$202,819,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$9,612,000 of the general fund—state appropriation for fiscal year 2018 and \$10,236,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(a) 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.

(b) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school, using a uniform definition of unexcused absence as established by the superintendent.

(c) By September of each year, the office of the superintendent of public instruction shall produce an annual status report on implementation of the budget provisos in sections 501 and 513 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number of state staff funded by the proviso, number of contractors, status of proviso implementation, number of beneficiaries by year, list of beneficiaries, a comparison of budgeted funding and actual expenditures, other sources and amounts of funding, and proviso outcomes and achievements.

(d) The superintendent of public instruction, in consultation with the secretary of state, shall update the program prepared and distributed under RCW 28A.230.150 for the observation of temperance and good citizenship day to include providing an opportunity for eligible students to register to vote at school.

(e) Districts shall annually report to the office of the superintendent of public instruction on: (i) The annual number of graduating high school seniors within the district earning the Washington state seal of biliteracy provided in RCW 28A.300.575; and (ii) the number of high school students earning competency-based high school credits for world languages by demonstrating proficiency in a language other than English. The office of the superintendent of public instruction shall provide a summary report to the office of the governor and the appropriate committees of the legislature by December 1st of each year.

(2) ~~\$1,423,000 of the general fund—state appropriation for fiscal year 2018 ((and \$5,598,000 of the general fund—state appropriation for fiscal year 2019 are))~~ is provided solely for activities associated with the implementation of ((House Bill No. 2242)) chapter 13, Laws of 2017 3rd sp. sess. (fully funding the program of basic education). Of these amounts:

(a) ~~\$857,000 of the general fund—state appropriation for fiscal year 2018 ((and \$857,000 of the general fund—state appropriation for fiscal year 2019 are))~~ is provided solely for maintenance of the apportionment system; and

(b) ~~\$566,000 of the general fund—state appropriation for fiscal year 2018 ((and \$3,741,000 of the general fund—state appropriation for fiscal year 2019 are))~~ is provided solely for activities associated with the implementation of ((House Bill No. 2242)) chapter 13, Laws of 2017 3rd sp. sess. (fully funding the program of basic education)((; and

(c) ~~\$1,000,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the office of the superintendent of public instruction to review the use of local revenues for compliance with enrichment requirements, including the preballot approval of enrichment levy spending plans approved by the superintendent of public instruction, and any supplemental contracts entered into under RCW 28A.400.200)).~~

(3) ~~\$857,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for maintenance of the apportionment system, including technical staff and the data governance working group.~~

(4) \$4,041,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for activities associated with the implementation of chapter 13, Laws of 2017 3rd sp. sess. (fully funding the program of basic education) of the amount provided in this subsection (4), up to \$300,000 is provided for the office of the superintendent of public instruction to review the use of local revenues for compliance with enrichment requirements, including the preballot

approval of enrichment levy spending plans approved by the superintendent of public instruction, and any supplemental contracts entered into under RCW 28A.400.200.

(5)(a) \$911,000 of the general fund—state appropriation for fiscal year 2018 and ~~(\$911,000)~~ \$961,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities.

(b) \$322,000 of the Washington opportunity pathways account—state appropriation is provided solely for the state board of education to provide assistance to public schools other than common schools authorized under chapter 28A.710 RCW.

~~((4))~~ (6) \$3,512,000 of the general fund—state appropriation for fiscal year 2018 and \$3,762,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to the professional educator standards board for the following:

(a) \$1,115,000 in fiscal year 2018 and \$1,115,000 in fiscal year 2019 are for the operation and expenses of the Washington professional educator standards board;

(b) \$2,372,000 of the general fund—state appropriation for fiscal year 2018 and \$2,372,000 of the general fund—state appropriation for fiscal year 2019 are for grants to improve preservice teacher training and for funding of alternate routes to certification programs administered by the professional educator standards board. Alternate routes programs include the pipeline for paraeducators program, the retooling to teach conditional loan programs, and the recruiting Washington teachers program. Priority shall be given to programs that support bilingual teachers and English language learners. Within this subsection ~~((4))~~ (6)(b), up to \$500,000 per fiscal year is available for grants to public or private colleges of education in Washington state to develop models and share best practices for increasing the classroom teaching experience of preservice training programs and \$250,000 is provided solely for the pipeline for paraeducators conditional scholarship program for scholarships for paraeducators to complete their associate of arts degrees in subject matter shortage areas;

(c) \$25,000 of the general fund—state appropriation for fiscal year 2018 and \$25,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the professional educator standards board to develop educator interpreter standards and identify interpreter assessments that are available to school districts. Interpreter assessments should meet the following criteria: (A) Include both written assessment and performance assessment; (B) be offered by a national organization of professional sign language interpreters and transliterators; and (C) be designed to assess performance in more than one sign system or sign language. The board shall establish a performance standard, defining what constitutes a minimum assessment result, for each educational interpreter assessment identified. The board shall publicize the standards and assessments for school district use;

(d) Within the amounts appropriated in this section, sufficient funding is provided for implementation of chapter 172, Laws of 2017 (SHB 1741) (educator prep. data/PESB).

(e) \$250,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to procure or develop professional development for paraeducator subject matter certificates, in English language learner and special education, and must align courses with general paraeducator certificate professional development, including any necessary changes or edits to general paraeducator certificate online modules.

~~((5))~~ (7) \$266,000 of the general fund—state appropriation for fiscal year 2018 and \$502,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 240, Laws of 2010, including staffing the office of equity and civil rights.

~~((6))~~ (8)(a) \$61,000 of the general fund—state appropriation for fiscal year 2018 and \$61,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the ongoing work of the education opportunity gap oversight and accountability committee.

(b) Within amounts appropriated in this subsection ~~((6))~~ (8), the committee shall review the rules and procedures adopted by the superintendent of public instruction and the state board of education related to the minimum number of students to be used for public reporting and federal accountability purposes. By October 30, 2018, the committee shall report to the office of the superintendent of public instruction, the state board of education, and the appropriations committees of the legislature with its recommendations for the state to meet the following goals: Increase the visibility of the opportunity gap in schools with small subgroups of students; hold schools and school districts accountable to individual student-level support; and comply with federal student privacy laws.

~~((7))~~ (9) \$61,000 of the general fund—state appropriation for fiscal year 2018 and \$61,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 380, Laws of 2009 (enacting the interstate compact on educational opportunity for military children).

~~((8))~~ (10) \$262,000 of the Washington opportunity pathways account—state appropriation is provided solely for activities related to public schools other than common schools authorized under chapter 28A.710 RCW.

~~((9))~~ (11) \$1,802,000 of the general fund—state appropriation for fiscal year 2018 and \$1,802,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementing a comprehensive data system to include financial, student, and educator data, including development and maintenance of the comprehensive education data and research system (CEDARS).

~~((10))~~ (12) \$50,000 of the general fund—state appropriation for fiscal year 2018 and \$50,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for project citizen, a program sponsored by the national conference of state legislatures and the center for civic education to promote participation in government by middle school students.

~~((11))~~ (13) \$1,500,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for collaborative schools for innovation and success authorized under chapter 53, Laws of 2012. The office of the superintendent of public instruction shall award \$500,000 for each collaborative school for

innovation and success selected for participation in the pilot program during 2012.

~~((+2))~~ (14) \$123,000 of the general fund—state appropriation for fiscal year 2018 and \$123,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 163, Laws of 2012 (foster care outcomes). The office of the superintendent of public instruction shall annually report each December on the implementation of the state's plan of cross-system collaboration to promote educational stability and improve education outcomes of foster youth.

~~((+3))~~ (15) \$250,000 of the general fund—state appropriation for fiscal year 2018 ~~((+3))~~ and \$250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 178, Laws of 2012 (open K-12 education resources).

~~((+4))~~ (16) \$50,000 of the general fund—state appropriation for fiscal year 2018 and \$50,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for school bullying and harassment prevention activities.

~~((+5))~~ (17) \$14,000 of the general fund—state appropriation for fiscal year 2018 and \$14,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 242, Laws of 2013 (state-tribal education compacts).

~~((+6))~~ (18) \$62,000 of the general fund—state appropriation for fiscal year 2018 and \$62,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for competitive grants to school districts to increase the capacity of high schools to offer AP computer science courses. In making grant allocations, the office of the superintendent of public instruction must give priority to schools and districts in rural areas, with substantial enrollment of low-income students, and that do not offer AP computer science. School districts may apply to receive either or both of the following grants:

(a) A grant to establish partnerships to support computer science professionals from private industry serving on a voluntary basis as coinstructors along with a certificated teacher, including via synchronous video, for AP computer science courses; or

(b) A grant to purchase or upgrade technology and curriculum needed for AP computer science, as well as provide opportunities for professional development for classroom teachers to have the requisite knowledge and skills to teach AP computer science.

~~((+7))~~ (19) \$10,000 of the general fund—state appropriation for fiscal year 2018 and \$10,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the superintendent of public instruction to convene a committee for the selection and recognition of Washington innovative schools. The committee shall select and recognize Washington innovative schools based on the selection criteria established by the office of the superintendent of public instruction, in accordance with chapter 202, Laws of 2011 (innovation schools—recognition) and chapter 260, Laws of 2011 (innovation schools and zones).

~~((+8))~~ (20) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Mobius science center to expand mobile outreach of science, technology, engineering, and mathematics (STEM) education to students in rural, tribal, and low-income communities.

~~((49))~~ (21) \$131,000 of the general fund—state appropriation for fiscal year 2018, \$131,000 of the general fund—state appropriation for fiscal year 2019, and \$211,000 of the performance audits of government account—state appropriation are provided solely for the office of the superintendent of public instruction to perform on-going program reviews of alternative learning experience programs, dropout reengagement programs, and other high risk programs. Findings from the program reviews will be used to support and prioritize the office of the superintendent of public instruction outreach and education efforts that assist school districts in implementing the programs in accordance with statute and legislative intent, as well as to support financial and performance audit work conducted by the office of the state auditor.

~~((20))~~ (22) \$150,000 of the general fund—state appropriation for fiscal year 2018 and \$202,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for youth suicide prevention activities.

~~((21))~~ (23) \$31,000 of the general fund—state appropriation for fiscal year 2018 and \$55,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the office of the superintendent of public instruction for statewide implementation of career and technical education course equivalency frameworks authorized under RCW 28A.700.070 for math and science. This may include development of additional equivalency course frameworks, course performance assessments, and professional development for districts implementing the new frameworks.

~~((22))~~ (24) \$2,541,000 of the general fund—state appropriation for fiscal year 2018 and \$2,541,000 of the general fund—state appropriation for fiscal year 2019 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.

~~((23))~~ (25) \$300,000 of the general fund—state appropriation for fiscal year 2018 and \$300,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a nonviolence and ethical leadership training and professional development program provided by the institute for community leadership.

~~((24))~~ (26) \$1,221,000 of the general fund—state appropriation for fiscal year 2018 and \$1,221,000 of the general fund—state appropriation for fiscal year 2019 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.

~~((25))~~ (27) \$3,940,000 of the general fund—state appropriation for fiscal year 2018 and \$3,940,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington state achievers scholarship and Washington higher education readiness 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; and to identify and reduce barriers to college for low-income and underserved middle and high school students.

~~((26))~~ (28) \$1,354,000 of the general fund—state appropriation for fiscal year 2018 and \$1,454,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for contracting with a college scholarship organization with expertise in conducting outreach to students concerning eligibility for the Washington college bound scholarship consistent with chapter 405, Laws of 2007.

~~((27))~~ (29) \$410,000 of the general fund—state appropriation for fiscal year 2018, \$280,000 of the general fund—state appropriation for fiscal year 2019, and \$1,028,000 of the dedicated marijuana account—state appropriation are provided solely for dropout prevention, intervention, and reengagement programs, including the jobs for America's graduates (JAG) program, dropout prevention programs that provide student mentoring, and the building bridges statewide program. Students in the foster care system or who are homeless shall be given priority by districts offering the jobs for America's graduates program. The office of the superintendent of public instruction shall convene staff representatives from high schools to meet and share best practices for dropout prevention. Of these amounts, \$513,000 of the dedicated marijuana account—state appropriation for fiscal year 2018, and \$515,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely for the building bridges statewide program.

~~((28))~~ (30) \$2,984,000 of the general fund—state appropriation for fiscal year 2018 and \$2,590,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington kindergarten inventory of developing skills. State funding shall support statewide administration and district implementation of the inventory under RCW 28A.655.080.

~~((29))~~ (31) \$293,000 of the general fund—state appropriation for fiscal year 2018 and \$293,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the office of the superintendent of public instruction to support district implementation of comprehensive guidance and planning programs in support of high-quality high school and beyond plans consistent with RCW 28A.230.090.

~~((30))~~ (32) \$4,894,000 of the general fund—state appropriation for fiscal year 2018 and \$4,894,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for grants for implementation of dual credit programs and subsidized advance placement exam fees and international baccalaureate class fees and exam fees for low-income students. For expenditures related to subsidized exam fees, the superintendent shall report: The number of students served; the demographics of the students served; and how the students perform on the exams.

~~((31))~~ (33) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the superintendent of public instruction to convene a work group to build upon the work of the social emotional learning work group established under section 501(34), chapter 4, Laws of 2015 3rd sp. sess. The members of the work group must include representatives from the same organizations that were represented on the 2015 work group, as well as five representatives of diverse communities and a statewide expanded learning opportunities intermediary. The work group must identify and articulate developmental indicators for each grade level for each of the social emotional

learning benchmarks, solicit feedback from stakeholders, and develop a model of best practices or guidance for schools on implementing the benchmarks and indicators. The work group shall submit recommendations to the education committees of the legislature and the office of the governor by June 30, 2019.

~~((32))~~ (34) \$117,000 of the general fund—state appropriation for fiscal year 2018 and \$117,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 3 (SHB No. 1813), Laws of 2015 1st sp. sess. (computer science).

~~((33))~~ (35) \$450,000 of the general fund—state appropriation for fiscal year 2018 and \$1,450,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 236, Laws of 2017 (SHB 1445) (dual language/early learning & K-12). In selecting recipients of the K-12 dual language grant, the superintendent of public instruction must prioritize districts that received grants under section 501(36), chapter 4, Laws of 2015 3rd sp. sess. Of the amounts in this subsection, up to \$950,000 of the general fund—state appropriation for fiscal year 2019 is for implementation of the K-12 dual language grant program established in RCW 28A.630.095 and \$500,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of the bilingual educator initiative pilot project established under RCW 28A.180.120.

~~((34))~~ (36) \$125,000 of the general fund—state appropriation for fiscal year 2018 and \$125,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Kip Tokuda memorial Washington civil liberties public education program. The superintendent of public instruction shall award grants consistent with RCW 28A.300.410.

~~((35))~~ (37) \$1,000,000 of the general fund—state appropriation for fiscal year 2018 and \$1,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the computer science and education grant program to support the following three purposes: Train and credential teachers in computer sciences; provide and upgrade technology needed to learn computer science; and, for computer science frontiers grants to introduce students to and engage them in computer science. The office of the superintendent of public instruction must use the computer science learning standards adopted pursuant to chapter 3, Laws of 2015 (computer science) in implementing the grant, to the extent possible. Additionally, grants provided for the purpose of introducing students to computer science are intended to support innovative ways to introduce and engage students from historically underrepresented groups, including girls, low-income students, and minority students, to computer science and to inspire them to enter computer science careers. Grant funds for the computer science and education grant program may be expended only to the extent that they are equally matched by private sources for the program, including gifts, grants, or endowments.

~~((36))~~ (38) \$2,145,000 of the general fund—state appropriation for fiscal year 2018 and \$2,145,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a contract with a nongovernmental entity or entities for demonstration sites to improve the educational outcomes of students who are dependent pursuant to chapter 13.34 RCW pursuant to chapter 71, Laws of 2016 (Fourth Substitute House Bill No. 1999, foster youth edu. outcomes).

(a) Of the amount provided in this subsection, \$446,000 of the general fund—state appropriation for fiscal year 2018 and \$446,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the demonstration site established pursuant to the 2013-2015 omnibus appropriations act, section 202(10), chapter 4, Laws of 2013, 2nd sp. sess.

(b) Of the amount provided in this subsection, \$1,015,000 of the general fund—state appropriation for fiscal year 2018 and \$1,015,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the demonstration site established pursuant to the 2015-2017 omnibus appropriations act, section 501(43)(b), chapter 4, Laws of 2015, 3rd sp. sess., as amended.

~~((37))~~ (39) \$1,000,000 of the general fund—state appropriation for fiscal year 2018 and \$1,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 157, Laws of 2016 (Third Substitute House Bill No. 1682, homeless students).

~~((38))~~ (40) \$753,000 of the general fund—state appropriation for fiscal year 2018 and \$703,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 72, Laws of 2016 (Fourth Substitute House Bill No. 1541, educational opportunity gap).

~~((39))~~ (41) \$57,000 of the general fund—state appropriation for fiscal year 2018 and \$15,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 240, Laws of 2016 (Engrossed Senate Bill No. 6620, school safety).

~~((40))~~ (42) \$186,000 of the general fund—state appropriation for fiscal year 2018 and \$178,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 291, Laws of 2017 (2SHB 1170) (truancy reduction efforts).

~~((41))~~ (43) \$984,000 of the general fund—state appropriation for fiscal year 2018 and \$912,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 237, Laws of 2017 (ESHB 1115) (paraeducators).

~~((42))~~ (44) \$204,000 of the general fund—state appropriation for fiscal year 2018, \$204,000 of the general fund—state appropriation for fiscal year 2019, and \$408,000 of the general fund—federal appropriation are provided solely for implementation of chapter 202, Laws of 2017 (E2SHB 1713) (children's mental health).

~~((43))~~ (45) \$300,000 of the general fund—state appropriation for fiscal year 2018 and \$300,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for grants to middle and high schools to support international baccalaureate programs in high poverty schools. Of these amounts:

(a) \$200,000 of the appropriation for fiscal year 2018 and \$200,000 of the appropriation for fiscal year 2019 are provided solely for grants to high schools that have an existing international baccalaureate program and enrollments of seventy percent or more students eligible for free or reduced-price meals in the prior school year to implement and sustain an international baccalaureate program; and

(b) \$100,000 of the appropriation for fiscal year 2018 and \$100,000 of the appropriation for fiscal year 2019 are provided solely for grants to middle schools with students that will attend a qualifying high poverty high school that

has received a grant under (a) of this subsection to support implementation of a middle school international baccalaureate program.

~~((44))~~ (46) \$240,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for a grant to the Pacific science center to continue providing science on wheels activities in schools and other community settings. Funding is provided to assist with upgrading three planetarium computers and software and to assist with purchasing and outfitting three vans with new traveling planetarium exhibits.

~~((45))~~ (47) \$40,000 of the general fund—state appropriation for fiscal year 2018 and \$60,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the office of the superintendent of public instruction to contract for consulting services for a study of the current state pupil transportation funding formula. The study must evaluate the extent to which the formula corresponds to the actual costs of providing pupil transportation to and from school for the state's statutory program of basic education, including local school district characteristics such as unique geographic constraints, and transportation for students who are identified as homeless under the McKinney-Vento act. Based on the results of this evaluation, the superintendent must make recommendations for any necessary revisions to the state's pupil transportation formula, taking into account the statutory program of basic education, promotion of the efficient use of state and local resources, and continued local district control over the management of pupil transportation systems. The superintendent must make recommendations to clarify the sources of funding that districts can use to transport homeless students to and from school.

~~((46))~~ (48) \$440,000 of the general fund—state appropriation for fiscal year 2018 and \$270,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the office of the superintendent of public instruction for the procurement and implementation of a reporting and data aggregation system that will connect state- and district-level information to secure and protect district, school and student information in order to close student performance gaps by assisting school districts in data-driven implementation of strategies and supports that are responsive of student needs.

~~((47))~~ (49) \$150,000 of the general fund—state appropriation for fiscal year 2018 and \$450,000 of the general fund—state appropriation for fiscal year 2019 are provided for the superintendent of public instruction to develop and implement a statewide accountability system to address absenteeism and to improve student graduation rates. The system must use data to engage schools and districts in identifying successful strategies and systems that are based on federal and state accountability measures. Funding may also support the effort to provide assistance about successful strategies and systems to districts and schools that are underperforming in the targeted student subgroups.

~~((48))~~ (50) \$178,000 of the general fund—state appropriation for fiscal year 2018 and \$179,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 180, Laws of 2017 (2SSB 5258) (Washington Aim program).

~~((49))~~ (51) \$97,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Substitute House Bill No. 1539 (sexual abuse of students). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

~~((50))~~ (52) \$40,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2779 (children's mental health services). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

~~((52) \$230,000)~~ (53) \$380,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Second Substitute House Bill No. 1896 (civics education). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

~~((53))~~ (54) Within amounts appropriated in this section, the office of the superintendent of public instruction and the state board of education shall adopt a rule that the minimum number of students to be used for public reporting and federal accountability purposes is ten.

~~((54))~~ (55) \$335,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1600 (career and college readiness). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

~~((55))~~ (56) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to the office of the superintendent of public instruction for programs to combat bias. The office of the superintendent of public instruction must contract with a nonprofit organization that supports Washington teachers in implementing lessons of the Holocaust for the creation of a comprehensive online encyclopedia of local Holocaust education resources. The online encyclopedia must include teaching trunk materials, Anne Frank materials, genocide resources, and video testimonies.

~~((56))~~ (57) \$200,000 of the general fund—state appropriation for fiscal year 2019 is provided for the office of the superintendent of public instruction to meet statutory obligations related to the provision of medically and scientifically accurate, age-appropriate, and inclusive sexual health education as authorized by chapter 206, Laws of 1988 (AIDS omnibus act) and chapter 265, Laws of 2007 (healthy youth act). The office of the superintendent of public instruction must submit a report to the appropriate policy and fiscal committees of the legislature by June 30, 2019, outlining accomplishments and deliverables achieved in fiscal year 2019.

~~((57))~~ (58) The office of the superintendent of public instruction, in collaboration with the department of social and health services developmental disabilities administration and division of vocational rehabilitation, shall explore the development of an implementation plan to build statewide capacity among school districts to improve transition planning for students in special education who meet criteria for services from the developmental disabilities administration, and shall provide all school districts with an opportunity to participate. The plan shall be submitted in compliance with RCW 43.01.036 by November 1, 2018, and the final report must be submitted by November 1, 2020, to the governor and appropriate legislative committees.

~~((58))~~ (59) \$40,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the legislative youth advisory council. The council of statewide members advises legislators on issues of importance to youth.

~~((59))~~ (60) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to contract with a nonprofit, civil rights and human relations organization with expertise in tracking and responding to hate incidents

in schools, and with experience implementing programs designed to empower students to improve upon and sustain school climates that combat bias and bullying. The contract must expand the organization's current anti-bias programs to eight public schools across Washington, with at least half of the public schools located east of the crest of the Cascade mountains. Amounts provided in this subsection may be used to support preprogram planning, trainings, guidance, surveys, materials, and the hiring of a part-time contractor to support data tracking.

~~((60))~~ (61) \$120,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Second Substitute Senate Bill No. 6162 (dyslexia). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

~~((61))~~ (62) Within the amounts appropriated in this section the office of the superintendent of public instruction shall ensure career and technical education courses are aligned with high-demand, high-wage jobs. The superintendent shall verify that the current list of career and technical education courses meets the criteria established in RCW 28A.700.020(2). The superintendent shall remove from the list any career and technical education course that no longer meets such criteria.

~~((62))~~ (63) \$240,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the office of native education to increase services to tribes, including but not limited to, providing assistance to tribes and school districts to implement Since Time Immemorial, applying to become tribal compact schools, convening the Washington state native American education advisory committee, and extending professional learning opportunities to provide instruction in tribal history, culture, and government.

~~((63))~~ (64) \$10,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the civic education travel grant program pursuant to RCW 28A.300.480.

~~((64))~~ (65) Within the amounts appropriated in this section, the office of the superintendent of public instruction may develop recommendations to amend long-standing provisos within Part V of the omnibus operating budget. The office of the superintendent of public instruction shall submit recommendations, to include rationale why each proposed change should be made, to the office of financial management and the fiscal committees of the legislature by July 1, 2018.

~~((65))~~ (66) Within the amounts appropriated in this section, the office of the superintendent of public instruction shall coordinate with school districts and educational service districts that contract for transportation bus services and report the following information to the appropriate fiscal committees of the legislature by December 1, 2018:

- (a) The number of transportation contract employees by job category;
- (b) The total cost of the transportation contract, including the amount held by the school district or educational service district for administration of the contract;
- (c) Information about the retirement benefit for transportation contract employees, including the name of the provider, the aggregate amount provided, and the amounts provided by employees;

(d) Information about the total health care benefit provided to transportation contract employees, including the name of the provider and the summary of benefits; and

(e) A copy of the transportation contract.

~~((66))~~ (67) Within the amounts appropriated in this section, the office of the superintendent of public instruction shall:

(a) Make recommendations on the best methods to provide and fund vocational funding enhancement for career and technical education and career-connected learning through alternative learning experience courses;

(b) Solicit and incorporate input received from the online learning advisory committee in making its report recommendations; and

(c) Submit a report of recommendations to the education and fiscal committees of the legislature by December 15, 2018.

~~((67))~~ (68) \$900,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the office of the superintendent of public instruction to leverage federal funding from the e-rate program operated by the universal service administrative company, under the federal communications commission. Funding is provided to enable more student access to digital learning.

~~((68))~~ (69) \$4,000,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the office of the superintendent of public instruction to provide grants to school districts and educational service districts for science teacher training in the next generation science standards including training in the climate science standards. At a minimum, school districts shall ensure that teachers in one grade level in each elementary, middle, and high school participate in this science training. Of the amount appropriated \$1,000,000 is provided solely for community based nonprofits to partner with public schools for next generation science standards.

~~((69))~~ (70) \$722,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the superintendent of public instruction to provide grants to educational service districts and school districts to develop or expand regional safety programs to address student safety. At a minimum, programs must implement a multitier threat assessment system; develop a process for notifying schools, including private schools, of safety emergencies; and make recommendations or implement appropriate safety technology consistent with regional need.

~~((70))~~ (71) \$131,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Substitute House Bill No. 2685 (high school preapprenticeships). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

Sec. 1402. 2018 c 299 s 502 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL APPORTIONMENT

General Fund—State Appropriation (FY 2018)	.....\$7,239,334,000
General Fund—State Appropriation (FY 2019)	.....(((\$7,142,294,000))
	<u>\$7,115,186,000</u>
Education Legacy Trust Account—State	
Appropriation	..... \$595,730,000
TOTAL APPROPRIATION	.....(((\$14,977,358,000))

\$14,950,250,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) 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.

(b) For the 2017-18 and 2018-19 school years, the superintendent shall allocate general apportionment funding to school districts as provided in the funding formulas and salary allocations in sections 502 and 503 of this act, excluding (c) of this subsection, and in House Bill No. 2242 (fully funding the program of basic education).

(c) From July 1, 2017, to August 31, 2017, the superintendent shall allocate general apportionment funding to school districts programs as provided in sections 502 and 503, chapter 4, Laws of 2015 3rd sp. sess., as amended.

(d) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the fourth day of school in September and on the first school day of each month October through June, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. Any school district concluding its basic education program in May must report the enrollment of the last school day held in May in lieu of a June enrollment.

(e)(i) Funding provided in part V of this act is sufficient to provide each full-time equivalent student with the minimum hours of instruction required under RCW 28A.150.220.

(ii) The office of the superintendent of public instruction shall align the agency rules defining a full-time equivalent student with the increase in the minimum instructional hours under RCW 28A.150.220, as amended by the legislature in 2014.

(f) The superintendent shall adopt rules requiring school districts to report full-time equivalent student enrollment as provided in RCW 28A.655.210.

(g) For the 2017-18 and 2018-19 school years, school districts must report to the office of the superintendent of public instruction the monthly actual average district-wide class size across each grade level of kindergarten, first grade, second grade, and third grade classes. The superintendent of public instruction shall report this information to the education and fiscal committees of the house of representatives and the senate by September 30th of each year.

(2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

Allocations for certificated instructional staff salaries for the 2017-18 and 2018-19 school years are determined using formula-generated staff units calculated pursuant to this subsection.

(a) Certificated instructional staff units, as defined in RCW 28A.150.410, shall be allocated to reflect the minimum class size allocations, requirements, and school prototypes assumptions as provided in RCW 28A.150.260. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent student enrollment in each grade.

(b) Additional certificated instructional staff units provided in this subsection (2) that exceed the minimum requirements in RCW 28A.150.260 are

enhancements outside the program of basic education, except as otherwise provided in this section.

(c)(i) The superintendent shall base allocations for each level of prototypical school on the following regular education average class size of full-time equivalent students per teacher, except as provided in (c)(ii) of this subsection:

General education class size:

Grade	RCW 28A.150.260	2017-18 School Year	2018-19 School Year
Grade K		17.00	17.00
Grade 1		17.00	17.00
Grade 2		17.00	17.00
Grade 3		17.00	17.00
Grade 4		27.00	27.00
Grades 5-6		27.00	27.00
Grades 7-8		28.53	28.53
Grades 9-12		28.74	28.74

The superintendent shall base allocations for: Laboratory science average class size as provided in RCW 28A.150.260; career and technical education (CTE) class size of 23.0; and skill center program class size of 20.0.

(ii) For each level of prototypical school at which more than fifty percent of the students were eligible for free and reduced-price meals in the prior school year, the superintendent shall allocate funding based on the following average class size of full-time equivalent students per teacher:

General education class size in high poverty schools:

Grade	RCW 28A.150.260	2017-18 School Year	2018-19 School Year
Grade K		17.00	17.00
Grade 1		17.00	17.00
Grade 2		17.00	17.00
Grade 3		17.00	17.00
Grade 4		27.00	27.00
Grades 5-6		27.00	27.00
Grades 7-8		28.53	28.53
Grades 9-12		28.74	28.74

(iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher planning period, expressed as a percentage of a teacher work day, is 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

(iv) Advanced placement and international baccalaureate courses are funded at the same class size assumptions as general education schools in the same grade; and

(d)(i) Funding for teacher librarians, school nurses, social workers, school psychologists, and guidance counselors is allocated based on the school prototypes as provided in RCW 28A.150.260 and is considered certificated instructional staff, except as provided in (d)(ii) of this subsection.

(ii) Students in approved career and technical education and skill center programs generate certificated instructional staff units to provide for the services of teacher librarians, school nurses, social workers, school psychologists, and guidance counselors at the following combined rate per 1000 student full-time equivalent enrollment:

	2017-18 School Year	2018-19 School Year
Career and Technical Education	3.07	3.07
Skill Center	3.41	3.41

(3) ADMINISTRATIVE STAFF ALLOCATIONS

(a) Allocations for school building-level certificated administrative staff salaries for the 2017-18 and 2018-19 school years for general education students are determined using the formula generated staff units calculated pursuant to this subsection. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent enrollment in each grade. The following prototypical school values shall determine the allocation for principals, assistance principals, and other certificated building level administrators:

Prototypical School Building:

Elementary School	1.253
Middle School	1.353
High School	1.880

(b) Students in approved career and technical education and skill center programs generate certificated school building-level administrator staff units at per student rates that are a multiple of the general education rate in (a) of this subsection by the following factors: Career and Technical Education students . . .

1.025	
Skill Center students	1.198

(4) CLASSIFIED STAFF ALLOCATIONS

Allocations for classified staff units providing school building-level and district-wide support services for the 2017-18 and 2018-19 school years are determined using the formula-generated staff units provided in RCW 28A.150.260 and pursuant to this subsection, and adjusted based on each district's annual average full-time equivalent student enrollment in each grade.

(5) CENTRAL OFFICE ALLOCATIONS

In addition to classified and administrative staff units allocated in subsections (3) and (4) of this section, classified and administrative staff units

are provided for the 2017-18 and 2018-19 school years for the central office administrative costs of operating a school district, at the following rates:

(a) The total central office staff units provided in this subsection (5) are calculated by first multiplying the total number of eligible certificated instructional, certificated administrative, and classified staff units providing school-based or district-wide support services, as identified in RCW 28A.150.260(6)(b) and the increased allocations provided pursuant to subsections (2) and (4) of this section, by 5.3 percent.

(b) Of the central office staff units calculated in (a) of this subsection, 74.53 percent are allocated as classified staff units, as generated in subsection (4) of this section, and 25.47 percent shall be allocated as administrative staff units, as generated in subsection (3) of this section.

(c) Staff units generated as enhancements outside the program of basic education to the minimum requirements of RCW 28A.150.260, and staff units generated by skill center and career-technical students, are excluded from the total central office staff units calculation in (a) of this subsection.

(d) For students in approved career-technical and skill center programs, central office classified units are allocated at the same staff unit per student rate as those generated for general education students of the same grade in this subsection (5), and central office administrative staff units are allocated at staff unit per student rates that exceed the general education rate established for students in the same grade in this subsection (5) by 12.29 percent in the 2017-18 school year and (~~(12.29)~~) 12.49 percent in the 2018-19 school year for career and technical education students, and 17.61 percent in the 2017-18 school year and (~~(17.61)~~) 17.82 percent in the 2018-19 school year for skill center students.

(6) FRINGE BENEFIT ALLOCATIONS

Fringe benefit allocations shall be calculated at a rate of 23.49 percent in the 2017-18 school year and (~~(23.65)~~) 23.70 percent in the 2018-19 school year for certificated salary allocations provided under subsections (2), (3), and (5) of this section, and a rate of 24.60 percent in the 2017-18 school year and (~~(24.67)~~) 24.70 percent in the 2018-19 school year for classified salary allocations provided under subsections (4) and (5) of this section.

(7) INSURANCE BENEFIT ALLOCATIONS

Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504 of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsections (2), (3), and (5) of this section; and

(b) The number of classified staff units determined in subsections (4) and (5) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purpose of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1,440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

Funding is allocated per annual average full-time equivalent student for the materials, supplies, and operating costs (MSOC) incurred by school districts, consistent with the requirements of RCW 28A.150.260.

(a)(i) MSOC funding for general education students are allocated at the following per student rates:

MSOC RATES/STUDENT FTE

MSOC Component	2017-18 School Year	2018-19 School Year
Technology	\$130.76	\$133.24
Utilities and Insurance	\$355.30	\$362.05
Curriculum and Textbooks	\$140.39	\$143.06
Other Supplies and Library Materials	\$298.05	\$303.71
Instructional Professional Development for Certificated and Classified Staff	\$21.71	\$22.12
Facilities Maintenance	\$176.01	\$179.36
Security and Central Office	\$121.94	\$124.26
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$1,244.16	\$1,267.80

(ii) For the 2017-18 school year and 2018-19 school year, as part of the budget development, hearing, and review process required by chapter 28A.505 RCW, each school district must disclose: (A) The amount of state funding to be received by the district under (a) and (d) of this subsection (8); (B) the amount the district proposes to spend for materials, supplies, and operating costs; (C) the difference between these two amounts; and (D) if (A) of this subsection (8)(a)(ii) exceeds (B) of this subsection (8)(a)(ii), any proposed use of this difference and how this use will improve student achievement.

(b) Students in approved skill center programs generate per student FTE MSOC allocations of \$1,472.01 for the 2017-18 school year and \$1,499.98 for the 2018-19 school year.

(c) Students in approved exploratory and preparatory career and technical education programs generate per student FTE MSOC allocations of \$1,472.01 for the 2017-18 school year and \$1,499.98 for the 2018-19 school year.

(d) Students in grades 9-12 generate per student FTE MSOC allocations in addition to the allocations provided in (a) through (c) of this subsection at the following rate:

MSOC Component	2017-18 School Year	2018-19 School Year
Technology	\$37.60	\$38.31
Curriculum and Textbooks	\$41.02	\$41.80

Other Supplies and Library Materials	\$85.46	\$87.08
Instructional Professional Development for Certified and Classified Staff	\$6.83	\$6.97
TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	\$170.91	\$174.16

(9) SUBSTITUTE TEACHER ALLOCATIONS

For the 2017-18 and 2018-19 school years, funding for substitute costs for classroom teachers is based on four (4) funded substitute days per classroom teacher unit generated under subsection (2) of this section, at a daily substitute rate of \$151.86.

(10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

(a) Amounts provided in this section from July 1, 2017, to August 31, 2017, are adjusted to reflect provisions of chapter 4, Laws of 2015 3rd sp. sess., as amended (allocation of funding for students enrolled in alternative learning experiences).

(b) The superintendent of public instruction shall require all districts receiving general apportionment funding for alternative learning experience (ALE) programs as defined in WAC 392-121-182 to provide separate financial accounting of expenditures for the ALE programs offered in district or with a provider, including but not limited to private companies and multidistrict cooperatives, as well as accurate, monthly headcount and FTE enrollment claimed for basic education, including separate counts of resident and nonresident students.

(11) DROPOUT REENGAGEMENT PROGRAM

The superintendent shall adopt rules to require students claimed for general apportionment funding based on enrollment in dropout reengagement programs authorized under RCW 28A.175.100 through 28A.175.115 to meet requirements for at least weekly minimum instructional contact, academic counseling, career counseling, or case management contact. Districts must also provide separate financial accounting of expenditures for the programs offered by the district or under contract with a provider, as well as accurate monthly headcount and full-time equivalent enrollment claimed for basic education, including separate enrollment counts of resident and nonresident students.

(12) ALL DAY KINDERGARTEN PROGRAMS

Funding in this section is sufficient to fund all day kindergarten programs in all schools in the 2017-18 school year and 2018-19 school year, pursuant to RCW 28A.150.220 and 28A.150.315.

(13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND NECESSARY PLANTS

For small school districts and remote and necessary school plants within any district which have been judged to be remote and necessary by the superintendent of public instruction, additional staff units are provided to ensure a minimum level of staffing support. Additional administrative and certificated instructional staff units provided to districts in this subsection shall be reduced

by the general education staff units, excluding career and technical education and skills center enhancement units, otherwise provided in subsections (2) through (5) of this section on a per district basis.

(a) 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 superintendent of public instruction 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;

(b) 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 superintendent of public instruction:

(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;

(c) 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, except as noted in this subsection:

(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;

(iii) Districts receiving staff units under this subsection shall add students enrolled in a district alternative high school and any grades nine through twelve alternative learning experience programs with the small high school enrollment for calculations under this subsection;

(d) 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;

(e) 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;

(f)(i) For enrollments generating certificated staff unit allocations under (a) through (e) of this subsection, one classified staff unit for each 2.94 certificated staff units allocated under such subsections;

(ii) 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; and

(g) School districts receiving additional staff units to support small student enrollments and remote and necessary plants under this subsection (13) shall generate additional MSOC allocations consistent with the nonemployee related costs (NERC) allocation formula in place for the 2010-11 school year as provided section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually for inflation.

(14) 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.

(15) The superintendent may distribute funding for the following programs outside the basic education formula during fiscal years 2018 and 2019 as follows:

(a) \$638,000 of the general fund—state appropriation for fiscal year 2018 and \$650,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW.

(b) \$436,000 of the general fund—state appropriation for fiscal year 2018 and \$436,000 of the general fund—state appropriation for fiscal year 2019 are provided solely 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.

(16) \$225,000 of the general fund—state appropriation for fiscal year 2018 and \$229,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for school district emergencies as certified by the superintendent of public instruction. Funding provided must be conditioned upon the written commitment and plan of the school district board of directors to repay the grant with any insurance payments or other judgments that may be awarded, if applicable. At the close of the fiscal year the superintendent of public instruction shall report to the office of financial management and the appropriate fiscal committees of the legislature on the allocations provided to districts and the nature of the emergency.

(17) Funding in this section is sufficient to fund a maximum of 1.6 FTE enrollment for skills center students pursuant to chapter 463, Laws of 2007.

(18) Students participating in running start programs may be funded up to a combined maximum enrollment of 1.2 FTE including school district and institution of higher education enrollment consistent with the running start course requirements provided in chapter 202, Laws of 2015 (dual credit education opportunities). In calculating the combined 1.2 FTE, the office of the superintendent of public instruction may average the participating student's September through June enrollment to account for differences in the start and end dates for courses provided by the high school and higher education institution. Additionally, the office of the superintendent of public instruction, in consultation with the state board for community and technical colleges, the student achievement council, and the education data center, shall annually track and report to the fiscal committees of the legislature on the combined FTE experience of students participating in the running start program, including course load analyses at both the high school and community and technical college system.

(19) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (13) of this section, the following 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 (13) of this section shall be reduced in increments of twenty percent per year.

(20)(a) Indirect cost charges by a school district to approved career and technical education middle and secondary programs shall not exceed the lesser of five percent or the cap established in federal law of the combined basic education and career and technical education program enhancement allocations of state funds. Middle and secondary career and technical education programs are considered separate programs for funding and financial reporting purposes under this section.

(b) Career and technical education program 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 career and technical education program enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support.

(21) Funding in this section is sufficient to provide full general apportionment payments to school districts eligible for federal forest revenues as provided in RCW 28A.520.020. For the 2017-2019 biennium, general apportionment payments are not reduced for school districts receiving federal forest revenues.

Sec. 1403. 2018 c 299 s 503 (uncodified) is amended to read as follows:
**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—BASIC
 EDUCATION EMPLOYEE COMPENSATION**

(1) The following calculations determine the salaries used in the state allocations for certificated instructional, certificated administrative, and classified staff units as provided in House Bill No. 2242 (fully funding the program of basic education), RCW 28A.150.260, and under section 502 of this act:

(a) For the 2017-18 school year, salary allocations for certificated instructional staff units are 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.

(b) For the 2017-18 school year, salary allocations for certificated administrative staff units and classified staff units for each district are determined based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 2.

(c) For the 2018-19 school year salary allocations for certificated instructional staff, certificated administrative staff, and classified staff units are determined for each school district by multiplying the statewide minimum salary allocation for each staff type by the school district's regionalization factor shown in LEAP Document 3.

Statewide Minimum Salary Allocation
For School Year 2018-19

Certificated Instructional Staff	\$65,216.05
Certificated Administrative Staff	\$96,805.00
Classified Staff	\$46,784.33

(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 June 22, 2017, at 1:14 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 June 22, 2017, at 1:14 hours.

(c) "LEAP Document 3" means the school district regionalization factors for certificated instructional, certificated administrative, and classified staff, as developed by the legislative evaluation and accountability program committee on ~~(March 6)~~ December 10, 2018, at 8:24 hours.

(3) Incremental fringe benefit factors are applied to salary adjustments at a rate of 22.85 percent for school year 2017-18 and ~~((23.04))~~ 23.06 percent for school year 2018-19 for certificated instructional and certificated administrative staff and 21.10 percent for school year 2017-18 and ~~((21.17))~~ 21.20 percent for the 2018-19 school year for classified staff.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedule for certificated instructional staff are established for basic education salary allocations for the 2017-18 school year:

**Table Of Total Base Salaries For Certificated Instructional Staff
For School Year 2017-18
*** Education Experience *****

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 OR Ph.D.
0	36,521	37,507	38,529	39,554	42,840	44,957	43,785	47,072	49,191
1	37,013	38,013	39,048	40,117	43,438	45,543	44,272	47,593	49,697
2	37,481	38,491	39,537	40,688	44,000	46,127	44,762	48,073	50,201
3	37,964	38,983	40,040	41,229	44,534	46,712	45,227	48,529	50,709
4	38,437	39,501	40,565	41,794	45,119	47,313	45,714	49,038	51,234
5	38,926	39,995	41,069	42,367	45,679	47,918	46,209	49,522	51,760
6	39,428	40,474	41,585	42,948	46,244	48,494	46,716	50,013	52,262
7	40,312	41,373	42,498	43,935	47,280	49,593	47,666	51,010	53,324
8	41,604	42,724	43,876	45,431	48,822	51,219	49,161	52,552	54,949
9		44,122	45,332	46,943	50,413	52,892	50,672	54,143	56,623
10			46,805	48,533	52,049	54,611	52,263	55,780	58,340
11				50,169	53,761	56,375	53,899	57,492	60,104
12				51,753	55,520	58,211	55,600	59,250	61,942
13					57,322	60,093	57,360	61,052	63,823
14					59,132	62,046	59,172	62,981	65,776
15					60,671	63,660	60,710	64,618	67,486
16 or more					61,884	64,932	61,924	65,910	68,836

(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 part V, 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 salary allocations established in this section are for allocation purposes only except as provided in this subsection, and do not entitle an individual staff position to a particular paid salary except as provided in RCW 28A.400.200, as amended by House Bill No. 2242 (fully funding the program of basic education).

(8) For school year 2018-19, the salary allocations for each district shall be the greater of:

(a) The derived school year 2018-19 salary allocations in subsection (1) of this section; or

(b) The derived salary allocations for school year 2017-18 increased by 2.3 percent.

Sec. 1404. 2018 c 299 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 2018)	\$206,149,000
General Fund—State Appropriation (FY 2019)	(\$2,029,841,000)
	<u>\$2,057,783,000</u>
Dedicated McCleary Penalty Account—State	
Appropriation	\$84,020,000
TOTAL APPROPRIATION	(\$2,320,010,000)
	<u>\$2,347,952,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The salary increases provided in this section are inclusive of and above the annual cost-of-living adjustments pursuant to RCW 28A.400.205.

(2) In addition to salary allocations specified in this subsection (1) funding in this subsection includes one day of professional learning for each of the funded full-time equivalent certificated instructional staff units in school year 2018-19. Nothing in this section entitles an individual certificated instructional staff to any particular number of professional learning days.

~~(3)~~(a) The appropriations in this section include associated incremental fringe benefit allocations at 22.85 percent for the 2017-18 school year and ~~((23.04))~~ 23.06 percent for the 2018-19 school year for certificated instructional and certificated administrative staff and 21.10 percent for the 2017-18 school year and ~~((21.17))~~ 21.20 percent for the 2018-19 school year for classified staff.

(b) The appropriations in this section include the increased or decreased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Changes for general apportionment (basic education) are based on the salary allocations and methodology in sections 502 and 503 of this act. Changes for special education result from changes in each district's basic education allocation per student. Changes 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. Changes for pupil transportation are determined by the superintendent of public instruction pursuant to RCW 28A.160.192, and impact compensation factors in sections 502, 503, and 504 of this act.

(c) The appropriations in this section include no salary adjustments for substitute teachers.

~~((3))~~ (4) The maintenance rate for insurance benefit allocations is \$780.00 per month for the 2017-18 and 2018-19 school years. The appropriations in this section reflect the incremental change in cost of allocating rates of \$820.00 per month for the 2017-18 school year and \$843.97 per month for the 2018-19 school year. When bargaining for health benefits funding for the school employees' benefits board during the 2017-2019 fiscal biennium, any proposal agreed upon must assume the imposition of a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than ninety-five percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment.

~~((4))~~ (5) The rates specified in this section are subject to revision each year by the legislature.

~~((5))~~ (6) \$699,437,000 of the general fund—state appropriation in fiscal year 2019 and \$84,020,000 of the dedicated McCleary penalty account—state appropriation are provided solely for allocation to school districts to increase compensation related to increasing school employee salary allocations, changing the special education excess cost multiplier as provided in RCW 28A.150.390(2)(b), regionalization factors as provided in RCW 28A.150.412(2)(b), and professional learning day delay, each as amended by Engrossed Second Substitute Senate Bill No. 6362 (basic education).

Sec. 1405. 2018 c 299 s 505 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION

General Fund—State Appropriation (FY 2018) \$518,512,000

General Fund—State Appropriation (FY 2019) ~~(\$519,533,000)~~

\$533,796,000

TOTAL APPROPRIATION ~~(\$1,038,045,000)~~

\$1,052,308,000

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)(a) For the 2017-18 and 2018-19 school years, the superintendent shall allocate funding to school district programs for the transportation of eligible students as provided in RCW 28A.160.192. Funding in this section constitutes full implementation of RCW 28A.160.192, which enhancement is within the program of basic education. Students are considered eligible only if meeting the definitions provided in RCW 28A.160.160.

(b) From July 1, 2017, to August 31, 2017, the superintendent shall allocate funding to school districts programs for the transportation of students as provided in section 505, chapter 4, Laws of 2015 3rd sp. sess., as amended.

(3) Within amounts appropriated in this section, up to \$10,000,000 of the general fund—state appropriation for fiscal year 2018 and up to \$10,000,000 of the general fund—state appropriation for fiscal year 2019 are for a transportation alternate funding grant program based on the alternate funding process established in RCW 28A.160.191. The superintendent of public instruction must include a review of school district efficiency rating, key performance indicators and local school district characteristics such as unique geographic constraints in the grant award process.

(4) A maximum of \$913,000 of this fiscal year 2018 appropriation and a maximum of ~~(\$939,000)~~ \$940,000 of the fiscal year 2019 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.

(5) The office of the superintendent of public instruction shall provide reimbursement funding to a school district for school bus purchases 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.

(6) The superintendent of public instruction shall base depreciation payments for school district buses on the presales tax 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.

(7) Funding levels in this section reflect waivers granted by the state board of education for four-day school weeks as allowed under RCW 28A.305.141.

(8) The office of the superintendent of public instruction shall annually disburse payments for bus depreciation in August.

Sec. 1406. 2018 c 299 s 507 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2018)	\$965,613,000
General Fund—State Appropriation (FY 2019)	(\$1,001,806,000)
	<u>\$1,025,050,000</u>
General Fund—Federal Appropriation	(\$485,054,000)
	<u>\$494,053,000</u>
Education Legacy Trust Account—State Appropriation	\$54,694,000
Dedicated McCleary Penalty Account—State	
Appropriation.	\$21,180,000
Pension Funding Stabilization Account—State	
Appropriation.	\$20,000
TOTAL APPROPRIATION	(\$2,528,367,000)
	<u>\$2,560,610,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) 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.

(b) Funding provided within this section is sufficient for districts to provide school principals and lead special education teachers annual professional development on the best-practices for special education instruction and strategies for implementation. Districts shall annually provide a summary of professional development activities to the office of the superintendent of public instruction.

(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 continue to implement 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.

(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)(a) For the 2017-18 and 2018-19 school years, the superintendent shall allocate funding to school district programs for special education students as provided in RCW 28A.150.390 as amended by Engrossed Second Substitute Senate Bill No. 6362 (basic education), except that the calculation of the base allocation also includes allocations provided under section 502 (2) and (4) of this act and RCW 28A.150.415, which enhancement is within the program of basic education.

(b) From July 1, 2017, to August 31, 2017, the superintendent shall allocate funding to school district programs for special education students as provided in section 507, chapter 4, Laws of 2015 3rd sp. sess., as amended.

(5) The following applies throughout this section: The definitions for enrollment and enrollment percent are as specified in RCW 28A.150.390(3). Each district's general fund—state funded special education enrollment shall be the lesser of the district's actual enrollment percent or 13.5 percent.

(6) 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 RCW 28A.150.390(3) (c) and (d), 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.

(7) \$31,087,000 of the general fund—state appropriation for fiscal year 2018, (~~(\$35,952,000)~~) \$40,571,000 of the general fund—state appropriation for fiscal year 2019, and (~~(\$29,574,000)~~) \$36,188,000 of the general fund—federal appropriation are provided solely for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (4) of this section. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in this subsection (7) in any fiscal year, the superintendent shall expend all available federal discretionary funds necessary to meet this need. At the conclusion of each school year, the superintendent shall recover safety net funds that were distributed prospectively but for which districts were not subsequently eligible.

(a) For the 2017-18 and 2018-19 school years, safety net funds shall be awarded by the state safety net oversight committee as provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

(b) The office of the superintendent of public instruction shall make award determinations for state safety net funding in August of each school year, except that the superintendent of public instruction shall make award determinations for state safety net funding in July of each school year for the Washington state school for the blind and for the center for childhood deafness and hearing loss. Determinations on school district eligibility for state safety net awards shall be based on analysis of actual expenditure data from the current school year.

(8) A maximum of \$931,000 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.

(9) 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.

(10) 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.

(11) \$256,000 of the general fund—state appropriation for fiscal year 2018 and \$256,000 of the general fund—state appropriation for fiscal year 2019 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.

(12) \$50,000 of the general fund—state appropriation for fiscal year 2018, \$50,000 of the general fund—state appropriation for fiscal year 2019, and \$100,000 of the general fund—federal appropriation are provided solely for a special education family liaison position within the office of the superintendent of public instruction.

(13) \$21,180,000 of the dedicated McCleary penalty account—state appropriation is provided solely for allocation to school districts to increase the special education excess cost multiplier as provided in RCW 28A.150.390(2)(b),

as amended by Engrossed Second Substitute Senate Bill No. 6362 (basic education).

Sec. 1407. 2018 c 299 s 508 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE DISTRICTS

General Fund—State Appropriation (FY 2018)	\$8,549,000
General Fund—State Appropriation (FY 2019)	(\$9,468,000)
	<u>\$9,471,000</u>
TOTAL APPROPRIATION	(\$18,017,000)
	<u>\$18,020,000</u>

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) Funding within this section is provided for regional professional development related to mathematics and science curriculum and instructional strategies aligned with common core state standards and next generation science standards. Funding shall be distributed among the educational service districts in the same proportion as distributions in the 2007-2009 biennium. 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.

(3) The educational service districts, at the request of the state board of education pursuant to RCW 28A.310.010 and 28A.305.130, 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.

Sec. 1408. 2018 c 299 s 509 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE

General Fund—State Appropriation (FY 2018)	\$451,423,000
General Fund—State Appropriation (FY 2019)	(\$425,973,000)
	<u>\$409,456,000</u>
TOTAL APPROPRIATION	(\$877,396,000)
	<u>\$860,879,000</u>

The appropriations in this section are subject to the following conditions and limitations: For purposes of RCW 84.52.0531, the increase per full-time equivalent student is 5.85 percent from the 2016-17 school year to the 2017-18 school year.

Sec. 1409. 2018 c 299 s 510 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2018)	.....	\$13,895,000
General Fund—State Appropriation (FY 2019)	.....	(\$14,096,000)
		<u>\$13,239,000</u>
TOTAL APPROPRIATION	.....	(\$27,991,000)
		<u>\$27,134,000</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) \$701,000 of the general fund—state appropriation for fiscal year 2018 and \$701,000 of the general fund—state appropriation for fiscal year 2019 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, programs for juveniles under the juvenile rehabilitation administration, and programs for juveniles operated by city and county jails.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

Sec. 1410. 2018 c 299 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 2018)	.....	\$21,447,000
General Fund—State Appropriation (FY 2019)	.....	(\$24,226,000)
		<u>\$24,117,000</u>
TOTAL APPROPRIATION	.....	(\$45,673,000)
		<u>\$45,564,000</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) For the 2017-18 and 2018-19 school years, the superintendent shall allocate funding to school district programs for highly capable students as provided in RCW 28A.150.260(10)(c) except that allocations must be based on 5.0 percent of each school district's full-time equivalent enrollment. In calculating the allocations, the superintendent shall assume the following: (i) Additional instruction of 2.1590 hours per week per funded highly capable program student; (ii) fifteen highly capable program students per teacher; (iii) 36 instructional weeks per year; (iv) 900 instructional hours per teacher; and (v) the compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2017, to August 31, 2017, the superintendent shall allocate funding to school districts programs for highly capable students as provided in section 511, chapter 4, Laws of 2015 3rd sp. sess., as amended.

(3) \$85,000 of the general fund—state appropriation for fiscal year 2018 and \$85,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the centrum program at Fort Worden state park.

Sec. 1411. 2018 c 299 s 512 (uncodified) is amended to read as follows:
FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR MISCELLANEOUS—EVERY STUDENT SUCCEEDS ACT
General Fund—Federal Appropriation(~~(\$5,802,000)~~)
\$6,302,000

Sec. 1412. 2018 c 299 s 513 (uncodified) is amended to read as follows:
FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM PROGRAMS
General Fund—State Appropriation (FY 2018) \$134,384,000
General Fund—State Appropriation (FY 2019)(~~(\$154,111,000)~~)
\$132,638,000
General Fund—Federal Appropriation \$94,811,000
General Fund—Private/Local Appropriation \$1,450,000
Education Legacy Trust Account—State Appropriation \$1,618,000
Pension Funding Stabilization Account—State
Appropriation.....\$765,000
TOTAL APPROPRIATION(~~(\$387,139,000)~~)
\$365,666,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) \$30,421,000 of the general fund—state appropriation for fiscal year 2018, \$26,975,000 of the general fund—state appropriation for fiscal year 2019, \$1,350,000 of the education legacy trust account—state appropriation, and \$15,868,000 of the general fund—federal appropriation are provided solely for development and implementation of the Washington state assessment system.

(b)(i) The office of the superintendent of public instruction issued a final fiscal note on July 13, 2017, detailing an estimated savings of \$12.7 million in the 2017-2019 biennium and \$15.2 million in the 2019-2021 biennium from the passage of Engrossed Substitute House Bill No. 2224.

(ii) By November 1, 2018, the superintendent must review the fiscal note and report to the legislature on which actions detailed in the fiscal note were taken by the superintendent to achieve the savings estimated and the actual savings achieved. For those actions provided in the fiscal note that were not

taken and for which no savings were achieved, the superintendent must explain why those actions were not taken.

(iii) By November 1, 2018, the superintendent must submit a detailed plan on how the superintendent will achieve all of the savings estimated in the fiscal note for the 2019-2021 biennium.

(2) \$356,000 of the general fund—state appropriation for fiscal year 2018 and \$356,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional partnership activities, including instructional material purchases, teacher and principal professional development, and school and community engagement events.

(3) \$3,935,000 of the general fund—state appropriation for fiscal year 2018 and (~~(\$3,935,000)~~) \$3,687,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of a new performance-based evaluation for certificated educators and other activities as provided in chapter 235, Laws of 2010 (education reform) and chapter 35, Laws of 2012 (certificated employee evaluations).

(4) \$62,674,000 of the general fund—state appropriation for fiscal year 2018 and (~~(\$82,778,000)~~) \$61,553,000 of the general fund—state appropriation for fiscal year 2019 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:

(a) For national board certified teachers, a bonus of \$5,296 per teacher in the 2017-18 school year and a bonus of \$5,397 per teacher in the 2018-19 school year;

(b) An additional \$5,000 annual bonus shall be paid to national board certified teachers who teach in either: (A) High schools where at least 50 percent of student headcount enrollment is eligible for federal free or reduced-price lunch, (B) middle schools where at least 60 percent of student headcount enrollment is eligible for federal free or reduced-price lunch, or (C) elementary schools where at least 70 percent of student headcount enrollment is eligible for federal free or reduced-price lunch;

(c) The superintendent of public instruction shall adopt rules to ensure that national board certified teachers meet the qualifications for bonuses under (b) of this subsection for less than one full school year receive bonuses in a prorated manner. All bonuses in this subsection will be paid in July of each school year. Bonuses in this subsection shall be reduced by a factor of 40 percent for first year NBPTS certified teachers, to reflect the portion of the instructional school year they are certified; and

(d) During the 2017-18 and 2018-19 school years, and within available funds, certificated instructional staff who have met the eligibility requirements and have applied for certification from the national board for professional teaching standards may receive a conditional loan of two thousand dollars or the amount set by the office of the superintendent of public instruction to contribute toward the current assessment fee, not including the initial up-front candidacy payment. The fee shall be an advance on the first annual bonus under RCW 28A.405.415. The conditional loan is provided in addition to compensation received under a district's salary allocation and shall not be included in

calculations of a district's average salary and associated salary limitation under RCW 28A.400.200. Recipients who fail to receive certification after three years are required to repay the conditional loan. The office of the superintendent of public instruction shall adopt rules to define the terms for initial grant of the assessment fee and repayment, including applicable fees. To the extent necessary, the superintendent may use revenues from the repayment of conditional loan scholarships to ensure payment of all national board bonus payments required by this section in each school year.

(5) \$477,000 of the general fund—state appropriation for fiscal year 2018 and \$477,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(6) \$950,000 of the general fund—state appropriation for fiscal year 2018 and \$950,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to schools identified for comprehensive or targeted support and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs.

(7) \$810,000 of the general fund—state appropriation for fiscal year 2018 and \$810,000 of the general fund—state appropriation for fiscal year 2019 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 operate a state-of-the-art education leadership academy that will be accessible throughout the state. 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 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.

(8) \$3,000,000 of the general fund—state appropriation for fiscal year 2018 and \$3,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a statewide information technology (IT) academy program. This public-private partnership will provide educational software, as well as IT certification and software training opportunities for students and staff in public schools.

(9) \$1,802,000 of the general fund—state appropriation for fiscal year 2018 and \$1,802,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for secondary career and technical education grants pursuant to chapter 170, Laws of 2008, including parts of programs receiving grants that serve students in grades four through six. If equally matched by private donations, \$825,000 of the 2018 appropriation and \$825,000 of the 2019 appropriation shall be used to support FIRST robotics programs in grades four through twelve. Of the amounts in this subsection, \$100,000 of the fiscal year 2018 appropriation and \$100,000 of the fiscal year 2019 appropriation are provided solely for the purpose of statewide supervision activities for career and technical education student leadership organizations.

(10) \$125,000 of the general fund—state appropriation for fiscal year 2018 and \$125,000 of the general fund—state appropriation for fiscal year 2019 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 with professional development training for implementing integrated math, science, technology, and engineering programs in their schools.

(11) \$135,000 of the general fund—state appropriation for fiscal year 2018 and \$135,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for science, technology, engineering and mathematics lighthouse projects, consistent with chapter 238, Laws of 2010.

(12) \$10,500,000 of the general fund—state appropriation for fiscal year 2018 and \$10,500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a beginning educator support program. The program shall prioritize first year teachers in the mentoring program. School districts and/or regional consortia may apply for grant funding. The program provided by a district and/or regional consortia shall include: A paid orientation; assignment of a qualified mentor; development of a professional growth plan for each beginning teacher aligned with professional certification; release time for mentors and new teachers to work together; and teacher observation time with accomplished peers. Funding may be used to provide statewide professional development opportunities for mentors and beginning educators.

(13) \$250,000 of the general fund—state appropriation for fiscal year 2018 and \$250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for advanced project lead the way courses at ten high schools. To be eligible for funding in 2018, a high school must have offered a foundational project lead the way course during the 2016-17 school year. The 2018 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2017-18 school year. To be eligible for funding in 2019, a high school must have offered a foundational project lead the way course during the 2017-18 school year. The 2018 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2018-19 school year. The office of the superintendent of public instruction and the education research and data center at the office of financial management shall track student participation and long-term outcome data.

(14) \$9,352,000 of the general fund—state appropriation for fiscal year 2018 and \$14,352,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 159, Laws of 2013. By January 15, 2018, the superintendent of public instruction shall submit a plan to the fiscal committees of the legislature outlining the additional school accountability supports that will be implemented as a result of the increased appropriation provided in fiscal year 2019. Of the amount provided in this subsection, \$5,000,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for expenditure contingent upon legislative approval of the superintendent's plan for additional school accountability supports, and the superintendent may not spend that amount until approval is received.

(15) \$450,000 of the general fund—state appropriation for fiscal year 2018 and \$450,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for annual start-up, expansion, or maintenance of existing programs in aerospace and advanced manufacturing programs. To be eligible for funding, the skills center and high schools must agree to engage in developing local business and industry partnerships for oversight and input regarding program components. Program instructors must also agree to participate in professional development leading to student employment, or certification in aerospace or advanced manufacturing industries as determined by the superintendent of public instruction. The office of the superintendent of public instruction and the education research and data center shall report annually student participation and long-term outcome data.

(16) \$5,000,000 of the general fund—state appropriation for fiscal year 2018 and \$4,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the provision of training for teachers, principals, and principal evaluators in the performance-based teacher principal evaluation program.

(17) \$125,000 of the general fund—state appropriation for fiscal year 2018 and \$125,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to promote the financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership.

(18) \$2,194,000 of the general fund—state appropriation for fiscal year 2018 and \$909,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to implement chapter 18, Laws of 2013 2nd sp. sess. (Engrossed Substitute Senate Bill No. 5946) (strengthening student educational outcomes).

(19) \$36,000 of the general fund—state appropriation for fiscal year 2018 and \$36,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for chapter 212, Laws of 2014 (Substitute Senate Bill No. 6074) (homeless student educational outcomes).

(20) \$80,000 of the general fund—state appropriation for fiscal year 2018 and \$40,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for chapter 219, Laws of 2014 (Second Substitute Senate Bill No. 6163) (expanded learning).

(21) \$10,000 of the general fund—state appropriation for fiscal year 2018 and \$10,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for chapter 102, Laws of 2014 (Senate Bill No. 6424) (biliteracy seal).

(22) \$500,000 of the general fund—state appropriation for fiscal year 2018 and \$500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the office of the superintendent of public instruction to contract with a nonprofit organization to integrate the state learning standards in English language arts, mathematics, and science with FieldSTEM outdoor field studies and project-based and work-based learning opportunities aligned with the environmental, natural resource, and agricultural sectors.

(23) Within the amounts provided in this section, the superintendent of public instruction shall obtain an existing student assessment inventory tool that is free and openly licensed and distribute the tool to every school district. Each school district shall use the student assessment inventory tool to identify all

state-level and district-level assessments that are required of students. The state-required assessments should include: Reading proficiency assessments used for compliance with RCW 28A.320.202; the required statewide assessments under chapter 28A.655 RCW in grades three through eight and at the high school level in English language arts, mathematics, and science, as well as the practice and training tests used to prepare for them; and the high school end-of-course exams in mathematics under RCW 28A.655.066. District-required assessments should include: The second grade reading assessment used to comply with RCW 28A.300.320; interim smarter balanced assessments, if required; the measures of academic progress assessment, if required; and other required interim, benchmark, or summative standardized assessments, including assessments used in social studies, the arts, health, and physical education in accordance with RCW 28A.230.095, and for educational technology in accordance with RCW 28A.655.075. The assessments identified should not include assessments used to determine eligibility for any categorical program including the transitional bilingual instruction program, learning assistance program, highly capable program, special education program, or any formative or diagnostic assessments used solely to inform teacher instructional practices, other than those already identified. By October 15th of each year, each district shall report to the superintendent the amount of student time in the previous school year that is spent taking each assessment identified. By December 15th of each even numbered calendar year, the superintendent shall summarize the information reported by the school districts and report to the education committees of the house of representatives and the senate.

(24) \$125,000 of the general fund—state appropriation for fiscal year 2018 and \$125,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for contracts with nonprofit organizations that provide direct services to children exclusively through one-to-one volunteer mentoring. The mentor, student, and parent must each receive monthly coaching from professional staff in the first year and coaching every two months in subsequent years.

(25) \$200,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for grants to implement a program that provides hands-on education in financial literacy, work readiness, and entrepreneurship.

(26) Sufficient amounts are appropriated in this section for the office of the superintendent of public instruction to create a process and provide assistance to school districts in planning for future implementation of the summer knowledge improvement program grants.

Sec. 1413. 2018 c 299 s 514 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL BILINGUAL PROGRAMS

General Fund—State Appropriation (FY 2018)	\$151,517,000
General Fund—State Appropriation (FY 2019)	(\$158,812,000)
	<u>\$158,453,000</u>
General Fund—Federal Appropriation	\$97,244,000
Pension Funding Stabilization Account—State Appropriation	\$4,000
TOTAL APPROPRIATION	(\$407,577,000)
	<u>\$407,218,000</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) For the 2017-18 and 2018-19 school years, the superintendent shall allocate funding to school districts for transitional bilingual programs under RCW 28A.180.010 through 28A.180.080, including programs for exited students, as provided in RCW 28A.150.260(10)(b) and the provisions of this section. In calculating the allocations, the superintendent shall assume the following averages: (i) Additional instruction of 4.7780 hours per week per transitional bilingual program student in grades kindergarten through six and 6.7780 hours per week per transitional bilingual program student in grades seven through twelve in school years 2017-18 and 2018-19; (ii) additional instruction of 3.0000 hours per week in school years 2017-18 and 2018-19 for the head count number of students who have exited the transitional bilingual instruction program within the previous two years based on their performance on the English proficiency assessment; (iii) fifteen transitional bilingual program students per teacher; (iv) 36 instructional weeks per year; (v) 900 instructional hours per teacher; and (vi) the compensation rates as provided in sections 503 and 504 of this act. Pursuant to RCW 28A.180.040(1)(g), the instructional hours specified in (a)(ii) of this subsection (2) are within the program of basic education.

(b) From July 1, 2017, to August 31, 2017, the superintendent shall allocate funding to school districts for transitional bilingual instruction programs as provided in section 514, chapter 4, Laws of 2015, 3rd sp. sess., as amended.

(3) The superintendent may withhold allocations to school districts in subsection (2) of this section solely for the central provision of assessments as provided in RCW 28A.180.090 (1) and (2) up to the following amounts: 2.50 percent for school year 2017-18 and (~~2.57~~) 2.59 percent for school year 2018-19.

(4) The general fund—federal appropriation in this section is 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.

(5) \$35,000 of the general fund—state appropriation for fiscal year 2018 and \$35,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to track current and former transitional bilingual program students.

(6) \$495,000 of the general fund—state appropriation in fiscal year 2018 and (~~\$198,000~~) \$1,060,000 of the general fund—state appropriation in fiscal year 2019 are provided solely for the central provision of assessments as provided in RCW 28A.180.090, and is in addition to the withholding amounts specified in subsection (3) of this section.

Sec. 1414. 2018 c 299 s 515 (uncodified) is amended to read as follows:
FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING ASSISTANCE PROGRAM

General Fund—State Appropriation (FY 2018) \$323,386,000
General Fund—State Appropriation (FY 2019)(~~\$348,202,000~~)

	<u>\$345,574,000</u>
General Fund—Federal Appropriation	\$519,487,000
TOTAL APPROPRIATION	<u>(\$1,191,075,000)</u>
	<u>\$1,188,447,000</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)(i) For the 2017-18 and 2018-19 school years, the superintendent shall allocate funding to school districts for learning assistance programs as provided in RCW 28A.150.260(10)(a), except that the allocation for the additional instructional hours shall be enhanced as provided in this section, which enhancements are within the program of the basic education. In calculating the allocations, the superintendent shall assume the following averages: (A) Additional instruction of 2.3975 hours per week per funded learning assistance program student for the 2017-18 and 2018-19 school years; (B) additional instruction of 1.1 hours per week per funded learning assistance program student for the 2017-18 and 2018-19 school years in qualifying high-poverty school building; (C) fifteen learning assistance program students per teacher; (D) 36 instructional weeks per year; (E) 900 instructional hours per teacher; and (F) the compensation rates as provided in sections 503 and 504 of this act.

(ii) From July 1, 2017, to August 31, 2017, the superintendent shall allocate funding to school districts for learning assistance programs as provided in section 515, chapter 4, Laws of 2015, 3rd sp. sess., as amended.

(c) A school district's funded students for the learning assistance program shall be the sum of 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. The prior school year's October headcount enrollment for free and reduced-price lunch shall be as reported in the comprehensive education data and research system.

(2) Allocations made pursuant to subsection (1) of this section shall be adjusted to reflect ineligible applications identified through the annual income verification process required by the national school lunch program, as recommended in the report of the state auditor on the learning assistance program dated February, 2010.

(3) The general fund—federal appropriation in this section is provided for Title I Part A allocations of the every student succeeds act of 2016.

(4) A school district may carry over from one year to the next up to 10 percent of the general fund—state funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

(5) Within existing resources, during the 2017-18 and 2018-19 school years, school districts are authorized to use funds allocated for the learning assistance program to also provide assistance to high school students who have not passed the state assessment in science.

Sec. 1415. 2018 c 299 s 516 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—PER PUPIL ALLOCATIONS

Statewide Average Allocations Per Annual Average Full-Time Equivalent Student		
Basic Education Program	2017-18 School Year	2018-19 School Year
General Apportionment	\$7,063	((\$8,736)) <u>\$8,773</u>
Pupil Transportation	\$429	((\$531)) <u>\$557</u>
Special Education Programs	\$6,897	((\$8,749)) <u>\$8,784</u>
Institutional Education Programs	\$14,401	((\$17,811)) <u>\$17,796</u>
Programs for Highly Capable Students	\$457	((\$569)) <u>\$572</u>
Transitional Bilingual Programs	\$1,031	((\$1,250)) <u>\$1258</u>
Learning Assistance Program	\$738	((\$920)) <u>\$925</u>

Sec. 1416. 2018 c 299 s 517 (uncodified) is amended to read as follows:
FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

(1) Amounts distributed to districts by the superintendent through part V of this act are for allocations purposes only, unless specified by part V of this act, and do not entitle a particular district, district employee, or student to a specific service, beyond what has been expressly provided in statute. Part V of this act restates the requirements of various sections of Title 28A RCW. If any conflict exists, the provisions of Title 28A RCW control unless this act explicitly states that it is providing an enhancement. Any amounts provided in part V of this act in excess of the amounts required by Title 28A RCW provided in statute, are not within the program of basic education unless clearly stated by this act.

(2) To the maximum extent practicable, when adopting new or revised rules or policies relating to the administration of allocations in part V of this act that result in fiscal impact, the office of the superintendent of public instruction shall attempt to seek legislative approval through the budget request process.

(3) 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 (4) of this section.

(4) 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, ((2018)) 2019, 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 ((2018)) 2019 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, highly capable, and learning assistance programs.

(5) 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.

(6) As required by RCW 28A.710.110, the office of the superintendent of public instruction shall transmit the charter school authorizer oversight fee for the charter school commission to the charter school oversight account.

Sec. 1417. 2018 c 299 s 518 (uncodified) is amended to read as follows:

FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR CHARTER SCHOOLS

Washington Opportunity Pathways Account—State

Appropriation	(\$55,569,000)
	<u>\$57,321,000</u>

The appropriation in this section is subject to the following conditions and limitations:

(1) The superintendent shall distribute funding appropriated in this section to charter schools under chapter 28A.710 RCW. Within amounts provided in this section the superintendent may distribute funding for safety net awards for charter schools with demonstrated needs for special education funding beyond the amounts provided under chapter 28A.710 RCW.

(2) \$2,378,000 of the Washington opportunity pathways account—state appropriation is provided solely for allocation to school districts to increase compensation related to increasing school employee salary allocations, changing the special education excess cost multiplier as provided in RCW 28A.150.390(2)(b), regionalization factors as provided in RCW 28A.150.412(2)(b), and the professional learning day delay, each as amended by Engrossed Second Substitute Senate Bill No. 6362 (basic education).

**PART XV
SUPPLEMENTAL
HIGHER EDUCATION**

Sec. 1501. 2018 c 299 s 601 (uncodified) is amended to read as follows:

FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund—State Appropriation (FY 2018)	\$629,169,000
General Fund—State Appropriation (FY 2019)	(\$637,311,000)
	<u>\$637,457,000</u>

Community/Technical College Capital Projects

Account—State Appropriation	\$21,618,000
Education Legacy Trust Account—State Appropriation	\$134,501,000
Pension Funding Stabilization Account—State	
Appropriation	\$67,897,000
TOTAL APPROPRIATION	(\$1,490,496,000)
	<u>\$1,490,642,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$33,261,000 of the general fund—state appropriation for fiscal year 2018 and \$33,261,000 of the general fund—state appropriation for fiscal year 2019 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 at least 7,170 full-time equivalent students in fiscal year 2018 and at least 7,170 full-time equivalent students in fiscal year 2019.

(2) \$5,450,000 of the education legacy trust account—state appropriation is 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 the 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.

(3) \$425,000 of the general fund—state appropriation for fiscal year 2018 and \$425,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for Seattle central college's expansion of allied health programs.

(4) \$5,250,000 of the general fund—state appropriation for fiscal year 2018 and \$5,250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the student achievement initiative.

(5) \$1,610,000 of the general fund—state appropriation for fiscal year 2018, and \$1,610,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the expansion of the mathematics, engineering, and science achievement program. The state board shall report back to the appropriate committees of the legislature on the number of campuses and students served by December 31, 2018.

(6) \$1,500,000 of the general fund—state appropriation for fiscal year 2018 and \$1,500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of guided pathways or similar programs designed to improve student success, including, but not limited to, academic program redesign, student advising, and other student supports.

(7) \$1,500,000 of the general fund—state appropriation for fiscal year 2018 and \$1,500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for operating a fabrication composite wing incumbent worker training program to be housed at the Washington aerospace training and research center.

(8) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the aerospace center of excellence currently hosted by Everett community college to:

(a) Increase statewide communications and outreach between industry sectors, industry organizations, businesses, K-12 schools, colleges, and universities;

(b) Enhance information technology to increase business and student accessibility and use of the center's web site; and

(c) Act as the information entry point for prospective students and job seekers regarding education, training, and employment in the industry.

(9) \$18,697,000 of the general fund—state appropriation for fiscal year 2018 and \$19,164,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(10) Community and technical colleges are not required to send mass mailings of course catalogs to residents of their districts. Community and

technical colleges shall consider lower cost alternatives, such as mailing postcards or brochures that direct individuals to online information and other ways of acquiring print catalogs.

(11) The state board for community and technical colleges shall not use funds appropriated in this section to support intercollegiate athletics programs.

(12) \$157,000 of the general fund—state appropriation for fiscal year 2018 and \$157,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Wenatchee Valley college wildfire prevention program.

(13) \$100,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(14) \$185,000 of the general fund—state appropriation for fiscal year 2018 and \$185,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(15) \$41,000 of the general fund—state appropriation for fiscal year 2018 and \$42,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 98, Laws of 2017 (E2SHB 1375) (ctc course material costs).

(16) \$158,000 of the general fund—state appropriation for fiscal year 2018 and \$5,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 237, Laws of 2017 (ESHB 1115) (paraeducators).

(17) \$150,000 of the general fund—state appropriation for fiscal year 2018 and \$150,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for program delivery through Green River College to the Covington area and southeast King county in response to the education needs assessment conducted by the student achievement council in the 2015-2017 fiscal biennium.

(18) \$60,000 of the general fund—state appropriation for fiscal year 2018 and \$60,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a youth development program operated by Everett community college in conjunction with a county chapter of a national civil rights organization.

(19) \$750,000 of the general fund—state appropriation for fiscal year 2018 and \$750,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for increased enrollments in the integrated basic education and skills training program. Funding will support approximately 120 additional full-time equivalent enrollments annually.

(20)(a) The state board must provide quality assurance reports on the ctcLink project at the frequency directed by the office of chief information officer for review and for posting on its information technology project dashboard.

(b) The state board must develop a technology budget using a method similar to the state capital budget, identifying project costs, funding sources, and anticipated deliverables through each stage of the investment and across fiscal periods and biennia from project initiation to implementation. The budget must be updated at the frequency directed by the office of chief information officer for review and for posting on its information technology project dashboard.

(c) The office of the chief information officer may suspend the ctcLink project at any time if the office of the chief information officer determines that the project is not meeting or is not expected to meet anticipated performance measures, implementation timelines, or budget estimates. Once suspension or termination occurs, the state board shall not make additional expenditures on the ctcLink project without approval of the chief information officer. The ctcLink project funded through the community and technical college innovation account created in RCW 28B.50.515 is subject to the conditions, limitations, and review provided in section 724 of this act.

(21) \$150,000 of the general fund—state appropriation for fiscal year 2018 and \$150,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the aerospace center of excellence hosted by Everett Community College to develop an unmanned aircraft system program in Sunnyside.

(22) \$216,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the opportunity center for employment and education at north Seattle college.

(23) \$381,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2009 (gold star families/higher education). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(24) \$500,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for Highline college to implement the Federal Way higher education initiative in partnership with the city of Federal Way and the University of Washington Tacoma campus.

(25)(a) \$150,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the board to contract with an independent professional consulting service to:

(i) Collect academic, classified, and professional employee total compensation data, source of funding, and the duties or categories for which that compensation is paid;

(ii) Identify comparable market rate salaries;

(iii) Incorporate, as appropriate, data from the office of financial management from the compensation studies conducted pursuant to the 2017-2019 memorandum of understanding between the state of Washington community college coalition and the Washington federation of state employees re: regional compensation issues; and

(iv) Provide analysis regarding whether a local labor market adjustment formula should be implemented, and if so which market adjustment factors and methods should be used.

(b) The board must collect, and college districts must provide, the compensation, recruitment, and retention data necessary to accomplish the work required in this subsection.

(c) The consultant shall provide an interim report to the board by August 15, 2018. The consultant shall provide the final data and analysis to the board by October 1, 2018.

(26) \$87,000 of the general fund—state appropriation for fiscal year 2018 and \$350,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely for Peninsula college to expand the annual cohorts of the specified programs as follows:

- (a) Medical assisting, from 20 to 40 students;
- (b) Nursing assistant, from 40 to 60 students; and
- (c) Registered nursing, from 24 to 32 students.

(27) \$338,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the Washington state labor education and research center at South Seattle College.

(28) \$150,000 of the general fund—state appropriation for fiscal year 2018 and \$150,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the state board to continue the feasibility study for a potential new community and technical college in the Graham, Washington area that was first authorized by section 605, chapter 4, Laws of 2015 3rd sp. sess. The feasibility study shall be accomplished by continuing to expand enrollment and classes at the Graham-Kapowsin high school and gathering data, such as enrollment numbers, future class interest, and student profile data, from students who participate. The feasibility study shall specifically address the intent of pursuing the establishment of a community college in the Graham, Washington area and the state board of community and technical colleges shall report to the legislature the findings of the feasibility study by June 30, 2019.

(29) \$42,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Senate Bill No. 5028 (Native American curriculum). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(30) \$300,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for Cascadia community college to convene a task force with the University of Washington-Bothell and the representatives from the Canyon Park biomedical industry cluster to (a) identify workforce development needs of the area's biomedical cluster and (b) engage in the city of Bothell's master planning process to ensure that the retention and expansion of this industry cluster and its workforce are adequately represented in the process.

(31) \$50,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the state board to identify at least two high school equivalency tests that are at least as rigorous as the 2013 general educational test in that sixty percent of high school seniors can pass the test. At least one of the two test options must not require computer proficiency and at least one of the test options must be low cost to the student. At least one of the test options must be fairly normed to the actual academic ability of current high school seniors such that at least sixty percent of high school seniors can pass the high school equivalency test. The state board must identify at least one test option that is appropriate for students who have been in the workforce, need a high school diploma for employment reasons, have been incarcerated, or were in the military. The state board must communicate the availability of the two test options to public and private test administrators. The state board must report to the legislature and the public the number of students who have received a high school equivalency certificate during the prior month of each year by posting this information on a public page on its web site. The board must also post on a public page on its web site a norming study for every high school equivalency test confirming that the test is within the actual academic ability of recent high

school seniors. The norming study must be similar in scope and methods to the norming studies of the 2002 and 2007 GED tests.

Sec. 1502. 2018 c 299 s 602 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund—State Appropriation (FY 2018)	.....	\$310,920,000
General Fund—State Appropriation (FY 2019)	.....	..((\$325,781,000))
		<u>\$325,951,000</u>
Aquatic Lands Enhancement Account—State Appropriation	.....	\$1,350,000
UW Building Account—State Appropriation	.....	\$1,052,000
Education Legacy Trust Account—State Appropriation	.....	\$33,051,000
Economic Development Strategic Reserve Account—State		
Appropriation	.....	\$3,034,000
Pension Funding Stabilization Account—State		
Appropriation	.....	\$51,068,000
Biotoxin Account—State Appropriation	.....	\$596,000
Dedicated Marijuana Account—State Appropriation		
(FY 2018)	.....	\$247,000
Dedicated Marijuana Account—State Appropriation		
(FY 2019)	.....	\$247,000
Accident Account—State Appropriation	.....	\$7,425,000
Medical Aid Account—State Appropriation	.....	\$7,032,000
Geoduck Aquaculture Research Account—State		
Appropriation	.....	\$200,000
TOTAL APPROPRIATION	.....	..((\$742,003,000))
		<u>\$742,173,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$52,000 of the general fund—state appropriation for fiscal year 2018 and \$52,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the center for international trade in forest products in the college of forest resources.

(2) \$38,807,000 of the general fund—state appropriation for fiscal year 2018 and \$39,777,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(3) \$200,000 of the general fund—state appropriation for fiscal year 2018 and \$200,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for labor archives of Washington. The university shall work in collaboration with the state board for community and technical colleges.

(4) \$8,000,000 of the education legacy trust account—state appropriation is provided solely for the family medicine residency network at the university to expand the number of residency slots available in Washington.

(5) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-

practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(6) \$1,350,000 of the aquatic lands enhancement account—state is provided solely for ocean acidification monitoring, forecasting, and research and for operation of the Washington ocean acidification center. By September 1, 2017, the center must provide a biennial work plan and begin quarterly progress reports to the Washington marine resources advisory council created under RCW 43.06.338.

(7) \$11,000,000 of the education legacy trust account—state appropriation is provided solely for the expansion of degrees in the department of computer science and engineering at the Seattle campus.

(8) \$1,000,000 of the general fund—state appropriation for fiscal year 2018 and \$1,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the university to increase resident undergraduate enrollments in science, technology, engineering, and math majors. The university is expected to increase full-time equivalent enrollment by approximately 60 additional students.

(9) \$3,000,000 of the economic development strategic reserve account appropriation is provided solely to support the joint center for aerospace innovation technology.

(10) The University of Washington shall not use funds appropriated in this section to support intercollegiate athletics programs.

(11) \$250,000 of the general fund—state appropriation for fiscal year 2018 and \$250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Latino health center.

(12) \$200,000 of the general fund—state appropriation for fiscal year 2018 and \$200,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the climate impacts group in the college of the environment.

(13) \$8,400,000 of the general fund—state appropriation for fiscal year 2018 and \$7,400,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the continued operations and expansion of the Washington, Wyoming, Alaska, Montana, Idaho medical school program.

(14) \$500,000 of the general fund—state appropriation for fiscal year 2018 and \$2,700,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the university to host the Special Olympics USA Games in July 2018.

(15) \$5,000 of the general fund—state appropriation for fiscal year 2018 and \$80,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 262, Laws of 2017 (E2SHB 1612) (lethal means, reduce access).

(16) \$400,000 of the general fund—state appropriation for fiscal year 2018 and \$400,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a contract with the center for sensorimotor neural engineering to advance research on spinal cord injuries.

(17) \$2,250,000 of the general fund—state appropriation for fiscal year 2018 and \$2,250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the institute for stem cell and regenerative medicine. Funds appropriated in this subsection must be dedicated to research utilizing pluripotent stem cells and related research methods.

(18) \$500,000 of the general fund—state appropriation for fiscal year 2018 and \$500,000 of the general fund—state appropriation for fiscal year 2019 are provided to the University of Washington to support youth and young adults experiencing homelessness in the university district of Seattle. Funding is provided for the university to work with community service providers and university colleges and departments to plan for and implement a comprehensive one-stop center with navigation services for homeless youth; the university may contract with the department of commerce to expand services that serve homeless youth in the university district.

(19) \$125,000 of the general fund—state appropriation for fiscal year 2018 and \$125,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the University of Washington school of public health to study the air quality implications of air traffic at the international airport in the state that has the highest total annual number of arrivals and departures. The study must include an assessment of the concentrations of ultrafine particulate matter in areas surrounding and directly impacted by air traffic generated by the airport, including areas within ten miles of the airport in the directions of aircraft flight paths and within ten miles of the airport where public agencies operate an existing air monitoring station. The study must attempt to distinguish between aircraft and other sources of ultrafine particulate matter, and must compare concentrations of ultrafine particulate matter in areas impacted by high volumes of air traffic with concentrations of ultrafine particulate matter in areas that are not impacted by high volumes of air traffic. The university must coordinate with local governments in areas addressed by the study to share results and inclusively solicit feedback from community members. By December 1, 2019, the university must report study findings, including any gaps and uncertainties in health information associated with ultrafine particulate matter, and recommend to the legislature whether sufficient information is available to proceed with a second phase of the study.

(20) The appropriations in this section include sufficient funding for the implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(21) The appropriations in this section include sufficient funding for the implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(22) Within the funds appropriated in this section, the University of Washington shall:

(a) Review the scholarly literature on the short-term and long-term effects of marijuana use to assess if other states or private entities are conducting marijuana research in areas that may be useful to the state.

(b) Provide as part of its budget request for the 2019-2021 biennium:

(i) A list of intended state, federal, and privately funded marijuana research, including cost, duration, and scope; and

(ii) Plans for partnerships with other universities, state agencies, or private entities, including entities outside the state, for purposes related to researching short-term and long-term effects of marijuana use.

(23) General fund—state appropriations in this section are reduced to reflect a reduction in state-supported tuition waivers for graduate students. When

reducing tuition waivers, the university will not change its practices and procedures for providing eligible veterans with tuition waivers.

(24) \$45,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the university to conduct research and analysis of military officers who are attending or have completed the command and general staff college, intermediate level education, or advanced operations course as part of their military education. The purpose of the research and analysis is to examine possible graduate level degree programs to be offered in partnership with the university and the U.S. army's command and general staff college. The research and analysis shall include stakeholder meetings with the U.S. army's command and general staff college. The university shall submit a report to the appropriate legislative higher education committees and the joint committee on veterans and military affairs by December 31, 2018. The report shall include the results of the research and analysis and plans for possible next steps with other service schools for field grade officers.

(25)(a) \$140,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the University of Washington school of law to convene a study on the Washington state supreme court decision *Volk v. DeMeerleer*, 386 P.3d 254 (Wash. 2016), and whether or not it substantially changed the law on the duty of care for mental health providers and whether it has had an impact on access to mental health care services in the state. The study shall include:

(i) Comprehensive review of duty to warn and duty to protect case law and laws in the United States, including a description of how Washington state's law compares to other states and to what extent, if any, the Volk decision changed the law in this state;

(ii) Comprehensive review and assessment of the involuntary and voluntary treatment capacity available in the state, including information and data available from the select committee on quality improvement in state hospitals, related contractors, and other sources;

(iii) An analysis of lawsuits brought in the state as a result of the Volk decision, including the outcome of any such cases and any harm alleged in each lawsuit;

(iv) An analysis of lawsuits brought in the state prior to the issuance of the Volk decision, and since the issuance of the decision in *Petersen v. State*, against outpatient mental health providers alleged to have breached either the duty to warn or the duty to take reasonable precautions established in *Petersen*, including the outcome of any such cases and the harm alleged in each lawsuit;

(v) An analysis of insurance claims filed as a result of the Volk decision, including the outcome of any such cases and any harm alleged in each claim filed;

(vi) Whether insurance policy provisions and rates have been affected due to the Volk decision;

(vii) Assessment of the number of mental health service providers available to provide treatment to voluntary mental health patients in the state, whether that capacity has changed, and whether any such change is a result of the Volk decision, and a description of any changes as a result of the Volk decision;

(viii) Assessment of whether mental health service providers may be changing practice to limit exposure to the potential risks created by the Volk decision;

(ix) Assessment of legal and practice implications state legal standards regarding duty to warn and duty to protect in the voluntary and involuntary treatment context; and

(x) Comprehensive review of practices where the practice has been consistently shown to have achieved the results it seeks to achieve and that those results are superior to those achieved by other means.

(b) When performing the study under this subsection, the University of Washington school of law shall consult with subject-matter experts including, but not limited to, individuals representing the following organizations:

(i) Attorneys with experience representing defendants in personal injury cases or wrongful death cases related to the issues raised by duty to warn cases;

(ii) Washington state association for justice, representing attorneys with experience representing plaintiffs in personal injury cases or wrongful death cases related to the issues raised by duty to warn cases;

(iii) Department of social and health services;

(iv) Washington academy of family physicians;

(v) Washington association for mental health treatment protection;

(vi) Office of the insurance commissioner;

(vii) Washington council for behavioral health;

(viii) Washington state hospital association;

(ix) Washington state medical association;

(x) Washington state psychiatric association;

(xi) Washington state psychological association;

(xii) Washington state society for clinical social work;

(xiii) Washington association of police chiefs and sheriffs;

(xiv) Victim support services;

(xv) NW health law advocates;

(xvi) National alliance on mental illness;

(xvii) American civil liberties union; and

(xviii) A sample of families who testified or presented evidence of their cases to the legislature.

(c) The University of Washington school of law shall consult each listed organization separately. Following collection and analysis of relevant data, they shall hold at least one meeting of all listed organizations to discuss the data, analysis, and recommendations. The University of Washington school of law must submit the final report to the appropriate committees of the legislature by December 1, 2017.

(26) \$85,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2009 (gold star families/higher education). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(27) To ensure transparency and accountability, in the 2017-2019 fiscal biennium the University of Washington shall comply with any and all financial and accountability audits by the Washington state auditor including any and all audits of university services offered to the general public, including those offered through any public-private partnership, business venture, affiliation, or

joint venture with a public or private entity, except the government of the United States. The university shall comply with all state auditor requests for the university's financial and business information including the university's governance and financial participation in these public-private partnerships, business ventures, affiliations, or joint ventures with a public or private entity. In any instance in which the university declines to produce the information to the state auditor, the university will provide the state auditor a brief summary of the documents withheld and a citation of the legal or contractual provision that prevents disclosure. The summaries must be compiled into a report by the state auditor and provided on a quarterly basis to the legislature.

(28) \$77,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the University of Washington school of environmental and forest sciences to pilot a program to advise and facilitate the activities of the Olympic peninsula forest collaborative.

(29)(a) \$172,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a University of Washington study in the south Cascades to determine current wolf use and density, and to gather baseline data to understand the effects of wolf recolonization on predator-prey dynamics of species that currently have established populations in the area. The study objectives shall include:

(i) Determination of whether wolves have started to recolonize a 5,000 square kilometer study area in the south Cascades of Washington, and if so, an assessment of their distribution over the landscape as well as their health and pregnancy rates;

(ii) Baseline data collection, if wolves have not yet established pack territories in this portion of the state, that will allow for the assessment of how the functional densities and diets of wolves across the landscape will affect the densities and diets in the following predators and prey: Coyote, cougar, black bear, bobcat, red fox, wolverine, elk, white tailed deer, mule deer, moose, caribou, and snowshoe hare;

(iii) Examination of whether the microbiome of each species changes as wolves start to occupy suitable habitat; and

(iv) An assessment of the use of alternative wildlife monitoring tools to cost-effectively monitor size of the wolf population over the long-term.

(b) A report on the findings of the study shall be shared with the Washington department of fish and wildlife.

(30) \$1,000,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the University of Washington's psychiatry integrated care training program.

(31) \$200,000 of the geoduck aquaculture research account—state appropriation is provided solely for the Washington sea grant program at the University of Washington to complete a three-year study to identify best management practices related to shellfish production. The University of Washington must submit an annual report detailing any findings and outline the progress of the study, consistent with RCW 43.01.036, to the office of the governor and the appropriate legislative committees by December 1st of each year.

(32) \$3,000,000 of the general fund—state appropriation for fiscal year 2018 and \$6,000,000 of the general fund—state appropriation for fiscal year

2019 are provided on a one-time basis solely for compensation and central services costs. The funding provided shall temporarily replace a portion of tuition expenditures on central services and salaries and benefits for union-represented and nonrepresented employees. The additional funding provided in this section will permit the university to fund the incremental cost of compensation costs for all general fund—state and tuition-supported employees in equal amounts from general fund—state and tuition for the remainder of the 2017-2019 fiscal biennium.

(33) \$200,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the pre-law pipeline and social justice program at the University of Washington Tacoma.

(34) \$135,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for Washington MESA to continue the First Nations MESA program in the Yakima Valley.

(35) \$150,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Substitute Senate Bill No. 6514 (higher education behavioral health). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(36) \$10,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed House Bill No. 2957 (nonnative finfish escape). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(37) \$81,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Senate Bill No. 5028 (Native American curriculum). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

Sec. 1503. 2018 c 299 s 603 (uncodified) is amended to read as follows:

FOR WASHINGTON STATE UNIVERSITY

General Fund—State Appropriation (FY 2018)	.....	\$200,567,000
General Fund—State Appropriation (FY 2019)	.....	(\$212,381,000)
		<u>\$213,087,000</u>
WSU Building Account—State Appropriation	.....	\$792,000
Education Legacy Trust Account—State Appropriation	.....	\$33,995,000
Dedicated Marijuana Account—State Appropriation		
(FY 2018)	.....	\$138,000
Dedicated Marijuana Account—State Appropriation		
(FY 2019)	.....	\$138,000
Pension Funding Stabilization Account—State		
Appropriation	.....	\$30,983,000
TOTAL APPROPRIATION	.....	(\$478,994,000)
		<u>\$479,700,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$90,000 of the general fund—state appropriation for fiscal year 2018 and \$90,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a rural economic development and outreach coordinator.

(2) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments.

By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(3) \$500,000 of the general fund—state appropriation for fiscal year 2018 and \$500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for state match requirements related to the federal aviation administration grant.

(4) Washington State University shall not use funds appropriated in this section to support intercollegiate athletic programs.

(5) The appropriations in this section include sufficient funding for the implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(6) The appropriations in this section include sufficient funding for the implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(7) \$3,000,000 of the general fund—state appropriation for fiscal year 2018 and \$7,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the continued development and operations of a medical school program in Spokane.

(8) \$135,000 of the general fund—state appropriation for fiscal year 2018 and \$135,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a honey bee biology research position.

(9) \$27,586,000 of the general fund—state appropriation for fiscal year 2018 and \$28,275,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(10) \$230,000 of the general fund—state appropriation for fiscal year 2018 and \$376,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for chapter 202, Laws of 2017 (2SHB 1713) (children's mental health).

(11) \$300,000 of the general fund—state appropriation for fiscal year 2018 and \$300,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the William D. Ruckelshaus center to collaborate with groups and organizations, including associations of local governments, associations of the business, real estate and building industries, state agencies, environmental organizations, state universities, public health and planning organizations, and tribal governments, to create a "Road Map to Washington's Future." The road map shall identify areas of agreement on ways to adapt Washington's growth management framework of statutes, institutions, and policies to meet future challenges in view of robust forecasted growth and the unique circumstances and urgent priorities in the diverse regions of the state. The center shall, in conjunction with state universities and other sponsors, conduct regional workshops to:

(a) Engage Washington residents in identifying a desired statewide vision for Washington's future;

(b) Partner with state universities on targeted research to inform future alternatives;

(c) Facilitate deep and candid interviews with representatives of the above named groups and organizations; and

(d) Convene parties for collaborative conversations and potential agreement seeking.

The center must submit a final report to the appropriate committees of the legislature by June 30, 2019.

(12) \$580,000 of the general fund—state appropriation for fiscal year 2018 and \$580,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the development of an organic agriculture systems degree program located at the university center in Everett.

(13) Within the funds appropriated in this section, Washington State University shall:

(a) Review the scholarly literature on the short-term and long-term effects of marijuana use to assess if other states or private entities are conducting marijuana research in areas that may be useful to the state.

(b) Provide as part of its budget request for the 2019-2021 fiscal biennium:

(i) A list of intended state, federal, and privately funded marijuana research, including cost, duration, and scope;

(ii) Plans for partnerships with other universities, state agencies, or private entities, including entities outside the state, for purposes related to researching short-term and long-term effects of marijuana use.

(14) \$760,000 of the general fund—state appropriation for fiscal year 2018 and \$760,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 159, Laws of 2017 (2SSB 5474) (elk hoof disease).

(15) \$630,000 of the general fund—state appropriation for fiscal 2018 and \$630,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the creation of an electrical engineering program located in Bremerton. At full implementation, the university is expected to increase degree production by 25 new bachelor's degrees per year. The university must identify these students separately when providing data to the education research data center as required in subsection (2) of this section.

(16) \$1,370,000 of the general fund—state appropriation for fiscal year 2018 and \$1,370,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the creation of software engineering and data analytic programs at the university center in Everett. At full implementation, the university is expected to enroll 50 students per academic year. The university must identify these students separately when providing data to the education research data center as required in subsection (2) of this section.

(17) General fund—state appropriations in this section are reduced to reflect a reduction in state-supported tuition waivers for graduate students. When reducing tuition waivers, the university will not change its practices and procedures for providing eligible veterans with tuition waivers.

(18) \$768,000 of the general fund—state appropriation for fiscal year 2018 and ~~(\$504,000)~~ \$1,100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 36, Laws of 2017 3rd sp. sess. (renewable energy, tax incentives).

(19) \$89,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill

No. 2009 (gold star families/higher education). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(20) \$58,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Substitute House Bill No. 2580 (renewable natural gas). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(21) \$500,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the joint center for deployment and research in earth abundant materials.

(22) \$75,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the Washington State University tree fruit research and extension center in Wenatchee to create a plan for expansion of graduate research in the greater Wenatchee Valley. This plan may include proposals for new research programs, new or expanded facilities, and other elements necessary to facilitate expansion of graduate research in the greater Wenatchee Valley.

(23) \$15,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Senate Bill No. 5028 (Native American curriculum). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(24) \$20,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the office of clean technology at Washington State University to convene a sustainable aviation biofuels work group to further the development of sustainable aviation fuel as a productive industry in Washington. The work group must include members from the legislature and sectors involved in sustainable aviation biofuels research, development, production, and utilization. The work group must provide recommendations to the governor and the appropriate committees of the legislature before December 1, 2019.

(25) \$17,000 of the general fund—state appropriation for fiscal year 2018 and \$33,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the William D. Ruckelshaus center to provide meeting facilitation and related services for the legislative task force on legislative records as specified in section 925(4) of this act.

Sec. 1504. 2018 c 299 s 604 (uncodified) is amended to read as follows:

FOR EASTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2018)	.....	\$50,213,000
General Fund—State Appropriation (FY 2019)	.....	(\$52,015,000)
		<u>\$52,055,000</u>
Education Legacy Trust Account—State Appropriation	.....	\$16,598,000
TOTAL APPROPRIATION	.....	(\$118,826,000)
		<u>\$118,866,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) At least \$200,000 of the general fund—state appropriation for fiscal year 2018 and at least \$200,000 of the general fund—state appropriation for fiscal year 2019 must be expended on the Northwest autism center.

(2) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments.

By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(3) Eastern Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(4) \$9,909,000 of the general fund—state appropriation for fiscal year 2018 and \$10,156,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(5) The appropriations in this section include sufficient funding for the implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(6) The appropriations in this section include sufficient funding for the implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(7) Within amounts appropriated in this section, the university is encouraged to increase the number of tenure-track positions created and hired.

(8) \$55,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2009 (gold star families/higher education). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(9) \$20,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Senate Bill No. 5028 (Native American curriculum). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

Sec. 1505. 2018 c 299 s 605 (uncodified) is amended to read as follows:

FOR CENTRAL WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2018)	\$48,136,000
General Fund—State Appropriation (FY 2019)	(\$50,646,000)
	<u>\$51,471,000</u>
CWU Capital Projects Account—State Appropriation	\$76,000
Education Legacy Trust Account—State Appropriation	\$19,076,000
Pension Funding Stabilization Account—State	
Appropriation	\$3,921,000
TOTAL APPROPRIATION	(\$121,855,000)
	<u>\$122,680,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The university must continue work with the education research and data center to demonstrate progress in engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in engineering programs above the prior academic year.

(2) Central Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(3) \$11,169,000 of the general fund—state appropriation for fiscal year 2018 and \$11,448,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(4) The appropriations in this section include sufficient funding for the implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(5) The appropriations in this section include sufficient funding for the implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(6) Within amounts appropriated in this section, the university is encouraged to increase the number of tenure-track positions created and hired.

(7) \$76,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2009 (gold star families/higher education). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(8) \$200,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the game on! program, which provides underserved middle and high school students with training in leadership, science, technology, engineering, and math. The program is expected to serve approximately 500 students per year.

(9) \$130,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for Central Washington University to partner with the office of the lieutenant governor, and employers and labor representatives from the building and construction trades to create a bachelor's degree program for individuals who have completed or are completing certain registered apprenticeship programs. The program shall be inclusive of prior learning, specifically tailored to experience gained through apprenticeships and work in the building and construction trades, and use an affordable online delivery model. The program's financial model must be designed to make this degree program self-sustaining without state support.

(10) \$23,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Senate Bill No. 5028 (Native American curriculum). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

Sec. 1506. 2018 c 299 s 606 (uncodified) is amended to read as follows:

FOR THE EVERGREEN STATE COLLEGE

General Fund—State Appropriation (FY 2018)	.....	\$26,608,000
General Fund—State Appropriation (FY 2019)	.....	(\$28,126,000)
		<u>\$28,140,000</u>
TESC Capital Projects Account—State Appropriation	.....	\$80,000
Education Legacy Trust Account—State Appropriation	.....	\$5,450,000
Pension Funding Stabilization Account—State		
Appropriation	.....	\$2,000
TOTAL APPROPRIATION	.....	(\$60,266,000)
		<u>\$60,280,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,397,000 of the general fund—state appropriation for fiscal year 2018 and \$3,482,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(2) Funding provided in this section is sufficient for The Evergreen State College to continue operations of the Longhouse Center and the Northwest Indian applied research institute.

(3) Notwithstanding other provisions in this section, the board of directors for the Washington state institute for public policy may adjust due dates for projects included on the institute's 2017-19 work plan as necessary to efficiently manage workload.

(4) The Evergreen State College shall not use funds appropriated in this section to support intercollegiate athletics programs.

(5) \$33,000 of the general fund—state appropriation for fiscal year 2018 and \$95,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 265, Laws of 2017 (SHB 1867) (ext. foster care transitions).

(6) \$62,000 of the general fund—state appropriation for fiscal year 2018 are provided solely for implementation of chapter 237, Laws of 2017 (ESHB 1115) (paraeducators).

(7) \$17,000 of the general fund—state appropriation for fiscal year 2018 and \$41,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington institute for public policy to conduct a study regarding the implementation of certain aspects of the involuntary treatment act, pursuant to chapter 29, Laws of 2016, sp. sess. (E3SHB 1713).

(8) The appropriations in this section include sufficient funding for the implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(9) The appropriations in this section include sufficient funding for the implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(10) \$72,000 of the general fund—state appropriation for fiscal year 2018 and \$43,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the Washington institute for public policy to update its previous meta-analysis on the effect of the national board for professional teaching standards certification on student outcomes by December 15, 2018. The institute shall also report on the following:

(a) Does the certification improve teacher retention in Washington state?;

(b) Has the additional bonus provided under RCW 28A.405.415 to certificated instructional staff who have attained national board certification to work in high poverty schools acted as an incentive for such teachers to actually work in high poverty schools?; and

(c) Have other states provided similar incentives to achieve a more equitable distribution of staff with national board certification?

(11) \$122,000 of the general fund—state appropriation for fiscal year 2018 and \$141,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely for the implementation of chapter 244, Laws of 2015 (college bound).

(12) \$1,000 of the general fund—state appropriation for fiscal year 2018 and \$7,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 7, Laws of 2015, 3rd sp.s. (early start act).

(13) Within amounts appropriated in this section, the college is encouraged to increase the number of tenure-track positions created and hired.

(14) \$16,000 of the general fund—state appropriation for fiscal year 2018 and \$50,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of Engrossed Substitute Senate Bill No. 5890 (foster care and adoption). If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

(15) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the Washington state institute for public policy to conduct a study of single payer and universal coverage health care systems. The institute may seek support from the office of the state actuary. The institute shall provide a report to the appropriate committees of the legislature by December 1, 2018. The study shall:

(a) Summarize the parameters used to define universal coverage, single payer, and other innovative systems;

(b) Compare the characteristics of up to ten universal or single payer models available in the United States or elsewhere; and

(c) Summarize any available research literature that examines the effect of models detailed in (b) of this subsection on outcomes such as overall cost, quality of care, health outcomes, or the uninsured rate. If possible, the institute shall conduct meta-analyses to address this subsection.

(16) \$56,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for data storage and security upgrades at the Washington state institute for public policy.

(17) \$27,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2009 (gold star families/higher education). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(18) \$150,000 of the general fund—state appropriation for fiscal year 2019 is provided to the Washington state institute for public policy solely for additional research related to marijuana. In addition to those activities performed pursuant to Initiative Measure No. 502, the institute must:

(a) Update the inventory of programs for the prevention and treatment of youth cannabis use published in December 2016; and

(b) Examine current data collection methods measuring use of cannabis by youth and report to the legislature on potential ways to improve data collection and comparisons; and

(c) To the extent information is available, identify effective methods used to reduce or eliminate the unlicensed cultivation or distribution of marijuana or marijuana containing products in jurisdictions with existing recreational and/or medical marijuana markets.

(19) \$37,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill

No. 1561 (open educational resources). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(20) \$111,000 of the general fund—state appropriation for fiscal year 2018 and \$20,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 205, Laws of 2016 (2SHB 2449) (truancy reduction).

(21)(a) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the Washington state institute for public policy shall conduct a statewide study on the needs of dually involved females. To the extent possible, the study must review available data for the following purposes:

(i) Understanding the prevalence and demographics of the dually involved female population and their families;

(ii) Tracking outcomes for this population including, but not limited to, academic, social, and vocational achievement; and

(iii) Surveying other states' systems that address and treat the needs of this population.

(b) To the extent possible, the data should be disaggregated by race and ethnicity, gender, sexual orientation and gender identity, county of residence, and other relevant variables.

(c) The study should include a cost-benefit analysis of programs for dually involved females that would show evidence of avoidance of costs associated with public welfare programs or would demonstrate higher educational attainment.

(d) By July 1, 2019, the Washington state institute for public policy shall submit its study findings to the legislative fiscal and policy committees with responsibility for child welfare and juvenile justice issues.

(22) \$57,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the Washington institute for public policy to conduct a review of the available research literature on step therapy protocol usage, including any rigorous evidence concerning positive or negative health outcomes resulting from step therapy protocol usage. The institute must also review any rigorous evidence regarding the effectiveness of exceptions to the use of step therapy in improving health outcomes and reducing adverse events, and provide a summary of step therapy protocol exceptions that have been codified in other states. The institute must submit a report on its findings to the appropriate committees of the senate and house of representatives by December 1, 2018.

(23)((+)) \$25,000 of the general fund—state appropriation for fiscal year 2018 and \$55,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington state institute of public policy to review the higher education funding models in ten states with higher education systems that are similar to Washington state, and report to the legislature by November 1, 2018. The review must include a breakdown of:

((+)) (a) The method used to determine state funding levels for institutions of higher education;

((+)) (b) The proportion of state funding that comes from the state general fund or that state's equivalent accounts for salary and benefit increases at institutions of higher education;

((iii)) (c) The manner in which salary and benefit increases are determined at or on behalf of employees at institutions of higher education;

((iv)) (d) The total proportion of state funding that comes from the state general fund or that state's equivalent accounts for institutions of higher education.

(24) \$124,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 6029 (student loan bill of rights). If the bill is not enacted by June 30, 2018, the amounts provided in this subsection shall lapse.

Sec. 1507. 2018 c 299 s 607 (uncodified) is amended to read as follows:

FOR WESTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2018)	\$70,475,000
General Fund—State Appropriation (FY 2019)	(\$74,825,000)
	<u>\$74,902,000</u>
Education Legacy Trust Account—State Appropriation	\$13,831,000
Western Washington University Capital Projects Account—State Appropriation (FY 2018)	\$771,000
Western Washington University Capital Projects Account—State Appropriation (FY 2019)	\$712,000
TOTAL APPROPRIATION	(\$160,614,000)
	<u>\$160,691,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(2) \$630,000 of the general fund—state appropriation for fiscal year 2018 and \$630,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the computer and information systems security program located at Olympic college - Poulsbo. The university is expected to enroll 30 students each academic year beginning in fiscal year 2017. The university must identify these students separately when providing data to the educational data centers as required in (1) of this section.

(3) Western Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(4) \$15,416,000 of the general fund—state appropriation for fiscal year 2018 and \$15,801,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(5) The appropriations in this section include sufficient funding for the implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(6) The appropriations in this section include sufficient funding for the implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(7) \$500,000 of the general fund—state appropriation for fiscal year 2018 and \$500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for programs or initiatives designed to improve student academic success and increase degree completion.

(8) Within amounts appropriated in this section, the university is encouraged to increase the number of tenure-track positions created and hired.

(9) \$39,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2009 (gold star families/higher education). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(10) \$700,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the creation and implementation of an early childhood education degree program at the western on the peninsulas campus. The university must collaborate with Olympic college. At full implementation, the university is expected to grant approximately 75 bachelor's degrees in early childhood education per year at the western on the peninsulas campus.

(11) \$70,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a study of the feasibility of the university creating a four-year degree-granting campus on the Kitsap or Olympic peninsula. The university shall submit a report on the findings of the study to the governor and appropriate committees of the legislature by December 2018.

(12) \$24,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Senate Bill No. 5028 (Native American curriculum). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(13) \$1,306,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for Western Washington University to develop a new program in marine, coastal, and watershed sciences.

Sec. 1508. 2018 c 299 s 609 (uncodified) is amended to read as follows:

FOR THE STUDENT ACHIEVEMENT COUNCIL—OFFICE OF STUDENT FINANCIAL ASSISTANCE

General Fund—State Appropriation (FY 2018)	\$238,388,000
General Fund—State Appropriation (FY 2019)	\$262,875,000
General Fund—Federal Appropriation	\$11,903,000
General Fund—Private/Local Appropriation	\$300,000
Education Legacy Trust Account—State Appropriation	\$104,291,000
WA Opportunity Pathways Account—State Appropriation	(\$122,350,000)
	<u>\$119,892,000</u>
Aerospace Training Student Loan Account—State Appropriation	\$208,000
Health Professionals Loan Repayment and Scholarship Program Account—State Appropriation	\$4,720,000
Pension Funding Stabilization Account—State Appropriation	\$18,000
TOTAL APPROPRIATION	(\$745,053,000)
	<u>\$742,595,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$229,157,000 of the general fund—state appropriation for fiscal year 2018, \$252,428,000 of the general fund—state appropriation for fiscal year 2019, \$69,376,000 of the education legacy trust account—state appropriation, and \$88,000,000 of the Washington opportunity pathways account—state appropriation are provided solely for student financial aid payments under the state need grant and state work study programs, including up to four percent administrative allowance for the state work study program.

(2)(a) For the 2017-2019 fiscal biennium, state need grant awards given to private for-profit institutions shall be the same amount as the prior year.

(b) For the 2017-2019 fiscal biennium, grant awards given to private four-year not-for-profit institutions shall be set at the same level as the average grant award for public research universities. Increases in awards given to private four-year not-for-profit institutions shall align with annual tuition increases for public research institutions.

(3) Changes made to the state work study program in the 2009-2011 and 2011-2013 fiscal biennia are continued in the 2017-2019 fiscal biennium including maintaining the increased required employer share of wages; adjusted employer match rates; discontinuation of nonresident student eligibility for the program; and revising distribution methods to institutions by taking into consideration other factors such as off-campus job development, historical utilization trends, and student need.

(4) Within the funds appropriated in this section, eligibility for the state need grant includes students with family incomes at or below 70 percent of the state median family income (MFI), adjusted for family size, and shall include students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits. Awards for students with incomes between 51 and 70 percent of the state median shall be prorated at the following percentages of the award amount granted to those with incomes below 51 percent of the MFI: 70 percent for students with family incomes between 51 and 55 percent MFI; 65 percent for students with family incomes between 56 and 60 percent MFI; 60 percent for students with family incomes between 61 and 65 percent MFI; and 50 percent for students with family incomes between 66 and 70 percent MFI.

(5) Of the amounts provided in subsection (1) of this section, \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided for the council to process an alternative financial aid application system pursuant to RCW 28B.92.010.

(6) Students who are eligible for the college bound scholarship shall be given priority for the state need grant program. These eligible college bound students whose family incomes are in the 0-65 percent median family income ranges must be awarded the maximum state need grant for which they are eligible under state policies and may not be denied maximum state need grant funding due to institutional policies or delayed awarding of college bound scholarship students. The council shall provide directions to institutions to maximize the number of college bound scholarship students receiving the maximum state need grant for which they are eligible with a goal of 100 percent coordination. Institutions shall identify all college bound scholarship students to

receive state need grant priority. If an institution is unable to identify all college bound scholarship students at the time of initial state aid packaging, the institution should reserve state need grant funding sufficient to cover the projected enrollments of college bound scholarship students.

(7) \$15,849,000 of the education legacy trust account—state appropriation and (~~(\$34,350,000)~~) \$31,892,000 of the Washington opportunity pathways account—state appropriation are provided solely for the college bound scholarship program and may support scholarships for summer session. The office of student financial assistance and the institutions of higher education shall consider awards made by the opportunity scholarship program to be state-funded for the purpose of determining the value of an award amount under RCW 28B.118.010.

(8) \$2,236,000 of the general fund—state appropriation for fiscal year 2018 and \$2,795,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the passport to college program. The maximum scholarship award is up to \$5,000. The council shall contract with a nonprofit organization to provide support services to increase student completion in their postsecondary program and shall, under this contract, provide a minimum of \$500,000 in fiscal years 2018 and 2019 for this purpose. Of the amounts in this subsection, \$559,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Second Substitute Senate Bill No. 6274 (apprenticeships/foster). If the bill is not enacted by June 30, 2018, this portion of the amount provided in this subsection shall lapse.

(9) \$19,066,000 of the education legacy trust account—state appropriation is provided solely to meet state match requirements associated with the opportunity scholarship program. The legislature will evaluate subsequent appropriations to the opportunity scholarship program based on the extent that additional private contributions are made, program spending patterns, and fund balance.

(10) \$2,325,000 of the general fund—state appropriation for fiscal year 2018 and \$2,325,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for expenditure into the health professionals loan repayment and scholarship program account. These amounts and \$4,720,000 appropriated from the health professionals loan repayment and scholarship program account must be used to increase the number of licensed primary care health professionals to serve in licensed primary care health professional critical shortage areas. Contracts between the office and program recipients must guarantee at least three years of conditional loan repayments. The office of student financial assistance and the department of health shall prioritize a portion of any nonfederal balances in the health professional loan repayment and scholarship fund for conditional loan repayment contracts with psychiatrists and with advanced registered nurse practitioners for work at one of the state-operated psychiatric hospitals. The office and department shall designate the state hospitals as health professional shortage areas if necessary for this purpose. The office shall coordinate with the department of social and health services to effectively incorporate three conditional loan repayments into the department's advanced psychiatric professional recruitment and retention strategies. The office may use these targeted amounts for other program participants should there be any remaining amounts after eligible psychiatrists and advanced

registered nurse practitioners have been served. The office shall also work to prioritize loan repayments to professionals working at health care delivery sites that demonstrate a commitment to serving uninsured clients. It is the intent of the legislature to provide funding to maintain the current number and amount of awards for the program in the 2019-2021 biennium on the basis of these contractual obligations.

(11) \$42,000 of the general fund—state appropriation for fiscal year 2018 and \$42,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the council to design and implement a program that provides customized information to high-achieving (as determined by local school districts), low-income, high school students. "Low-income" means students who are from low-income families as defined by the education data center in RCW 43.41.400. For the purposes of designing, developing, and implementing the program, the council shall partner with a national entity that offers aptitude tests and shall consult with institutions of higher education with a physical location in Washington. The council shall implement the program no later than fall 2016, giving consideration to spring mailings in order to capture early action decisions offered by institutions of higher education and nonprofit baccalaureate degree-granting institutions. The information packet for students must include at a minimum:

- (a) Materials that help students to choose colleges;
- (b) An application guidance booklet;
- (c) Application fee waivers, if available, for four-year institutions of higher education and independent nonprofit baccalaureate degree-granting institutions in the state that enable students receiving a packet to apply without paying application fees;
- (d) Information on college affordability and financial aid that includes information on the net cost of attendance for each four-year institution of higher education and each nonprofit baccalaureate degree-granting institution, and information on merit and need-based aid from federal, state, and institutional sources; and
- (e) A personally addressed cover letter signed by the governor and the president of each four-year institution of higher education and nonprofit baccalaureate degree-granting institution in the state.

(12) \$500,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of House Bill No. 1452 (opportunity scholarship program). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(13) \$500,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Substitute Senate Bill No. 6514 (higher education behavioral health). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(14) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1561 (open educational resources). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

Sec. 1509. 2018 c 299 s 610 (uncodified) is amended to read as follows:
**FOR THE WORKFORCE TRAINING AND EDUCATION
COORDINATING BOARD**

General Fund—State Appropriation (FY 2018)	.....	\$1,844,000
General Fund—State Appropriation (FY 2019)	.....	(\$1,994,000)
		<u>\$2,024,000</u>
General Fund—Federal Appropriation	.....	\$55,275,000
General Fund—Private/Local Appropriation	.....	\$208,000
Pension Funding Stabilization Account—State Appropriation	.....	\$176,000
TOTAL APPROPRIATION	.....	(\$59,497,000)
		<u>\$59,527,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) For the 2017-2019 fiscal biennium the board shall not designate recipients of the Washington award for vocational excellence or recognize them at award ceremonies as provided in RCW 28C.04.535.

(2) The health workforce council of the state workforce training and education coordinating board, in partnership with work underway with the office of the governor, shall, within resources available for such purpose, but not to exceed \$250,000, assess workforce shortages across behavioral health disciplines. The board shall create a recommended action plan to address behavioral health workforce shortages and to meet the increased demand for services now, and with the integration of behavioral health and primary care in 2020. The analysis and recommended action plan shall align with the recommendations of the adult behavioral health system task force and related work of the healthier Washington initiative. The board shall consider workforce data, gaps, distribution, pipeline, development, and infrastructure, including innovative high school, postsecondary, and postgraduate programs to evolve, align, and respond accordingly to our state's behavioral health and related and integrated primary care workforce needs. The board will continue its work and submit final recommendations in calendar year 2017.

(3) \$22,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(4) \$114,000 of the general fund—state appropriation for fiscal year 2018 and \$57,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 182, Laws of 2017 (2SSB 5285) (workforce employment sectors study).

(5) \$29,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1439 (higher education student protection). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(6) \$260,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Substitute Senate Bill No. 6544 (future of work task force). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

Sec. 1510. 2018 c 299 s 612 (uncodified) is amended to read as follows:

FOR THE STATE SCHOOL FOR THE BLIND

General Fund—State Appropriation (FY 2018)	.....	\$6,977,000
General Fund—State Appropriation (FY 2019)	.....	(\$7,569,000)

	<u>\$8,285,000</u>
General Fund—Private/Local Appropriation	\$34,000
Pension Funding Stabilization Account—State Appropriation.....	\$591,000
TOTAL APPROPRIATION	(\$15,171,000)
	<u>\$15,887,000</u>

The appropriations in this section are subject to the following conditions and limitations: Funding provided in this section is sufficient for the school to offer to students enrolled in grades nine through twelve for full-time instructional services at the Vancouver campus with the opportunity to participate in a minimum of one thousand eighty hours of instruction and the opportunity to earn twenty-four high school credits.

Sec. 1511. 2018 c 299 s 613 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS

General Fund—State Appropriation (FY 2018)	\$10,293,000
General Fund—State Appropriation (FY 2019)	(\$11,564,000)
	<u>\$13,168,000</u>
Pension Funding Stabilization Account—State Appropriation.....	\$727,000
TOTAL APPROPRIATION	(\$22,584,000)
	<u>\$24,188,000</u>

The appropriations in this section are subject to the following conditions and limitations: Funding provided in this section is sufficient for the center to offer to students enrolled in grades nine through twelve for full-time instructional services at the Vancouver campus with the opportunity to participate in a minimum of one thousand eighty hours of instruction and the opportunity to earn twenty-four high school credits.

Sec. 1512. 2018 c 299 s 615 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE HISTORICAL SOCIETY

General Fund—State Appropriation (FY 2018)	\$2,474,000
General Fund—State Appropriation (FY 2019)	(\$2,833,000)
	<u>\$2,758,000</u>
Pension Funding Stabilization Account—State Appropriation.....	\$230,000
TOTAL APPROPRIATION	(\$5,537,000)
	<u>\$5,462,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$22,000 of the general fund—state appropriation for fiscal year 2018 and ~~(\$138,000)~~ \$63,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to commemorate the centennial of national women's suffrage.

**PART XVI
SUPPLEMENTAL
SPECIAL APPROPRIATIONS**

Sec. 1601. 2018 c 299 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 2018)	.....	\$1,115,140,000
General Fund—State Appropriation (FY 2019)	.....	(\$1,164,747,000)
		<u>\$1,150,735,000</u>
State Building Construction Account—State		
Appropriation	.....	(\$6,456,000)
		<u>\$3,912,000</u>
Columbia River Basin Water Supply—State Appropriation	.....	(\$79,000)
		<u>\$12,000</u>
State Taxable Building Construction Account—State		
Appropriation	.....	(\$376,000)
		<u>\$433,000</u>
<u>Watershed Restoration and Enhancement Bond</u>		
Account—State Appropriation	.....	\$4,000
Debt-Limit Reimbursable Bond Retire Account—State		
Appropriation	.....	\$570,000
TOTAL APPROPRIATION	.....	(\$2,287,368,000)
		<u>\$2,270,806,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account.

Sec. 1602. 2017 3rd sp.s. c 1 s 702 (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 2018)	.....	\$9,592,000
General Fund—State Appropriation (FY 2019)	.....	\$1,517,000
<u>School Construction and Skill Centers Building</u>		
Account—State Appropriation	.....	\$6,000
Nondebt-Limit Reimbursable Bond Retirement Account—State		
Appropriation	.....	(\$184,549,000)
		<u>\$183,571,000</u>
TOTAL APPROPRIATION	.....	(\$195,658,000)
		<u>\$194,686,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the nondebt-limit general fund bond retirement account.

Sec. 1603. 2018 c 299 s 702 (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 2018)	.....	\$1,400,000
General Fund—State Appropriation (FY 2019)	.....	\$1,400,000

State Building Construction Account—State Appropriation	(((\$2,191,000)) <u>\$691,000</u>)
Columbia River Basin Water Supply—State Appropriation	(((\$58,000)) <u>\$4,000</u>)
((Columbia River Basin Taxable Bond Water Supply—State Appropriation	..... \$14,000))
<u>Watershed Restoration and Enhancement Bond Account—State Appropriation</u>	<u>..... \$2,000</u>
<u>School Construction and Skill Centers Building Account—State Appropriation</u>	<u>..... \$2,000</u>
State Taxable Building Construction Account—State Appropriation	(((\$150,000)) <u>\$106,000</u>)
TOTAL APPROPRIATION	(((\$5,213,000)) <u>\$3,605,000</u>)

Sec. 1604. 2018 c 299 s 703 (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 for fiscal year 2018 or fiscal year 2019, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims.

(1) These appropriations are to be disbursed on vouchers approved by the director of the department of enterprise services, except as otherwise provided, for reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as follows:

- (a) John Weiler, claim number 99970144 \$7,975
- (b) Samson Asfaw, claim number 99970145 \$18,873
- (c) Kevon Turner, claim number 99970147 \$9,750
- (d) Arthur Eshe, claim number 99970148 \$12,900
- (e) Woody J. Pierson, claim number 99970235 \$19,789
- (f) Steve Sainsbury, claim number 99970236 \$10,000
- (g) Alee Meneses, claim number 99970245 \$27,043
- (h) Lisa Stanley, claim number 99970247 \$6,522
- (i) Daniel Bandy, claim number 99970248 \$19,381
- (j) Florentino Crisostomo, claim number 99970250 \$11,558
- (k) Vicki Toft, claim number 99970251 \$4,494
- (l) Shane Mitts, claim number 99970252 \$14,050
- (m) Scott Newsom, claim number 99970243 \$55,339
- (n) John Biggs, claim number 99970246 \$2,500
- (o) Javierre Jones, claim number 999702 \$31,299
- (p) Robert Cook, claim number 99970258 \$5,000

(2) These appropriations are to be disbursed on vouchers approved by the director of the department of enterprise services, except as otherwise provided, for payment of compensation for wrongful convictions pursuant to RCW 4.100.060, as follows:

- (a) Robert Larson, Tyler Gassman, and Paul Statler, claim numbers 99970072-99970074 \$79,000
- (b) Ted Bradford \$608,416

(c) Robert Larson, claim number 99970074 \$1,423

NEW SECTION. Sec. 1605. A new section is added to 2018 c 299 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT

General Fund—State Appropriation (FY 2019) \$1,063,000
TOTAL APPROPRIATION \$1,063,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section, or so much thereof as may be necessary, is provided solely for expenditure into the municipal criminal justice assistance account to ensure the account is not in deficit.

**PART XVII
SUPPLEMENTAL**

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 1701. 2018 c 299 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 ~~(\$9,730,000)~~
\$9,818,000
General Fund Appropriation for prosecuting attorney distributions \$6,643,000
General Fund Appropriation for boating safety and education distributions. \$4,000,000
General Fund Appropriation for public utility district excise tax distributions ~~(\$30,230,000)~~
\$31,355,000
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies ~~(\$3,135,000)~~
\$3,556,000
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution \$140,000
Timber Tax Distribution Account Appropriation for distribution to "timber" counties ~~(\$68,009,000)~~
\$79,248,000
County Criminal Justice Assistance Appropriation ~~(\$93,628,000)~~
\$95,002,000
Municipal Criminal Justice Assistance Appropriation ~~(\$36,908,000)~~
\$37,565,000
City-County Assistance Appropriation. ~~(\$27,160,000)~~
\$37,503,000
Liquor Excise Tax Account Appropriation for liquor excise tax distribution \$56,058,000
Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistributions effect of sourcing law changes ~~(\$20,549,000)~~

	<u>\$22,277,000</u>
Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville Reservation	\$8,074,000
Columbia River Water Delivery Account Appropriation for the Spokane Tribe of Indians	\$5,402,000
Liquor Revolving Account Appropriation for liquor profits distribution	\$98,876,000
General Fund Appropriation for other tax distributions	\$80,000
General Fund Appropriation for Marijuana Excise Tax distributions	\$30,000,000
General Fund Appropriation for Habitat Conservation Program distributions.	(\$5,347,000)
	<u>\$5,150,000</u>
TOTAL APPROPRIATION	(\$503,969,000)
	<u>\$530,747,000</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. 2018 c 299 s 802 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—TRANSFERS

- Criminal Justice Treatment Account: For transfer to
the state general fund, \$4,450,000 for fiscal
year 2018 and \$4,450,000 for fiscal year 2019 \$8,900,000
- Dedicated Marijuana Account: For transfer to
the basic health plan trust account, the lesser
of the amount determined pursuant to RCW 69.50.540
or this amount plus \$40,494,000 for fiscal year
2018, \$226,654,000 and this amount for fiscal year
2019, ~~(\$194,000,000)~~ \$190,000,000 ~~(\$420,654,000)~~
\$416,654,000
- Dedicated Marijuana Account: For transfer to
the state general fund, the lesser of the amount
determined pursuant to RCW 69.50.540 or this
amount for fiscal year 2018, \$130,000,000
and this amount for fiscal year 2019,
~~(\$137,000,000)~~ \$135,000,000 ~~(\$267,000,000)~~
\$265,000,000
- Aquatic Lands Enhancement Account: For transfer to
the clean up settlement account as repayment of
the loan provided in section 3022(2) chapter 2,
Laws of 2012, 2nd sp. sess. (ESB 6074 2012
supplemental capital budget), \$620,000 for fiscal
year 2018 and \$620,000 for fiscal year 2019. \$1,240,000
- Tobacco Settlement Account: For transfer to the
state general fund, in an amount not to exceed the
actual amount of the annual base payment to the

tobacco settlement account for fiscal year 2018	\$101,639,000
Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account for fiscal year 2019	\$101,639,000
State Toxics Control Account: For transfer to the cleanup settlement account as repayment of the loan provided in section 3022(2) chapter 2, Laws of 2012, 2nd sp. sess. (ESB 6074, 2012 supplemental capital budget), \$620,000 for fiscal year 2018 and \$620,000 for fiscal year 2019	\$1,240,000
General Fund: For transfer to the streamlined sales and use tax account, \$12,877,000 for fiscal year 2018 and ((\$7,672,000)) <u>\$9,400,000</u> for fiscal year 2019	((\$20,549,000)) <u>\$22,277,000</u>
Aerospace Training and Student Loan Account: For transfer to the state general fund, \$750,000 for fiscal year 2018 and \$750,000 for fiscal year 2019	\$1,500,000
Disaster Response Account: For transfer to the state general fund, \$42,000,000 for fiscal year 2018	\$42,000,000
State Treasurer's Service Account: For transfer to the state general fund, \$6,000,000 for fiscal year 2018 and \$6,000,000 for fiscal year 2019	\$12,000,000
Statewide Information Tech System Maintenance and Operations Revolving Account: For transfer to the consolidated technology services revolving account, \$5,500,000 for fiscal year 2018	\$5,500,000
General Fund: For transfer to the family and medical leave insurance account as start-up costs for the family and medical leave insurance program pursuant to enactment of Substitute House Bill No. 1116 (family and medical leave insurance), Senate Bill No. 5975 (paid family and medical leave insurance), or Senate Bill No. 5032 (family and medical leave insurance), \$82,000,000 for fiscal year 2018	\$82,000,000
Family and Medical Leave Insurance Account: For transfer to the General Fund as repayment for start-up costs for the family and medical leave insurance program pursuant to implementation of Substitute House Bill No. 1116 (family and medical leave insurance), Senate Bill No. 5975 (paid family and medical leave insurance), or Senate Bill No. 5032 (family and medical leave insurance), the lesser of the amount determined by the treasurer for full repayment	

of the \$82,000,000 transferred from the general fund in fiscal year 2018 for start-up costs with any related interest or this amount for fiscal year 2019, \$90,000,000	\$90,000,000
Public Works Assistance Account: For transfer to the education legacy trust account, \$136,998,000 for fiscal year 2018 and \$117,017,000 for fiscal year 2019	\$254,015,000
General Fund: For transfer to the firearms range account for fiscal year 2018.	\$75,000
New Motor Vehicle Arbitration Account: For transfer to the state general fund, \$2,000,000 for fiscal year 2018	\$2,000,000
Local Toxics Control Account: For transfer to the state toxics control account, \$9,000,000 for fiscal year 2018 and \$12,000,000 for fiscal year 2019	\$21,000,000
State Toxics Control Account: For transfer to water pollution control revolving account, \$3,000 for fiscal year 2018	\$3,000
Aquatic Lands Enhancement Account: For transfer to the geoduck aquaculture research account for fiscal year 2019	\$200,000
General Fund: For transfer to the dedicated McCleary penalty account for fiscal year 2018	\$105,200,000
The amount transferred represents the monetary sanctions accrued from August 13, 2015, through June 30, 2018, under the order of the state supreme court of August 13, 2015, in <i>McCleary v. State</i> .	
General Fund: For transfer to the disaster response account for fiscal year 2018.	\$58,535,000
Oil Spill Response Account: For transfer to the oil spill prevention account: \$1,748,000 for fiscal year 2018 and \$2,973,000 for fiscal year 2019	\$4,721,000
General Fund: For transfer to the Washington internet crimes against children account for fiscal year 2018	\$1,500,000
Funeral and Cemetery Account: For transfer to the skeletal human remains assistance account for fiscal year 2018	\$15,000
General Fund: For transfer to the statewide tourism marketing account for fiscal year 2019	\$1,500,000
Public Works Administration Account: For transfer to the state general fund for fiscal year 2018.	\$1,500,000
<u>General Fund: For the transfer to the fair fund under RCW 15.76.115, \$2,000,000 for fiscal year 2018 and \$2,000,000 for fiscal year 2019. These amounts represent the statutory transfer and are not in addition to amounts previously transferred</u>	<u>\$4,000,000</u>

State Toxics Control Account: For transfer to the state general fund, \$38,000,000 at the end of fiscal year 2019 \$38,000,000

Local Toxics Control Account: For transfer to the state general fund, \$35,000,000 at the end of fiscal year 2019 \$35,000,000

**Sec. 1702 was partially vetoed. See message at end of chapter.*

**PART XVIII
SUPPLEMENTAL
MISCELLANEOUS**

NEW SECTION. Sec. 1801. Section 989 of this act takes effect June 30, 2019.

NEW SECTION. Sec. 1802. 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. 1803. Except for section 989 of this act, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House April 28, 2019.

Passed by the Senate April 28, 2019.

Approved by the Governor May 21, 2019, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 21, 2019.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Sections 103(2); 127(13); 129(37); 129(43); 129(73); 131(12); 131(13); 144(3); 144(5); 147, page 67, lines 3-8; 203(1)(m); 203(1)(v); 203(1)(x); 204(30); 204(34); 205(1)(d)(ii); 212(6); 222(1)(a); 222(3)(c); 302(10); 302(30); 306(4); 308(22); 309(15); 401(3); 601(9); 613(3); 723; 1005, page 464, lines 11-13; 1020; 1118(3), page 649, lines 12-13; 1118(4), page 656, lines 16-17; and 1702, page 801, lines 28-30, Engrossed Substitute House Bill No. 1109 entitled:

"AN ACT Relating to fiscal matters."

Section 103(2), page 3, Joint Legislative Audit and Review Committee, Study

This section provides \$19,000 from the Performance Audits of Government Account solely for implementation of Engrossed Third Substitute House Bill 1324. This funding was provided for an earlier version of the bill that required JLARC to complete a study. The final bill does not require a JLARC study. For this reason, I have vetoed Section 103(2).

Section 129(43), page 36, Department of Commerce, Biorefinery Feasibility Study

This section provides \$300,000 General Fund—State to contract with the University of Washington for a feasibility study to construct a biorefinery in southwest Washington. This section duplicates funding provided to the University of Washington in Section 606(1)(nn) for this same purpose. For this reason, I have vetoed Section 129(43).

Section 129(73), page 44, Department of Commerce, Engrossed Substitute Senate Bill 5600, Residential Tenants

This section states that the appropriations for the Department of Commerce include sufficient funding for implementation of Engrossed Substitute Senate Bill 5600 (ESSB 5600). ESSB 5600 is null and void if specific funding is not provided in the capital or operating appropriations bills.

Funding was provided in Section 1065 of Substitute House Bill 1102 (the 2019-21 capital budget) specifically for implementation of ESSB 5600, which satisfies the null and void clause in the bill. For this reason, I have vetoed Section 129(73).

Section 131(12), pages 48-49, Office of Financial Management, Facilities Data Reporting

The Office of Financial Management's (OFM) current lease tracking database, the Facilities Portfolio Management Tool (FPMT), does not have the capacity to provide all of the fund source data required by Section 131(12). Funding for modifications to FPMT provided in Section 131(11) will enable OFM to meet the data collection requirements of Section 131(12) by June 2021 without requiring 68 agencies with 1,108 leases to do burdensome manual data extraction and input. For this reason, I have vetoed Section 131(12).

Section 131(13), page 49, Office of Financial Management, Higher Education Accounting Standards

This section requires the Office of Financial Management to create appropriation standards and procedures to allow institutions of higher education to report additional revenue, spending and allotment information to the state's accounting system. This section relates to Section 601(9), which prohibits General Fund transfers to reimburse major expenses, such as employee payroll. This prohibition would cause a significant state accounting challenge. Because this would create a significant workload for the OFM Statewide Accounting office, and no funding was provided to perform these activities, I have vetoed Section 131(13).

Section 203(1)(m), page 91, Department of Social and Health Services—Developmental Disabilities Program, Reports on Community Transitions from Residential Habilitation Centers

This section directs the Department of Social and Health Services—Developmental Disabilities Program to report to the governor and the Legislature on the feasibility of adding enhanced service facilities to Medicaid waivers and specific barriers to doing so and to make policy recommendations to improve community placements for residents who wish to transition from residential habilitation centers. Much of this information was already addressed in a report submitted to the Legislature by the Ruckelshaus work group last December. In addition, no funding was provided to perform these activities. Because of these reasons, I have vetoed Section 203(1)(m).

Section 203(1)(v), page 93, Department of Social and Health Services—Developmental Disabilities Program, Reports on Services for Clients and Families in Rural Areas

This section directs the Department of Social and Health Services—Developmental Disabilities Program to report to the Legislature on policies to maximize service delivery and increase client flexibility to self-direct service in rural areas. Because no funding was provided to perform these activities, I have vetoed Section 203(1)(v).

Section 204(30), page 107, Department of Social and Health Services—Aging and Adult Services Program, Work Group on Pediatric Skilled Nursing Facilities

This section directs the Department of Social and Health Services—Aging and Adult Services Program to form a work group and report to the governor and the Legislature on policies to allow a pediatric skilled nursing facility to temporarily admit medically fragile children with complex medical conditions. Because no funding was provided to perform these activities, I have vetoed Section 204(30).

Section 205(1)(d)(ii), page 110, Department of Social and Health Services—Economic Services Administration, Working Connections Child Care Quality Control

This section requires the Department of Social and Health Services (DSHS)—Economic Services Administration to ensure quality control measures for the Working Connections Child Care (WCCC) program within existing appropriations. This directive conflicts with House Bill 2816 (Chapter 52, Laws of 2018) that transfers all powers, duties, and functions of the WCCC program from DSHS to the Department of Children, Youth, and Families (DCYF), effective July 1, 2019. To support the transition of the WCCC program, I have vetoed this section and am directing DCYF to conduct quality control activities for the WCCC program within existing appropriations. Quality control measures must focus on the WCCC eligibility criteria, including but not limited to, participation in

work or other approved activities, household composition, and the maximum number of subsidized child care hours authorized. I am also directing DSHS to ensure DCYF has access to the information technology systems necessary to perform WCCC quality control activities. For these reasons, I have vetoed Section 205(1)(d)(ii).

Section 212(6), page 138, Health Care Authority, Public Employees Benefits Board, Report on Benefit Options

This section requires, but does not fund, another report on Medicare-eligible retiree medical coverage. The Health Care Authority has already completed an essentially identical study. My budget proposal included \$1.5 million to move forward in providing an additional insurance option for these retirees. Another study would be duplicative and delay a solution to increasingly expensive health insurance for retirees. I am directing the Health Care Authority, working with the Public Employees Benefits Board, to continue development of one or more retiree benefit choices that may be less expensive and better leverage federal funding. For these reasons, I have vetoed Section 212(6).

Section 601(9), page 317, Institutions of Higher Education, Accounting Standards and Reporting

This section requires institutions of higher education to report to the state accounting system in accordance with new standards and procedures created under Section 131(13) and prohibits the institutions from using standard accounting practices to transfer funding from the General Fund to other accounts, beginning July 1, 2020. No funding was provided for the Office of Financial Management to develop new accounting standards for higher education institutions under Section 131(13). Additionally, the prohibition on General Fund transfers is limited to these institutions and would not allow the General Fund to reimburse major expenditures, such as employee payroll. For these reasons, I have vetoed Section 601(9).

Section 613(3), page 346, Student Achievement Council, State Need Grant Awards

This section ties State Need Grant award amounts for private four-year not-for-profit institutions to the average grant award for public research universities, estimated to be \$10,606 per FTE student in the 2019-20 academic year. This proviso conflicts with Engrossed Second Substitute House Bill 2158 (E2SHB 2158), Section 21(5)(b), that sets grant awards at \$9,739 per FTE student in the 2019-20 academic year and allows the amount to increase by a tuition growth factor each year thereafter. As a substantive bill, the setting of the grant awards in E2SHB 2158 should prevail. For this reason, I have vetoed Section 613(3).

Section 723, pages 370-371, Office of Financial Management, Agency Efficiencies

This section requires indiscriminate reductions in agency budgets. These spending reductions do not reflect any real savings or efficiencies. They are simply arbitrary budget cuts, which hinder the ability of agencies to perform the responsibilities with which the Legislature has tasked them and to fulfill their missions to serve Washingtonians. For this reason, I have vetoed Section 723.

Section 1005, page 464, lines 11-13, Office of the Governor, Economic Development Strategic Reserve Account-State Appropriation

This section reduces the Economic Development Strategic Reserve Account appropriation by \$2.0 million in the 2019 supplemental budget. This reduction limits the state's ability to issue grants for key economic investments specifically for recruiting and retaining businesses. Furthermore, the state would be required to rescind several grant awards that have already been announced if this reduction were to occur. For these reasons, I have vetoed Section 1005, page 464, lines 11-13.

Section 1020, pages 507-509, Consolidated Technical Services, Proviso Exceeds Appropriation

Section 1020 amends two existing proviso amounts to match the total appropriation without regard to a third proviso that must also be covered by the total appropriation. The changes to these two provisos result in these three provisos having appropriations greater than the total amount appropriated from the account. For this reason, I have vetoed Section 1020.

Section 1118(3), page 649, lines 12-13, Department of Children, Youth and Families, Children and Families Services Program, General Fund-State Appropriation

The 2019 supplemental appropriation from the General Fund-State for the Children and Families Services Program was reduced by \$1,126,000. Additional spending authority may be necessary to cover rising costs due to parent and child visits and central service expenditures. I have vetoed this reduction to maintain the original spending authority. I am directing the Office of Financial Management to retain the entire \$1,126,000 in unallotted status and that the additional authority only be used if necessary to close fiscal year 2019, with approval from the director of the Office of Financial Management. For this reason, I have vetoed Section 1118(3), page 649, lines 12-13.

Section 1118(4), page 656, lines 16-17, Department of Children, Youth and Families, Early Learning Program, General Fund-State Appropriation

The 2019 supplemental appropriation from the General Fund-State for the Early Learning Program was reduced by \$1,481,000. Additional spending authority may be necessary to cover rising costs due to parent and child visits and central service expenditures. I have vetoed this reduction to maintain the original spending authority. I am directing the Office of Financial Management to retain the entire \$1,481,000 in unallotted status and that the additional authority only be used if necessary to close fiscal year 2019, with approval from the director of the Office of Financial Management. For this reason, I have vetoed Section 1118(4), page 656, lines 16-17.

Section 1702, page 801, lines 28 through 30, Treasurer's Transfers, State Toxics Control Account to State General Fund

This section transfers \$38,000,000 from the State Toxics Control Account to the State General Fund by the end of fiscal year 2019. When combined with appropriations specified in the 2019-21 operating budget, this transfer contributes to a projected negative balance in the new Model Toxics Control Operating Account created in Engrossed Substitute Senate Bill 5993. As a result, we would not be able to ensure a positive balance in the new account. For this reason, I have vetoed Section 1702, lines 28-30.

Section 302(30), page 222, Department of Ecology; Section 306(4), page 227, State Conservation Commission; Section 308(22), page 238, Department of Natural Resources; and Section 309(15), page 243, Department of Agriculture

These four sections provided appropriations to implement Second Substitute House Bill 1579 (2SHB 1579) Section 13 (Chinook Abundance). Previously, I vetoed Section 13 of 2SHB 1579; therefore, the funding to implement this work is no longer necessary. As a result, I have vetoed Sections 302(30), 306(4), 308(22), and 309(15) to reflect my partial veto of 2SHB 1579.

I have vetoed the following sections related to bills that did not pass the Legislature resulting in the lapse of funding. My veto of these sections will serve to clean up these unnecessary sections of the bill.

Section 127(13), page 23, Office of the Attorney General, E2SSB 5740, Retirement Savings Program

Section 129(37), page 34, Department of Commerce, E2SHB 1110, Greenhouse Gas/Transportation Fuels.

Section 144(3), page 62, Utilities and Transportation Commission, ESHB 1332, Energy Site Evaluation Council.

Section 144(5), page 62, Utilities and Transportation Commission, HB1841, Crew Size on Certain Trains.

Section 147, page 67, lines 3-8, Board for Volunteer Firefighters, EHB 1912, Pension Benefits and Contributions.

Section 203(1)(x), page 93, Department of Social and Health Services Developmental Disabilities Program, SHB 1023, Adult Family Homes/8 beds.

Section 204(34), page 107, Department of Social and Health Services Aging and Adult Services Program, SHB 1023, Adult Family Homes/8 beds.

Section 222(1)(a), page 185, Department of Corrections, SSB 5876, DOC Gender Trauma Work Group.

Section 222(3)(c), page 189, Department of Corrections, E2SSB 5291, Confinement Alternatives/Children.

Section 302(10), page 219, Department of Ecology, ESSB 5323, Plastic Bags.

Section 401(3), page 245, Department of Licensing, ESB 5616, Manicuring for Diabetics

For these reasons I have vetoed Sections 103(2); 127(13); 129(37); 129(43); 129(73); 131(12); 131(13); 144(3); 144(5); 147, page 67, lines 3-8; 203(1)(m); 203(1)(v); 203(1)(x); 204(30); 204(34); 205(1)(d)(ii); 212(6); 222(1)(a); 222(3)(c); 302(10); 302(30); 306(4); 308(22); 309(15); 401(3); 601(9); 613(3); 723; 1005, page 464, lines 11-13; 1020; 1118(3), page 649, lines 12-13; 1118(4), page 656, lines 16-17; and 1702, page 801, lines 28-30 of Engrossed Substitute House Bill No. 1109.

With the exception of Sections 103(2); 127(13); 129(37); 129(43); 129(73); 131(12); 131(13); 144(3); 144(5); 147, page 67, lines 3-8; 203(1)(m); 203(1)(v); 203(1)(x); 204(30); 204(34); 205(1)(d)(ii); 212(6); 222(1)(a); 222(3)(c); 302(10); 302(30); 306(4); 308(22); 309(15); 401(3); 601(9); 613(3); 723; 1005, page 464, lines 11-13; 1020; 1118(3), page 649, lines 12-13; 1118(4), page 656, lines 16-17; and 1702, page 801, lines 28-30, Engrossed Substitute House Bill No. 1109 is approved."

CHAPTER 416

[Engrossed Substitute House Bill 1160]

TRANSPORTATION BUDGET

AN ACT Relating to transportation funding and appropriations; amending RCW 43.19.642, 46.20.745, 46.68.060, 46.68.280, 46.68.290, 46.68.325, 47.56.403, 47.56.876, 41.45.0631, 46.68.063, 46.68.370, 46.68.300, 47.12.340, and 47.60.322; amending 2018 c 297 ss 201, 202, 204, 207-223, 301, 303-311, 401, 403-406, and 701 (uncodified); adding a new section to 2018 c 297 (uncodified); creating new sections; repealing 2018 c 297 s 701; making appropriations and authorizing expenditures for capital improvements; providing an effective date; providing a contingent effective date; providing an expiration date; and declaring an emergency.

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

2019-2021 FISCAL 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, 2021.

(2) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this act.

(a) "Fiscal year 2020" or "FY 2020" means the fiscal year ending June 30, 2020.

(b) "Fiscal year 2021" or "FY 2021" means the fiscal year ending June 30, 2021.

(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 that 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 DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

Motor Vehicle Account—State Appropriation \$545,000

NEW SECTION. Sec. 102. FOR THE UTILITIES AND TRANSPORTATION COMMISSION

Grade Crossing Protective Account—State Appropriation \$504,000

Pilotage Account—State Appropriation \$150,000

TOTAL APPROPRIATION \$654,000

NEW SECTION. Sec. 103. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Motor Vehicle Account—State Appropriation \$1,403,000

Multimodal Transportation Account—State Appropriation \$300,000

Puget Sound Ferry Operations Account—State Appropriation \$116,000

TOTAL APPROPRIATION \$1,819,000

The appropriations in this section are subject to the following conditions and limitations: \$300,000 of the multimodal transportation account—state appropriation is provided solely for the office of financial management, in direct coordination with the office of state treasurer, to evaluate, coordinate, and assist in efforts by state agencies in developing cost recovery mechanisms for credit card and other financial transaction fees currently paid from state funds. This may include disbursing interagency reimbursements for the implementation costs incurred by the affected agencies. As part of the first phase of this effort, the office of financial management, with the assistance of relevant agencies, must develop implementation plans and take all necessary steps to ensure that the actual cost-recovery mechanisms will be in place by January 1, 2020, for the vehicles and drivers programs of the department of licensing. By November 1, 2019, the office of financial management must provide a report to the joint transportation committee on the phase 1 implementation plan and options to expand similar cost recovery mechanisms to other state agencies and programs, including the ferries division.

NEW SECTION. Sec. 104. FOR THE STATE PARKS AND RECREATION COMMISSION

Motor Vehicle Account—State Appropriation \$1,186,000

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 \$1,357,000

NEW SECTION. Sec. 106. FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

Motor Vehicle Account—State Appropriation \$652,000

NEW SECTION. Sec. 107. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE

State Patrol Highway Account—State Appropriation \$90,000

The appropriation in this section is subject to the following conditions and limitations: \$90,000 of the state patrol highway account—state appropriation is provided solely for an update to the 1999 study of the Washington state patrol's vehicle replacement life cycle cost model.

NEW SECTION. Sec. 108. FOR THE BOARD OF PILOTAGE COMMISSIONERS

Pilotage Account—State Appropriation \$5,228,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$3,125,000 of the pilotage account—state appropriation is provided solely for self-insurance liability premium expenditures; however, this appropriation is contingent upon the board:

(a) Annually depositing the first one hundred fifty thousand dollars collected through Puget Sound pilotage district pilotage tariffs into the pilotage account; and

(b) Assessing a self-insurance premium surcharge of sixteen dollars per pilotage assignment on vessels requiring pilotage in the Puget Sound pilotage district.

(2) The board of pilotage commissioners shall file the annual report to the governor and chairs of the transportation committees required under RCW 88.16.035(1)(f) by September 1, 2019, and annually thereafter. The report must include the continuation of policies and procedures necessary to increase the diversity of pilots, trainees, and applicants, including a diversity action plan. The diversity action plan must articulate a comprehensive vision of the board's diversity goals and the steps it will take to reach those goals.

NEW SECTION. Sec. 109. FOR THE HOUSE OF REPRESENTATIVES

Motor Vehicle Account—State Appropriation \$2,861,000

NEW SECTION. Sec. 110. FOR THE SENATE

Motor Vehicle Account—State Appropriation \$2,998,000

NEW SECTION. Sec. 111. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Motor Vehicle Account—State Appropriation \$350,000

The appropriation in this section is subject to the following conditions and limitations: \$350,000 of the motor vehicle account—state appropriation is provided solely for the department, from amounts set aside out of statewide fuel taxes distributed to cities according to RCW 46.68.110(2), to contract with the association of Washington cities to inventory and assess fish passage barriers associated with city roads located in the *U.S. v. Washington* case area, water

resource inventory area numbers one through twenty-three. The study is a continuation of previous inventories, and priority must be given to the assessment of sites that have not yet been inventoried. The initial goal of the study is to finalize the inventory of all city-owned fish passage barriers within the case area. After the initial goal has been met, within any remaining funds and after consultation with the Washington association of cities, the department shall perform downstream access checks on city inventory sites and to reassess existing city inventories that have not been assessed since June 2012. The inventories and assessments must be conducted using the methods described in the department's fish passage, inventory, assessment, and prioritization manual. A report of the study must be provided to the office of financial management and the transportation committees of the legislature by July 1, 2020.

NEW SECTION. Sec. 112. FOR THE DEPARTMENT OF ECOLOGY

(1)(a) When distributing funds for litter control the department shall give priority to litter control along state highways.

(b) The department shall contract with the department of transportation to schedule litter prevention messaging and coordination of litter emphasis patrols with the Washington state patrol. The department of transportation may coordinate with the department to conduct litter pickup during scheduled maintenance closures as situations allow.

TRANSPORTATION AGENCIES—OPERATING

NEW SECTION. Sec. 201. FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway Safety Account—State Appropriation	\$4,588,000
Highway Safety Account—Federal Appropriation	\$27,035,000
Highway Safety Account—Private/Local Appropriation	\$118,000
School Zone Safety Account—State Appropriation	\$850,000
TOTAL APPROPRIATION	\$32,591,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$150,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5710), Laws of 2019 (Cooper Jones Active Transportation Safety Council). If chapter . . . (Substitute Senate Bill No. 5710), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(2) The Washington traffic safety commission may oversee a pilot program in up to three cities implementing the use of automated vehicle noise enforcement cameras in zones that have been designated by ordinance as "Stay Out of Areas of Racing."

(a) Any programs authorized by the commission must be authorized by December 31, 2019.

(b) If a city has established an authorized automated vehicle noise enforcement camera pilot program under this section, the compensation paid to the manufacturer or vendor of the equipment used must be based upon the value of the equipment and services provided or rendered in support of the system.

(c) Any city administering a pilot program overseen by the traffic safety commission shall use the following guidelines to administer the program:

(i) Automated vehicle noise enforcement camera may record photographs or audio of the vehicle and vehicle license plate only while a violation is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle;

(ii) The law enforcement agency of the city or county government shall plainly mark the locations where the automated vehicle noise enforcement camera is used by placing signs on street locations that clearly indicate to a driver that he or she is entering a zone where traffic laws violations are being detected by automated vehicle noise enforcement cameras that record both audio and video;

(iii) Cities testing the use of automated vehicle noise enforcement cameras must provide periodic notice by mail to its residents indicating the zones in which the automated vehicle noise enforcement cameras will be used;

(iv) A city may only issue a warning notice with no penalty for a violation detected by automated vehicle noise enforcement cameras in a Stay Out of Areas of Racing zone. Warning notices must be mailed to the registered owner of a vehicle within fourteen days of the detected violation;

(v) A violation detected through the use of automated vehicle noise enforcement cameras is not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120;

(vi) Notwithstanding any other provision of law, all photographs, videos, microphotographs, audio recordings, or electronic images prepared under this section are for the exclusive use of law enforcement in the discharge of duties under this section and are not open to the public and may not be used in a court in a pending action or proceeding. No photograph, microphotograph, audio recording, or electronic image may be used for any purpose other than the issuance of warnings for violations under this section or retained longer than necessary to issue a warning notice as required under this subsection (2); and

(vii) By June 30, 2021, the participating cities shall provide a report to the commission and appropriate committees of the legislature regarding the use, public acceptance, outcomes, warnings issued, data retention and use, and other relevant issues regarding automated vehicle noise enforcement cameras demonstrated by the pilot projects.

NEW SECTION. Sec. 202. FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State Appropriation	\$1,137,000
Motor Vehicle Account—State Appropriation	\$2,803,000
County Arterial Preservation Account—State Appropriation	\$1,677,000
TOTAL APPROPRIATION	\$5,617,000

NEW SECTION. Sec. 203. FOR THE TRANSPORTATION IMPROVEMENT BOARD

Transportation Improvement Account—State Appropriation	\$4,526,000
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NEW SECTION. Sec. 204. FOR THE JOINT TRANSPORTATION COMMITTEE

Motor Vehicle Account—State Appropriation	\$1,938,000
Multimodal Transportation Account—State Appropriation	\$750,000
Highway Safety Account—State Appropriation	\$275,000

TOTAL APPROPRIATION \$2,963,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$400,000 of the motor vehicle account—state appropriation and \$50,000 of the multimodal transportation account—state appropriation is for the joint transportation committee to conduct a comprehensive assessment of statewide transportation needs and priorities, and existing and potential transportation funding mechanisms to address those needs and priorities. The assessment must include: (a) Recommendations on the critical state and local transportation projects, programs, and services needed to achieve an efficient, effective, statewide transportation system over the next ten years; (b) a comprehensive menu of funding options for the legislature to consider to address the identified transportation system investments; and (c) an analysis of the economic impacts of a range of future transportation investments. The assessment must be submitted to the transportation committees of the legislature by June 30, 2020. Starting July 1, 2020, and concluding by December 31, 2020, a committee-appointed commission or panel shall review the assessment and make final recommendations to the legislature for consideration during the 2021 legislative session on a realistic, achievable plan for funding transportation programs, projects, and services over the next ten years including a timeline for legislative action on funding the identified transportation system needs shortfall.

(2)(a) \$450,000 of the multimodal transportation account—state appropriation is for the joint transportation committee to conduct an analysis of the electrification of public fleets in Washington state. The study must include the following:

(i) An inventory of existing public fleets for the state of Washington, counties, a sampling of cities, and public transit agencies. The inventory must differentiate among battery and fuel cell electric vehicles, hybrid vehicles, gasoline powered vehicles, and any other functional categories. Three cities from each of the following population ranges must be selected for the analysis:

- (A) Population up to and including twenty-five thousand;
- (B) Population greater than twenty-five thousand and up to and including fifty thousand;
- (C) Population greater than fifty thousand and up to and including one hundred thousand;
- (D) Population greater than one hundred thousand;

(ii) A review of currently available battery and fuel cell electric vehicle alternatives to the vehicle types most commonly used by the state, counties, cities, and public transit agencies. The review must include:

- (A) The average vehicle cost differential among the commercially available fuel options;
- (B) A cost benefit analysis of the conversion of different vehicle classes; and

(C) Recommendations for the types of vehicles that should be excluded from consideration due to insufficient alternatives, unreliable technology, or excessive cost;

(iii) The projected costs of achieving substantial conversion to battery and/or fuel cell electric fleets by 2025, 2030, and 2035 for the state, counties, cities, and public transit agencies. This cost estimate must include:

(A) Vehicle acquisition costs, charging and refueling infrastructure costs, and other associated costs;

(B) Financial constraints of each type of entity to transition to an electric vehicle fleet; and

(C) Any other identified barriers to transitioning to a battery and/or fuel cell electric vehicle fleet;

(iv) Identification and analysis of financing mechanisms that could be used to finance the transition of publicly owned vehicles to battery and fuel cell electric vehicles. These mechanisms include, but are not limited to: Energy or carbon savings performance contracting, utility grants and rebates, revolving loan funds, state grant programs, private third-party financing, fleet management services, leasing, vehicle use optimization, and vehicle to grid technology; and

(v) The predicted number and location profile of electric vehicle fueling stations needed statewide to provide fueling for the fleets of the state, counties, cities, and public transit agencies.

(b) In developing and implementing the study, the joint transportation committee must solicit input from representatives of the department of enterprise services, the department of transportation, the department of licensing, the department of commerce, the Washington state association of counties, the association of Washington cities, the Washington state transit association, transit agencies, and others as deemed appropriate.

(c) The joint transportation committee must issue a report of its findings and recommendations to the transportation committees of the legislature by September 30, 2020.

(3)(a) \$250,000 of the multimodal transportation account—state appropriation is for the joint transportation committee to conduct a study of the feasibility of an east-west intercity passenger rail system. The study must include the following elements:

(i) Projections of potential ridership;

(ii) Review of relevant planning studies;

(iii) Establishment of an advisory group and associated meetings;

(iv) Development of a Stampede Pass corridor alignment to maximize ridership, revenue, and rationale, considering service to population centers: Auburn, Cle Elum, Yakima, Tri-Cities, Ellensburg, Toppenish, and Spokane;

(v) Assessment of current infrastructure conditions, including station stop locations;

(vi) Identification of equipment needs; and

(vii) Identification of operator options.

(b) A report of the study findings and recommendations is due to the transportation committees of the legislature by June 30, 2020.

(4)(a) \$275,000 of the highway safety fund—state appropriation is for a study of vehicle subagents in Washington state. The study must consider and include recommendations, as necessary, on the following:

(i) The relevant statutes, rules, and/or regulations authorizing vehicle subagents and any changes made to the relevant statutes, rules, and/or regulations;

(ii) The current process of selecting and authorizing a vehicle subagent, including the change of ownership process and the identification of any barriers to entry into the vehicle subagent market;

(iii) The annual business expenditures borne by each of the vehicle subagent businesses since fiscal year 2010 and identification of any materials, including office equipment and supplies, provided by the department of licensing to each vehicle subagent since fiscal year 2010. To accomplish this task, each vehicle subagent must provide expenditure data to the joint transportation committee for the purposes of this study;

(iv) The oversight provided by the county auditors and/or the department of licensing over the vehicle subagent businesses;

(v) The history of service fees, how increases to the service fee rate are made, and how the requested fee increase is determined;

(vi) The online vehicle registration renewal process and any potential improvements to the online process;

(vii) The department of licensing's ability to provide more vehicle licensing services directly, particularly taking into account the increase in online vehicle renewal transactions;

(viii) The potential expansion of services that can be performed by vehicle subagents; and

(ix) The process by which the geographic locations of vehicle subagents are determined.

(b) In conducting the study, the joint transportation committee must consult with the department of licensing, a representative of county auditors, and a representative of vehicle subagents.

(c) The joint transportation committee may collect any data from the department of licensing, county auditors, and vehicle subagents that is necessary to conduct the study.

(d) The joint transportation committee must issue a report of its findings and recommendations to the transportation committees of the legislature by September 30, 2020.

NEW SECTION. Sec. 205. FOR THE TRANSPORTATION COMMISSION

Motor Vehicle Account—State Appropriation	\$2,893,000
Multimodal Transportation Account—State Appropriation	\$112,000
Interstate 405 Express Toll Lanes Operations	
Account—State Appropriation	\$250,000
TOTAL APPROPRIATION	\$3,255,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) The commission shall reconvene the road usage charge steering committee, with the same membership described in chapter 297, Laws of 2018, and shall report at least once every three months to the steering committee with updates on report development for the completed road usage charge pilot project until the final report is submitted. The final report on the road usage charge pilot project is due to the transportation committees of the legislature by January 1, 2020, and should include recommendations for necessary next steps to consider impacts to communities of color, low-income households, vulnerable

populations, and displaced communities. Any legislative vacancies on the steering committee must be appointed by the speaker of the house of representatives for a house of representatives member vacancy, and by the president of the senate for a senate member vacancy.

(b) The commission shall coordinate with the department of transportation to jointly seek federal funds available through the federal surface transportation system funding alternatives grant program, applying toll credits for meeting match requirements. One or more grant applications may be developed that, at a minimum, propose to:

(i)(A) Update the recommended road usage charge operational concepts and business case presented to the road usage charge steering committee to reflect a range of scenarios regarding fleet electrification and use of shared vehicles. The operational concepts must include technological or system features necessary to ensure collection of the road usage charge from electric vehicles and fleets of shared and/or autonomous vehicles, if applicable. The business case must assess a range of gross revenue impacts to a road usage charge and fuel taxes resulting from changes to total vehicle miles traveled under scenarios with varying degrees of shared, autonomous, and/or electric vehicle adoption rates;

(B) Develop a detailed plan for phasing in the implementation of road usage charges for vehicles operated in Washington, incorporating any updates to road usage charge policy recommendations made in (a) and (b)(i)(A) of this subsection and including consideration of methods for reducing the cost of collections for a road usage charge system in Washington state; and

(C) Examine the allocation of current gas tax revenues and possible frameworks for the allocation of road usage charge revenues that could be used to evaluate policy choices once road usage charge revenues comprise a significant share of state revenues for transportation purposes.

(ii) A year-end report on the status of any federally-funded project for which federal funding is secured must be provided to the governor's office and the transportation committees of the legislature by January 1, 2020.

(2)(a) \$250,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for the transportation commission to conduct a study, applicable to the Interstate 405 express toll lanes, of discounted tolls and other similar programs for low-income drivers that are provided by other states, countries, or other entities and how such a program could be implemented in the state of Washington. The transportation commission may contract with a consultant to conduct all or a portion of this study.

(b) In conducting this study, the transportation commission shall consult with both the department of transportation and the department of social and health services.

(c) The transportation commission shall, at a minimum, consider the following issues when conducting the study of discounted tolls and other similar programs for low-income drivers:

(i) The benefits, requirements, and any potential detriments to the users of a program;

(ii) The most cost-effective way to implement a program given existing financial commitments, shared cost requirements across facilities, and technical requirements to execute and maintain a program;

(iii) The implications of a program for tolling policies, revenues, costs, operations, and enforcement; and

(iv) Any implications to tolled facilities based on the type of tolling implemented on a particular facility.

(d) The transportation commission shall provide a report detailing the findings of this study and recommendations for implementing a discounted toll or other appropriate program in the state of Washington to the transportation committees of the legislature by June 30, 2021.

NEW SECTION. Sec. 206. FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Freight Mobility Investment Account—State
Appropriation \$813,000

NEW SECTION. Sec. 207. FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State Appropriation \$508,503,000
State Patrol Highway Account—Federal Appropriation \$16,069,000
State Patrol Highway Account—Private/Local
Appropriation \$4,257,000
Highway Safety Account—State Appropriation \$1,188,000
Ignition Interlock Device Revolving Account—State
Appropriation \$7,010,000
Multimodal Transportation Account—State Appropriation \$286,000
TOTAL APPROPRIATION \$537,313,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Washington state patrol officers engaged in off-duty uniformed employment providing traffic control services to the department of transportation or other state agencies may use state patrol vehicles for the purpose of that employment, subject to guidelines adopted by the chief of the Washington state patrol. The Washington state patrol must be reimbursed for the use of the vehicle at the prevailing state employee rate for mileage and hours of usage, subject to guidelines developed by the chief of the Washington state patrol.

(2) \$510,000 of the ignition interlock device revolving account—state appropriation is provided solely for the ignition interlock program at the Washington state patrol to provide funding for two staff to work and provide support for the program in working with manufacturers, service centers, technicians, and participants in the program.

(3) \$1,424,000 of the state patrol highway account—state appropriation is provided solely to enter into an agreement for upgraded land mobile software, hardware, and equipment.

(4) \$2,582,000 of the state patrol highway account—state appropriation is provided solely for the replacement of radios and other related equipment.

(5) \$343,000 of the state patrol highway account—state appropriation is provided solely for aerial criminal investigation tools, including software licensing and maintenance, and annual certification.

(6) \$514,000 of the state patrol highway account—state appropriation is provided solely for additional staff to address the increase in the number of toxicology cases from impaired driving and death investigations.

(7) \$580,000 of the state patrol highway account—state appropriation is provided solely for the operation of and administrative support to the license investigation unit to enforce vehicle registration laws in southwestern Washington. The Washington state patrol, in consultation with the department of revenue, shall maintain a running estimate of the additional vehicle registration fees, sales and use taxes, and local vehicle fees remitted to the state pursuant to activity conducted by the license investigation unit. Beginning October 1, 2019, and quarterly thereafter, the Washington state patrol shall submit a report detailing the additional revenue amounts generated since July 1, 2017, to the director of the office of financial management and the transportation committees of the legislature. At the end of the calendar quarter in which it is estimated that more than \$625,000 in state sales and use taxes have been remitted to the state since July 1, 2017, the Washington state patrol shall notify the state treasurer and the state treasurer shall transfer funds pursuant to section 406 of this act.

(8) \$18,000 of the state patrol highway account—state appropriation is provided solely for the license investigation unit to procure an additional license plate reader and related costs.

(9) The Washington state patrol and the office of financial management must be consulted by the department of transportation during the design phase of any improvement or preservation project that could impact Washington state patrol weigh station operations. During the design phase of any such project, the department of transportation must estimate the cost of designing around the affected weigh station's current operations, as well as the cost of moving the affected weigh station.

(10) \$4,210,000 of the state patrol highway account—state appropriation is provided solely for a third arming and a third trooper basic training class. The cadet class is expected to graduate in June 2021.

(11) \$65,000 of the state patrol highway account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Second Substitute Senate Bill No. 5497), Laws of 2019 (immigrants in the workplace). If chapter . . . (Engrossed Second Substitute Senate Bill No. 5497), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(12)(a) The Washington state patrol must report quarterly to the house and senate transportation committees on the status of recruitment and retention activities as follows:

- (i) A summary of recruitment and retention strategies;
- (ii) The number of transportation funded staff vacancies by major category;
- (iii) The number of applicants for each of the positions by these categories;
- (iv) The composition of workforce; and
- (v) Other relevant outcome measures with comparative information with recent comparable months in prior years.

(b) By January 1, 2020, the Washington state patrol must submit to the transportation committees of the legislature and the governor a workforce diversity plan. The plan must identify ongoing, and both short-term and long-term, specific comprehensive outreach and recruitment strategies to increase

populations underrepresented within both commissioned and noncommissioned employee groups.

***NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF LICENSING**

Marine Fuel Tax Refund Account—State Appropriation	\$34,000
Motorcycle Safety Education Account—State Appropriation	\$5,044,000
State Wildlife Account—State Appropriation	\$536,000
Highway Safety Account—State Appropriation	\$243,189,000
Highway Safety Account—Federal Appropriation	\$1,294,000
Motor Vehicle Account—State Appropriation	\$77,219,000
Motor Vehicle Account—Private/Local Appropriation	\$2,858,000
Ignition Interlock Device Revolving Account—State Appropriation	\$6,143,000
Department of Licensing Services Account—State Appropriation	\$8,012,000
License Plate Technology Account—State Appropriation	\$4,250,000
Abandoned Recreational Vehicle Account—State Appropriation	\$2,925,000
Limousine Carriers Account—State Appropriation	\$113,000
DOL Technology Improvement & Data Management Account—State Appropriation	\$2,250,000
Agency Financial Transaction Account—State Appropriation	\$11,903,000
TOTAL APPROPRIATION	\$365,770,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$139,000 of the motorcycle safety education account—state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 1116), Laws of 2019 (motorcycle safety). If chapter . . . (Substitute House Bill No. 1116), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(2) \$404,000 of the highway safety account—state appropriation is provided solely for a new driver testing system at the department. Pursuant to RCW 43.135.055 and 46.82.310, the department is authorized to increase driver training school license application and renewal fees in fiscal years 2020 and 2021, as necessary to fully support the cost of activities related to administration of the driver training school program, including the cost of the new driver testing system described in this subsection.

(3) \$25,000 of the motorcycle safety education account—state appropriation, \$4,000 of the state wildlife account—state appropriation, \$1,708,000 of the highway safety account—state appropriation, \$576,000 of the motor vehicle account—state appropriation, \$22,000 of the ignition interlock device revolving account—state appropriation, and \$28,000 of the department of licensing services account—state appropriation are provided solely for the department to fund the appropriate staff, other than data stewards, and necessary equipment and software for data management, data analytics, and data

compliance activities. The department must, in consultation with the office of the chief information officer, construct a framework with goals for providing better data stewardship and a plan to achieve those goals. The department must provide the framework and plan to the transportation committees of the legislature by December 31, 2019. Appropriations provided for the data stewardship and privacy project described in this subsection are subject to the conditions, limitations, and review provided in section 701 of this act.

(4) Appropriations provided for the cloud continuity of operations project in this section are subject to the conditions, limitations, and review provided in section 701 of this act.

(5) The department shall continue to encourage the use of online vehicle registration renewal reminders and minimize the number of letters mailed by the department. Beginning January 1, 2020, and semiannually thereafter, the department must report on the percentage of different types of transactions performed online by region and the estimated printing and postage costs saved from a fiscal year 2017 baseline from these efforts.

(6) \$24,028,000 of the highway safety account—state appropriation is provided solely for costs necessary to accommodate increased demand for enhanced drivers' licenses and enhanced identicards. The department shall report on a quarterly basis on the use of these funds, associated workload, and information with comparative information with recent comparable months in prior years. The report must include detailed statewide and by licensing service office information on staffing levels, average monthly wait times, the number of enhanced drivers' licenses and enhanced identicards issued/renewed, and the number of primary drivers' licenses and identicards issued/renewed. Within the amounts provided in this subsection, the department shall implement efficiency measures to reduce the time for licensing transactions and wait times including, but not limited to, the installation of additional cameras at licensing service offices that reduce bottlenecks and align with the "keep your customer" initiative.

(7) Within amounts provided in this section, the department shall take immediate steps to ensure that all statutorily allowed transactions that can be performed by subagents are logistically allowed and supported, including potentially allowing vessel reports of sale to be processed in subagent offices. By December 1, 2019, the department of licensing shall report to director of the office of financial management and the transportation committees of the legislature on the actions taken pursuant to this subsection.

(8) \$507,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5419), Laws of 2019 (vehicle service fees) or chapter . . . (Engrossed House Bill No. 1789), Laws of 2019 (vehicle service fees). If neither chapter . . . (Substitute Senate Bill No. 5419), Laws of 2019 or chapter . . . (Engrossed House Bill No. 1789), Laws of 2019 are enacted by June 30, 2019, the amount provided in this subsection lapses.

(9) \$62,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5694), Laws of 2019 (commercial beekeeper drivers). If chapter . . . (Substitute Senate Bill No. 5694), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(10) \$25,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed House Bill No. 1996), Laws of 2019 (San Juan Islands license plate). If chapter . . . (Engrossed House Bill No. 1996), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(11) \$24,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (House Bill No. 2062), Laws of 2019 (Seattle Storm license plate). If chapter . . . (House Bill No. 2062), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(12) \$14,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5591), Laws of 2019 (stolen vehicle check fee). If chapter . . . (Substitute Senate Bill No. 5591), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(13) \$65,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Second Substitute Senate Bill No. 5497), Laws of 2019 (immigrants in the workplace). If chapter . . . (Engrossed Second Substitute Senate Bill No. 5497), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(14) The appropriations in this section assume implementation of additional cost recovery mechanisms to recoup at least \$11,903,000 in credit card and other financial transaction costs as part of charges imposed for driver and vehicle fee transactions beginning January 1, 2020. At the direction of the office of financial management, the department must develop a method of tracking the additional amount of credit card and other financial cost-recovery revenues. In consultation with the office of financial management, the department must notify the state treasurer of these amounts and the state treasurer must deposit these revenues in the agency financial transaction account created in section 717 of this act on a quarterly basis.

(15) Within amounts provided in this section, the department, shall convene a work group of relevant stakeholders, to make recommendations on methods to assist former military members with demonstrated comparable recent military experience transition into civilian employment in commercial trucking and the construction trades. The issues explored by the work group may include, but are not limited to, expanding the allowed waivers under the federal motor carrier safety administration regulations, the specific training documents and military license information needed to demonstrate comparable military experience, the options to ensure that the former military drivers have the requisite knowledge and skills to safely operate commercial motor vehicles, and options to expand the transition and employment opportunities of former military drivers. The work group shall submit a report with its findings and recommendations to the transportation committees of the legislature by December 1, 2019.

(16) Within amounts provided in this section, the department, in consultation with the department of ecology and the Washington state patrol, shall convene a work group that includes representation from the vehicle recycling community, local law enforcement, environmental interests, and

other appropriate parties to review enforcement of and compliance with the state's vehicle wrecking laws.

(a) The work group shall review the current problems relating to illegal vehicle wrecking operations and efforts underway in other west coast states to address the problems of illegal vehicle wrecking operations, including tax evasion, environmental impacts, health impacts, and facilitation of vehicle theft, and other related issues.

(b) The work group shall consider strategies for bringing illegal vehicle wreckers into compliance through compliance assistance, education and training, or other methods, including coordinated enforcement and compliance activities, and recommendations for statutory and administrative changes needed to better allow for enforcement against illegal wrecking operations.

(c) By December 1, 2019, the department must submit a preliminary progress report on the work group activities to the transportation committees of the legislature. By August 1, 2020, the department must submit a final report with potential legislation to the transportation committees of the legislature.

(17)(a) To ensure the most accurate and cost-effective method of determining whether an abandoned vehicle owner is an active duty service member, the department shall convene a work group comprised of registered tow truck operators from different regions of the state, a representative of the military department, and representatives from the military branches of service by invitation as appropriate, to develop options for a financially viable and sustainable plan for the verification of a registered vehicle owner's active duty military status for both in state and out-of-state registered vehicles. The work group must examine:

(i) How other states and their respective towing and recovery industries have addressed the workload, liability, and costs of verification of a registered vehicle owner's active duty military status; and

(ii) Appropriate sources of funding to support the implementation of the policy options developed by the work group.

(b) A final report and draft legislation are due to the standing transportation committees of the legislature on June 1, 2020.

(18) \$1,281,000 of the department of licensing service account—state appropriation is provided solely for savings from the implementation of chapter . . . (Engrossed House Bill No. 1789), Laws of 2019 (vehicle service fees). If chapter . . . (Engrossed House Bill No. 1789), Laws of 2019 is enacted by June 30, 2019, the amount provided in this subsection lapses.

(19) \$2,650,000 of the abandoned recreational vehicle disposal account—state appropriation is provided solely for providing reimbursements in accordance with the department's abandoned recreational vehicle disposal reimbursement program. It is the intent of the legislature that the department prioritize this funding for allowable and approved reimbursements and not to build a reserve of funds within the account.

(20) \$20,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 1197), Laws of 2019 (Gold Star license plate). If chapter . . . (Substitute House Bill No.

1197), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(21) \$31,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 1436), Laws of 2019 (snow bikes). If chapter . . . (Substitute House Bill No. 1436), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(22) \$24,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (House Bill No. 2058), Laws of 2019 (Purple Heart license plate). If chapter . . . (House Bill No. 2058), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(23) \$24,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed House Bill No. 2067), Laws of 2019 (vehicle and vessel owner information). If chapter . . . (Engrossed House Bill No. 2067), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(24) \$24,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (House Bill No. 1255), Laws of 2019 (Patches Pal license plate). If chapter . . . (House Bill No. 1255), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(25) \$600,000 of the highway safety account—state appropriation is provided solely for the department to provide an interagency transfer to the department of social and health services, children's administration division for the purpose of providing driver's license support to a larger population of foster youth than is already served within existing resources. Support services include reimbursement of driver's license issuance costs, fees for driver training education, and motor vehicle liability insurance costs.

(26) The department must place personal and company data elements in separate data fields to allow the department to select discrete data elements when providing information or data to persons or entities outside the department. Pursuant to the restrictions in federal and state law, a person's photo, social security number, or medical information must not be made available through public disclosure or data being provided under RCW 46.12.630 or 46.12.635.

(27) The budget includes amounts for the department to implement employee training and other activities related to improving the protection of private information and increasing racial and cultural awareness by employees in administering licensing responsibilities.

(28) Within existing funds, the department shall conduct a study to evaluate options for the implementation of prismatic retroreflective technology on license plates. The department must consult with the department of corrections, the department of transportation, the Washington state patrol, and other appropriate entities in conducting the study. The report must include information on the potential improvements to license plate retroreflectivity and legibility, implementation costs, effects of prismatic retroreflective technology on license plate readers used by the Washington state patrol for enforcement and by the department of transportation in the photo toll collection process, and other implementation issues. The department

shall issue the report to the transportation committees of the legislature by December 31, 2019.

(29) \$149,000 of the highway safety account—state appropriation and \$218,000 of the ignition interlock device revolving account—state appropriation are provided solely for the implementation of chapter . . . (Engrossed Substitute House Bill No. 1504), Laws of 2019 (impaired driving). If chapter . . . (Engrossed Substitute House Bill No. 1504), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(30) \$91,000 of the highway safety account—state appropriation is provided solely for the department's costs related to the one Washington project.

(31) \$974,000 of the highway safety account—state appropriation is provided solely for communication and outreach activities necessary to inform the public of federally acceptable identification options including, but not limited to, enhanced drivers' licenses and enhanced identicards. The department shall continue the outreach plan that includes informational material that can be effectively communicated to all communities and populations in Washington. To accomplish this work, the department shall contract with an external vendor with demonstrated experience and expertise in outreach and marketing to underrepresented communities in a culturally-responsive fashion.

**Sec. 208 is partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF TRANSPORTATION—TOLL OPERATIONS AND MAINTENANCE—PROGRAM B

High Occupancy Toll Lanes Operations Account—State

Appropriation	\$3,774,000
Motor Vehicle Account—State Appropriation	\$513,000
State Route Number 520 Corridor Account—State	
Appropriation	\$43,773,000
State Route Number 520 Civil Penalties Account—State	
Appropriation	\$4,145,000
Tacoma Narrows Toll Bridge Account—State	
Appropriation	\$27,807,000
Alaskan Way Viaduct Replacement Project Account—State	
Appropriation.	\$20,061,000
Interstate 405 Express Toll Lanes Operations	
Account—State Appropriation	\$18,329,000
TOTAL APPROPRIATION	\$118,402,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,300,000 of the Tacoma Narrows toll bridge account—state appropriation and \$11,034,000 of the state route number 520 corridor account—state appropriation are provided solely for the purposes of addressing unforeseen operations and maintenance costs on the Tacoma Narrows bridge and the state route number 520 bridge, respectively. The office of financial management shall place the amounts provided in this subsection, which represent a portion of the required minimum fund balance under the policy of the state treasurer, in unallotted status. The office may release the funds only when it determines that

all other funds designated for operations and maintenance purposes have been exhausted.

(2) As long as the facility is tolled, the department must provide quarterly reports to the transportation committees of the legislature on the Interstate 405 express toll lane project performance measures listed in RCW 47.56.880(4). These reports must include:

(a) Information on the travel times and travel time reliability (at a minimum, average and 90th percentile travel times) maintained during peak and nonpeak periods in the express toll lanes and general purpose lanes for both the entire corridor and commonly made trips in the corridor including, but not limited to, northbound from Bellevue to Rose Hill, state route number 520 at NE 148th to Interstate 405 at state route number 522, Bellevue to Bothell (both NE 8th to state route number 522 and NE 8th to state route number 527), and a trip internal to the corridor (such as NE 85th to NE 160th) and similar southbound trips;

(b) A month-to-month comparison of travel times and travel time reliability for the entire corridor and commonly made trips in the corridor as specified in (a) of this subsection since implementation of the express toll lanes and, to the extent available, a comparison to the travel times and travel time reliability prior to implementation of the express toll lanes;

(c) Total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane (i) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane, on this segment of Interstate 405 prior to implementation of the express toll lanes and (ii) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane, from month to month since implementation of the express toll lanes; and

(d) Underlying congestion measurements, that is, speeds, that are being used to generate the summary graphs provided, to be made available in a digital file format.

(3)(a) \$71,000 of the high occupancy toll lanes operations account—state appropriation, \$1,238,000 of the state route number 520 corridor account—state appropriation, \$532,000 of the Tacoma Narrows toll bridge account—state appropriation, \$460,000 of the Interstate 405 express toll lanes operations account—state appropriation, and \$699,000 of the Alaskan Way viaduct replacement project account—state appropriation are provided solely for the department to finish implementing a new tolling customer service toll collection system, and are subject to the conditions, limitations, and review provided in section 701 of this act.

(b) The department shall continue to work with the office of financial management, office of the chief information officer, and the transportation committees of the legislature on the project management plan that includes a provision for independent verification and validation of contract deliverables from the successful bidder and a provision for quality assurance that includes reporting independently to the office of the chief information officer on an ongoing basis during system implementation.

(4) The department shall make detailed quarterly reports to the transportation committees of the legislature and the public on the department's web site on the following:

(a) The use of consultants in the tolling program, including the name of the contractor, the scope of work, the type of contract, timelines, deliverables, any new task orders, and any extensions to existing consultant contracts;

(b) The nonvendor costs of administering toll operations, including the costs of staffing the division, consultants, and other personal service contracts required for technical oversight and management assistance, insurance, payments related to credit card processing, transponder purchases and inventory management, facility operations and maintenance, and other miscellaneous nonvendor costs;

(c) The vendor-related costs of operating tolled facilities, including the costs of the customer service center, cash collections on the Tacoma Narrows bridge, electronic payment processing, and toll collection equipment maintenance, renewal, and replacement;

(d) The toll adjudication process, including a summary table for each toll facility that includes:

(i) The number of notices of civil penalty issued;

(ii) The number of recipients who pay before the notice becomes a penalty;

(iii) The number of recipients who request a hearing and the number who do not respond;

(iv) Workload costs related to hearings;

(v) The cost and effectiveness of debt collection activities; and

(vi) Revenues generated from notices of civil penalty; and

(e) A summary of toll revenue by facility on all operating toll facilities and high occupancy toll lane systems, and an itemized depiction of the use of that revenue.

(5) \$17,517,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for operational costs related to the express toll lane facility.

(6) In calendar year 2021, toll equipment on the Tacoma Narrows Bridge will have reached the end of its operational life. During the 2019-2021 fiscal biennium, the department plans to issue a request for proposals as the first stage of a competitive procurement process that will replace the toll equipment and select a new tolling operator for the Tacoma Narrows Bridge. The request for proposals and subsequent competitive procurement must incorporate elements that prioritize the overall goal of lowering costs per transaction for the facility, such as incentives for innovative approaches which result in lower transactional costs, requests for efficiencies on the part of the bidder that lower operational costs, and incorporation of technologies such as self-serve credit card machines or other point-of-payment technologies that lower costs or improve operational efficiencies.

(7) \$19,362,000 of the Alaskan Way viaduct replacement project account—state appropriation is provided solely for the new state route number 99 tunnel toll facility's expected share of collecting toll revenues, operating customer services, and maintaining toll collection systems. The legislature expects to see appropriate reductions to the other toll facility accounts once tolling on the new state route number 99 tunnel toll facility commences and any previously incurred costs for start-up of the new facility are charged back to the Alaskan Way viaduct replacement project account. The office of financial management shall closely monitor the application of the cost allocation model and ensure that

the new state route number 99 tunnel toll facility is adequately sharing costs and the other toll facility accounts are not being overspent or subsidizing the new state route number 99 tunnel toll facility.

(8) \$256,000 of the high occupancy toll lanes operations account—state appropriation and \$352,000 of the Interstate 405 express toll lanes operations account—state appropriation are provided solely for increased levels of service from the Washington state patrol for enforcement of toll lane violations on the state route number 167 high occupancy toll lanes and the Interstate 405 express toll lanes. The department shall compile monthly data on the number of Washington state patrol enforcement hours on each facility and the percentage of time during peak hours that speeds are at or above forty-five miles per hour on each facility. The department shall provide this data in a report to the transportation committees of the legislature on at least a calendar quarterly basis.

NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF TRANSPORTATION—INFORMATION TECHNOLOGY—PROGRAM C

Transportation Partnership Account—State Appropriation	\$1,460,000
Motor Vehicle Account—State Appropriation	\$94,993,000
Puget Sound Ferry Operations Account—State Appropriation	\$263,000
Multimodal Transportation Account—State Appropriation	\$2,878,000
Transportation 2003 Account (Nickel Account)—State Appropriation	\$1,460,000
TOTAL APPROPRIATION	\$101,054,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$8,114,000 of the motor vehicle account—state appropriation is provided solely for the development of the labor system replacement project and is subject to the conditions, limitations, and review provided in section 701 of this act. It is the intent of the legislature that if any portion of the labor system replacement project is leveraged in the future for the time, leave, and labor distribution of any other agencies, the motor vehicle account will be reimbursed proportionally for the development of the system since amounts expended from the motor vehicle account must be used exclusively for highway purposes in conformance with Article II, section 40 of the state Constitution. This must be accomplished through a loan arrangement with the current interest rate under the terms set by the office of the state treasurer at the time the system is deployed to additional agencies. If the motor vehicle account is not reimbursed for future use of the system, it is further the intent of the legislature that reductions will be made to central service agency charges accordingly. The department shall provide a report to the transportation committees of the legislature by December 31, 2019, detailing the project timeline as of July 1, 2019, an updated project timeline if necessary, expenditures made to date for the purposes of this project, and expenditures projected through the remainder of the project timeline.

(2) \$198,000 of the motor vehicle account—state appropriation is provided solely for the department's cost related to the one Washington project.

(3) \$21,500,000 of the motor vehicle account—state appropriation is provided solely for the activities of the information technology program in developing and maintaining information systems that support the operations and program delivery of the department, ensuring compliance with section 701 of this act, and the requirements of the office of the chief information officer under RCW 43.88.092 to evaluate and prioritize any new financial and capital systems replacement or modernization project and any other information technology project. During the 2019-2021 biennium, the department is prohibited from using the distributed direct program support or any other cost allocation method to fund any new financial and capital systems replacement or modernization project without having the project evaluated and prioritized by the office of the chief information officer and submitting a decision package to the governor and the transportation committees of the legislature as part of the normal budget process.

NEW SECTION. Sec. 211. FOR THE DEPARTMENT OF TRANSPORTATION—FACILITY MAINTENANCE, OPERATIONS, AND CONSTRUCTION—PROGRAM D—OPERATING

Motor Vehicle Account—State Appropriation	\$33,149,000
State Route Number 520 Corridor Account—State Appropriation	\$34,000
TOTAL APPROPRIATION	\$33,183,000

NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF TRANSPORTATION—AVIATION—PROGRAM F

Aeronautics Account—State Appropriation	\$7,635,000
Aeronautics Account—Federal Appropriation	\$2,542,000
Aeronautics Account—Private/Local Appropriation	\$60,000
TOTAL APPROPRIATION	\$10,237,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,751,000 of the aeronautics account—state appropriation is provided solely for the airport aid grant program, which provides competitive grants to public use airports for pavement, safety, maintenance, planning, and security.

(2) \$468,000 of the aeronautics account—state appropriation is provided solely for one FTE dedicated to planning aviation emergency services and addressing emerging aeronautics requirements, and for the implementation of chapter . . . (House Bill No. 1397), Laws of 2019 (electric aircraft work group), which extends the electric aircraft work group past its current expiration and allows WSDOT to employ a consultant to assist with the work group. If chapter . . . (House Bill No. 1397), Laws of 2019 is not enacted by June 30, 2019, \$200,000 of the amount in this subsection lapses.

(3) \$200,000 of the aeronautics account—state appropriation is provided solely for the department to convene an electric aircraft work group to study the state of the electrically powered aircraft industry and assess infrastructure needs related to the deployment of electric or hybrid-electric aircraft for commercial air travel in Washington state.

(a) The chair of the work group may be a consultant specializing in aeronautics. The work group must include, but is not limited to, representation from the electric aircraft industry, the aircraft manufacturing industry, electric

utility districts, the battery industry, the department of commerce, the department of transportation aviation division, the airline pilots association, a primary airport representing an airport association, and the airline industry.

(b) The study must include, but is not limited to:

(i) Infrastructure requirements necessary to facilitate electric aircraft operations at airports;

(ii) Potential economic and public benefits including, but not limited to, the direct and indirect impact on the number of manufacturing and service jobs and the wages from those jobs in Washington state;

(iii) Potential incentives for industry in the manufacturing and operation of electric aircraft for regional air travel;

(iv) Educational and workforce requirements for manufacturing and maintaining electric aircraft;

(v) Demand and forecast for electric aircraft use to include expected timeline of the aircraft entering the market given federal aviation administration certification requirements;

(vi) Identification of up to six airports in Washington state that may benefit from a pilot program once an electrically propelled aircraft for commercial use becomes available; and

(vii) Recommendations to further the advancement of the electrification of aircraft for regional commercial use within Washington state, including specific, measureable goals for the years 2030, 2040, and 2050 that reflect progressive and substantial increases in the utilization of electric and hybrid-electric commercial aircraft.

(c) The work group must submit a report and accompanying recommendations to the transportation committees of the legislature by November 15, 2020.

(d) If chapter . . . (House Bill No. 1397), Laws of 2019 is enacted by June 30, 2019, the amount provided in this subsection (3) lapses.

(4) \$150,000 of the aeronautics account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5370), Laws of 2019 (aviation coordinating commission). If chapter . . . (Substitute Senate Bill No. 5370), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

NEW SECTION. Sec. 213. FOR THE DEPARTMENT OF TRANSPORTATION—PROGRAM DELIVERY MANAGEMENT AND SUPPORT—PROGRAM H

Motor Vehicle Account—State Appropriation	\$59,801,000
Motor Vehicle Account—Federal Appropriation	\$500,000
Multimodal Transportation Account—State Appropriation	\$258,000
TOTAL APPROPRIATION	\$60,559,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The legislature recognizes that the trail known as the Rocky Reach Trail, and its extensions, serve to separate motor vehicle traffic from pedestrians and bicyclists, increasing motor vehicle safety on state route number 2 and the coincident section of state route number 97. Consistent with chapter 47.30 RCW and pursuant to RCW 47.12.080, the legislature declares that transferring

portions of WSDOT Inventory Control (IC) No. 2-09-04686 containing the trail and associated buffer areas to the Washington state parks and recreation commission is consistent with the public interest. The legislature directs the department to transfer the property to the Washington state parks and recreation commission.

(a) The department must be paid fair market value for any portions of the transferred real property that is later abandoned, vacated, or ceases to be publicly maintained for trail purposes.

(b) Prior to completing the transfer in this subsection (1), the department must ensure that provisions are made to accommodate private and public utilities and any facilities that predate the department's acquisition of the property, at no cost to those entities. Prior to completing the transfer, the department shall also ensure that provisions, by fair market assessment, are made to accommodate other private and public utilities and any facilities that have been legally allowed by permit or other instrument.

(c) The department may sell any adjoining property that is not necessary to support the Rocky Reach Trail and adjacent buffer areas only after the transfer of trail-related property to the Washington state parks and recreation commission is complete. Adjoining property owners must be given the first opportunity to acquire such property that abuts their property, and applicable boundary line or other adjustments must be made to the legal descriptions for recording purposes.

(2) With respect to Parcel 12 of the real property conveyed by the state of Washington to the city of Mercer Island under that certain quitclaim deed, dated April 19, 2000, recorded in King county under recording no. 20000425001234, the requirement in the deed that the property be used for road/street purposes only will be deemed satisfied by the department of transportation so long as commuter parking, as part of the vertical development of the property, is one of the significant uses of the property.

(3) \$1,600,000 of the motor vehicle account—state appropriation is provided solely for real estate services activities. Consistent with RCW 47.12.120 and during the 2019-2021 fiscal biennium, when initiating, extending, or renewing any rent or lease agreements with a regional transit authority, consideration of value must be equivalent to one hundred percent of economic or market rent.

(4)(a) \$100,000 of the motor vehicle account—state appropriation is provided solely for the department to:

(i) Determine the real property owned by the state of Washington and under the jurisdiction of the department in King county that is surplus property located in an area encompassing south of Dearborn Street in Seattle, south of Newcastle, west of SR 515, and north of South 216th to SR 515; and

(ii) Use any remaining funds after (a)(i) of this subsection is completed to identify additional real property across the state owned by the state of Washington and under the jurisdiction of the department that is surplus property.

(b) The department shall provide a report to the transportation committees of the legislature describing the properties it has identified as surplus property under (a) of this subsection by October 1, 2020.

NEW SECTION. Sec. 214. FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC-PRIVATE PARTNERSHIPS—PROGRAM K

Motor Vehicle Account—State Appropriation	\$670,000
Electric Vehicle Account—State Appropriation	\$2,000,000
Multimodal Transportation Account—State Appropriation	\$1,634,000
TOTAL APPROPRIATION	\$4,304,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The economic partnerships program must continue to explore retail partnerships at state-owned park and ride facilities, as authorized in RCW 47.04.295.

(2) \$350,000 of the multimodal transportation account—state appropriation is provided solely for the department to execute a transit oriented development pilot project at Kingsgate park and ride in Kirkland intended to be completed by December 31, 2023. The purpose of the pilot project is to demonstrate how appropriate department properties may be used to provide multiple public benefits such as affordable and market rate housing, commercial development, and institutional facilities in addition to transportation purposes. To accomplish the pilot project, the department is authorized to exercise all legal and administrative powers authorized in statute that may include, but is not limited to, the transfer, lease, or sale of some or all of the property to another governmental agency, public development authority, or nonprofit developer approved by the department and partner agencies. The department may also partner with sound transit, King county, the city of Kirkland, and any other federal, regional, or local jurisdiction on any policy changes necessary from those jurisdictions to facilitate the pilot project. By December 1, 2019, the department must report to the legislature on any legislative actions necessary to facilitate the pilot project and future transit oriented development projects.

(3) \$2,000,000 of the electric vehicle account—state appropriation is provided solely for the clean alternative fuel vehicle charging and refueling infrastructure program in chapter . . . (Engrossed Second Substitute House Bill No. 2042), Laws of 2019 (advancing green transportation adoption). If chapter . . . (Engrossed Second Substitute House Bill No. 2042), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(4) \$1,200,000 of the multimodal transportation account—state appropriation is provided solely for the pilot program established under chapter . . . (Engrossed Second Substitute House Bill No. 2042), Laws of 2019 (advancing green transportation adoption) to provide clean alternative fuel vehicle use opportunities to underserved communities and low to moderate income members of the workforce not readily served by transit or located in transportation corridors with emissions that exceed federal or state emissions standards. If chapter . . . (Engrossed Second Substitute House Bill No. 2042), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(5) \$84,000 of the multimodal transportation account—state appropriation is provided solely for an interagency transfer to the department of commerce for the purpose of conducting a study as described in chapter . . . (Engrossed Second Substitute House Bill No. 2042), Laws of 2019 (advancing green transportation adoption) to identify opportunities to reduce barriers to electric vehicle adoption by lower income residents of the state through the use of vehicle and

infrastructure financing assistance. If chapter . . . (Engrossed Second Substitute House Bill No. 2042), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

NEW SECTION. Sec. 215. FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M

Motor Vehicle Account—State Appropriation	\$495,228,000
Motor Vehicle Account—Federal Appropriation	\$7,000,000
State Route Number 520 Corridor Account—State Appropriation	\$4,447,000
Tacoma Narrows Toll Bridge Account—State Appropriation	\$1,549,000
Alaskan Way Viaduct Replacement Project Account—State Appropriation	\$9,533,000
Interstate 405 Express Toll Lanes Operations Account—State Appropriation	\$1,370,000
TOTAL APPROPRIATION	\$519,127,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) \$6,170,000 of the motor vehicle account—state appropriation is provided solely for utility fees assessed by local governments as authorized under RCW 90.03.525 for the mitigation of stormwater runoff from state highways. Plan and reporting requirements as required in chapter . . . (Senate Bill No. 5505), Laws of 2019 (Local Stormwater Charges) shall be consistent with the January 2012 findings of the Joint Transportation Committee Report for Effective Cost Recovery Structure for WSDOT, Jurisdictions, and Efficiencies in Stormwater Management.

(b) Pursuant to RCW 90.03.525(3), the department and the utilities imposing charges to the department shall negotiate with the goal of agreeing to rates such that the total charges to the department for the 2019-2021 fiscal biennium do not exceed the amount provided in this subsection. The department shall report to the transportation committees of the legislature on the amount of funds requested, the funds granted, and the strategies used to keep costs down, by January 17, 2021. If chapter . . . (Senate Bill No. 5505), Laws of 2019 (local stormwater charges) is enacted by June 30, 2019, this subsection (1)(b) does not take effect.

(2) \$4,447,000 of the state route number 520 corridor account—state appropriation is provided solely to maintain the state route number 520 floating bridge. These funds must be used in accordance with RCW 47.56.830(3).

(3) \$1,549,000 of the Tacoma Narrows toll bridge account—state appropriation is provided solely to maintain the new Tacoma Narrows bridge. These funds must be used in accordance with RCW 47.56.830(3).

(4) \$1,370,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely to maintain the Interstate 405 express toll lanes between Lynnwood and Bellevue. These funds must be used in accordance with RCW 47.56.830(3).

(5) \$5,000,000 of the motor vehicle account—state appropriation is provided solely for a contingency pool for snow and ice removal. The department must notify the office of financial management and the

transportation committees of the legislature when they have spent the base budget for snow and ice removal and will begin using the contingency pool funding.

(6) \$1,025,000 of the motor vehicle account—state appropriation is provided solely for the department to implement safety improvements and debris clean up on department-owned rights-of-way in the city of Seattle at levels above that being implemented as of January 1, 2019. The department must contract out or hire a crew dedicated solely to collecting and disposing of garbage, clearing debris or hazardous material, and implementing safety improvements where hazards exist to the traveling public, department employees, or people encamped upon department-owned rights-of-way. The department may request assistance from the Washington state patrol as necessary in order for both agencies to provide enhanced safety-related activities regarding the emergency hazards along state highway rights-of-way in the Seattle area.

(7) \$1,015,000 of the motor vehicle account—state appropriation is provided solely for a partnership program between the department and the city of Tacoma. The program shall address the safety and public health problems created by homeless encampments on the department's property along state highways within the city limits. \$570,000 is for dedicated department maintenance staff and associated clean-up costs. The department and the city of Tacoma shall enter into a reimbursable agreement to cover up to \$445,000 of the city's expenses for clean-up crews and landfill costs.

(8) The department must commence a pilot program for the 2019-2021 fiscal biennium at the four highest demand safety rest areas to create and maintain an online calendar for volunteer groups to check availability of weekends for the free coffee program. The calendar must be updated at least weekly and show dates and times that are, or are not, available to participate in the free coffee program. The department must submit a report to the legislature on the ongoing pilot by December 1, 2020, outlining the costs and benefits of the online calendar pilot, and including surveys from the volunteer groups and agency staff to determine its effectiveness.

NEW SECTION. Sec. 216. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—OPERATING

Motor Vehicle Account—State Appropriation	\$70,681,000
Motor Vehicle Account—Federal Appropriation	\$2,050,000
Motor Vehicle Account—Private/Local Appropriation	\$250,000
TOTAL APPROPRIATION	\$72,981,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$6,000,000 of the motor vehicle account—state appropriation is provided solely for low-cost enhancements. The department shall give priority to low-cost enhancement projects that improve safety or provide congestion relief. By December 15th of each odd-numbered year, the department shall provide a report to the legislature listing all low-cost enhancement projects completed in the prior fiscal biennium.

(2)(a) During the 2019-2021 fiscal biennium, the department shall continue a pilot program that expands private transportation providers' access to high

occupancy vehicle lanes. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, the following vehicles must be authorized to use the reserved portion of the highway if the vehicle has the capacity to carry eight or more passengers, regardless of the number of passengers in the vehicle: (i) Auto transportation company vehicles regulated under chapter 81.68 RCW; (ii) passenger charter carrier vehicles regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; (iii) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and (iv) private employer transportation service vehicles. For purposes of this subsection, "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees. Nothing in this subsection is intended to authorize the conversion of public infrastructure to private, for-profit purposes or to otherwise create an entitlement or other claim by private users to public infrastructure.

(b) The department shall expand the high occupancy vehicle lane access pilot program to vehicles that deliver or collect blood, tissue, or blood components for a blood-collecting or distributing establishment regulated under chapter 70.335 RCW. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, blood-collecting or distributing establishment vehicles that are clearly and identifiably marked as such on all sides of the vehicle are considered emergency vehicles and must be authorized to use the reserved portion of the highway.

(c) The department shall expand the high occupancy vehicle lane access pilot program to private, for hire vehicles regulated under chapter 81.72 RCW that have been specially manufactured, designed, or modified for the transportation of a person who has a mobility disability and uses a wheelchair or other assistive device. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, wheelchair-accessible taxicabs that are clearly and identifiably marked as such on all sides of the vehicle are considered public transportation vehicles and must be authorized to use the reserved portion of the highway.

(d) Nothing in this subsection (2) is intended to exempt these vehicles from paying tolls when they do not meet the occupancy requirements established by the department for high occupancy toll lanes.

(3) When regional transit authority construction activities are visible from a state highway, the department shall allow the regional transit authority to place safe and appropriate signage informing the public of the purpose of the construction activity.

(4) The department must make signage for low-height bridges a high priority.

NEW SECTION. Sec. 217. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S

Motor Vehicle Account—State Appropriation	\$38,782,000
Motor Vehicle Account—Federal Appropriation	\$1,380,000
Motor Vehicle Account—Private/Local Appropriation	\$500,000
Multimodal Transportation Account—State	

Appropriation	\$1,129,000
TOTAL APPROPRIATION	\$41,791,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,000,000 of the motor vehicle account—state appropriation is provided solely for a grant program that makes awards for the following: (a) Support for nonprofit agencies, churches, and other entities to help provide outreach to populations underrepresented in the current apprenticeship programs; (b) preapprenticeship training; and (c) child care, transportation, and other supports that are needed to help women, veterans, and minorities enter and succeed in apprenticeship. The department must report on grants that have been awarded and the amount of funds disbursed by December 1st each year. If moneys are provided in the omnibus operating appropriations act for a career connected learning grant program, defined in chapter . . . (Substitute House Bill No. 1336), Laws of 2019, or otherwise, the amount provided in this subsection lapses.

(2) \$150,000 of the motor vehicle account—state appropriation is provided solely for a user-centered and mobile-compatible web site redesign using estimated web site ad revenues.

(3) From the revenues generated by the five dollar per studded tire fee under RCW 46.37.427, \$250,000 of the motor vehicle account—state appropriation is provided solely for the department, in consultation with the appropriate local jurisdictions and relevant stakeholder groups, to establish a pilot media-based public information campaign regarding the damage of studded tire use on state and local roadways in Whatcom county, and to continue the existing pilot information campaign in Spokane county. The reason for the geographic selection of Spokane and Whatcom counties is based on the high utilization of studded tires in these jurisdictions. The public information campaigns must primarily focus on making the consumer aware of the safety implications for other drivers, road deterioration, financial impact for taxpayers, and, secondarily, the alternatives to studded tires. The Whatcom county pilot media-based public information campaign must begin by September 1, 2020. By January 14, 2021, the department must provide the transportation committees of the legislature an update on the Spokane and Whatcom county pilot media-based public information campaigns.

(4) \$138,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Second Substitute Senate Bill No. 5489), Laws of 2019 (concerning environmental health disparities). If chapter . . . (Second Substitute Senate Bill No. 5489), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION PLANNING, DATA, AND RESEARCH—PROGRAM

High Occupancy Toll Lanes Operations

Account—State Appropriation	\$3,000,000
Motor Vehicle Account—State Appropriation	\$29,403,000
Motor Vehicle Account—Federal Appropriation	\$29,485,000
Motor Vehicle Account—Private/Local Appropriation	\$800,000

Multimodal Transportation Account—State Appropriation	\$710,000
Multimodal Transportation Account—Federal	
Appropriation	\$2,809,000
Multimodal Transportation Account—Private/Local	
Appropriation	\$100,000
TOTAL APPROPRIATION	\$66,307,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$130,000 of the motor vehicle account—state appropriation is provided solely for completion of a corridor study to identify potential improvements between exit 116 and exit 99 of Interstate 5. The study should further develop mid- and long-term strategies from the corridor sketch, and identify potential US 101/I-5 interchange improvements, a strategic plan for the Nisqually River bridges, regional congestion relief options, and ecosystem benefits to the Nisqually River estuary for salmon productivity and flood control.

(2) The study on state route number 518 referenced in section 218(5), chapter 297, Laws of 2018 must be submitted to the transportation committees of the legislature by November 30, 2019.

(3) \$100,000 of the motor vehicle account—state appropriation is provided solely to complete the Tacoma mall direct access feasibility study.

(4) \$4,600,000 of the motor vehicle account—federal appropriation is provided solely to complete the road usage charge pilot project overseen by the transportation commission using the remaining unspent amount of the federal grant award. The purpose of the road usage charge pilot project is to explore the viability of a road usage charge as a possible replacement for the gas tax.

(5) \$3,000,000 of the high occupancy toll lanes operations account—state appropriation is provided solely for updating the state route number 167 master plan. If neither chapter . . . (Engrossed Substitute Senate Bill No. 5825), Laws of 2019 (addressing tolling) nor chapter . . . (House Bill No. 2132), Laws of 2019 (addressing tolling) is enacted by June 30, 2019, the amount provided in this subsection lapses.

NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U

Motor Vehicle Account—State Appropriation	\$71,996,000
Multimodal Transportation Account—State	
Appropriation	\$2,491,000
TOTAL APPROPRIATION	\$74,487,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Prior to entering into any negotiated settlement of a claim against the state for the department that exceeds five million dollars, the department, in conjunction with the attorney general and the department of enterprise services, shall notify the director of the office of financial management and the transportation committees of the legislature.

(2) Beginning October 1, 2019, and quarterly thereafter, the department, in conjunction with the attorney general and the department of enterprise services, shall provide a report with judgments and settlements dealing with the

Washington state ferry system to the director of the office of financial management and the transportation committees of the legislature. The report must include information on: (a) The number of claims and settlements by type; (b) the average claim and settlement by type; (c) defense costs associated with those claims and settlements; and (d) information on the impacts of moving legal costs associated with the Washington state ferry system into the statewide self-insurance pool.

(3) Beginning October 1, 2019, and quarterly thereafter, the department, in conjunction with the attorney general and the department of enterprise services, shall provide a report with judgments and settlements dealing with the nonferry operations of the department to the director of the office of financial management and the transportation committees of the legislature. The report must include information on: (a) The number of claims and settlements by type; (b) the average claim and settlement by type; and (c) defense costs associated with those claims and settlements.

***NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V**

State Vehicle Parking Account—State Appropriation	\$784,000
Regional Mobility Grant Program Account—State	
Appropriation	\$96,630,000
Rural Mobility Grant Program Account—State	
Appropriation	\$32,223,000
Multimodal Transportation Account—State	
Appropriation	\$128,554,000
Multimodal Transportation Account—Federal	
Appropriation	\$3,574,000
Multimodal Transportation Account—Local	
Appropriation	\$100,000
TOTAL APPROPRIATION	\$261,865,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$62,679,000 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. If chapter . . . (Engrossed Second Substitute House Bill No. 2042), Laws of 2019 (advancing green transportation adoption) is not enacted by June 30, 2019, \$10,000,000 of the amount in this subsection lapses. Of this amount:

(a) \$14,278,000 of the multimodal transportation account—state appropriation is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers must be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided. If chapter . . . (Engrossed Second Substitute House Bill No. 2042), Laws of 2019 (advancing green transportation adoption) is not enacted by June 30, 2019, \$2,278,000 of the amount in this subsection lapses. ***Fuel type may not be a factor in the grant selection process.***

(b) \$48,401,000 of the multimodal transportation account—state appropriation is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must, to the greatest extent practicable, have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies must be prorated based on the amount expended for demand response service and route deviated service in calendar year 2017 as reported in the "Summary of Public Transportation - 2017" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions. If chapter . . . (Engrossed Second Substitute House Bill No. 2042), Laws of 2019 (advancing green transportation adoption) is not enacted by June 30, 2019, \$7,722,000 of the amount in this subsection lapses. ***Fuel type may not be a factor in the grant selection process.***

(2) \$32,223,000 of the rural mobility grant program account—state appropriation is provided solely for grants to aid small cities in rural areas as prescribed in RCW 47.66.100. ***Fuel type may not be a factor in the grant selection process.***

(3)(a) \$10,290,000 of the multimodal transportation account—state appropriation is provided solely for a vanpool grant program for: (i) Public transit agencies to add vanpools or replace vans; and (ii) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; operating costs for public transit agencies are not eligible for funding under this grant program. Additional employees may not be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. The department shall encourage grant applicants and recipients to leverage funds other than state funds. ***Fuel type may not be a factor in the grant selection process.***

(b) At least \$1,600,000 of the amount provided in this subsection must be used for vanpool grants in congested corridors.

(4) \$18,951,000 of the regional mobility grant program account—state appropriation is reappropriated and provided solely for the regional mobility grant projects identified in LEAP Transportation Document 2019-2 ALL PROJECTS as developed April 27, 2019, Program - Public Transportation Program (V).

(5)(a) \$77,679,000 of the regional mobility grant program account—state appropriation is provided solely for the regional mobility grant projects identified in LEAP Transportation Document 2019-2 ALL PROJECTS as developed April 27, 2019, Program - Public Transportation Program (V). The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, must be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and any remaining funds must be used only to fund projects identified in the LEAP transportation document referenced in this subsection. The department shall provide annual status reports on December 15, 2019, and December 15,

2020, to the office of financial management and the transportation committees of the legislature regarding the projects receiving the grants. It is the intent of the legislature to appropriate funds through the regional mobility grant program only for projects that will be completed on schedule. A grantee may not receive more than twenty-five percent of the amount appropriated in this subsection. Additionally, when allocating funding for the 2021-2023 biennium, no more than thirty percent of the total grant program may directly benefit or support one grantee. The department shall not approve any increases or changes to the scope of a project for the purpose of a grantee expending remaining funds on an awarded grant. ***Fuel type may not be a factor in the grant selection process.***

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2019-2021 fiscal biennium, a transit agency must establish a process for private transportation providers to apply for the use of park and ride facilities. For purposes of this subsection, (i) "private transportation provider" means: An auto transportation company regulated under chapter 81.68 RCW; a passenger charter carrier regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; a private nonprofit transportation provider regulated under chapter 81.66 RCW; or a private employer transportation service provider; and (ii) "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees.

(6) Funds provided for the commute trip reduction (CTR) program may also be used for the growth and transportation efficiency center program.

(7) \$7,670,000 of the multimodal transportation account—state appropriation and \$784,000 of the state vehicle parking account—state appropriation are provided solely for CTR grants and activities. ***Fuel type may not be a factor in the grant selection process.*** Of this amount:

(a) \$1,000,000 of the multimodal transportation account—state appropriation is provided solely for the department to continue a pilot transit pass incentive program. Businesses and nonprofit organizations located in a county adjacent to Puget Sound with a population of more than seven hundred thousand that have never offered transit subsidies to employees are eligible to apply to the program for a fifty percent rebate on the cost of employee transit subsidies provided through the regional ORCA fare collection system. No single business or nonprofit organization may receive more than ten thousand dollars from the program.

(i) Businesses and nonprofit organizations may apply and be awarded funds prior to purchasing a transit subsidy, but the department may not provide reimbursement until proof of purchase or a contract has been provided to the department.

(ii) The department shall update the transportation committees of the legislature on the impact of the program by January 31, 2020, and may adopt rules to administer the program.

(b) \$30,000 of the state vehicle parking account—state appropriation is provided solely for the STAR pass program for state employees residing in Mason and Grays Harbor Counties. Use of the pass is for public transportation between Mason County and Thurston County, and Grays Harbor and Thurston County. The pass may also be used within Grays Harbor County. The STAR pass

commute trip reduction program is open to any state employee who expresses intent to commute to his or her assigned state worksite using a public transit system currently participating in the STAR pass program.

(c) \$1,000,000 of the multimodal transportation account—state appropriation is provided solely for a first mile/last mile connections grant program. Eligible grant recipients include cities, businesses, nonprofits, and transportation network companies with first mile/last mile solution proposals. Transit agencies are not eligible. The commute trip reduction board shall develop grant parameters, evaluation criteria, and evaluate grant proposals. The commute trip reduction board shall provide the transportation committees of the legislature a report on the effectiveness of this grant program and best practices for continuing the program.

(8) Except as provided otherwise in this subsection, \$28,048,000 of the multimodal transportation account—state appropriation is provided solely for connecting Washington transit projects identified in LEAP Transportation Document 2019-2 ALL PROJECTS as developed April 27, 2019. It is the intent of the legislature that entities identified to receive funding in the LEAP document referenced in this subsection receive the amounts specified in the time frame specified in that LEAP document. If an entity has already completed a project in the LEAP document referenced in this subsection before the time frame identified, the entity may substitute another transit project or projects that cost a similar or lesser amount.

(9) \$2,000,000 of the multimodal transportation account—state appropriation is provided solely for transit coordination grants. ***Fuel type may not be a factor in the grant selection process.***

(10) The department shall not require more than a ten percent match from nonprofit transportation providers for state grants.

(11)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (4) of this section, if the department expects to have substantial reappropriations for the 2021-2023 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance one or more of the following projects:

- (i) King County Metro - RapidRide Expansion, Burien-Delridge (G2000031);
- (ii) King County Metro - Route 40 Northgate to Downtown (G2000032);
- (iii) Mason Transit Park & Ride Development (G2000042); or
- (iv) Pierce Transit - SR 7 Express Service (G2000046).

(b) At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2021-2023 fiscal biennium.

(c) To the extent practicable, the department shall use the flexibility and authority granted in this section to minimize the amount of reappropriations needed each biennium.

(12) \$750,000 of the multimodal transportation account—state appropriation is provided solely for Intercity Transit for the Dash shuttle program.

(13)(a) \$485,000 of the multimodal transportation account—state appropriation is provided solely for King county for:

(i) An expanded pilot program to provide certain students in the Highline, Tukwila, and Lake Washington school districts with an ORCA card during these school districts' summer vacations. In order to be eligible for an ORCA card under this program, a student must also be in high school, be eligible for free and reduced-price lunches, and have a job or other responsibility during the summer; and

(ii) Providing administrative support to other interested school districts in King county to prepare for implementing similar programs for their students.

(b) King county must provide a report to the department and the transportation committees of the legislature by December 15, 2021, regarding:

(i) The annual student usage of the pilot program;

(ii) Available ridership data;

(iii) A cost estimate, including a detailed description of the various expenses leading to the cost estimate, and any other factors relevant to expanding the program to other King county school districts;

(iv) A cost estimate, including a detailed description of the various expenses leading to the cost estimate, and any other factors relevant to expanding the program to student populations other than high school or eligible for free and reduced-price lunches;

(v) Opportunities for subsidized ORCA cards or local grant or matching funds; and

(vi) Any additional information that would help determine if the pilot program should be extended or expanded.

(14) \$12,000,000 of the multimodal transportation account—state appropriation is provided solely for the green transportation capital grant program established in chapter . . . (Engrossed Second Substitute House Bill No. 2042), Laws of 2019 (advancing green transportation adoption). If chapter . . . (Engrossed Second Substitute House Bill No. 2042), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(15) \$555,000 of the multimodal transportation account—state appropriation is provided solely for an interagency transfer to the Washington State University extension energy program to establish and administer a technical assistance and education program for public agencies on the use of alternative fuel vehicles. If chapter . . . (Engrossed Second Substitute House Bill No. 2042), Laws of 2019 (advancing green transportation adoption) is not enacted by June 30, 2019, \$375,000 of the amount provided in this subsection lapses.

**Sec. 220 is partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X

Motor Vehicle Account—State Appropriation	\$250,000
Puget Sound Ferry Operations Account—State	
Appropriation	\$540,746,000
Puget Sound Ferry Operations Account—Federal	

Appropriation	\$7,932,000
Puget Sound Ferry Operations Account—Private/Local	
Appropriation	\$121,000
TOTAL APPROPRIATION	\$549,049,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The office of financial management budget instructions require agencies to recast enacted budgets into activities. The Washington state ferries shall include a greater level of detail in its 2019-2021 supplemental and 2021-2023 omnibus transportation appropriations act requests, as determined jointly by the office of financial management, the Washington state ferries, and the transportation committees of the legislature. This level of detail must include the administrative functions in the operating as well as capital programs.

(2) For the 2019-2021 fiscal biennium, the department may enter into a distributor controlled fuel hedging program and other methods of hedging approved by the fuel hedging committee, which must include a representative of the department of enterprise services.

(3) \$76,261,000 of the Puget Sound ferry operations account—state appropriation is provided solely for auto ferry vessel operating fuel in the 2019-2021 fiscal biennium, which reflect cost savings from a reduced biodiesel fuel requirement and, therefore, is contingent upon the enactment of section 703 of this act. The amount provided in this subsection represents the fuel budget for the purposes of calculating any ferry fare fuel surcharge. The department shall review future use of alternative fuels and dual fuel configurations, including hydrogen.

(4) \$650,000 of the Puget sound ferry operations account—state appropriation is provided solely for increased staffing at Washington ferry terminals to meet increased workload and customer expectations. Within the amount provided in this subsection, the department shall contract with uniformed officers for additional traffic control assistance at the Kingston ferry terminal during peak ferry travel times, with a particular focus on Sundays and holiday weekends. Traffic control methods should include, but not be limited to, holding traffic on the shoulder at Lindvog Road until space opens for cars at the tollbooths and dock, and management of traffic on Highway 104 in order to ensure Kingston residents and business owners have access to businesses, roads, and driveways.

(5) \$254,000 of the Puget Sound ferry operations account—state appropriation is provided solely for a dedicated inventory logistics manager on a one-time basis.

(6) \$500,000 of the Puget Sound ferry operations account—state appropriation is provided solely for operating costs related to moving vessels for emergency capital repairs. Funds may only be spent after approval by the office of financial management.

(7) By January 1, 2020, the ferries division must submit a workforce plan for reducing overtime due to shortages of staff available to fill vacant crew positions. The plan must include numbers of crew positions being filled by staff working overtime, strategies for filling these positions with straight time

employees, progress toward implementing those strategies, and a forecast for when overtime expenditures will return to historical averages.

(8) \$160,000 of the Puget Sound ferry operations account—state appropriation is provided solely for a ferry fleet baseline noise study, conducted by a consultant, for the purpose of establishing plans and data-driven goals to reduce ferry noise when Southern resident orca whales are present. In addition, the study must establish prioritized strategies to address vessels serving routes with the greatest exposure to orca whale movements.

(9)(a) \$250,000 of the motor vehicle account—state appropriation is provided solely for the department, in consultation with the Washington state transportation center, to develop a plan for service on the triangle route with a goal of providing maximum sailings moving the most passengers to all stops in the least travel time, including waits between sailings, within budget and resource constraints.

(b) The Washington state transportation center must use new traffic management models and scheduling tools to examine proposed improvements for the triangle route. The department shall report to the standing transportation committees of the legislature by January 15, 2021. The report must include:

(i) Implementation and status of data collection, modeling, scheduling, capital investments, and procedural improvements to allow Washington state ferries to schedule more sailings to and from all stops on the triangle route with minimum time between sailings;

(ii) Recommendations for emergency boat allocations, regular schedule policies, and emergency schedule policies based on all customers alternative travel options to ensure that any dock with no road access is prioritized in scheduling and scheduled service is provided based on population size, demographics, and local medical services;

(iii) Triangle route pilot economic analysis of Washington state ferries fare revenue and fuel cost impact of offering additional, better spaced sailings;

(iv) Results of an economic analysis of the return on investment of potentially acquiring and using traffic control infrastructure, technology, walk on loading bridges, and Good-to-Go and ORCA replacement of current fare sales, validation, collections, accounting, and all associated labor and benefits costs that can be saved via those capital investments; and

(v) Recommendation on policies, procedures, or agency interpretations of statute that may be adopted to mitigate any delays or disruptions to scheduled sailings.

(c) If at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection (9) lapses.

NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—OPERATING

Multimodal Transportation Account—State	
Appropriation	\$75,576,000
Multimodal Transportation Account—Private/Local	
Appropriation	\$717,000

Multimodal Transportation Account—Federal

Appropriation	\$500,000
TOTAL APPROPRIATION	\$76,793,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a)(i) \$224,000 of the multimodal transportation account—state appropriation and \$671,000 of the multimodal transportation account—private/local appropriation are provided solely for continued analysis of the ultra high-speed ground transportation corridor in a new study, with participation from Washington, Oregon, and British Columbia. No funds may be expended until the department is in receipt of \$671,000 in private/local funding provided solely for this purpose.

(ii) The ultra high-speed ground transportation corridor advisory group must include legislative membership.

(iii) "Ultra high-speed" means a maximum testing speed of at least two hundred fifty miles per hour.

(b) The study must consist of the following:

(i) Development of proposed corridor governance, general powers, operating structure, legal instruments, and contracting requirements;

(ii) An assessment of current laws in state and provincial jurisdictions and identification of any proposed changes to laws, regulations, and/or agreements that are needed to proceed with development; and

(iii) Development of general recommendations for the authorization needed to advance the development of the corridor. This study must build on the results of the 2018 Washington state ultra high-speed ground transportation business case analysis and the 2019 Washington state ultra high-speed ground transportation study findings report. The department shall consult with the transportation committees of the legislature regarding all issues related to proposed corridor governance.

(c) The development work referenced in (b) of this subsection is intended to identify and make recommendations related to specific entities, including interjurisdictional entities, policies, and processes required for the purposes of furthering preliminary analysis efforts for the ultra high-speed ground transportation corridor. This development work is not intended to authorize one or more entities to assume decision making authority for the design, construction, or operation of an ultra high-speed rail corridor.

(d) By December 1, 2020, the department shall provide to the governor and the transportation committees of the legislature a report of the study's findings regarding the three elements noted in this subsection. As applicable, the report should also be sent to the executive and legislative branches of government in the state of Oregon and appropriate government bodies in the province of British Columbia.

(2) The department is directed to continue to pursue efforts to reduce costs, increase ridership, and review Amtrak Cascades fares and fare schedules. Within thirty days of each annual cost/revenue reconciliation under the Amtrak service contract, the department shall report annual credits to the office of financial management and the legislative transportation committees. Annual credits from Amtrak to the department including, but not limited to, credits due to higher

ridership, reduced level of service, and fare or fare schedule adjustments, must be used to offset corresponding amounts of the multimodal transportation account—state appropriation, which must be placed in reserve.

NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING

Motor Vehicle Account—State Appropriation	\$12,190,000
Motor Vehicle Account—Federal Appropriation	\$2,567,000
Multiuise Roadway Safety Account—State Appropriation	\$132,000
Multimodal Transportation Account—State	
Appropriation	\$350,000
TOTAL APPROPRIATION	\$15,239,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$350,000 of the multimodal transportation account—state appropriation is provided solely for a study by the Puget Sound regional council of new passenger ferry service to better connect communities throughout the twelve county Puget Sound region. The study must assess potential new routes, identify future terminal locations, and provide recommendations to accelerate the electrification of the ferry fleet. The study must identify future passenger only demand throughout Western Washington, analyze potential routes and terminal locations on Puget Sound, Lake Washington, and Lake Union with an emphasis on preserving waterfront opportunities in public ownership and opportunities for partnership. The study must determine whether and when the passenger ferry service achieves a net reduction in carbon emissions including an analysis of the emissions of modes that passengers would otherwise have used. The study must estimate capital and operating costs for routes and terminals. The study must include early and continuous outreach with all interested stakeholders and a report to the legislature and all interested parties by January 31, 2021.

(2) \$1,142,000 of the motor vehicle account—state appropriation is provided solely for the department, from amounts set aside out of statewide fuel taxes distributed to counties according to RCW 46.68.120(3), to contract with the Washington state association of counties to:

(a) In coordination with stakeholders, identify county-owned fish passage barriers, with priority given to barriers that share the same stream system as state-owned fish passage barriers. The study must identify, map, and provide a preliminary assessment of county-owned barriers that need correction, and provide, where possible, preliminary costs estimates for each barrier correction. The study must provide recommendations on:

(i) How to prioritize county-owned barriers within the same stream system of state-owned barriers in the current six-year construction plan to maximize state investment; and

(ii) How future state six-year construction plans should incorporate county-owned barriers;

(b) Update the local agency guidelines manual, including exploring alternatives within the local agency guidelines manual on county priorities;

(c) Study the current state of county transportation funding, identify emerging issues, and identify potential future alternative transportation fuel funding sources to meet current and future needs.

TRANSPORTATION AGENCIES—CAPITAL

NEW SECTION. Sec. 301. FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Freight Mobility Investment Account—State	
Appropriation	\$18,094,000
Freight Mobility Multimodal Account—State	
Appropriation	\$21,220,000
Motor Vehicle Account—Federal Appropriation	\$2,250,000
Freight Mobility Multimodal Account—Private/Local	
Appropriation	\$1,320,000
TOTAL APPROPRIATION	\$42,884,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as otherwise provided in this section, the entire appropriations in this section are provided solely for the projects by amount, as listed in the LEAP Transportation Document 2019-3 as developed April 27, 2019, FMSIB Project List.

(2) Until directed by the legislature, the board may not initiate a new call for projects. By January 1, 2020, the board must report to the legislature on alternative proposals to revise its project award and obligation process, which result in lower reappropriations.

NEW SECTION. Sec. 302. FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State Appropriation	\$3,277,000
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The appropriation in this section is subject to the following conditions and limitations:

The entire appropriation in this section is provided solely for the following projects:

- (1) \$250,000 for emergency repairs;
- (2) \$468,000 for roof replacements;
- (3) \$350,000 for fuel tank decommissioning;
- (4) \$759,000 for generator and electrical replacement;
- (5) \$750,000 for water and fire suppression systems; and
- (6) \$700,000 for academy training tank preservation reappropriation.

The Washington state patrol may transfer funds between projects specified in this section to address cash flow requirements. If a project specified in this section is completed for less than the amount provided, the remainder may be transferred to another project specified in this section not to exceed the total appropriation provided in this section.

NEW SECTION. Sec. 303. FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State Appropriation	\$65,996,000
Motor Vehicle Account—State Appropriation	\$1,456,000
County Arterial Preservation Account—State	

Appropriation	\$39,590,000
TOTAL APPROPRIATION	\$107,042,000

***NEW SECTION. Sec. 304. FOR THE TRANSPORTATION**

IMPROVEMENT BOARD

Small City Pavement and Sidewalk Account—State	
Appropriation	\$5,890,000
Transportation Improvement Account—State	
Appropriation	\$228,510,000
Complete Streets Grant Program Account—State	
Appropriation	\$14,670,000
TOTAL APPROPRIATION	\$249,070,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$9,315,000 of the transportation improvement account—state appropriation is provided solely for the Relight Washington Program.

(2)(a) The transportation improvement board shall allot the remaining appropriations in the following amounts breaking out funding into previously authorized projects and newly authorized projects:

(i) \$159,285,000 of the transportation improvement account—state appropriation for the Urban Arterial Program;

(ii) \$30,810,000 of the transportation improvement account—state appropriation for the Small City Arterial Program;

(iii) \$15,840,000 of the transportation improvement account—state appropriation for the Sidewalk Program;

(iv) \$13,260,000 of the transportation improvement account—state appropriation for the Arterial Preservation Program;

(v) \$3,800,000 of the small city pavement and sidewalk account—state appropriation for the Small City Preservation Program;

(vi) \$2,090,000 of the small city pavement and sidewalk account—state appropriation for the City Hardship Assistance Program; and

(vii) \$14,670,000 of the complete streets grant program account—state appropriation for the Complete Streets Program.

(b) After initially allotting based on these amounts, the transportation improvement board may only deviate from the allotment plan, based on guidance from the office of financial management, and after notifying the transportation committee of the legislature of the specific allotment change with information on the rationale for the change.

**Sec. 304 is partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 305. FOR THE DEPARTMENT OF TRANSPORTATION—FACILITIES—PROGRAM D—(DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)—CAPITAL

Motor Vehicle Account—State Appropriation	\$50,990,000
Connecting Washington Account—State Appropriation	\$42,497,000
TOTAL APPROPRIATION	\$93,487,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$42,497,000 of the connecting Washington account—state appropriation is provided solely for a new Olympic region maintenance and administration

facility to be located on the department-owned site at the intersection of Marvin Road and 32nd Avenue in Lacey, Washington.

(2)(a) \$43,100,000 of the motor vehicle account—state appropriation is provided solely for the department facility located at 15700 Dayton Ave N in Shoreline. This appropriation is contingent upon the department of ecology signing a not less than twenty-year agreement to pay a share of any financing contract issued pursuant to chapter 39.94 RCW.

(b) Payments from the department of ecology as described in this subsection shall be deposited into the motor vehicle account.

(c) Total project costs are not to exceed \$46,500,000.

(3) \$1,565,000 from the motor vehicle account—state appropriation is provided solely for furniture for the renovated Northwest Region Headquarters at Dayton Avenue. The department must efficiently furnish the renovated building. The amount provided in this subsection is the maximum the department may spend on furniture for this facility.

***NEW SECTION. Sec. 306. FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I**

High Occupancy Toll Lanes Operations

Account—State Appropriation	\$7,000,000
Transportation Partnership Account—State Appropriation	\$325,275,000
Motor Vehicle Account—State Appropriation	\$92,504,000
Motor Vehicle Account—Federal Appropriation	\$154,337,000
Motor Vehicle Account—Private/Local Appropriation	\$26,839,000
Connecting Washington Account—State Appropriation	\$2,137,381,000
Special Category C Account—State Appropriation	\$81,000,000
Multimodal Transportation Account—State Appropriation	\$5,408,000
Alaskan Way Viaduct Replacement Project Account—State Appropriation	\$77,956,000
Transportation 2003 Account (Nickel Account)—State Appropriation	\$21,819,000
Interstate 405 Express Toll Lanes Operations Account—State Appropriation	\$48,036,000
TOTAL APPROPRIATION	\$2,977,555,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire connecting Washington account—state appropriation and the entire transportation partnership account—state appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document 2019-1 as developed April 27, 2019, Program - Highway Improvements Program (I). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 of this act.

(2) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation

are provided solely for the projects and activities listed in LEAP Transportation Document 2019-2 ALL PROJECTS as developed April 27, 2019, Program - Highway Improvements Program (I). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and bridge preservation activities or fish passage barrier corrections (OBI4001).

(3) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act. Ten days prior to any transfer, the department must submit its request to the office of financial management and the transportation committees of the legislature and consider any concerns raised. The department shall submit a report on fiscal year funds transferred in the prior fiscal year using this subsection as part of the department's annual budget submittal.

(4) The connecting Washington account—state appropriation includes up to \$1,519,899,000 in proceeds from the sale of bonds authorized in RCW 47.10.889.

(5) The special category C account—state appropriation includes up to \$75,274,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

(6) The transportation partnership account—state appropriation includes up to \$150,232,000 in proceeds from the sale of bonds authorized in RCW 47.10.812.

(7) The Alaskan Way viaduct replacement project account—state appropriation includes up to \$77,956,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(8) The multimodal transportation account—state appropriation includes up to \$5,408,000 in proceeds from the sale of bonds authorized in RCW 47.10.867.

(9) \$90,464,000 of the transportation partnership account—state appropriation, \$7,006,000 of the motor vehicle account—private/local appropriation, \$3,383,000 of the transportation 2003 account (nickel account)—state appropriation, \$77,956,000 of the Alaskan Way viaduct replacement project account—state appropriation, and \$1,838,000 of the multimodal transportation account—state appropriation are provided solely for the SR 99/Alaskan Way Viaduct Replacement project (809936Z).

(10) \$3,000,000 of the multimodal transportation account—state appropriation is provided solely for transit mitigation for the SR 99/Viaduct Project - Construction Mitigation project (809940B).

(11) \$164,000,000 of the connecting Washington account—state appropriation is provided solely for the US 395 North Spokane Corridor project (M00800R).

(12)(a) \$22,195,000 of the transportation partnership account—state appropriation, \$12,805,000 of the transportation 2003 account (nickel account)—state appropriation, and \$48,000,000 of the Interstate 405 express toll lanes operations account—state appropriation are provided solely for the I-405/SR 522 to I-5 Capacity Improvements project (L2000234) for activities related to adding capacity on Interstate 405 between state route number 522 and Interstate 5, with the goals of increasing vehicle throughput and aligning project completion with the implementation of bus rapid transit in the vicinity of the

project. The transportation partnership account—state appropriation and transportation 2003 account (nickel account)—state appropriation are a transfer or a reappropriation of a transfer from the I-405/Kirkland Vicinity Stage 2 - Widening project (8BI1002) due to savings and will fund right-of-way and construction for an additional phase of this I-405 project.

(b) If sufficient bonding authority to complete this project is not provided within chapter . . . (Engrossed Substitute Senate Bill No. 5825), Laws of 2019 (addressing tolling) or chapter . . . (House Bill No. 2132), Laws of 2019 (addressing tolling), or within a bond authorization act referencing chapter . . . (Engrossed Substitute Senate Bill No. 5825), Laws of 2019 or chapter . . . (House Bill No. 2132), Laws of 2019, by June 30, 2019, \$21,000,000 of the Interstate 405 express toll lanes operations account—state appropriation provided in this subsection lapses, and it is the intent of the legislature to reduce the Interstate 405 express toll lanes operations account—state appropriation in the 2021-2023 biennium to \$5,000,000, and in the 2023-2025 biennium to \$0 on the list referenced in subsection (2) of this section.

(13)(a) \$395,822,000 of the connecting Washington account—state appropriation, \$60,000 of the motor vehicle account—state appropriation, and \$342,000 of the motor vehicle account—private/local appropriation are provided solely for the SR 520 Seattle Corridor Improvements - West End project (M00400R).

(b) Recognizing that the department of transportation requires full possession of parcel number 1-23190 to complete the Montlake Phase of the West End project, the department is directed to:

(i) Work with the operator of the Montlake boulevard market located on parcel number 1-23190 to negotiate a lease allowing continued operations up to January 1, 2020. After that time, the department shall identify an area in the vicinity of the Montlake property for a temporary market or other food service to be provided during the period of project construction. Should the current operator elect not to participate in providing that temporary service, the department shall then develop an outreach plan with the city to solicit community input on the food services provided, and then advertise the opportunity to other potential vendors. Further, the department shall work with the city of Seattle and existing permit processes to facilitate vendor access to and use of the area in the vicinity of the Montlake property.

(ii) Upon completion of the Montlake Phase of the West End project (current anticipated contract completion of 2023), WSDOT shall sell that portion of the property not used for permanent transportation improvements and initiate a process to convey that surplus property to a subsequent owner.

(c) \$60,000 of the motor vehicle account—state appropriation is provided solely for grants to nonprofit organizations located in a city with a population exceeding six hundred thousand persons and that empower artists through equitable access to vital expertise, opportunities, and business services. Funds may be used only for the purpose of preserving, commemorating, and sharing the history of the city of Seattle's freeway protests and making the history of activism around the promotion of more integrated transportation and land use planning accessible to current and future generations through the preservation of Bent 2 of the R. H. Thompson freeway ramp.

(14) It is the intent of the legislature that for the I-5 JBLM Corridor Improvements project (M00100R), the department shall actively pursue \$50,000,000 in federal funds to pay for this project to supplant state funds in the future. \$50,000,000 in connecting Washington account funding must be held in unallotted status during the 2021-2023 fiscal biennium. These funds may only be used after the department has provided notice to the office of financial management that it has exhausted all efforts to secure federal funds from the federal highway administration and the department of defense.

(15) \$265,100,000 of the connecting Washington account—state appropriation is provided solely for the SR 167/SR 509 Puget Sound Gateway project (M00600R).

(a) Any savings on the project must stay on the Puget Sound Gateway corridor until the project is complete.

(b) Proceeds from the sale of any surplus real property acquired for the purpose of building the SR 167/SR 509 Puget Sound Gateway (M00600R) project must be deposited into the motor vehicle account for the purpose of constructing the project.

(c) In making budget allocations to the Puget Sound Gateway project, the department shall implement the project's construction as a single corridor investment. The department shall develop a coordinated corridor construction and implementation plan for state route number 167 and state route number 509 in collaboration with affected stakeholders. Specific funding allocations must be based on where and when specific project segments are ready for construction to move forward and investments can be best optimized for timely project completion. Emphasis must be placed on avoiding gaps in fund expenditures for either project.

(d) It is the legislature's intent that the department shall construct a full single-point urban interchange at the junction of state route number 161 (Meridian avenue) and state route number 167 and a full single-point urban interchange at the junction of state route number 509 and 188th Street. If the department receives additional funds from an outside source for this project after the base project is fully funded, the funds must first be applied toward the completion of these two full single-point urban interchanges.

(e) In designing the state route number 509/state route number 516 interchange component of the SR 167/SR 509 Puget Sound Gateway project (M00600R), the department shall make every effort to utilize the preferred "4B" design.

(f) The department shall explore the development of a multiuse trail for bicyclists, pedestrians, skateboarders, and similar users along the SR 167 right-of-way acquired for the project to connect a network of new and existing trails from Mount Rainier to Point Defiance Park.

(g) If sufficient bonding authority to complete this project is not provided within chapter . . . (Engrossed Substitute Senate Bill No. 5825), Laws of 2019 (addressing tolling) or chapter . . . (House Bill No. 2132), Laws of 2019 (addressing tolling), or within a bond authorization act referencing chapter . . . (Engrossed Substitute Senate Bill No. 5825), Laws of 2019 or chapter . . . (House Bill No. 2132), Laws of 2019, by June 30, 2019, it is the intent of the legislature to return the Puget Sound Gateway project (M00600R) to its previously identified construction schedule by moving \$128,900,000 in

connecting Washington account—state appropriation back to the 2027-2029 biennium from the 2023-2025 biennium on the list referenced in subsection (2) of this section. If sufficient bonding authority is provided, it is the intent of the legislature to advance the project to allow for earlier completion and inflationary savings.

(16) It is the intent of the legislature that, for the I-5/North Lewis County Interchange project (L2000204), the department develop and design the project with the objective of significantly improving access to the industrially zoned properties in north Lewis county. The design must consider the county's process of investigating alternatives to improve such access from Interstate 5 that began in March 2015.

(17) The department shall support Pierce county's New Rhodes Lake Road project including state route 162 and 128th Street East intersection improvements following the preferred and recommended alternative of Pierce county's SEIS issued May 3, 2018. The department shall fully support, review, and approve improvements and right-of-way plans in a timely manner.

(18) \$950,000 of the transportation partnership account—state appropriation is provided solely for the U.S. 2 Trestle IJR project (L1000158).

(19) The department shall itemize all future requests for the construction of buildings on a project list and submit them through the transportation executive information system as part of the department's annual budget submittal. It is the intent of the legislature that new facility construction must be transparent and not appropriated within larger highway construction projects.

(20) Any advisory group that the department convenes during the 2019-2021 fiscal biennium must consider the interests of the entire state of Washington.

(21) The legislature finds that there are sixteen companies involved in wood preserving in the state that employ four hundred workers and have an annual payroll of fifteen million dollars. Before the department's switch to steel guardrails, ninety percent of the twenty-five hundred mile guardrail system was constructed of preserved wood and one hundred ten thousand wood guardrail posts were produced annually for state use. Moreover, the policy of using steel posts requires the state to use imported steel. Given these findings, where practicable, and until June 30, 2021, the department shall include the design option to use wood guardrail posts, in addition to steel posts, in new guardrail installations. The selection of posts must be consistent with the agency design manual policy that existed before December 2009.

(22)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2021-2023 fiscal biennium, the department may, on a pilot basis, apply funding from a project in this section with an appropriation that cannot be used for the current fiscal biennium to advance one or more of the following projects:

(i) I-82 Yakima - Union Gap Economic Development Improvements (T21100R);

(ii) I-5 Federal Way - Triangle Vicinity Improvements (T20400R); or

(iii) SR 522/Paradise Lk Rd Interchange & Widening on SR 522 (Design/Engineering) (NPARADI).

(b) At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2021-2023 fiscal biennium.

(c) For connecting Washington projects that have already begun and are eligible for the authority granted in section 601 of this act, the department shall prioritize advancing the following projects if expected reappropriations become available:

- (i) SR 14/I-205 to SE 164th Ave - Auxiliary Lanes (L2000102);
- (ii) SR 305 Construction - Safety Improvements (N30500R);
- (iii) SR 14/Bingen Underpass (L2220062);
- (iv) I-405/NE 132nd Interchange - Totem Lake (L1000110);
- (v) US Hwy 2 Safety (N00200R);
- (vi) US-12/Walla Walla Corridor Improvements (T20900R);
- (vii) I-5 JBLM Corridor Improvements (M00100R);
- (viii) I-5/Slater Road Interchange - Improvements (L1000099);
- (ix) SR 510/Yelm Loop Phase 2 (T32700R); or
- (x) SR 520/124th St Interchange (Design and Right of Way) (L1000098).

(d) To the extent practicable, the department shall use the flexibility and authority granted in this section and in section 601 of this act to minimize the amount of reappropriations needed each biennium.

(23) The legislature continues to prioritize the replacement of the state's aging infrastructure and recognizes the importance of reusing and recycling construction aggregate and recycled concrete materials in our transportation system. To accomplish Washington state's sustainability goals in transportation and in accordance with RCW 70.95.805, the legislature reaffirms its determination that recycled concrete aggregate and other transportation building materials are natural resource construction materials that are too valuable to be wasted and landfilled, and are a commodity as defined in WAC 173-350-100.

Further, the legislature determines construction aggregate and recycled concrete materials substantially meet widely recognized international, national, and local standards and specifications referenced in American society for testing and materials, American concrete institute, Washington state department of transportation, Seattle department of transportation, American public works association, federal aviation administration, and federal highway administration specifications, and are described as necessary and desirable products for recycling and reuse by state and federal agencies.

As these recyclable materials have well established markets, are substantially a primary or secondary product of necessary construction processes and production, and are managed as an item of commercial value, construction aggregate and recycled concrete materials are exempt from chapter 173-350 WAC.

(24)(a) \$17,500,000 of the motor vehicle account—state appropriation is provided solely for staffing of a project office to replace the Interstate 5 bridge across the Columbia river (G2000088). If at least a \$9,000,000 transfer is not authorized in section 406(29) of this act, then \$9,000,000 of the motor vehicle account—state appropriation lapses.

(b) Of the amount provided in this subsection, \$7,780,000 of the motor vehicle account—state appropriation must be placed in unallotted status by the office of financial management until the department develops a detailed plan for the work of this project office in consultation with the chairs and ranking members of the transportation committees of the legislature. The director of the office of financial management shall consult with the chairs and ranking members of the transportation committees of the legislature prior to making a decision to allot these funds.

(c) The work of this project office includes, but is not limited to, the reevaluation of the purpose and need identified for the project previously known as the Columbia river crossing, the reevaluation of permits and development of a finance plan, the reengagement of key stakeholders and the public, and the reevaluation of scope, schedule, and budget for a reinvigorated bistate effort for replacement of the Interstate 5 Columbia river bridge. When reevaluating the finance plan for the project, the department shall assume that some costs of the new facility may be covered by tolls. The project office must also study the possible different governance structures for a bridge authority that would provide for the joint administration of the bridges over the Columbia river between Oregon and Washington. As part of this study, the project office must examine the feasibility and necessity of an interstate compact in conjunction with the national center for interstate compacts.

(d) Within the amount provided in this subsection, the department must implement chapter . . . (Engrossed Substitute House Bill No. 1994), Laws of 2019 (projects of statewide significance).

(e) The department shall have as a goal to:

(i) Reengage project stakeholders and reevaluate the purpose and need and environmental permits by July 1, 2020;

(ii) Develop a finance plan by December 1, 2020; and

(iii) Have made significant progress toward beginning the supplemental environmental impact statement process by June 30, 2021. The department shall aim to provide a progress report on these activities to the governor and the transportation committees of the legislature by December 1, 2019, and a final report to the governor and the transportation committees of the legislature by December 1, 2020.

(25) \$17,500,000 of the motor vehicle account—state appropriation is provided solely to begin the pre-design phase on the I-5/Columbia River Bridge project (G2000088); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(26)(a) \$36,500,000 of the connecting Washington account—state appropriation, \$44,961,000 of the motor vehicle account—federal appropriation, and \$18,539,000 of the transportation partnership account—state appropriation are provided solely for the Fish Passage Barrier project (0BI4001) with the intent of fully complying with the court injunction by 2030.

(b) Of the amounts provided in this subsection, \$320,000 of the connecting Washington account—state appropriation is provided solely to remove the fish

passage barrier on state route number 6 that interfaces with Boistfort Valley water utilities near milepost 46.6.

(c) The department shall coordinate with the Brian Abbott fish passage barrier removal board to use a watershed approach to maximize habitat gain by replacing both state and local culverts. The department shall deliver high habitat value fish passage barrier corrections that it has identified, guided by the following factors: Opportunity to bundle projects, ability to leverage investments by others, presence of other barriers, project readiness, other transportation projects in the area, and transportation impacts.

(d) The department must keep track of, for each barrier removed: (i) The location; (ii) the amount of fish habitat gain; and (iii) the amount spent to comply with the injunction.

(27) \$14,750,000 of the connecting Washington account—state appropriation and \$6,000,000 of the motor vehicle account—private/local appropriation are provided solely for the I-90/Barker to Harvard - Improve Interchanges & Local Roads project (L2000122). The connecting Washington account appropriation for the improvements that fall within the city of Liberty Lake may only be expended if the city of Liberty Lake agrees to cover any project costs above the \$20,900,000 of state appropriation provided for the total project in LEAP Transportation Document 2019-1 as developed April 27, 2019, Program - Highway Improvements (I).

(28)(a) \$7,060,000 of the motor vehicle account—federal appropriation, \$72,000 of the motor vehicle account—state appropriation, \$3,580,000 of the transportation partnership account—state appropriation, and \$7,000,000 of the high occupancy toll lanes operations account—state appropriation are provided solely for the SR 167/SR 410 to SR 18 - Congestion Management project (316706C).

(b) If sufficient bonding authority to complete this project is not provided within chapter . . . (Engrossed Substitute Senate Bill No. 5825), Laws of 2019 (addressing tolling) or chapter . . . (House Bill No. 2132), Laws of 2019 (addressing tolling), or within a bond authorization act referencing chapter . . . (Engrossed Substitute Senate Bill No. 5825), Laws of 2019 or chapter . . . (House Bill No. 2132), Laws of 2019, by June 30, 2019, it is the intent of the legislature to remove the \$100,000,000 in toll funding from this project on the list referenced in subsection (2) of this section.

(29) For the I-405/North 8th Street Direct Access Ramp in Renton project (L1000280), if sufficient bonding authority to begin this project is not provided within chapter . . . (Engrossed Substitute Senate Bill No. 5825), Laws of 2019 (addressing tolling) or chapter . . . (House Bill No. 2132), Laws of 2019 (addressing tolling), or within a bond authorization act referencing chapter . . . (Engrossed Substitute Senate Bill No. 5825), Laws of 2019 or chapter . . . (House Bill No. 2132), Laws of 2019, by June 30, 2019, it is the intent of the legislature to remove the project from the list referenced in subsection (2) of this section.

(30) \$7,900,000 of the Special Category C account—state appropriation and \$1,000,000 of the motor vehicle account—private/local appropriation are provided solely for the SR 18 Widening - Issaquah/Hobart Rd to Raging River project (L1000199) for improving and widening state route number 18 to four lanes from Issaquah-Hobart Road to Raging River.

(31) \$2,250,000 of the motor vehicle account—state appropriation is provided solely for the I-5 Corridor from Mounts Road to Tumwater project (L1000231) for completing a National and State Environmental Policy Act (NEPA/SEPA) analysis to identify mid- and long-term environmental impacts associated with future improvements along the I-5 corridor from Tumwater to DuPont.

(32) \$1,290,000 of the motor vehicle account—state appropriation is provided solely for the US 101/East Sequim Corridor Improvements project (L2000343); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(33) \$12,800,000 of the motor vehicle account—state appropriation is provided solely for the SR 522/Paradise Lk Rd Interchange & Widening on SR 522 (Design/Engineering) project (NPARADI); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(34) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for the US 101/Morse Creek Safety Barrier project (L1000247); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(35) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for the SR 162/410 Interchange Design and Right of Way project (L1000276); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(36) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for the I-5/Rush Road Interchange Improvements project (L1000223); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

**Sec. 306 is partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF TRANSPORTATION—PRESERVATION—PROGRAM P

Recreational Vehicle Account—State Appropriation	\$1,744,000
Transportation Partnership Account—State	
Appropriation	\$23,706,000
Motor Vehicle Account—State Appropriation	\$74,885,000
Motor Vehicle Account—Federal Appropriation	\$454,758,000
Motor Vehicle Account—Private/Local Appropriation	\$5,159,000
State Route Number 520 Corridor Account—State	
Appropriation	\$544,000
Connecting Washington Account—State Appropriation	\$189,771,000
Tacoma Narrows Toll Bridge Account—State Appropriation	\$7,906,000
Alaskan Way Viaduct Replacement Project Account—State	
Appropriation	\$10,000
Transportation 2003 Account (Nickel Account)—State	
Appropriation	\$9,617,000
TOTAL APPROPRIATION	\$768,100,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire connecting Washington account—state appropriation and the entire transportation partnership account—state appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document 2019-1 as developed April 27, 2019, Program - Highway Preservation Program (P). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 of this act.

(2) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document 2019-2 ALL PROJECTS as developed April 27, 2019, Program - Highway Preservation Program (P). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and bridge preservation activities or fish passage barrier corrections (OBI4001).

(3) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act. Ten days prior to any transfer, the department must submit its request to the office of financial management and the transportation committees of the legislature and consider any concerns raised. The department shall submit a report on fiscal year funds transferred in the prior fiscal year using this subsection as part of the department's annual budget submittal.

(4) \$25,036,000 of the connecting Washington account—state appropriation is provided solely for the land mobile radio upgrade (G2000055) and is subject to the conditions, limitations, and review provided in section 701 of this act. The land mobile radio project is subject to technical oversight by the office of the chief information officer. The department, in collaboration with the office of the chief information officer, shall identify where existing or proposed mobile radio

technology investments should be consolidated, identify when existing or proposed mobile radio technology investments can be reused or leveraged to meet multiagency needs, increase mobile radio interoperability between agencies, and identify how redundant investments can be reduced over time. The department shall also provide quarterly reports to the technology services board on project progress.

(5) \$2,500,000 of the motor vehicle account—state appropriation is provided solely for extraordinary costs incurred from litigation awards, settlements, or dispute mitigation activities not eligible for funding from the self-insurance fund. The amount provided in this subsection must be held in unallotted status until the department submits a request to the office of financial management that includes documentation detailing litigation-related expenses. The office of financial management may release the funds only when it determines that all other funds designated for litigation awards, settlements, and dispute mitigation activities have been exhausted. No funds provided in this subsection may be expended on any legal fees related to the SR 99/Alaskan Way viaduct replacement project (809936Z).

(6) The appropriation in this section includes funding for starting planning, engineering, and construction of the Elwha River bridge replacement. To the greatest extent practicable, the department shall maintain public access on the existing route.

(7) \$22,729,000 of the motor vehicle account—federal appropriation and \$553,000 of the motor vehicle account—state appropriation are provided solely for the preservation of structurally deficient bridges or bridges that are at risk of becoming structurally deficient (L1000068). These funds must be used widely around the state of Washington. When practicable, the department shall pursue design-build contracts for these bridge projects to expedite delivery. The department shall provide a report that identifies the progress of each project funded in this subsection as part of its annual agency budget request.

(8) The department must consult with the Washington state patrol and the office of financial management during the design phase of any improvement or preservation project that could impact Washington state patrol weigh station operations. During the design phase of any such project, the department must estimate the cost of designing around the affected weigh station's current operations, as well as the cost of moving the affected weigh station.

(9) During the course of any planned resurfacing or other preservation activity on state route number 26 between Colfax and Othello in the 2019-2021 fiscal biennium, the department must add dug-in reflectors.

(10)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2021-2023 fiscal biennium, the department may, on a pilot basis, apply funding from a project in this section with an appropriation that cannot be used for the current fiscal biennium to advance the SR 4/Abernathy Creek Br - Replace Bridge project (400411A).

(b) At least ten business days before advancing the project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of the project

may not hinder the delivery of the projects for which the reappropriations are necessary for the 2021-2023 fiscal biennium.

(c) To the extent practicable, the department shall use the flexibility and authority granted in this section and in section 601 of this act to minimize the amount of reappropriations needed each biennium.

(11) Within the connecting Washington account—state appropriation, the department may transfer funds from Highway System Preservation (L1100071) to other preservation projects listed in the LEAP transportation document identified in subsection (1) of this section, if it is determined necessary for completion of these high priority preservation projects. The department's next budget submittal after using this subsection must appropriately reflect the transfer.

NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—CAPITAL

Motor Vehicle Account—State Appropriation	\$7,311,000
Motor Vehicle Account—Federal Appropriation	\$5,331,000
Motor Vehicle Account—Private/Local Appropriation	\$500,000
TOTAL APPROPRIATION	\$13,142,000

The appropriations in this section are subject to the following conditions and limitations: \$700,000 of the motor vehicle account—state appropriation is provided solely for the SR 99 Aurora Bridge ITS project (L2000338); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W

Puget Sound Capital Construction Account—State	
Appropriation	\$111,076,000
Puget Sound Capital Construction Account—Federal	
Appropriation	\$141,750,000
Puget Sound Capital Construction Account—Private/Local	
Appropriation	\$350,000
Transportation Partnership Account—State	
Appropriation	\$4,936,000
Connecting Washington Account—State Appropriation	\$92,766,000
Capital Vessel Replacement Account—State	
Appropriation	\$99,000,000
TOTAL APPROPRIATION	\$449,878,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed in LEAP Transportation Document 2019-2 ALL PROJECTS as developed April 27, 2019, Program - Washington State Ferries Capital Program (W).

(2) \$1,461,000 of the Puget Sound capital construction account—state appropriation, \$59,650,000 of the connecting Washington account—state appropriation, are provided solely for the Mukilteo ferry terminal (952515P). To the extent practicable, the department shall avoid the closure of, or disruption to, any existing public access walkways in the vicinity of the terminal project during construction.

(3) \$73,089,000 of the Puget Sound capital construction account—federal appropriation, \$33,089,000 of the connecting Washington account—state appropriation, and \$8,778,000 of the Puget Sound capital construction account—state appropriation are provided solely for the Seattle Terminal Replacement project (900010L).

(4) \$5,000,000 of the Puget Sound capital construction account—state appropriation is provided solely for emergency capital repair costs (999910K). Funds may only be spent after approval by the office of financial management.

(5) \$2,300,000 of the Puget Sound capital construction account—state appropriation is provided solely for the ORCA acceptance project (L2000300). The ferry system shall work with Washington technology solutions and the tolling division on the development of a new, interoperable ticketing system.

(6) \$495,000 of the Puget Sound capital construction account—state appropriation is provided solely for an electric ferry planning team (G2000087) to develop ten-year and twenty-year implementation plans to efficiently deploy hybrid-electric vessels, including a cost-benefit analysis of construction and operation of hybrid-electric vessels with and without charging infrastructure. The plan includes, but is not limited to, vessel technology and feasibility, vessel and terminal deployment schedules, project financing, and workforce requirements. The plan shall be submitted to the office of financial management and the transportation committees of the legislature by June 30, 2020.

(7) \$35,000,000 of the Puget Sound capital construction account—state appropriation and \$6,500,000 of the Puget Sound capital construction account—federal appropriation are provided solely for the conversion of up to two Jumbo Mark II vessels to electric hybrid propulsion (G2000084). The department shall seek additional funds for the purposes of this subsection. The department may spend from the Puget Sound capital construction account—state appropriation in this section only as much as the department receives in Volkswagen settlement funds for the purposes of this subsection.

(8) \$400,000 of the Puget Sound capital construction account—state appropriation is provided solely for a request for proposals for a new maintenance management system (project L2000301) and is subject to the conditions, limitations, and review provided in section 701 of this act.

(9) \$99,000,000 of the capital vessel replacement account—state appropriation is provided solely for the acquisition of a 144-car hybrid-electric vessel. The vendor must present to the joint transportation committee and the office of financial management, by September 15, 2019, a list of options that will result in significant cost savings changes in terms of construction or the long-term maintenance and operations of the vessel. The vendor must allow for exercising the options without a penalty. It is the intent of the legislature to provide an additional \$88,000,000 in funding in the 2021-23 biennium. Unless (a) chapter . . . (Engrossed Substitute House Bill No. 2161), Laws of 2019 (capital surcharge) or chapter . . . (Substitute Senate Bill No. 5992), Laws of

2019 (capital surcharge) is enacted by June 30, 2019, and (b) chapter . . . (Engrossed House Bill No. 1789), Laws of 2019 (service fees) or chapter . . . (Substitute Senate Bill No. 5419), Laws of 2019 (service fees) is enacted by June 30, 2019, the amount provided in this subsection lapses.

(10) The capital vessel replacement account—state appropriation includes up to \$99,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

NEW SECTION. Sec. 310. FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—CAPITAL

Motor Vehicle Account—State Appropriation	\$1,750,000
Essential Rail Assistance Account—State Appropriation	\$500,000
Transportation Infrastructure Account—State Appropriation	\$7,554,000
Multimodal Transportation Account—State Appropriation	\$85,441,000
Multimodal Transportation Account—Federal Appropriation	\$8,302,000
Multimodal Transportation Account—Local Appropriation	\$336,000
TOTAL APPROPRIATION	\$103,883,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document 2019-2 ALL PROJECTS as developed April 27, 2019, Program - Rail Program (Y).

(2) \$7,136,000 of the transportation infrastructure account—state appropriation is provided solely for new low-interest loans approved by the department through the freight rail investment bank (FRIB) program. The department shall issue FRIB program loans with a repayment period of no more than ten years, and charge only so much interest as is necessary to recoup the department's costs to administer the loans. The department shall report annually to the transportation committees of the legislature and the office of financial management on all FRIB loans issued.

(3) \$8,112,000 of the multimodal transportation account—state appropriation, \$51,000 of the transportation infrastructure account—state appropriation, and \$135,000 of the essential rail assistance account—state appropriation are provided solely for new statewide emergent freight rail assistance projects identified in the LEAP transportation document referenced in subsection (1) of this section.

(4) \$367,000 of the transportation infrastructure account—state appropriation and \$1,100,000 of the multimodal transportation account—state appropriation are provided solely to reimburse Highline Grain, LLC for approved work completed on Palouse River and Coulee City (PCC) railroad track in Spokane county between the BNSF Railway Interchange at Cheney and Geiger Junction and must be administered in a manner consistent with freight rail assistance program projects. The value of the public benefit of this project is expected to meet or exceed the cost of this project in: Shipper savings on

transportation costs; jobs saved in rail-dependent industries; and/or reduced future costs to repair wear and tear on state and local highways due to fewer annual truck trips (reduced vehicle miles traveled). The amounts provided in this subsection are not a commitment for future legislatures, but it is the legislature's intent that future legislatures will work to approve biennial appropriations until the full \$7,337,000 cost of this project is reimbursed.

(5)(a) \$365,000 of the essential rail assistance account—state appropriation is provided solely for the purpose of the rehabilitation and maintenance of the Palouse river and Coulee City railroad line (F01111B).

(b) Expenditures from the essential rail assistance account—state in this subsection may not exceed the combined total of:

(i) Revenues and transfers deposited into the essential rail assistance account from leases and sale of property relating to the Palouse river and Coulee City railroad;

(ii) Revenues from trackage rights agreement fees paid by shippers; and

(iii) Revenues and transfers transferred from the miscellaneous program account to the essential rail assistance account, pursuant to RCW 47.76.360, for the purpose of sustaining the grain train program by maintaining the Palouse river and Coulee City railroad.

(6) The department shall issue a call for projects for the freight rail assistance program, and shall evaluate the applications in a manner consistent with past practices as specified in section 309, chapter 367, Laws of 2011. By November 15, 2020, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

(7) \$10,000,000 of the multimodal transportation account—state appropriation is provided solely as expenditure authority for any insurance proceeds received by the state for Passenger Rail Equipment Replacement (project 700010C.) The department must use this expenditure authority only to purchase new train sets that have been competitively procured.

(8) \$600,000 of the multimodal transportation account—federal appropriation and \$6,000 of the multimodal transportation account—state appropriation are provided solely for the Ridgefield Rail Overpass (project 725910A). Total costs for this project may not exceed \$909,000 across fiscal biennia.

(9)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2021-2023 fiscal biennium, the department may, on a pilot basis, apply funding from a project in this section with an appropriation that cannot be used for the current fiscal biennium to advance the South Kelso Railroad Crossing project (L1000147).

(b) At least ten business days before advancing the project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of the project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2021-2023 fiscal biennium.

(c) To the extent practicable, the department shall use the flexibility and authority granted in this section to minimize the amount of reappropriations needed each biennium.

(10) The multimodal transportation account—state appropriation includes up to \$19,592,000 in proceeds from the sale of bonds authorized in RCW 47.10.867.

(11) The department must report to the joint transportation committee on the progress made on freight rail investment bank projects and freight rail assistance projects funded during this biennium by January 1, 2020.

(12) \$1,500,000 of the multimodal transportation account—state appropriation is provided solely for the Chelatchie Prairie railroad roadbed rehabilitation project (L1000233).

(13) \$250,000 of the multimodal transportation account—state appropriation is provided solely for the Port of Moses Lake Northern Columbia Basin railroad feasibility study (L1000235).

(14) \$500,000 of the multimodal transportation account—state appropriation is provided solely for the Spokane airport transload facility project (L1000242).

(15) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for the grade separation at Bell road project (L1000239); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(16) \$750,000 of the motor vehicle account—state appropriation is provided solely for the rail crossing improvements at 6th Ave. and South 19th St. project (L2000289); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

NEW SECTION. Sec. 311. FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—CAPITAL

Highway Infrastructure Account—State Appropriation	\$793,000
Highway Infrastructure Account—Federal Appropriation	\$981,000
Transportation Partnership Account—State	
Appropriation	\$750,000
Highway Safety Account—State Appropriation	\$800,000
Motor Vehicle Account—State Appropriation	\$30,878,000
Motor Vehicle Account—Federal Appropriation	\$33,813,000
Motor Vehicle Account—Private/Local Appropriation	\$21,500,000
Connecting Washington Account—State Appropriation	\$172,454,000
Multimodal Transportation Account—State	
Appropriation	\$72,269,000
TOTAL APPROPRIATION	\$334,238,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document 2019-2 ALL PROJECTS as developed April 27, 2019, Program - Local Programs Program (Z).

(2) The amounts identified in the LEAP transportation document referenced under subsection (1) of this section for pedestrian safety/safe routes to school are as follows:

(a) \$18,380,000 of the multimodal transportation account—state appropriation is provided solely for newly selected pedestrian and bicycle safety program projects. \$5,940,000 of the multimodal transportation account—state appropriation and \$750,000 of the transportation partnership account—state appropriation are reappropriated for pedestrian and bicycle safety program projects selected in the previous biennia (L2000188).

(b) \$11,400,000 of the motor vehicle account—federal appropriation and \$7,750,000 of the multimodal transportation account—state appropriation are provided solely for newly selected safe routes to school projects. \$6,690,000 of the motor vehicle account—federal appropriation, \$2,320,000 of the multimodal transportation account—state appropriation, and \$800,000 of the highway safety account—state appropriation are reappropriated for safe routes to school projects selected in the previous biennia (L2000189). The department may consider the special situations facing high-need areas, as defined by schools or project areas in which the percentage of the children eligible to receive free and reduced-price meals under the national school lunch program is equal to, or greater than, the state average as determined by the department, when evaluating project proposals against established funding criteria while ensuring continued compliance with federal eligibility requirements.

(3) The department shall submit a report to the transportation committees of the legislature by December 1, 2019, and December 1, 2020, on the status of projects funded as part of the pedestrian safety/safe routes to school grant program. The report must include, but is not limited to, a list of projects selected and a brief description of each project's status.

(4) \$28,319,000 of the multimodal transportation account—state appropriation is provided solely for bicycle and pedestrian projects listed in the LEAP transportation document referenced in subsection (1) of this section.

(5) \$19,160,000 of the connecting Washington account—state appropriation is provided solely for the Covington Connector (L2000104). The amounts described in the LEAP transportation document referenced in subsection (1) of this section are not a commitment by future legislatures, but it is the legislature's intent that future legislatures will work to approve appropriations in the 2019-2021 fiscal biennium to reimburse the city of Covington for approved work completed on the project up to the full \$24,000,000 cost of this project.

(6)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2021-2023 fiscal biennium, the department may, on a pilot basis, apply funding from a project in this section with an appropriation that

cannot be used for the current fiscal biennium to advance one or more of the following projects:

- (i) East-West Corridor Overpass and Bridge (L2000067);
- (ii) 41st Street Rucker Avenue Freight Corridor Phase 2 (L2000134);
- (iii) Mottman Rd Pedestrian & Street Improvements (L1000089);
- (iv) I-5/Port of Tacoma Road Interchange (L1000087);
- (v) Complete SR 522 Improvements-Kenmore (T10600R);
- (vi) SR 99 Revitalization in Edmonds (NEDMOND); or
- (vii) SR 523 145th Street (L1000148);

(b) At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2021-2023 fiscal biennium.

(c) To the extent practicable, the department shall use the flexibility and authority granted in this section to minimize the amount of reappropriations needed each biennium.

(7) It is the expectation of the legislature that the department will be administering a local railroad crossing safety grant program for \$7,000,000 in federal funds during the 2019-2021 fiscal biennium.

(8)(a) \$15,213,000 of the motor vehicle account—federal appropriation is provided solely for national highway freight network projects identified on the project list submitted in accordance with section 218(4)(b), chapter 14, Laws of 2016 on October 31, 2016.

(b) In advance of the expiration of the fixing America's surface transportation (FAST) act in 2020, the department must work with the Washington state freight advisory committee to agree on a framework for allocation of any new national highway freight funding that may be approved in a new federal surface transportation reauthorization act. The department and representatives of the advisory committee must report to the joint transportation committee by October 1, 2020, on the status of planning for allocating new funds for this program.

(9) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for the Beech Street Extension project (L1000222); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(10) \$3,900,000 of the motor vehicle account—state appropriation is provided solely for the Dupont-Steilacoom road improvements project (L1000224); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(11) \$650,000 of the motor vehicle account—state appropriation is provided solely for the SR 104/40th place northeast roundabout project (L1000244);

however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(12) \$860,000 of the multimodal transportation account—state appropriation is provided solely for the Clinton to Ken's corner trail project (L1000249).

(13) \$210,000 of the motor vehicle account—state appropriation is provided solely for the I-405/44th gateway signage and green-scaping improvements project (L1000250); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(14) \$750,000 of the multimodal transportation account—state appropriation is provided solely for the Edmonds waterfront connector project (L1000252).

(15) \$650,000 of the motor vehicle account—state appropriation is provided solely for the Wallace Kneeland and Shelton springs road intersection improvements project (L1000260); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(16) \$1,000,000 of the motor vehicle account—state appropriation and \$500,000 of the multimodal transportation account—state appropriation are provided solely for the complete 224th Phase two project (L1000270); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount in this subsection provided from the motor vehicle account—state appropriation lapses.

(17) \$60,000 of the multimodal transportation account—state appropriation is provided solely for the installation of an updated meteorological station at the Colville airport (L1000279).

(18)(a) \$700,000 of the motor vehicle account—state appropriation is provided solely for the Ballard-Interbay Regional Transportation system plan project (L1000281); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(b) Funding in this subsection is provided solely for the city of Seattle to develop a plan and report for the Ballard-Interbay Regional Transportation System project to improve mobility for people and freight. The plan must be developed in coordination and partnership with entities including but not limited to the city of Seattle, King county, the Port of Seattle, Sound Transit, the Washington state military department for the Seattle armory, and the Washington state department of transportation. The plan must examine replacement of the Ballard bridge and the Magnolia bridge, which was damaged in the 2001 Nisqually earthquake. The city must provide a report on the plan that includes recommendations to the Seattle city council, King county council, and the transportation committees of the legislature by November 1, 2020. The report must include recommendations on how to maintain the current and future capacities of the Magnolia and Ballard bridges, an overview and analysis of all plans between 2010 and 2020 that examine how to replace the Magnolia bridge, and recommendations on a timeline for constructing new Magnolia and Ballard bridges.

(19) \$750,000 of the motor vehicle account—state appropriation is provided solely for the Mickelson Parkway project (L1000282); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(20) \$300,000 of the motor vehicle account—state appropriation is provided solely for the South 314th Street Improvements project (L1000283); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(21) \$250,000 of the motor vehicle account—state appropriation is provided solely for the Ridgefield South I-5 Access Planning project (L1000284); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(22) \$300,000 of the motor vehicle account—state appropriation is provided solely for the Washougal 32nd Street Underpass Design and Permitting project (L1000285); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(23) \$150,000 of the motor vehicle account—state appropriation and \$50,000 of the multimodal transportation account—state appropriation are provided solely for the Bingen Walnut Creek and Maple Railroad Crossing

(L2000328); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount in this subsection provided from the motor vehicle account—state appropriation lapses.

(24) \$1,500,000 of the motor vehicle account—state appropriation is provided solely for the SR 303 Warren Avenue Bridge Pedestrian Improvements project (L2000339); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(25) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for the 72nd/Washington Improvements in Yakima project (L2000341); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

(26) \$650,000 of the motor vehicle account—state appropriation is provided solely for the 48th/Washington Improvements in Yakima project (L2000342); however, if at least \$50,000,000 is not made available, by means of transfer, deposit, appropriation, or other similar conveyance, to the motor vehicle account for stormwater-related activities through the enactment of chapter . . . (Engrossed Substitute Senate Bill No. 5993), Laws of 2019 (model toxics control program reform) by June 30, 2019, the amount provided in this subsection lapses.

NEW SECTION. Sec. 312. ANNUAL REPORTING REQUIREMENTS FOR CAPITAL PROGRAM

(1) As part of its annual budget submittal, the department of transportation shall provide an update to the report provided to the legislature in the prior fiscal year that: (a) Compares the original project cost estimates approved in the 2003, 2005, and 2015 revenue package project lists to the completed cost of the project, or the most recent legislatively approved budget and total project costs for projects not yet completed; (b) identifies highway projects that may be reduced in scope and still achieve a functional benefit; (c) identifies highway projects that have experienced scope increases and that can be reduced in scope; (d) identifies highway projects that have lost significant local or regional contributions that were essential to completing the project; and (e) identifies contingency amounts allocated to projects.

(2) As part of its annual budget submittal, the department of transportation shall provide: (a) An annual report on the number of toll credits the department has accumulated and how the department has used the toll credits, and (b) a status report on the projects funded using federal national highway freight program funds.

NEW SECTION. Sec. 313. QUARTERLY REPORTING REQUIREMENTS FOR CAPITAL PROGRAM

On a quarterly basis, the department of transportation shall provide to the office of financial management and the legislative transportation committees the following reports for all capital programs:

(1) For active projects, the report must include:

(a) A TEIS version containing actual capital expenditures for all projects consistent with the structure of the most recently enacted budget;

(b) Anticipated cost savings, cost increases, reappropriations, and schedule adjustments for all projects consistent with the structure of the most recently enacted budget;

(c) The award amount, the engineer's estimate, and the number of bidders for all active projects consistent with the structure of the most recently enacted budget;

(d) Projected costs and schedule for individual projects that are funded at a programmatic level for projects relating to bridge rail, guard rail, fish passage barrier removal, roadside safety projects, and seismic bridges. Projects within this programmatic level funding must be completed on a priority basis and scoped to be completed within the current programmatic budget;

(e) Highway projects that may be reduced in scope and still achieve a functional benefit;

(f) Highway projects that have experienced scope increases and that can be reduced in scope;

(g) Highway projects that have lost significant local or regional contributions that were essential to completing the project; and

(h) Contingency amounts for all projects consistent with the structure of the most recently enacted budget.

(2) For completed projects, the report must:

(a) Compare the costs and operationally complete date for projects with budgets of twenty million dollars or more that are funded with preexisting funds to the original project cost estimates and schedule; and

(b) Provide a list of nickel and TPA projects charging to the nickel/TPA environmental mitigation reserve (OBI4ENV) and the amount each project is charging.

(3) For prospective projects, the report must:

(a) Identify the estimated advertisement date for all projects consistent with the structure of the most recently enacted transportation budget that are going to advertisement during the current fiscal biennium;

(b) Identify the anticipated operationally complete date for all projects consistent with the structure of the most recently enacted transportation budget that are going to advertisement during the current fiscal biennium; and

(c) Identify the estimated cost of completion for all projects consistent with the structure of the most recently enacted transportation budget that are going to advertisement during the current fiscal biennium.

NEW SECTION. Sec. 314. FEDERAL FUNDS RECEIVED FOR CAPITAL PROJECT EXPENDITURES

To the greatest extent practicable, the department of transportation shall expend federal funds received for capital project expenditures before state funds.

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

Special Category C Account—State Appropriation	\$376,000
Multimodal Transportation Account—State Appropriation	\$125,000
Transportation Partnership Account—State Appropriation	\$1,636,000
Connecting Washington Account—State Appropriation	\$7,599,000
Highway Bond Retirement Account—State Appropriation.	\$1,327,766,000
Ferry Bond Retirement Account—State Appropriation	\$25,077,000
Transportation Improvement Board Bond Retirement Account—State Appropriation	\$12,684,000
Nondebt-Limit Reimbursable Bond Retirement Account—State Appropriation	\$29,594,000
Toll Facility Bond Retirement Account—State Appropriation.	\$86,493,000
TOTAL APPROPRIATION	\$1,491,340,000

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

Multimodal Transportation Account—State Appropriation	\$25,000
Transportation Partnership Account—State Appropriation.	\$327,000
Connecting Washington Account—State Appropriation	\$1,520,000
Special Category C Account—State Appropriation	\$75,000
TOTAL APPROPRIATION	\$1,947,000

NEW SECTION. Sec. 403. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax distributions to cities and counties	\$518,198,000
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NEW SECTION. Sec. 404. FOR THE STATE TREASURER—TRANSFERS

Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax refunds and statutory transfers.	\$2,188,945,000
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NEW SECTION. Sec. 405. FOR THE DEPARTMENT OF LICENSING—TRANSFERS

Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax refunds and transfers	\$220,426,000
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**NEW SECTION. Sec. 406. FOR THE STATE TREASURER—
ADMINISTRATIVE TRANSFERS**

(1) Highway Safety Account—State Appropriation: For transfer to the Multimodal Transportation Account—State	\$10,000,000
(2) Transportation Partnership Account—State Appropriation: For transfer to the Motor Vehicle Account—State	\$50,000,000
(3) Motor Vehicle Account—State Appropriation: For transfer to the State Patrol Highway Account—State	\$7,000,000
(4) Motor Vehicle Account—State Appropriation: For transfer to the Freight Mobility Investment Account—State	\$8,511,000
(5) Motor Vehicle Account—State Appropriation: For transfer to the Rural Arterial Trust Account—State	\$4,844,000
(6) Motor Vehicle Account—State Appropriation: For transfer to the Transportation Improvement Account—State	\$9,688,000
(7) Highway Safety Account—State Appropriation: For transfer to the State Patrol Highway Account—State	\$44,000,000
(8) Rural Mobility Grant Program Account—State Appropriation: For transfer to the Multimodal Transportation Account—State	\$3,000,000
(9) State Route Number 520 Civil Penalties Account—State Appropriation: For transfer to the State Route Number 520 Corridor Account—State	\$1,434,000
(10) Capital Vessel Replacement Account—State Appropriation: For transfer to the Connecting Washington Account—State	\$50,000,000
(11) Multimodal Transportation Account—State Appropriation: For transfer to the Freight Mobility Multimodal Account—State	\$8,511,000
(12) Multimodal Transportation Account—State Appropriation: For transfer to the Puget Sound Capital Construction Account—State	\$15,000,000
(13) Multimodal Transportation Account—State Appropriation: For transfer to the Puget Sound Ferry Operations Account—State	\$45,000,000
(14) Multimodal Transportation Account—State Appropriation: For transfer to the Regional Mobility Grant Program Account—State	\$27,679,000
(15) Multimodal Transportation Account—State Appropriation: For transfer to the Rural Mobility Grant Program Account—State	\$15,223,000
(16) Transportation 2003 Account (Nickel Account)—	

State Appropriation: For transfer to the Puget Sound Capital Construction Account—State \$20,000,000

(17)(a) Alaskan Way Viaduct Replacement Project

Account—State Appropriation: For transfer to the Motor Vehicle Account—State \$9,992,000

(b) The transfer identified in this subsection is provided solely to repay in full the motor vehicle account—state appropriation loan from section 1005(21) of this act.

(18)(a) Transportation Partnership Account—State Appropriation: For transfer to the Alaskan Way Viaduct Replacement Project Account—State \$77,951,000

(b) The amount transferred in this subsection represents that portion of the up to \$200,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.873, intended to be sold through the 2021-2023 fiscal biennium, used only for construction of the SR 99/Alaskan Way Viaduct Replacement project (809936Z), and that must be repaid from the Alaskan Way viaduct replacement project account consistent with RCW 47.56.864.

(19) Motor Vehicle Account—State Appropriation: For transfer to the County Arterial Preservation Account—State \$4,844,000

(20)(a) General Fund Account—State Appropriation:

For transfer to the State Patrol Highway Account—State \$625,000

(b) The state treasurer shall transfer the funds only after receiving notification from the Washington state patrol under section 207(7) of this act.

(21) Capital Vessel Replacement Account—State Appropriation: For transfer to the Transportation Partnership Account—State \$3,293,000

(22)(a) Alaskan Way Viaduct Replacement Project

Account—State Appropriation: For transfer to the Transportation Partnership Account—State \$19,262,000

(b) The amount transferred in this subsection represents repayment of debt service incurred for the construction of the SR 99/Alaskan Way Viaduct Replacement project (809936Z).

(23) Tacoma Narrows Toll Bridge Account—State Appropriation: For transfer to the Motor Vehicle Account—State \$950,000

(24)(a) Tacoma Narrows Toll Bridge Account—State Appropriation:

For transfer to the Motor Vehicle Account—State \$5,000,000

(b) A transfer in the amount of \$5,000,000 was made from the Motor Vehicle Account to the Tacoma Narrows Toll Bridge Account in April 2019. It is the intent of the legislature that this transfer was to be temporary, for the purpose of minimizing the impact of toll increases, and this is an equivalent reimbursing transfer to occur in November 2019.

(25)(a) Transportation 2003 Account (Nickel Account)—State Appropriation: For transfer to the Tacoma Narrows Toll Bridge Account—State \$12,543,000

(b) It is the intent of the legislature that this transfer is temporary, for the purpose of minimizing the impact of toll increases, and an equivalent reimbursing transfer is to occur after the debt service and deferred sales tax on the Tacoma Narrows bridge construction costs are fully repaid in accordance with chapter 195, Laws of 2018.

(26) Transportation Infrastructure Account—State
Appropriation: For transfer to the multimodal
Transportation Account—State \$9,000,000

(27) Multimodal Transportation Account—State
Appropriation: For transfer to the Pilotage
Account—State \$2,500,000

(28)(a) Motor Vehicle Account—State
Appropriation: For transfer to the County Road
Administration Board Emergency Loan Account—State \$1,000,000

(b) If chapter . . . (Senate Bill No. 5923), Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(29)(a) Advanced Environmental Mitigation
Revolving Account—State Appropriation: For transfer
to the Motor Vehicle Account—State \$9,000,000

(b) The amount transferred in this subsection is contingent on at least a \$9,000,000 transfer to the advanced environmental mitigation revolving account authorized by June 30, 2019, in the omnibus capital appropriations act.

(30) Motor Vehicle account—State Appropriation:
For transfer to the Electric Vehicle Charging
Infrastructure Account—State \$12,255,000

(31) Multimodal Transportation Account—State
Appropriation: For transfer to the Electric Vehicle
Charging Infrastructure Account—State \$8,000,000

(32) Multimodal Transportation Account—State
Appropriation: For transfer to the Complete Streets
Grant Program Account—State \$14,670,000

(33)(a) Transportation Partnership
Account—State Appropriation: For transfer to the Capital Vessel Replacement
Account—State \$99,000,000

(b)The amount transferred in this subsection represents proceeds from the sale of bonds authorized in RCW 47.10.873.

NEW SECTION. Sec. 407. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

Multimodal Transportation Account—State
Appropriation: For distribution to cities and
counties \$26,786,000

Motor Vehicle Account—State Appropriation: For
distribution to cities and counties \$23,438,000

TOTAL APPROPRIATION \$50,224,000

NEW SECTION. Sec. 408. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT TO BE PAID BY STATUTORILY PRESCRIBED REVENUE

Toll Facility Bond Retirement Account—Federal	
Appropriation	\$199,522,000
Toll Facility Bond Retirement Account—State	
Appropriation	\$25,372,000
TOTAL APPROPRIATION	\$225,273,000

COMPENSATION

NEW SECTION. Sec. 501. COLLECTIVE BARGAINING AGREEMENTS NOT IMPAIRED

Nothing in this act prohibits the expenditure of any funds by an agency or institution of the state for benefits guaranteed by any collective bargaining agreement in effect on the effective date of this section.

NEW SECTION. Sec. 502. COLLECTIVE BARGAINING AGREEMENTS

Sections 503 through 520 of this act represent the results of the 2019-2021 collective bargaining process required under chapters 41.80, 47.64, and 41.56 RCW. Provisions of the collective bargaining agreements contained in sections 503 through 520 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 503 through 520 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.

NEW SECTION. Sec. 503. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—OPEIU

An agreement has been reached between the governor and the office and professional employees international union local eight (OPEIU) pursuant to chapter 47.64 RCW for the 2019-2021 fiscal biennium. Funding is provided for a four percent general wage increase effective July 1, 2019, and a four percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications, a restructure of the pay schedule and increased vacation leave.

NEW SECTION. Sec. 504. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—FASPAA

An agreement has been reached between the governor and the ferry agents, supervisors, and project administrators association pursuant to chapter 47.64 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for an increase in the drug and alcohol sampling certification and a new scheduling committee with two employee representatives.

NEW SECTION. Sec. 505. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—SEIU LOCAL 6

An agreement has been reached between the governor and the service employees international union local 6 pursuant to chapter 47.64 RCW for the

2019-2021 fiscal biennium. Funding is provided for a nine percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for an increase in the shift premium rate.

NEW SECTION. Sec. 506. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—CARPENTERS

An agreement has been reached between the governor and the Pacific Northwest regional council of carpenters through an interest arbitration award pursuant to chapter 47.64 RCW for the 2019-2021 fiscal biennium. Funding is provided for the awarded four percent general wage increase effective July 1, 2019, and a four percent general wage increase effective July 1, 2020.

NEW SECTION. Sec. 507. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—METAL TRADES

An agreement has been reached between the governor and the Puget Sound metal trades council pursuant to chapter 47.64 RCW for the 2019-2021 fiscal biennium. Funding is provided for a four percent general wage increase effective July 1, 2019, and a four percent general wage increase effective July 1, 2020.

NEW SECTION. Sec. 508. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MEBA-UL

An agreement has been reached between the governor and the marine engineers' beneficial association unlicensed engine room employees through an interest arbitration award pursuant to chapter 47.64 RCW for the 2019-2021 fiscal biennium. Funding is provided for the awarded three and one-half percent general wage increase effective July 1, 2019, and a three and one-half percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for related watch turnover rate increases tied to salary increases and reimbursement for safety-toed work boots.

NEW SECTION. Sec. 509. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MEBA-L

An agreement has been reached between the governor and the marine engineers' beneficial association licensed engineer officers through an interest arbitration award pursuant to chapter 47.64 RCW for the 2019-2021 fiscal biennium. Funding is provided for the awarded three and one-half percent general wage increase effective July 1, 2019, and a three and one-half percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for related watch turnover rate increases tied to salary increases and reimbursement for safety-toed work boots.

NEW SECTION. Sec. 510. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MEBA—PORT ENGINEERS

An agreement has been reached between the governor and the marine engineers' beneficial association port engineers pursuant to chapter 47.64 RCW for the 2019-2021 fiscal biennium. Funding is provided for an initial salary structure and for a one percent general wage increase effective July 1, 2019, and

a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for payment of a daily rate when required to be on duty outside normal working hours, a minimum pay for call outs, and reimbursement for safety shoes.

NEW SECTION. Sec. 511. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MM&P MATES

An agreement has been reached between the governor and the masters, mates, and pilots - mates pursuant to chapter 47.64 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and three percent general wage increase effective July 1, 2020.

NEW SECTION. Sec. 512. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MM&P MASTERS

An agreement has been reached between the governor and the masters, mates, and pilots - masters pursuant to chapter 47.64 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and three percent general wage increase effective July 1, 2020.

NEW SECTION. Sec. 513. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MM&P WATCH CENTER SUPERVISORS

An agreement has been reached between the governor and the masters, mates, and pilots - watch center supervisors pursuant to chapter 47.64 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and two percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for call back and an increase in relief pay.

NEW SECTION. Sec. 514. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—IBU

An agreement has been reached between the governor and the inlandboatmen's union of the Pacific pursuant to chapter 47.64 RCW through an interest arbitration award for the 2019-2021 fiscal biennium. Funding is provided for the awarded three percent general wage increase effective July 1, 2019, a three percent general wage increase effective July 1, 2020, and a two percent general wage increase effective January 1, 2021. The agreement also includes and funding is provided for salary adjustments for targeted job classifications in the shoring series, increased holiday pay and increased premium pay for use of selected power tools.

NEW SECTION. Sec. 515. COLLECTIVE BARGAINING AGREEMENT—WFSE

An agreement has been reached between the governor and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for

salary adjustments for targeted job classifications, premium pay for employees who work in King county, and establishment of a new information technology professional compensation structure.

NEW SECTION. Sec. 516. COLLECTIVE BARGAINING AGREEMENT—PTE LOCAL 17

An agreement has been reached between the governor and the professional and technical employees local 17 under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and premium pay for employees who work in King county.

NEW SECTION. Sec. 517. COLLECTIVE BARGAINING AGREEMENT—WPEA

An agreement has been reached between the governor and the Washington public employees association under the provisions of chapter 41.80 RCW for the 2019-2021 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications, premium pay for employees who work in King county, and establishment of a new information technology professional compensation structure.

NEW SECTION. Sec. 518. COLLECTIVE BARGAINING AGREEMENT—COALITION OF UNIONS

An agreement has been reached for the 2019-2021 biennium between the governor and the coalition of unions under the provisions of chapter 41.80 RCW for the 2019-21 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2019, and a three percent general wage increase effective July 1, 2020. The agreement also includes and funding is provided for salary adjustments for targeted job classifications, premium pay for employees who work in King county, loan repayments for eligible physicians and psychiatrists, and recruitment incentives for psychiatrists.

NEW SECTION. Sec. 519. COLLECTIVE BARGAINING AGREEMENT—WSP TROOPERS ASSOCIATION

An agreement has been reached between the governor and the Washington state patrol troopers association under the provisions of chapter 41.56 RCW for the 2019-2021 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2019, and a two and one-half of one percent general wage increase effective July 1, 2020.

NEW SECTION. Sec. 520. COLLECTIVE BARGAINING AGREEMENT—WSP LIEUTENANTS AND CAPTAINS ASSOCIATION

An agreement has been reached between the governor and the Washington state patrol lieutenants and captains association under the provisions of chapter 41.56 RCW for the 2019-2021 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2019, and a two and one-half of one percent general wage increase effective July 1, 2020.

NEW SECTION. Sec. 521. COMPENSATION—REPRESENTED EMPLOYEES—HEALTH CARE—COALITION—INSURANCE BENEFITS

An agreement was reached for the 2019-2021 biennium between the governor and the health care coalition under the provisions of chapter 41.80 RCW. Appropriations in this act for state agencies, including institutions of higher education, are sufficient to implement the provisions of the 2019-2021 collective bargaining agreement, including health flexible spending accounts for eligible employees under the agreement, and are subject to the following conditions and limitations:

The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$939 per eligible employee for fiscal year 2020. For fiscal year 2021, the monthly employer funding rate shall not exceed \$976 per eligible employee.

NEW SECTION. Sec. 522. COMPENSATION—REPRESENTED EMPLOYEES OUTSIDE HEALTH CARE COALITION—INSURANCE BENEFITS

Appropriations for state agencies in this act are sufficient for represented employees outside the coalition for health benefits, and are subject to the following conditions and limitations: The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, may not exceed \$939 per eligible employee for fiscal year 2020. For fiscal year 2021, the monthly employer funding rate may not exceed \$976 per eligible employee.

NEW SECTION. Sec. 523. 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, and are subject to the following conditions and limitations:

(1) The employer monthly funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$939 per eligible employee for fiscal year 2020. For fiscal year 2021, the monthly employer funding rate shall not exceed \$976 per eligible employee.

NEW SECTION. Sec. 524. GENERAL WAGE INCREASES

(1) Appropriations for state agency employee compensation in this act are sufficient to provide general wage increases to state agency employees who are not represented or who bargain under statutory authority other than chapter 41.80 or 47.64 RCW or RCW 41.56.473 or 41.56.475.

(2) Funding is provided for a three percent general wage increase effective July 1, 2019, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a three percent salary increase effective July 1, 2019, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(3) Funding is provided for a three percent general wage increase effective July 1, 2020, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a three percent salary increase effective July 1, 2020, 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. 525. TARGETED COMPENSATION INCREASES

Funding is provided for salary adjustments for targeted job classifications as specified by the office of financial management for classified state employees, except those represented by a collective bargaining unit under chapters 41.80 and 47.64 RCW and RCW 41.56.473 and 41.56.475.

NEW SECTION. Sec. 526. MINIMUM STARTING WAGE

Funding is also provided for a minimum starting wage of fourteen dollars an hour, effective July 1, 2019, and for increases in wages of job classes that are aligned with affected job classes, except those represented by a collective bargaining unit under chapters 41.80 and 47.64 RCW and RCW 41.56.473 and 41.56.475. This funding is sufficient for general government agencies and higher education institutions to comply with the provisions of Initiative Measure No. 1433 with respect to state employees.

NEW SECTION. Sec. 527. PREMIUM PAY

Funding is also provided for a five percent premium pay for employees working in King county, except those represented under chapters 41.80 and 47.64 RCW, and RCW 41.56.473 and 41.56.475.

NEW SECTION. Sec. 528. COMPENSATION—REVISE PENSION CONTRIBUTION RATES

The appropriations in this act for school districts and state agencies, including institutions of higher education, are subject to the following conditions and limitations: Appropriations are adjusted to reflect changes to agency appropriations to reflect pension contribution rates adopted by the pension funding council and the law enforcement officers' and firefighters' retirement system plan 2 board.

NEW SECTION. Sec. 529. PUBLIC EMPLOYEES' BENEFITS BOARD MEDICARE-ELIGIBLE RETIREE SUBSIDY

Appropriations for state agencies in this act provide sufficient funding for an increase in the state employer funding rate in the public employees' benefits board program of one dollar in fiscal year 2020 and five dollars in fiscal year 2021 attributable to increasing the monthly medicare-eligible retiree subsidy from one hundred sixty-eight dollars per month to one hundred eighty-three dollars per month.

IMPLEMENTING PROVISIONS

NEW SECTION. Sec. 601. FUND TRANSFERS

(1) The 2005 transportation partnership projects or improvements and 2015 connecting Washington projects or improvements are listed in the LEAP Transportation Document 2019-1 as developed April 27, 2019, which consists of

a list of specific projects by fund source and amount over a sixteen-year period. Current fiscal biennium funding for each project is a line-item appropriation, while the outer year funding allocations represent a sixteen-year plan. The department of transportation is expected to use the flexibility provided in this section to assist in the delivery and completion of all transportation partnership account and connecting Washington account projects on the LEAP transportation document referenced in this subsection. For the 2019-2021 project appropriations, unless otherwise provided in this act, the director of the office of financial management may provide written authorization for a transfer of appropriation authority between projects funded with transportation partnership account appropriations or connecting Washington account appropriations to manage project spending and efficiently deliver all projects in the respective program under the following conditions and limitations:

(a) Transfers may only be made within each specific fund source referenced on the respective project list;

(b) Transfers from a project may not be made as a result of the reduction of the scope of a project or be made to support increases in the scope of a project;

(c) Transfers from a project may be made if the funds appropriated to the project are in excess of the amount needed in the current fiscal biennium;

(d) Transfers may not occur for projects not identified on the applicable project list;

(e) Transfers may not be made while the legislature is in session;

(f) Transfers to a project may not be made with funds designated as attributable to practical design savings as described in RCW 47.01.480;

(g) Each transfer between projects may only occur if the director of the office of financial management finds that any resulting change will not hinder the completion of the projects as approved by the legislature. Until the legislature reconvenes to consider the 2020 supplemental omnibus transportation appropriations act, any unexpended 2017-2019 appropriation balance as approved by the office of financial management, in consultation with the chairs and ranking members of the house of representatives and senate transportation committees, may be considered when transferring funds between projects; and

(h) Transfers between projects may be made by the department of transportation without the formal written approval provided under this subsection (1), provided that the transfer amount does not exceed two hundred fifty thousand dollars or ten percent of the total project, whichever is less. These transfers must be reported quarterly to the director of the office of financial management and the chairs of the house of representatives and senate transportation committees.

(2) The department of transportation must submit quarterly all transfers authorized under this section in the transportation executive information system. The office of financial management must maintain a legislative baseline project list identified in the LEAP transportation documents referenced in this act, and update that project list with all authorized transfers under this section.

(3) At the time the department submits a request to transfer funds under this section, a copy of the request must be submitted to the chairs and ranking members of the transportation committees of the legislature.

(4) Before approval, the office of financial management shall work with legislative staff of the house of representatives and senate transportation

committees to review the requested transfers in a timely manner and consider any concerns raised by the chairs and ranking members of the transportation committees.

(5) No fewer than ten days after the receipt of a project transfer request, the director of the office of financial management must provide written notification to the department of any decision regarding project transfers, with copies submitted to the transportation committees of the legislature.

(6) The department must submit annually as part of its budget submittal a report detailing all transfers made pursuant to this section.

NEW SECTION. **Sec. 602. BOND REIMBURSEMENT**

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, state route number 520 corridor account, connecting Washington 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 before 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.

NEW SECTION. **Sec. 603. 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. 604. REAPPROPRIATIONS REPORTING**

(1) As part of its 2020 supplemental budget submittal, the department of transportation shall provide a report to the legislature and the office of financial management that:

(a) Identifies, by capital project, the amount of state funding that has been reappropriated from the 2017-2019 fiscal biennium into the 2019-2021 fiscal biennium; and

(b) Identifies, for each project, the amount of cost savings or increases in funding that have been identified as compared to the 2017 enacted omnibus transportation appropriations act.

(2) As part of the agency request for capital programs, the department shall load reappropriations separately from funds that were assumed to be required for the 2019-2021 fiscal biennium into budgeting systems.

NEW SECTION. **Sec. 605. WEB SITE REPORTING REQUIREMENTS**

(1) The department of transportation shall post on its web site every report that is due from the department to the legislature during the 2019-2021 fiscal biennium on one web page. The department must post both completed reports and planned reports on a single web page.

(2) The department shall provide a web link for each change order that is more than five hundred thousand dollars on the affected project web page.

NEW SECTION. Sec. 606. TRANSIT, BICYCLE, AND PEDESTRIAN ELEMENTS REPORTING

(1) By November 15th of each year, the department of transportation must report on amounts expended to benefit transit, bicycle, or pedestrian elements within all connecting Washington projects in programs I, P, and Z identified in LEAP Transportation Document 2019-2 ALL PROJECTS as developed April 27, 2019. The report must address each modal category separately and identify if eighteenth amendment protected funds have been used and, if not, the source of funding.

(2) To facilitate the report in subsection (1) of this section, the department of transportation must require that all bids on connecting Washington projects include an estimate on the cost to implement any transit, bicycle, or pedestrian project elements.

NEW SECTION. Sec. 607. PROJECT SCOPE CHANGES

(1) During the 2019-2021 fiscal biennium, while the legislature is not in session, the director of the office of financial management may approve project scope change requests to connecting Washington projects in the highway improvements program, provided that the requests meet the criteria outlined in RCW 47.01.480 and are subject to the limitations in this section.

(2) At the time the department of transportation submits a request for a project scope change under this section, a copy of the request must be submitted to the transportation committees of the legislature.

(3) Before approval, the office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested project scope changes.

(4) No fewer than ten days after the receipt of a scope change request, the director of the office of financial management must provide written notification to the department of any decision regarding project scope changes, with copies submitted to the transportation committees of the legislature.

(5) As part of its annual budget submittal, the department of transportation must report on all approved scope change requests from the prior year, including a comparison of the scope before and after the requested change.

NEW SECTION. Sec. 608. TOLL CREDITS

The department of transportation may provide up to three million dollars in toll credits to Kitsap transit for its role in passenger-only ferry service and ferry corridor-related projects. The number of toll credits provided must be equal to, but no more than, the number sufficient to meet federal match requirements for grant funding for passenger-only ferry service, but must not exceed the amount authorized in this section.

MISCELLANEOUS 2019-2021 FISCAL BIENNIUM

NEW SECTION. Sec. 701. INFORMATION TECHNOLOGY OVERSIGHT

(1) Agencies must apply to the office of the state chief information officer for approval before beginning a project or proceeding with each discreet stage of a project subject to this section. At each stage, the office of the state chief information officer must certify that the project has an approved technology

budget and investment plan, complies with state information technology and security requirements, and other policies defined by the office of the state chief information officer.

(2)(a) Each project must have a technology budget. The technology budget must use a method similar to the state capital budget, identifying project costs, each fund source, and anticipated deliverables through each stage of the entire project investment and across fiscal periods and biennia from project onset through implementation and close out.

(b) As part of the development of a technology budget and at each request for funding, the agency shall submit detailed financial information to the office of financial management and the office of the state chief information officer. The technology budget must describe the total cost of the project by fiscal month to include and identify:

- (i) Fund sources;
- (ii) Full-time equivalent staffing level to include job classification assumptions;
- (iii) A discreet appropriation index and program index;
- (iv) Object and subobject codes of expenditures; and
- (v) Anticipated deliverables.

(3)(a) Each project must have an investment plan that includes:

- (i) An organizational chart of the project management team that identifies team members and their roles and responsibilities;
- (ii) The office of the state chief information officer staff assigned to the project;
- (iii) An implementation schedule covering activities, critical milestones, and deliverables at each stage of the project for the life of the project at each agency affected by the project;
- (iv) Performance measures used to determine that the project is on time, within budget, and meeting expectations for quality of work product;
- (v) Ongoing maintenance and operations cost of the project post implementation and close out delineated by agency staffing, contracted staffing, and service level agreements; and
- (vi) Financial budget coding to include at least discrete program index and subobject codes.

(4) Projects with estimated costs greater than one hundred million dollars from initiation to completion and implementation may be divided into discrete subprojects as determined by the office of the state chief information officer. Each subproject must have a technology budget and investment plan as provided in this section.

(5)(a) The office of the state chief information officer shall maintain an information technology project dashboard that provides updated information each fiscal month on projects subject to this section:

- (i) Project changes each fiscal month;
- (ii) Noting if the project has a completed market requirements document;
- (iii) Financial status of information technology projects under oversight; and
- (iv) Coordination with agencies.

(b) The dashboard must retain a roll up of the entire project cost, including all subprojects, that can be displayed the subproject detail.

(6) If the project affects more than one agency:

(a) A separate technology budget and investment plan must be prepared for each agency; and

(b) The dashboard must contain a statewide project technology budget roll up that includes each affected agency at the subproject level.

(7) For any project that exceeds two million dollars in total funds to complete, requires more than one biennium to complete, or is financed through financial contracts, bonds, or other indebtedness:

(a) Quality assurance for the project must report independently the office of the chief information officer;

(b) The office of the chief information officer must review, and, if necessary, revise the proposed project to ensure it is flexible and adaptable to advances in technology;

(c) The technology budget must specifically identify the uses of any financing proceeds. No more than thirty percent of the financing proceeds may be used for payroll-related costs for state employees assigned to project management, installation, testing, or training;

(d) The agency must consult with the office of the state treasurer during the competitive procurement process to evaluate early in the process whether products and services to be solicited and the responsive bids from a solicitation may be financed; and

(e) The agency must consult with the contracting division of the department of enterprise services for a review of all contracts and agreements related to the project's information technology procurements.

(8) The office of the state chief information officer must evaluate the project at each stage and certify whether the project is planned, managed, and meeting deliverable targets as defined in the project's approved technology budget and investment plan.

(9) The office of the state chief information officer may suspend or terminate a project at any time if it determines that the project is not meeting or not expected to meet anticipated performance and technology outcomes. Once suspension or termination occurs, the agency shall unallot any unused funding and shall not make any expenditure for the project without the approval of the office of financial management.

(10) The office of the state chief information officer, in consultation with the office of financial management, may identify additional projects to be subject to this section, including projects that are not separately identified within an agency budget.

(11) The following department of transportation projects are subject to the conditions, limitations, and review provided in this section: Labor System Replacement, New Ferry Division Dispatch System, Maintenance Management System, Land Mobile Radio System Replacement, and New CSC System and Operator.

NEW SECTION. Sec. 702. ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS

(1) The department of transportation is authorized, subject to the conditions in section 305(2) of this act, to enter into a financing contract pursuant to chapter 39.94 RCW through the state treasurer's lease-purchase program for the purposes indicated. The department may use any funds, appropriated or

nonappropriated, in not more than the principal amounts indicated, plus financing expenses and required reserves, if any. Expenditures made by the department of transportation for the indicated purposes before the issue date of the authorized financing contract and any certificates of participation therein may be reimbursed from proceeds of the financing contract and any certificates of participation therein to the extent provided in the agency's financing plan approved by the state finance committee.

(2) Department of transportation: Enter into a financing contract for up to \$32,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to renovate the existing office building at 15700 Dayton Ave N, Shoreline.

Sec. 703. RCW 43.19.642 and 2017 c 313 s 703 are each amended to read as follows:

(1) Effective June 1, 2006, for agencies complying with the ultra-low sulfur diesel mandate of the United States environmental protection agency for on-highway diesel fuel, agencies shall use biodiesel as an additive to ultra-low sulfur diesel for lubricity, provided that the use of a lubricity additive is warranted and that the use of biodiesel is comparable in performance and cost with other available lubricity additives. The amount of biodiesel added to the ultra-low sulfur diesel fuel shall be not less than two percent.

(2) Except as provided in subsection (5) of this section, effective June 1, 2009, state agencies are required to use a minimum of twenty percent biodiesel as compared to total volume of all diesel purchases made by the agencies for the operation of the agencies' diesel-powered vessels, vehicles, and construction equipment.

(3) All state agencies using biodiesel fuel shall, beginning on July 1, 2016, file annual reports with the department of enterprise services documenting the use of the fuel and a description of how any problems encountered were resolved.

(4) By December 1, 2009, the department of enterprise services shall:

(a) Report to the legislature on the average true price differential for biodiesel by blend and location; and

(b) Examine alternative fuel procurement methods that work to address potential market barriers for in-state biodiesel producers and report these findings to the legislature.

(5) During the ((~~2015-2017 and~~) 2017-2019 and 2019-2021 fiscal biennia, the Washington state ferries is required to use a minimum of five percent biodiesel as compared to total volume of all diesel purchases made by the Washington state ferries for the operation of the Washington state ferries diesel-powered vessels, as long as the price of a B5 or B10 biodiesel blend does not exceed the price of conventional diesel fuel by five percent or more.

Sec. 704. RCW 46.20.745 and 2017 c 313 s 704 are each amended to read as follows:

(1) The ignition interlock device revolving account program is created within the department to assist in covering the monetary costs of installing, removing, and leasing an ignition interlock device, and applicable licensing, for indigent persons who are required under RCW 46.20.385, 46.20.720, and 46.61.5055 to install an ignition interlock device in all vehicles owned or

operated by the person. For purposes of this subsection, "indigent" has the same meaning as in RCW 10.101.010, as determined by the department. During the ((2017-2019)) 2019-2021 fiscal biennium, the ignition interlock device revolving account program also includes ignition interlock enforcement work conducted by the Washington state patrol.

(2) A pilot program is created within the ignition interlock device revolving account program for the purpose of monitoring compliance by persons required to use ignition interlock devices and by ignition interlock companies and vendors.

(3) The department, the state patrol, and the Washington traffic safety commission shall coordinate to establish a compliance pilot program that will target at least one county from eastern Washington and one county from western Washington, as determined by the department, state patrol, and Washington traffic safety commission.

(4) At a minimum, the compliance pilot program shall:

(a) Review the number of ignition interlock devices that are required to be installed in the targeted county and the number of ignition interlock devices actually installed;

(b) Work to identify those persons who are not complying with ignition interlock requirements or are repeatedly violating ignition interlock requirements; and

(c) Identify ways to track compliance and reduce noncompliance.

(5) As part of monitoring compliance, the Washington traffic safety commission shall also track recidivism for violations of RCW 46.61.502 and 46.61.504 by persons required to have an ignition interlock driver's license under RCW 46.20.385 and 46.20.720.

Sec. 705. RCW 46.68.060 and 2017 c 313 s 707 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 must be deposited all moneys directed by law to be deposited therein. This fund must 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, and chapters 46.72 and 46.72A RCW. During the 2013-2015 and 2015-2017 fiscal biennia, the legislature may transfer from the highway safety fund to the Puget Sound ferry operations account, the motor vehicle fund, and the multimodal transportation account such amounts as reflect the excess fund balance of the highway safety fund. During the 2017-2019 and the 2019-2021 fiscal ((biennium)) biennia, the legislature may direct the state treasurer to make transfers of moneys in the highway safety fund to the multimodal transportation account.

Sec. 706. RCW 46.68.280 and 2017 c 313 s 708 are each amended to read as follows:

(1) The transportation 2003 account (nickel account) is hereby created in the motor vehicle fund. Money in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as transportation 2003 projects or improvements in the omnibus

transportation budget and to pay the principal and interest on the bonds authorized for transportation 2003 projects or improvements. Upon completion of the projects or improvements identified as transportation 2003 projects or improvements, moneys deposited in this account must only be used to pay the principal and interest on the bonds authorized for transportation 2003 projects or improvements, and any funds in the account in excess of the amount necessary to make the principal and interest payments may be used for maintenance on the completed projects or improvements.

(2) During the 2015-2017 fiscal biennium, the legislature may transfer from the transportation 2003 account (nickel account) to the connecting Washington account such amounts as reflect the excess fund balance of the transportation 2003 account (nickel account).

(3) During the 2017-2019 and the 2019-2021 fiscal (~~(biennium)~~) biennia, the legislature may direct the state treasurer to make transfers of moneys in the transportation 2003 account (nickel account) to the connecting Washington account, the Puget Sound capital construction account, and the Tacoma Narrows toll bridge account.

(4) The "nickel account" means the transportation 2003 account.

Sec. 707. RCW 46.68.290 and 2017 c 313 s 709 are each amended to read as follows:

(1) The transportation partnership account is hereby created in the state treasury. All distributions to the account from RCW 46.68.090 must be deposited into the account. Money in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as 2005 transportation partnership projects or improvements in the omnibus transportation appropriations act, including any principal and interest on bonds authorized for the projects or improvements.

(2) The legislature finds that:

(a) Citizens demand and deserve accountability of transportation-related programs and expenditures. Transportation-related programs must continuously improve in quality, efficiency, and effectiveness in order to increase public trust;

(b) Transportation-related agencies that receive tax dollars must continuously improve the way they operate and deliver services so citizens receive maximum value for their tax dollars; and

(c) Fair, independent, comprehensive performance audits of transportation-related agencies overseen by the elected state auditor are essential to improving the efficiency, economy, and effectiveness of the state's transportation system.

(3) For purposes of chapter 314, Laws of 2005:

(a) "Performance audit" means an objective and systematic assessment of a state agency or agencies or any of their programs, functions, or activities by the state auditor or designee in order to help improve agency efficiency, effectiveness, and accountability. Performance audits include economy and efficiency audits and program audits.

(b) "Transportation-related agency" means any state agency, board, or commission that receives funding primarily for transportation-related purposes. At a minimum, the department of transportation, the transportation improvement board or its successor entity, the county road administration board or its successor entity, and the traffic safety commission are considered transportation-related agencies. The Washington state patrol and the department of licensing

shall not be considered transportation-related agencies under chapter 314, Laws of 2005.

(4) Within the authorities and duties under chapter 43.09 RCW, the state auditor shall establish criteria and protocols for performance audits. Transportation-related agencies shall be audited using criteria that include generally accepted government auditing standards as well as legislative mandates and performance objectives established by state agencies. Mandates include, but are not limited to, agency strategies, timelines, program objectives, and mission and goals as required in RCW 43.88.090.

(5) Within the authorities and duties under chapter 43.09 RCW, the state auditor may conduct performance audits for transportation-related agencies. The state auditor shall contract with private firms to conduct the performance audits.

(6) The audits may include:

(a) Identification of programs and services that can be eliminated, reduced, consolidated, or enhanced;

(b) Identification of funding sources to the transportation-related agency, to programs, and to services that can be eliminated, reduced, consolidated, or enhanced;

(c) Analysis of gaps and overlaps in programs and services and recommendations for improving, dropping, blending, or separating functions to correct gaps or overlaps;

(d) Analysis and recommendations for pooling information technology systems used within the transportation-related agency, and evaluation of information processing and telecommunications policy, organization, and management;

(e) Analysis of the roles and functions of the transportation-related agency, its programs, and its services and their compliance with statutory authority and recommendations for eliminating or changing those roles and functions and ensuring compliance with statutory authority;

(f) Recommendations for eliminating or changing statutes, rules, and policy directives as may be necessary to ensure that the transportation-related agency carry out reasonably and properly those functions vested in the agency by statute;

(g) Verification of the reliability and validity of transportation-related agency performance data, self-assessments, and performance measurement systems as required under RCW 43.88.090;

(h) Identification of potential cost savings in the transportation-related agency, its programs, and its services;

(i) Identification and recognition of best practices;

(j) Evaluation of planning, budgeting, and program evaluation policies and practices;

(k) Evaluation of personnel systems operation and management;

(l) Evaluation of purchasing operations and management policies and practices;

(m) Evaluation of organizational structure and staffing levels, particularly in terms of the ratio of managers and supervisors to nonmanagement personnel; and

(n) Evaluation of transportation-related project costs, including but not limited to environmental mitigation, competitive bidding practices, permitting processes, and capital project management.

(7) Within the authorities and duties under chapter 43.09 RCW, the state auditor must provide the preliminary performance audit reports to the audited state agency for comment. The auditor also may seek input on the preliminary report from other appropriate officials. Comments must be received within thirty days after receipt of the preliminary performance audit report unless a different time period is approved by the state auditor. The final performance audit report shall include the objectives, scope, and methodology; the audit results, including findings and recommendations; the agency's response and conclusions; and identification of best practices.

(8) The state auditor shall provide final performance audit reports to the citizens of Washington, the governor, the joint legislative audit and review committee, the appropriate legislative committees, and other appropriate officials. Final performance audit reports shall be posted on the internet.

(9) The audited transportation-related agency is responsible for follow-up and corrective action on all performance audit findings and recommendations. The audited agency's plan for addressing each audit finding and recommendation shall be included in the final audit report. The plan shall provide the name of the contact person responsible for each action, the action planned, and the anticipated completion date. If the audited agency does not agree with the audit findings and recommendations or believes action is not required, then the action plan shall include an explanation and specific reasons.

The office of financial management shall require periodic progress reports from the audited agency until all resolution has occurred. The office of financial management is responsible for achieving audit resolution. The office of financial management shall annually report by December 31st the status of performance audit resolution to the appropriate legislative committees and the state auditor. The legislature shall consider the performance audit results in connection with the state budget process.

The auditor may request status reports on specific audits or findings.

(10) For the period from July 1, 2005, until June 30, 2007, the amount of \$4,000,000 is appropriated from the transportation partnership account to the state auditors office for the purposes of subsections (2) through (9) of this section.

(11) During the 2015-2017 fiscal biennium, the legislature may transfer from the transportation partnership account to the connecting Washington account such amounts as reflect the excess fund balance of the transportation partnership account.

(12) During the 2017-2019 and the 2019-2021 fiscal (~~biennium~~) biennia, the legislature may direct the state treasurer to make transfers of moneys in the transportation partnership account to the connecting Washington account and the motor vehicle fund.

Sec. 708. RCW 46.68.325 and 2017 c 313 s 710 are each amended to read as follows:

(1) The rural mobility grant program account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the grants provided under RCW 47.66.100.

(2) Beginning September 2011, by the last day of September, December, March, and June of each year, the state treasurer shall transfer from the multimodal transportation account to the rural mobility grant program account two million five hundred thousand dollars.

(3) During the 2015-2017 fiscal biennium, the legislature may transfer from the rural mobility grant program account to the multimodal transportation account such amounts as reflect the excess fund balance of the rural mobility grant program account.

(4) During the 2017-2019 and the 2019-2021 fiscal (~~biennium~~) biennia, the legislature may direct the state treasurer to make transfers of moneys in the rural mobility grant program account to the multimodal transportation account.

Sec. 709. RCW 47.56.403 and 2017 c 313 s 712 are each amended to read as follows:

(1) The department may provide for the establishment, construction, and operation of a pilot project of high occupancy toll lanes on state route 167 high occupancy vehicle lanes within King county. The department may issue, buy, and redeem bonds, and deposit and expend them; secure and remit financial and other assistance in the construction of high occupancy toll lanes, carry insurance, and handle any other matters pertaining to the high occupancy toll lane pilot project.

(2) Tolls for high occupancy toll lanes will be established as follows:

(a) The schedule of toll charges for high occupancy toll lanes must be established by the transportation commission and collected in a manner determined by the commission.

(b) Toll charges shall not be assessed on transit buses and vanpool vehicles owned or operated by any public agency.

(c) The department shall establish performance standards for the state route 167 high occupancy toll lane pilot project. The department must automatically adjust the toll charge, using dynamic tolling, to ensure that toll-paying single-occupant vehicle users are only permitted to enter the lane to the extent that average vehicle speeds in the lane remain above forty-five miles per hour at least ninety percent of the time during peak hours. The toll charge may vary in amount by time of day, level of traffic congestion within the highway facility, vehicle occupancy, or other criteria, as the commission may deem appropriate. The commission may also vary toll charges for single-occupant inherently low-emission vehicles such as those powered by electric batteries, natural gas, propane, or other clean burning fuels.

(d) The commission shall periodically review the toll charges to determine if the toll charges are effectively maintaining travel time, speed, and reliability on the highway facilities.

(3) The department shall monitor the state route 167 high occupancy toll lane pilot project and shall annually report to the transportation commission and the legislature on operations and findings. At a minimum, the department shall provide facility use data and review the impacts on:

(a) Freeway efficiency and safety;

(b) Effectiveness for transit;

(c) Person and vehicle movements by mode;

(d) Ability to finance improvements and transportation services through tolls; and

(e) The impacts on all highway users. The department shall analyze aggregate use data and conduct, as needed, separate surveys to assess usage of the facility in relation to geographic, socioeconomic, and demographic information within the corridor in order to ascertain actual and perceived questions of equitable use of the facility.

(4) The department shall modify the pilot project to address identified safety issues and mitigate negative impacts to high occupancy vehicle lane users.

(5) Authorization to impose high occupancy vehicle tolls for the state route 167 high occupancy toll pilot project expires if either of the following two conditions apply:

(a) If no contracts have been let by the department to begin construction of the toll facilities associated with this pilot project within four years of July 24, 2005; or

(b) If high occupancy vehicle tolls are being collected on June 30, ~~((2019))~~ 2021.

(6) The department of transportation shall adopt rules that allow automatic vehicle identification transponders used for electronic toll collection to be compatible with other electronic payment devices or transponders from the Washington state ferry system, other public transportation systems, or other toll collection systems to the extent that technology permits.

(7) The conversion of a single existing high occupancy vehicle lane to a high occupancy toll lane as proposed for SR-167 must be taken as the exception for this pilot project.

(8) A violation of the lane restrictions applicable to the high occupancy toll lanes established under this section is a traffic infraction.

(9) Procurement activity associated with this pilot project shall be open and competitive in accordance with chapter 39.29 RCW.

Sec. 710. RCW 47.56.876 and 2017 c 313 s 713 are each amended to read as follows:

A special account to be known as the state route number 520 civil penalties account is created in the state treasury. All state route number 520 bridge replacement and HOV program civil penalties generated from the nonpayment of tolls on the state route number 520 corridor must be deposited into the account, as provided under RCW 47.56.870(4)(b)(vii). Moneys in the account may be spent only after appropriation. Expenditures from the account may be used to fund any project within the state route number 520 bridge replacement and HOV program, including mitigation. During the 2013-2015 and 2015-2017 fiscal biennia, the legislature may transfer from the state route number 520 civil penalties account to the state route number 520 corridor account such amounts as reflect the excess fund balance of the state route number 520 civil penalties account. Funds transferred must be used solely for capital expenditures for the state route number 520 bridge replacement and HOV project. During the 2017-2019 and the 2019-2021 fiscal ~~((biennium))~~ biennia, the legislature may direct the state treasurer to make transfers of moneys in the state route number 520 civil penalties account to the state route number 520 corridor account.

Sec. 711. RCW 41.45.0631 and 2009 c 561 s 7 are each amended to read as follows:

(1) The allocation of costs between the employer and members of the Washington state patrol retirement system shall be made only after the application of any minimum total contribution rate that may be in effect for the system under subsection (4) of this section. For benefit improvements effective on or after July 1, 2007, costs shall be shared equally by members and the employer, and any cap on member contributions shall be adjusted accordingly. The member contribution rate shall be based on the adjusted total contribution rate described in subsection (2) of this section. Beginning July 1, 2007, the required member contribution rate for members of the Washington state patrol retirement system shall be the lesser of the following: (a) One-half of the adjusted total contribution rate for the system; or (b) seven percent, plus fifty percent of the contribution rate increase caused by any benefit improvements effective on or after July 1, 2007.

(2) The employer shall continue to pay for all costs attributable to distributions under RCW 43.43.270(2) for survivors of members who became disabled under RCW 43.43.040(2) prior to July 1, 2006, until such costs are fully paid. In order to avoid charging members for these costs, the total required contribution rate shall be adjusted to exclude these costs. The result of the adjustment shall be the adjusted total contribution rate that is to be used to calculate the required member contribution rate.

(3) The employer rate shall be the contribution rate required to cover all total system costs that are not covered by the member contribution rate.

(4) Beginning July 1, 2009, a minimum total contribution rate is established for the Washington state patrol retirement system. The total Washington state patrol retirement system contribution rate may exceed, but may not drop below, the established minimum total contribution rate. From July 1, 2009, through June 30, 2011, the minimum total contribution rate shall equal the total contribution rate required to fund fifty percent of the Washington state patrol retirement system's normal cost as calculated under the entry age normal cost method. Beginning July 1, 2011, the minimum total contribution rate shall equal the total contribution rate required to fund seventy percent of the Washington state patrol retirement system's normal cost as calculated under the entry age normal cost method. This minimum rate, when applicable, shall be collected in addition to any contribution rate required to amortize any unfunded costs attributable to distributions under RCW 43.43.270(2) for survivors of members who became disabled under RCW 43.43.040(2) prior to July 1, 2006.

(5) Upon completion of each biennial actuarial valuation, the state actuary shall review the appropriateness of this minimum total contribution rate and recommend to the council any adjustments as may be needed. Any changes adopted by the council shall be subject to revision by the legislature.

(6) The legislature recognizes the short-term volatility of projected employer contribution rates for the Washington state patrol retirement system and intends to phase-in the increase in contribution rates from the 2017-2019 biennium to the 2019-2021 biennium over three successive biennia. The phase-in shall be calculated by the state actuary and shall not result in an expected funding shortfall when measured over the entire phase-in period. Consistent with this intent, the legislature revises the basic employer contribution rate for the Washington state patrol retirement system from 22.13 percent to 17.5 percent during the 2019-2021 biennium. By June 30, 2020, the state actuary shall

calculate and report to the council the expected change to the basic employer contribution rates for the 2021-2023 and 2023-2025 biennia that continue this phase-in.

Sec. 712. RCW 46.68.063 and 2014 c 79 s 2 are each amended to read as follows:

The department of licensing technology improvement and data management account is created in the highway safety fund. All receipts from fees collected under RCW 46.12.630(5) must be deposited into the account. Expenditures from the account may be used only for investments in technology and data management at the department. During the 2019-2021 biennium, the account may also be used for responding to public records requests. Moneys in the account may be spent only after appropriation.

Sec. 713. RCW 46.68.370 and 2013 c 306 s 713 are each amended to read as follows:

The license plate technology account is created in the state treasury. All receipts collected under RCW 46.17.015 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 2011-2013 and 2013-2015 fiscal biennia, the legislature may transfer from the license plate technology account to the highway safety account [fund] such amounts as reflect the excess fund balance of the license plate technology account. During the 2019-2021 biennium, the account may also be used for the maintenance of recently modernized information technology systems for vehicle registrations.

Sec. 714. RCW 46.68.300 and 2013 c 104 s 3 are each amended to read as follows:

The freight mobility investment account is hereby created in the state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for freight mobility projects that have been approved by the freight mobility strategic investment board in RCW 47.06A.020 and may include any principal and interest on bonds authorized for the projects or improvements. During the 2019-2021 fiscal biennium, the expenditures from the account may also be used for the administrative expenses of the freight mobility strategic investment board.

Sec. 715. RCW 47.12.340 and 2013 c 306 s 715 are each amended to read as follows:

(1) The advanced environmental mitigation revolving account is created in the custody of the treasurer, into which the department shall deposit directly and may expend without appropriation:

~~((+))~~ (a) An initial appropriation included in the department of transportation's 1997-99 budget, and deposits from other identified sources;

~~((2))~~ (b) All moneys received by the department from internal and external sources for the purposes of conducting advanced environmental mitigation; and

~~((3))~~ (c) Interest gained from the management of the advanced environmental mitigation revolving account.

~~((4))~~ (2) During the 2011-2013 and 2013-2015 fiscal biennia, the legislature may transfer from the advanced environmental mitigation revolving account to the motor vehicle account such amounts as reflect the excess fund balance of the advanced environmental mitigation revolving account.

(3) During the 2019-2021 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the advanced environmental mitigation revolving account to the motor vehicle fund.

Sec. 716. RCW 47.60.322 and 2015 3rd sp.s. c 44 s 213 are each amended to read as follows:

(1) The capital vessel replacement account is created in the motor vehicle fund. All revenues generated from the vessel replacement surcharge under RCW 47.60.315(7) and service fees collected by the department of licensing or county auditor or other agent appointed by the director under RCW 46.17.040, 46.17.050, and 46.17.060 must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the construction or purchase of ferry vessels and to pay the principal and interest on bonds authorized for the construction or purchase of ferry vessels. However, expenditures from the account must first be used to support the construction or purchase, including any applicable financing costs, of a ferry vessel with a carrying capacity of at least one hundred forty-four cars.

(2) The state treasurer may transfer moneys from the capital vessel replacement account to the transportation 2003 account (nickel account) for debt service on bonds issued for the construction of 144-car class ferry vessels.

(3) The legislature may transfer from the capital vessel replacement account to the connecting Washington account created under RCW 46.68.395 such amounts as reflect the excess fund balance of the capital vessel replacement account to be used for ferry terminal construction and preservation.

(4) During the 2019-2021 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the capital vessel replacement account to the transportation partnership account.

NEW SECTION. Sec. 717. (1) The agency financial transaction account is created in the state treasury. Designated receipts from cost-recovery charges for credit card and other financial transaction fees pursuant to this act must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for paying credit card and financial transaction fees, and other related costs incurred by state agencies.

(2) This section expires June 30, 2021.

NEW SECTION. Sec. 718. Section 709 of this act takes effect if neither chapter . . . (House Bill No. 2132), Laws of 2019 (addressing tolling) nor chapter . . . (Engrossed Substitute Senate Bill No. 5825), Laws of 2019 (addressing tolling) is enacted by June 30, 2019.

**2017-2019 FISCAL BIENNIUM
TRANSPORTATION AGENCIES—OPERATING**

Sec. 801. 2018 c 297 s 201 (uncodified) is amended to read as follows:
FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION
Highway Safety Account—State Appropriation ~~(\$4,329,000)~~
\$4,347,000

Highway Safety Account—Federal Appropriation	(\$22,205,000)
	<u>\$25,005,000</u>
Highway Safety Account—Private/Local Appropriation	\$118,000
School Zone Safety Account—State Appropriation	\$850,000
TOTAL APPROPRIATION	(\$27,502,000)
	<u>\$30,320,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$100,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 324, Laws of 2017 (bicyclist safety advisory council).

(2) \$1,000,000 of the highway safety account—state appropriation is provided solely for the implementation of section 13(4), chapter 336, Laws of 2017 (impaired driving). The funding is provided for grants to organizations that seek to reduce driving under the influence of drugs and alcohol and for administering the program. \$108,806 of the amount provided in this subsection is for the commission to cover the costs associated with administering the grant program. The funding provided in this subsection is contingent on the availability of funds raised by the fee, described in section 13(4), chapter 336, Laws of 2017 (impaired driving), sufficient to cover the costs of administering the program.

Sec. 802. 2018 c 297 s 202 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State Appropriation	\$1,056,000
Motor Vehicle Account—State Appropriation	(\$2,720,000)
	<u>\$2,791,000</u>
County Arterial Preservation Account—State Appropriation	\$1,592,000
TOTAL APPROPRIATION	(\$5,368,000)
	<u>\$5,439,000</u>

Sec. 803. 2018 c 297 s 204 (uncodified) is amended to read as follows:

FOR THE JOINT TRANSPORTATION COMMITTEE

(Highway Safety Account—State Appropriation	\$150,000)
Motor Vehicle Account—State Appropriation	\$2,030,000
Multimodal Transportation Account—State Appropriation	\$1,570,000
TOTAL APPROPRIATION	(\$3,750,000)
	<u>\$3,600,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) \$200,000 of the multimodal transportation account—state appropriation is for a consultant study of marine pilotage in Washington state, with a goal of recommending best practices for: An analytically-driven pilotage tariff and fee setting process; determination of the total number of pilots and pilot workload; pilot recruitment, training, review, and selection, with a focus on increasing pilot diversity; and selection of governance structures for the

oversight and management of pilotage activities. The study must include the following:

(i)(A) An examination of current practices of the board of pilotage related to: Pilotage tariff and fee setting, including a review of the development and composition of fees, their relationship to tariffs and pilotage district expenditures, and an analysis of pilot benefits; the setting of the total number of pilots and pilot workload distribution; pilot candidate recruitment and training; pilot review and selection processes; and reporting to comply with statutory requirements;

(B) An examination of the current oversight, administrative practices, and governance of the board of pilotage commissioners and the two pilotage districts, including board composition analysis, the possible role of the legislative appropriations process, and options for insurance liability coverage for the board of pilotage commissioners;

(ii) A comparison of current practices identified under this subsection (1)(a) to best practices in marine pilotage elsewhere in the United States, including both state licensed pilotage and federal pilotage systems with independent contractor, public employee, or private employee pilots; and a comparison to marine pilotage activities outside of the United States, to the extent these marine pilotage activities can inform the evaluation process and identify additional best practices that could be implemented in Washington state;

(iii) A comparison of the results of the examination of current practices to best practices in the United States in areas other than marine pilotage for which similar activities are conducted;

(iv) An evaluation of the extent to which the best practices examined can be implemented and would be effective in Washington state; and

(v) A recommendation for the best practices that should be adopted by Washington state for each of the areas examined.

(b) The joint transportation committee must issue a report of its findings and recommendations to the house of representatives and senate transportation committees by January 8, 2018.

(2) \$160,000 of the motor vehicle account—state appropriation is for the joint transportation committee to contract with the University of Minnesota to independently analyze and assess traffic data for the express toll lanes and general purpose lanes of the Interstate 405 tolled corridor, including in terms of the performance measures described in RCW 47.56.880, and to develop and recommend near-term and longer-term strategies for the improvement of traffic performance in this corridor. A report summarizing the results of the traffic data assessment and providing recommended strategies is due to the transportation committees of the legislature by January 8, 2018.

(3)(a) \$500,000 of the multimodal transportation account—state appropriation is for a consultant study of air cargo movement at Washington airports. The study must:

(i) Describe the state's air cargo system, and identify the facilities that comprise the system;

(ii) Evaluate the current and projected future capacity of the air cargo system;

(iii) Identify underutilized capacity;

(iv) Identify and describe what market forces may determine demand for cargo service at different facilities and what role the shippers and cargo service providers play in determining how cargo is moved in the state;

(v) Develop a definition of congestion in the state's air cargo system, including metrics by which to measure congestion and the cost of congestion to shippers; and

(vi) Evaluate what would be needed to more effectively use existing capacity at airports across the state. As part of this evaluation, the study must:

(A) Evaluate air, land, and surface transportation constraints, including intermodal constraints, to accommodate current demand and future growth;

(B) Evaluate impediments to addressing those constraints;

(C) Evaluate options to address those constraints; and

(D) Evaluate the impacts to air cargo-related industries that would result from shifting cargo service to Washington airports that currently have available capacity.

(b) The study must also identify the state's interest in reducing air cargo congestion and evaluate ways to address this interest on a statewide basis.

(c) The study must provide recommendations regarding:

(i) Options to reduce air cargo congestion and more efficiently use available capacity at Washington airports;

(ii) Options to address the state's interest in reducing air cargo congestion on a statewide basis;

(iii) Strategies to accomplish the recommendations under this subsection (3)(c); and

(iv) Statutory changes needed to implement the recommendations under this subsection (3)(c).

(d) The department of transportation shall provide technical support for the study, including providing guidance regarding information that may already be available due to the department's ongoing work on the Washington aviation system plan.

(e) The joint transportation committee shall issue a report of its findings and recommendations to the house of representatives and senate transportation committees by December 14, 2018.

(4) \$100,000 of the motor vehicle account—state appropriation is for the joint transportation committee to conduct an assessment of the current roles and responsibilities of the transportation commission. The purpose of the assessment is to review the current membership, functions, powers, and duties of the transportation commission beyond those granted to the transportation commission as the tolling authority under RCW 47.56.850, for the adoption of ferry fares and pricing policies under RCW 47.60.315, or for work related to the road usage charge pilot project as directed by the legislature. When conducting the assessment, the joint transportation committee must consult with the transportation commission and the office of financial management.

(a) The assessment must consist of a review of the following:

(i) The primary enabling statutes of the transportation commission contained in RCW 47.01.051 through 47.01.075;

(ii) The transportation commission's functions relating to ferries under chapters 47.60 and 47.64 RCW beyond those granted by the legislature for adoption of fares and pricing policies;

(iii) The existing budget of the transportation commission to ensure it is appropriate for the roles and responsibilities it is directed to do by the governor and the legislature;

(iv) The transportation commission's current roles and responsibilities relating to transportation planning, transportation policy development, and other functions; and

(v) Other issues related to the transportation commission as determined by the joint transportation committee.

(b) A report of the assessment findings and recommendations is due to the transportation committees of the legislature by December 31, 2017.

(5)(a) \$360,000 of the motor vehicle account—state appropriation, from the cities' statewide fuel tax distributions under RCW 46.68.110(2), is for the joint transportation committee to conduct a study to assess the current state of city transportation funding, identify emerging issues, and recommend funding sources to meet current and future needs. As part of the study, the joint transportation committee shall:

(i) Identify current city transportation funding responsibilities, sources, and gaps;

(ii) Identify emerging issues that may add additional strain on city costs and funding capacity;

(iii) Identify future city funding needs;

(iv) Evaluate alternative sources of funding; and

(v) Recommend sources of funding to address those needs and gaps.

(b) In considering alternative sources of funding, the study shall evaluate sources available outside of the state of Washington that currently are not available in Washington.

(c) In conducting the study, the joint transportation committee must consult with:

(i) City representatives;

(ii) A representative from the department of transportation local programs division;

(iii) A representative from the transportation improvement board;

(iv) A representative from the department of transportation/metropolitan planning organization/regional transportation planning organization coordinating committee; and

(v) Others as appropriate.

(d) The association of Washington cities and the department of transportation shall provide technical support to the study.

(e) The joint transportation committee must issue a report of its findings and recommendations to the transportation committees of the legislature by June 30, 2019.

(6)(a) \$315,000 of the multimodal transportation account—state appropriation is for a consultant study of the capital needs of public transportation systems operated by public transportation benefit areas, metropolitan municipal corporations, cities, counties, and county transportation authorities. The study must include:

(i) An inventory of each agency's vehicle fleet;

(ii) An inventory of each agency's facilities, including the state of repair;

(iii) The replacement and expansion needs of each agency's vehicle fleet, as well as the associated costs, over the next ten years;

(iv) The replacement and expansion needs for each agency's facilities including, but not limited to, such facilities as park and rides, transit centers, and maintenance buildings;

(v) The source of funding, if known, planned to cover the cost of the bus and facilities replacement and expansion needs including, but not limited to, local revenue, state grants, and federal grants;

(vi) The amount of service that could be provided with the local funds that are currently required for each agency's total capital needs; and

(vii) A list of potential state, federal, or local revenue sources that public transportation agencies could access or implement in order to meet agencies' capital needs. These revenue sources may be either currently available sources or sources that would need legislative authorization.

(b) The Washington state transit association and the Washington state department of transportation shall provide technical support to the study.

(c) The joint transportation committee shall issue a report of its findings and recommendations to the transportation committees of the legislature by ~~((March 4))~~ June 30, 2019.

(7) \$255,000 of the multimodal transportation account—state appropriation is for the joint transportation committee to conduct a study regarding the regulation of transportation network companies within the state of Washington. In conducting the study, the joint transportation committee must consult with relevant representatives of the department of licensing, the utilities and transportation commission, the Washington state patrol, local governments involved in the regulation of transportation network companies, entities providing transportation network services, and other relevant stakeholders. The study must include a review of the regulatory framework used by local jurisdictions within Washington state and in other states, an evaluation of the most effective public safety aspects of a regulatory framework, including among other aspects, the type of required background checks, and an assessment of the most effective and efficient state and local regulatory structure for regulation of transportation network companies. The joint transportation committee must issue a report of its findings and recommendations to the house and senate transportation committees by January 14, 2019.

(8) \$300,000 of the multimodal transportation account—state appropriation is for the joint transportation committee to conduct a study regarding the regulation of taxi and for hire services regulated by state, local governments, and port districts. The study must compare state and local regulations in the state of Washington that govern these private passenger transportation services and may include recommendations for improving the consistency or overall effectiveness and competitive fairness of the current regulatory frameworks. In conducting the study, the joint transportation committee shall consult with the department of licensing, the utilities and transportation commission, the Washington state patrol, appropriate local entities engaged in the regulation of commercial passenger transportation services, and other relevant stakeholders. The joint transportation committee must issue a report of its findings and recommendations to the house and senate transportation committees by January 14, 2019.

(9)(a) (~~(\$150,000 of the highway safety account—state appropriation is for)~~ Within existing resources, the joint transportation committee (~~(to)~~) shall assess and recommend methods for setting state medical standards in the areas listed in (b) of this subsection for commercial driver's license holders and applicants, when these standards are not governed by specific criteria under federal law, to help reduce the current shortage of licensed commercial motor vehicle drivers in the state.

(b) This review must consist of an assessment of possible approaches for developing a method by which to set state standards for:

(i) Medical certification requirements for excepted interstate commercial driver's license holders and applicants, as this class is defined under 49 C.F.R. 383.71, who are not required to obtain medical certification under federal law; and

(ii) Medical waiver requirements for intrastate nonexcepted commercial driver's license holders and applicants, which must be set in a manner consistent with the requirements of 49 C.F.R. Sec. 350.341(h)(2).

(c) The review must include consideration and evaluation of the relevant practices, laws, and regulations of other states. The review must also ensure that recommendations made are consistent with federal law and do not jeopardize federal funding, and that they incorporate relevant safety considerations.

(d) The joint transportation committee must consult with the department of licensing, the Washington state patrol, the traffic safety commission, the state department of health, and stakeholders who rely on the state's commercial driver's license medical certification process.

(e) The joint transportation committee must issue a report of its findings and recommendations, including an indication of statutory changes needed to implement the recommendations, to the transportation committees of the legislature and the governor by January 14, 2019.

Sec. 804. 2018 c 297 s 207 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State Appropriation	(\$490,359,000)
	<u>\$475,475,000</u>
State Patrol Highway Account—Federal Appropriation	\$14,571,000
State Patrol Highway Account—Private/Local Appropriation	\$4,011,000
Highway Safety Account—State Appropriation	\$1,074,000
Ignition Interlock Device Revolving Account—State Appropriation	\$510,000
Multimodal Transportation Account—State Appropriation	\$276,000
TOTAL APPROPRIATION	(\$510,801,000)
	<u>\$495,917,000</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 must be reimbursed for the

use of the vehicle at the prevailing state employee rate for mileage and hours of usage, subject to guidelines developed by the chief of the Washington state patrol.

(2) \$510,000 of the ignition interlock device revolving account—state appropriation is provided (~~solely~~) for the ignition interlock program at the Washington state patrol to provide funding for two staff to work and provide support for the program in working with manufacturers, service centers, technicians, and participants in the program.

(3) \$1,000,000 of the state patrol highway account—state appropriation is provided (~~solely~~) for ongoing support, system updates, maintenance, and an independent assessment of the P25 digital land mobile radio system. Of the amount provided in this subsection, \$400,000 must be used for the independent assessment of the P25 digital land mobile radio system. The independent assessment must identify implementation issues and coverage gaps and recommend strategies to address these issues and gaps. The assessment must be submitted to the governor and the transportation committees of the legislature by September 1, 2018. To the extent practicable, the Washington state patrol shall begin implementing recommendations before the completion of the independent assessment.

(4) The Washington state patrol and the department of transportation shall jointly submit a prioritized list of weigh station projects to the office of financial management by October 1, 2017. Projects submitted must include estimated costs for preliminary engineering, rights-of-way, and construction and must also consider the timing of any available funding for weigh station projects.

(5) The Washington state patrol and the office of financial management must be consulted by the department of transportation during the design phase of any improvement or preservation project that could impact Washington state patrol weigh station operations. During the design phase of any such project, the department of transportation must estimate the cost of designing around the affected weigh station's current operations, as well as the cost of moving the affected weigh station.

(6) \$580,000 of the state patrol highway account—state appropriation is provided (~~solely~~) for the operation of and administrative support to the license investigation unit to enforce vehicle registration laws in southwestern Washington. The Washington state patrol, in consultation with the department of revenue, shall maintain a running estimate of sales and use taxes remitted to the state pursuant to activity conducted by the license investigation unit. At the end of the calendar quarter in which it is estimated that more than \$625,000 in taxes have been remitted to the state since the effective date of this section, the Washington state patrol shall notify the state treasurer and the state treasurer shall transfer funds pursuant to section 408(25), chapter 313, Laws of 2017.

(7) \$600,000 of the state patrol highway account—state appropriation is provided (~~solely~~) for the implementation of chapter 181, Laws of 2017 (WSPRS salary definition).

(8) \$4,354,000 of the state patrol highway account—state appropriation is provided (~~solely~~) for an additional cadet class, consisting of the 35th arming class and 111th trooper basic training class, in the 2017-2019 fiscal biennium.

Sec. 805. 2018 c 297 s 208 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF LICENSING

Marine Fuel Tax Refund Account—State Appropriation	.....	\$34,000
Motorcycle Safety Education Account—State Appropriation	.....	(\$4,607,000) <u>\$4,773,000</u>
State Wildlife Account—State Appropriation	.....	(\$888,000) <u>\$538,000</u>
Highway Safety Account—State Appropriation	.....	(\$254,301,000) <u>\$247,100,000</u>
Highway Safety Account—Federal Appropriation	.....	\$3,215,000
Motor Vehicle Account—State Appropriation	.....	(\$83,871,000) <u>\$82,456,000</u>
Motor Vehicle Account—Federal Appropriation	.....	\$329,000
Motor Vehicle Account—Private/Local Appropriation	.....	(\$5,224,000) <u>\$5,709,000</u>
Ignition Interlock Device Revolving Account—State Appropriation	.....	(\$5,261,000) <u>\$5,932,000</u>
Department of Licensing Services Account—State Appropriation	.....	\$6,903,000
License Plate Technology Account—State Appropriation	.....	\$3,000,000
Abandoned Recreational Vehicle Account—State Appropriation	.....	(\$172,000) <u>\$312,000</u>
((Driver Licensing Technology Support Account—State Appropriation	.....	\$150,000)
TOTAL APPROPRIATION	.....	(\$367,955,000) <u>\$360,301,000</u>

The appropriations in this section are subject to the following conditions and limitations:

~~((2))~~ (1) \$20,810,000 of the highway safety account—state appropriation and \$3,000,000 of the license plate technology account—state appropriation are provided solely for business and technology modernization. The department and the state chief information officer or his or her designee must provide a joint project status report to the transportation committees of the legislature on at least a calendar quarter basis. The report must include, but is not limited to: Detailed information about the planned and actual scope, schedule, and budget; status of key vendor and other project deliverables; and a description of significant changes to planned deliverables or system functions over the life of the project. Project staff will periodically brief the committees or the committees' staff on system security and data protection measures.

~~((3))~~ (2) The department when modernizing its computer systems must place personal and company data elements in separate data fields to allow the department to select discrete data elements when providing information or data to persons or entities outside the department. This requirement must be included as part of the systems design in the department's business and technology modernization. Pursuant to the restrictions in federal and state law, a person's photo, social security number, or medical information must not be made

available through public disclosure or data being provided under RCW 46.12.630 or 46.12.635.

~~((4))~~ (3) \$4,471,000 of the highway safety account—state appropriation is provided solely for costs necessary to accommodate increased demand for enhanced drivers' licenses and enhanced identicards. The office of financial management shall place the entire amount provided in this subsection in unallotted status. The office of financial management may release portions of the funds when it determines that average wait times have increased by more than two minutes based on wait time and volume data provided by the department compared to average wait times and volume during the month of December 2016. The department and the office of financial management shall evaluate the use of these funds on a monthly basis and periodically report to the transportation committees of the legislature on average wait times and volume data for enhanced drivers' licenses and enhanced identicards.

~~((5))~~ (4) The department shall continue to encourage the use of online vehicle registration renewal reminders and minimize the number of letters mailed by the department. To further this goal, the department shall develop a pilot program to replace first-class mail, letter-form renewal reminders with postcard renewal reminders. The goal of the pilot program is to realize substantial savings on printing and postage costs. The pilot program must include customers who performed their last renewal online and still receive a paper renewal notice. The appropriations in this section reflect savings in postage and printing costs of at least \$250,000 in the 2017-2019 fiscal biennium.

~~((6))~~ (5) \$550,000 of the highway safety account—state appropriation is provided solely for communication and outreach activities necessary to inform the public of federally acceptable identification options including, but not limited to, enhanced drivers' licenses and enhanced identicards. The department shall develop and implement an outreach plan that includes informational material that can be effectively communicated to all communities and populations in Washington. At least thirty-five percent of this appropriation must be used by the department for outreach efforts to communities that would not otherwise be served by traditional media outlets.

~~((7))~~ (6) \$19,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 334, Laws of 2017 (distracted driving).

~~((8))~~ (7) \$57,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 11, Laws of 2017 (aviation license plate).

~~((9))~~ (8) \$572,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 197, Laws of 2017 (driver education uniformity).

~~((10))~~ (9) \$39,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 25, Laws of 2017 (Fred Hutch license plate).

~~((11))~~ (10) \$104,000 of the ignition interlock device revolving account—state appropriation is provided solely for the implementation of chapter 336, Laws of 2017 (impaired driving).

~~((42))~~ (11) \$500,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 206, Laws of 2017 (foster youth/driving).

~~((43))~~ (12) \$61,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 310, Laws of 2017 (REAL ID compliance).

~~((44))~~ (13)(a) Within existing funds, the department, in consultation with the department of ecology, shall convene a work group comprised of registered tow truck operators, hulk haulers, representatives from county solid waste facilities, and the recycling community to develop a sustainable plan for the collection and disposal of abandoned recreational vehicles.

(b) The work group shall report on the current problems relating to abandoned recreational vehicles and develop policy options for procedures relating to the transportation, recycling, and disposal of abandoned recreational vehicles, as well as other potentially related issues. As a result of its discussions, the work group shall also produce draft legislation. The final report and draft legislation are due to the standing transportation committees of the legislature on December 1, 2017.

~~((45))~~ (14) \$30,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 122, Laws of 2017 (reduced-cost identicards).

~~((46))~~ (15) \$112,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 218, Laws of 2017 (registration enforcement).

~~((47))~~ (16) \$30,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 43, Laws of 2017 (tow truck notices).

~~((48))~~ (17) \$230,000 of the highway safety account—state appropriation is provided solely for developing an application program interface service. This work must result in a mobile browser based application for use on tablet devices at licensing services offices.

(a) The application must be able to be used by licensing services offices staff for:

(i) Prescreening customers and directing them to the most efficient service line;

(ii) Performing any transaction within the department's online services;

(iii) Answering customer questions regarding license status and reinstatement; and

(iv) Providing a queue ticket to customers waiting for service inside and outside the office.

(b) Additionally, the application must be:

(i) Able to add a feature allowing customers to get in line via an online application and receive a mobile text message when their turn is approaching; and

(ii) Scalable to add other features to mobile devices to expedite customer service.

~~((20) \$27,796,000)~~ (18) \$21,096,000 of the highway safety account—state appropriation is provided solely for costs necessary to accommodate increased demand for enhanced drivers' licenses and enhanced identicards. The department

shall report on a quarterly basis on the use of these funds, associated workload, and information with comparative information with recent comparable months in prior years. The report will include detailed statewide and by licensing service office information on staffing levels, average monthly wait times, the number of enhanced drivers' licenses and enhanced identicards issued/renewed, and the number of primary drivers' licenses and identicards issued/renewed. Within the amounts provided in this subsection, the department shall implement efficiency measures to reduce the time for licensing transactions and wait times, including, but not limited to, the installation of additional cameras at licensing service offices that reduce bottlenecks and align with the keep your customer initiative.

~~((21))~~ (19) \$45,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ~~((... (Second Substitute House Bill No. 1513)))~~ 109, Laws of 2018 (enhancing youth voter registration). If chapter ~~((... (Second Substitute House Bill No. 1513)))~~ 109, Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

~~((23))~~ (20) \$70,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ~~((... (Engrossed Second Substitute House Bill No. 2595)))~~ 110, Laws of 2018 (procedures in order to automatically register citizens to vote). If chapter ~~((... (Engrossed Second Substitute House Bill No. 2595)))~~ 110, Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

~~((24))~~ (21) \$26,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ~~((... (Substitute House Bill No. 2612)))~~ 135, Laws of 2018 (tow truck operators). If chapter ~~((... (Substitute House Bill No. 2612)))~~ 135, Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

~~((27))~~ (22) \$34,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter ~~((... (Substitute Senate Bill No. 5746)))~~ 67, Laws of 2018 (concerning the association of Washington generals). If chapter ~~((... (Substitute Senate Bill No. 5746)))~~ 67, Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

~~((31))~~ (23) \$17,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ~~((... (Substitute Senate Bill No. 6155)))~~ 192, Laws of 2018 (bone marrow donation information). If chapter ~~((... (Substitute Senate Bill No. 6155)))~~ 192, Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

~~((32))~~ (24) \$172,000 of the abandoned recreational vehicle disposal account—state appropriation is provided solely for the implementation of chapter ~~((... (Substitute Senate Bill No. 6437)))~~ 287, Laws of 2018 (disposal of recreational vehicles abandoned on public property). If chapter ~~((... (Substitute Senate Bill No. 6437)))~~ 287, Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

~~((33))~~ (25) \$13,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter ~~((... (Substitute Senate Bill No. 6438)))~~ 79, Laws of 2018 (clarifying the collection process for existing vehicle service transactions). If chapter ~~((... (Substitute Senate Bill No. 6438)))~~ 79, Laws of 2018 is not enacted by June 30, 2018, the amount provided in this subsection lapses.

~~((34))~~ (26) The department shall within the department's appropriations, conduct a study to evaluate options and potential methods for allowing digital license plates. The report must include information on the durability and legibility of digital license plates in different weather conditions, costs, data security, tolling and vehicle fees, protection of personal and vehicle information, and other implementation issues. This will include an evaluation of how the digital license plates can contain tamper-resistant and antitheft features, but can continue to display the unique license plate number assigned to the vehicle at all times. The department of licensing must consult with the Washington state patrol, the department of transportation, and other appropriate entities in conducting the study. The department of licensing must present a report to the standing transportation committees of the legislature by January 1, 2019.

~~((35))~~ (27) \$200,000 of the highway safety account—state appropriation is provided solely for the department to implement employee training and other activities related to improving the protection of private information and increasing racial and cultural awareness by employees in administering licensing responsibilities.

(28) \$140,000 of the abandoned recreational vehicle disposal account—state appropriation is provided solely for providing reimbursements in accordance with the department's abandoned recreational vehicle disposal reimbursement program. It is the intent of the legislature that the department prioritize this funding for allowable and approved reimbursements and not to build a reserve of funds within the account.

Sec. 806. 2018 c 297 s 209 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—TOLL OPERATIONS AND MAINTENANCE—PROGRAM B

High Occupancy Toll Lanes Operations Account—State

Appropriation	(\$4,462,000)
	\$4,391,000

Motor Vehicle Account—State Appropriation	\$513,000
State Route Number 520 Corridor Account—State	

Appropriation	(\$57,123,000)
	\$55,885,000

State Route Number 520 Civil Penalties Account—State

Appropriation	\$4,129,000
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Tacoma Narrows Toll Bridge Account—State

Appropriation	(\$33,618,000)
	\$33,086,000

Interstate 405 Express Toll Lanes Operations

Account—State Appropriation	(\$21,757,000)
	\$21,297,000

Alaskan Way Viaduct Replacement Project Account—State

Appropriation	(\$13,938,000)
	\$6,656,000

TOTAL APPROPRIATION	(\$135,540,000)
	\$125,957,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,300,000 of the Tacoma Narrows toll bridge account—state appropriation and \$9,048,000 of the state route number 520 corridor account—state appropriation are provided solely for the purposes of addressing unforeseen operations and maintenance costs on the Tacoma Narrows bridge and the state route number 520 bridge, respectively. The office of financial management shall place the amounts provided in this subsection, which represent a portion of the required minimum fund balance under the policy of the state treasurer, in unallotted status. The office may release the funds only when it determines that all other funds designated for operations and maintenance purposes have been exhausted.

(2) \$3,100,000 of the Interstate 405 express toll lanes operations account—state appropriation, \$1,498,000 of the state route number 520 corridor account—state appropriation, and \$1,802,000 of the high occupancy toll lanes operations account—state appropriation are provided solely for the operation and maintenance of roadside toll collection systems.

(3) (~~(\$4,131,000)~~) \$4,129,000 of the state route number 520 civil penalties account—state appropriation, \$2,192,000 of the Tacoma Narrows toll bridge account—state appropriation, and \$1,191,000 of the Interstate 405 express toll lanes operations account—state appropriation are provided solely for expenditures related to the toll adjudication process.

(4) The department shall make detailed quarterly expenditure reports available to the Washington state transportation commission and to the public on the department's web site using current resources. The reports must include a summary of toll revenue by facility on all operating toll facilities and high occupancy toll lane systems, and an itemized depiction of the use of that revenue.

(5) As long as the facility is tolled, the department must provide quarterly reports to the transportation committees of the legislature on the Interstate 405 express toll lane project performance measures listed in RCW 47.56.880(4). These reports must include:

(a) Information on the travel times and travel time reliability (at a minimum, average and 90th percentile travel times) maintained during peak and nonpeak periods in the express toll lanes and general purpose lanes for both the entire corridor and commonly made trips in the corridor including, but not limited to, northbound from Bellevue to Rose Hill, state route number 520 at NE 148th to Interstate 405 at state route number 522, Bellevue to Bothell (both NE 8th to state route number 522 and NE 8th to state route number 527), and a trip internal to the corridor (such as NE 85th to NE 160th) and similar southbound trips;

(b) A month-to-month comparison of travel times and travel time reliability for the entire corridor and commonly made trips in the corridor as specified in (a) of this subsection since implementation of the express toll lanes and, to the extent available, a comparison to the travel times and travel time reliability prior to implementation of the express toll lanes;

(c) Total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane (i) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane, on this segment of Interstate 405 prior to implementation of the express toll lanes and (ii) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic

volumes for each type of lane, from month to month since implementation of the express toll lanes; and

(d) Underlying congestion measurements, that is, speeds, that are being used to generate the summary graphs provided, to be made available in a digital file format.

(6) (~~(\$666,000)~~) \$595,000 of the high occupancy toll lanes operations account—state appropriation, (~~(\$11,527,000)~~) \$10,289,000 of the state route number 520 corridor account—state appropriation, (~~(\$4,955,000)~~) \$4,423,000 of the Tacoma Narrows toll bridge account—state appropriation, (~~(\$4,286,000)~~) \$3,826,000 of the Interstate 405 express toll lanes operations account—state appropriation, and (~~(\$6,506,000)~~) \$5,807,000 of the Alaskan Way viaduct replacement project account—state appropriation are provided solely for the department to implement a new tolling customer service toll collection system, and are subject to the conditions, limitations, and review provided in section 701, chapter 313, Laws of 2017.

(a) The office of financial management shall place \$2,000,000 of the amounts provided in this subsection in unallotted status, to be distributed between the facilities using the account proportions in this subsection. If the vendors selected as the successful bidders for the new tolling customer service toll collection system or the operator of the new system are different than the vendor as of January 1, 2017, the office of financial management may release portions of this amount as transition costs.

(b) The funds provided in this subsection from the Alaskan Way viaduct replacement project account—state appropriation are provided through a transfer from the motor vehicle account—state in section 408(26), chapter 313, Laws of 2017. These funds are a loan to the Alaskan Way viaduct replacement project account—state, and the legislature assumes that these funds will be reimbursed to the motor vehicle account—state at a later date when the portion of state route number 99 that is the deep bore tunnel is operational.

(c) The department must provide a project status report to the office of financial management and the transportation committees of the legislature on at least a calendar quarterly basis. The report must include, but is not limited to:

(i) Detailed information about the planned and actual scope, schedule, and budget;

(ii) Status of key vendor and other project deliverables; and

(iii) A description of significant changes to planned deliverables or system functions over the life of the project.

(d) The department shall continue to work with the office of financial management, office of the chief information officer, and the transportation committees of the legislature on the project management plan that includes a provision for independent verification and validation of contract deliverables from the successful bidder and a provision for quality assurance that includes reporting independently to the office of the chief information officer on an ongoing basis during system implementation.

(7) The department shall make detailed quarterly reports to the governor and the transportation committees of the legislature on the following:

(a) The use of consultants in the tolling program, including the name of the contractor, the scope of work, the type of contract, timelines, deliverables, any new task orders, and any extensions to existing consultant contracts;

(b) The nonvendor costs of administering toll operations, including the costs of staffing the division, consultants and other personal service contracts required for technical oversight and management assistance, insurance, payments related to credit card processing, transponder purchases and inventory management, facility operations and maintenance, and other miscellaneous nonvendor costs; and

(c) The vendor-related costs of operating tolled facilities, including the costs of the customer service center, cash collections on the Tacoma Narrows bridge, electronic payment processing, and toll collection equipment maintenance, renewal, and replacement.

(d) The toll adjudication process, including a summary table for each toll facility that includes:

(i) The number of notices of civil penalty issued;

(ii) The number of recipients who pay before the notice becomes a penalty;

(iii) The number of recipients who request a hearing and the number who do not respond;

(iv) Workload costs related to hearings;

(v) The cost and effectiveness of debt collection activities; and

(vi) Revenues generated from notices of civil penalty.

(8) (~~(\$13,179,000)~~) \$13,180,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for operational costs related to the express toll lane facility. The office of financial management shall place \$6,808,000 of the amount provided in this subsection in unallotted status. The office of financial management may only release the funds to the department upon the passage of a 2018 supplemental transportation budget.

(9) In 2021, toll equipment on the Tacoma Narrows Bridge will have reached the end of its operational life. During the 2017-2019 fiscal biennium, the department plans to issue a request for proposals as the first stage of a competitive procurement process that will replace the toll equipment and select a new tolling operator for the Tacoma Narrows Bridge. The request for proposals and subsequent competitive procurement must incorporate elements that prioritize the overall goal of lowering costs per transaction for the facility, such as incentives for innovative approaches which result in lower transactional costs, requests for efficiencies on the part of the bidder that lower operational costs, and incorporation of technologies such as self-serve credit card machines or other point-of-payment technologies that lower costs or improve operational efficiencies.

(10) (~~(\$5,583,000 of the Alaskan Way viaduct replacement project account—state appropriation is provided solely for the new state route number 99 tunnel toll facility's expected proportional share of collecting toll revenues, operating customer services, and maintaining toll collection systems for the last seven months of the biennium. Due to the uncertainty of the new state route number 99 tunnel toll facility timeline, the legislature is holding the other tolled facilities' administrative cost shares constant for this biennium. The legislature expects to see appropriate reductions to the other toll facility accounts once tolling on the new state route number 99 tunnel toll facility commences and any previously incurred costs for start-up of the new facility are charged back to the Alaskan Way viaduct replacement project account. The office of financial management shall closely monitor the application of the cost allocation model~~

and ensure that the new state route number 99 tunnel toll facility is adequately sharing costs and the other toll facility accounts are not being overspent or subsidizing the new state route number 99 tunnel toll facility.

~~((1) \$1,849,000)) \$849,000 of the Alaskan Way viaduct replacement project account—state appropriation is provided solely for the costs associated with the sale of transponders for the opening of the new state route number 99 tunnel toll facility in Seattle. ((The office of financial management shall place \$510,000 of the amount provided in this subsection in unallotted status. The office of financial management may only release the funds to the department if it determines the transponder inventory will otherwise not be sufficient for facility ramp up.))~~

Sec. 807. 2018 c 297 s 210 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—INFORMATION TECHNOLOGY—PROGRAM C

Transportation Partnership Account—State Appropriation	\$1,460,000
Motor Vehicle Account—State Appropriation	(\$87,865,000))
	<u>\$87,880,000</u>
Puget Sound Ferry Operations Account—State	
Appropriation	\$263,000
Multimodal Transportation Account—State	
Appropriation	\$2,878,000
Transportation 2003 Account (Nickel Account)—State	
Appropriation	\$1,460,000
TOTAL APPROPRIATION	(\$93,926,000))
	<u>\$93,941,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$9,588,000 of the motor vehicle account—state appropriation is provided solely for the development of the labor system replacement project and is subject to the conditions, limitations, and review provided in section 701, chapter 313, Laws of 2017. It is the intent of the legislature that if any portion of the labor system replacement project is leveraged in the future for the time, leave, and labor distribution of any other agencies, the motor vehicle account will be reimbursed proportionally for the development of the system since amounts expended from the motor vehicle account must be used exclusively for highway purposes in conformance with Article II, section 40 of the state Constitution. This must be accomplished through a loan arrangement with the current interest rate under the terms set by the office of the state treasurer at the time the system is deployed to additional agencies. If the motor vehicle account is not reimbursed for future use of the system, it is further the intent of the legislature that reductions will be made to central service agency charges accordingly.

(2) \$2,296,000 of the motor vehicle account—state appropriation is provided solely for the development of ferries network systems support.

(3) \$365,000 of the motor vehicle account—state appropriation is provided solely for the department to contract with a consultant to develop a plan, in consultation with the office of financial management, and cost estimate to

modernize and migrate the department's business applications from an agency-based data center to the state data center or a cloud-based environment.

Sec. 808. 2018 c 297 s 211 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—FACILITY MAINTENANCE, OPERATIONS, AND CONSTRUCTION—PROGRAM D—OPERATING

Motor Vehicle Account—State Appropriation	.....((\$29,368,000))	
		<u>\$29,325,000</u>
State Route Number 520 Corridor Account—State		
Appropriation	.....	\$34,000
TOTAL APPROPRIATION	.....((\$29,402,000))	
		<u>\$29,359,000</u>

Sec. 809. 2018 c 297 s 212 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—AVIATION—PROGRAM F

Aeronautics Account—State Appropriation	.....((\$7,326,000))	
		<u>\$7,247,000</u>
Aeronautics Account—Federal Appropriation	.....((\$6,855,000))	
		<u>\$7,722,000</u>
Aeronautics Account—Private/Local Appropriation	.....	\$171,000
Public Use General Aviation Airport Loan Revolving		
Account—State Appropriation	.....	\$35,000
TOTAL APPROPRIATION	.....((\$14,387,000))	
		<u>\$15,175,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,122,000 of the aeronautics account—state appropriation is provided solely for the airport aid grant program, which provides competitive grants to public airports for pavement, safety, planning, and security.

(2) The entire public use general aviation airport loan revolving account—state appropriation is provided solely for the department to support and implement the public use general aviation airport loan program prior to the creation of the community aviation revitalization board.

~~((4))~~ (3) Within amounts appropriated in this section, the department shall convene an electric aircraft work group to analyze the state of the electrically powered aircraft industry and assess infrastructure needs related to the deployment of electric or hybrid-electric aircraft for commercial air travel in Washington state.

(a) The work group must include, but is not limited to, representation from the electric aircraft industry, the aircraft manufacturing industry, electric utility districts, the battery industry, the department of commerce, the department of transportation aviation division, the airline pilots association, a primary airport representing an airport association, and the airline industry.

(b) The work group must consider, at a minimum, and make recommendations on the feasibility of electric or hybrid-electric flight given: Federal certification requirements; current and anticipated advancements to battery technology; infrastructure requirements and capacity impacts at primary airports; the need for and feasibility of industry incentives; the potential for

public-private partnerships; impacts to revenues generated from aviation fuel sales; educational requirements for maintaining electric or hybrid-electric powered aircraft; homeland security checkpoint requirements; public acceptance of the technology; a cost comparison of fossil fuel and electric or hybrid-electric aircraft engines; emission reduction potential; and policy changes needed to facilitate electric or hybrid-electric powered aircraft use for commercial air travel in Washington state.

(c) The work group must report its findings and recommendations to the transportation committees of the legislature by June 30, 2019.

Sec. 810. 2018 c 297 s 213 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF TRANSPORTATION—PROGRAM
DELIVERY MANAGEMENT AND SUPPORT—PROGRAM H

Motor Vehicle Account—State Appropriation	.....	(\$56,408,000)
		<u>\$56,407,000</u>
Motor Vehicle Account—Federal Appropriation	.....	\$500,000
Multimodal Transportation Account—State Appropriation	.....	\$256,000
TOTAL APPROPRIATION	.....	(\$57,164,000)
		<u>\$57,163,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$300,000 of the motor vehicle account—state appropriation is provided solely for the completion of property value determinations for surplus properties to be sold. The value determinations must be completed by agency staff if available; otherwise, the agency may contract out for these services. The real estate services division of the department must recover the cost of its efforts from the sale of surplus property. Proceeds for surplus property sales must fund additional future sales, and the real estate services division shall prioritize staff resources to meet revenue assumptions for surplus property sales.

(2) The legislature recognizes that the trail known as the Rocky Reach Trail, and its extensions, serve to separate motor vehicle traffic from pedestrians and bicyclists, increasing motor vehicle safety on state route number 2 and the coincident section of state route number 97. Consistent with chapter 47.30 RCW and pursuant to RCW 47.12.080, the legislature declares that transferring portions of WSDOT Inventory Control (IC) No. 2-09-04686 containing the trail and associated buffer areas to the Washington state parks and recreation commission is consistent with the public interest. The legislature directs the department to transfer the property to the Washington state parks and recreation commission.

(a) The department must be paid fair market value for any portions of the transferred real property that is later abandoned, vacated, or ceases to be publicly maintained for trail purposes.

(b) Prior to completing the transfer in this subsection (2), the department must ensure that provisions are made to accommodate private and public utilities and any facilities that predate the department's acquisition of the property, at no cost to those entities. Prior to completing the transfer, the department shall also ensure that provisions, by fair market assessment, are made to accommodate other private and public utilities and any facilities that have been legally allowed by permit or other instrument.

(c) The department may sell any adjoining property that is not necessary to support the Rocky Reach Trail and adjacent buffer areas only after the transfer of trail-related property to the Washington state parks and recreation commission is complete. Adjoining property owners must be given the first opportunity to acquire such property that abuts their property, and applicable boundary line or other adjustments must be made to the legal descriptions for recording purposes.

(3) With respect to Parcel 12 of the real property conveyed by the state of Washington to the city of Mercer Island under that certain quitclaim deed, dated April 19, 2000, recorded in King county under recording no. 20000425001234, the requirement in the deed that the property be used for road/street purposes only will be deemed satisfied by the department of transportation so long as commuter parking, as part of the vertical development of the property, is one of the significant uses of the property.

Sec. 811. 2018 c 297 s 214 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC-PRIVATE PARTNERSHIPS—PROGRAM K

Motor Vehicle Account—State Appropriation	((\$639,000))
	<u>\$636,000</u>
Electric Vehicle Charging Infrastructure	
Account—State Appropriation	\$1,000,000
Multimodal Transportation Account—State	
Appropriation	\$610,000
TOTAL APPROPRIATION	((\$2,249,000))
	<u>\$2,246,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$35,000 of the multimodal transportation account—state appropriation is provided solely for the public-private partnerships program to conduct an outreach effort to assess interest in a public-private partnership to rebuild the Anacortes ferry terminal. The public-private partnerships program shall issue a request for letters of interest, similar to the request issued in 2009, in a public-private partnership to rebuild the Anacortes ferry terminal by combining the ferry terminal functions and structure with one or more commercial ventures, including, but not limited to, ventures to provide lodging, conference and meeting facilities, food service, shopping, or other retail operations. The public-private partnerships program shall notify the transportation committees of the legislature upon release of the request for letters of interest and shall provide the transportation committees of the legislature with a summary of the information collected once the letters of interest have been received.

(2) \$1,000,000 of the electric vehicle charging infrastructure account—state appropriation is provided solely for the purpose of capitalizing the Washington electric vehicle infrastructure bank as provided in chapter 44, Laws of 2015 3rd sp. sess. (transportation revenue). The department may spend no more than one million dollars from the electric vehicle charging infrastructure account during the four-year period of the 2015-2017 and 2017-2019 fiscal biennia.

(3) The economic partnerships program must continue to explore retail partnerships at state-owned park and ride facilities, as authorized in RCW 47.04.295.

(4) \$500,000 of the multimodal transportation account—state appropriation is provided solely to study public-private partnership alternatives for the financing and construction of an entry building located at Colman Dock.

(a) As part of the study, the public-private partnerships program must work with the city of Seattle, Native American tribes, and local community groups to evaluate the efficacy of contracting with a private entity to participate in the construction of the Colman Dock entry building. The study must:

- (i) Identify and discuss options to construct the facility as currently scoped;
- (ii) Identify and discuss options, including rescoping the current design of the facility for purposes of providing a project that has the potential to increase economic development activities along the Seattle waterfront area, such as through the inclusion of office space and restaurants;
- (iii) Consider concepts and options found in the design development described in the 2013-2015 capital budget (chapter 19, Laws of 2013 2nd sp. sess.), including connections to Pier 48 as a future public park;
- (iv) Consider rooftop public access for panoramic views of the Puget Sound and Olympic mountains; and
- (v) Consider exhibits of the history and heritage of the vicinity.

(b) By November 15, 2017, the public-private partnerships program must provide a report to the governor and the transportation committees of the legislature on the program's findings and recommendations.

(5) \$75,000 of the multimodal transportation account—state appropriation is provided solely for the department to contract with the Puget Sound Clean Air Agency to conduct a study that identifies and evaluates opportunities to facilitate low-income utilization of electric vehicles. The study must include, but is not limited to, development and evaluation of an electric vehicle car-sharing program for low-income housing sites that is designed to maximize the use of electric vehicles by residents of these sites, and that must consider any infrastructure needs that will need to be met to support the use of electric vehicles at these sites. The department must provide a report detailing the findings of this study to the transportation committees of the legislature by December 1, 2018.

Sec. 812. 2018 c 297 s 215 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M

Motor Vehicle Account—State Appropriation	.....((\$451,660,000))
	<u>\$469,820,000</u>
Motor Vehicle Account—Federal Appropriation	..... \$7,000,000
State Route Number 520 Corridor—State	
Appropriation	..... \$4,447,000
Tacoma Narrows Toll Bridge Account—State	
Appropriation	..... \$1,233,000
Alaskan Way Viaduct Replacement Project	
Account—State Appropriation	.....((\$2,982,000))
	<u>\$1,865,000</u>
TOTAL APPROPRIATION	.....((\$467,322,000))
	<u>\$484,365,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) (~~(\$8,000,000)~~) \$8,242,000 of the motor vehicle account—state appropriation is provided solely for utility fees assessed by local governments as authorized under RCW 90.03.525 for the mitigation of stormwater runoff from state highways.

(2) \$4,447,000 of the state route number 520 corridor account—state appropriation is provided solely to maintain the state route number 520 floating bridge. These funds must be used in accordance with RCW 47.56.830(3).

(3) \$1,233,000 of the Tacoma Narrows toll bridge account—state appropriation is provided solely to maintain the new Tacoma Narrows bridge. These funds must be used in accordance with RCW 47.56.830(3).

(4) \$35,000 of the motor vehicle account—state appropriation is provided solely for the department to submit a request for proposals as part of a pilot project that explores the use of rotary auger ditch cleaning and reshaping service technology in maintaining roadside ditches for state highways. The pilot project must consist of at least one technology test on each side of the Cascade mountain range.

(5) \$631,000 of the motor vehicle account—state appropriation is provided solely for the department to implement safety improvements and debris clean up on department-owned rights-of-way in the city of Seattle. Direct or contracted activities must include collecting and disposing of garbage, clearing debris or hazardous material, and implementing safety improvements. Funds may also be used to contract with the city of Seattle to provide mutual services in rights-of-way similar to contract agreements in the 2015-2017 fiscal biennium. \$381,000 of the amount provided in this subsection is provided solely for one-time equipment procurement needed to implement this subsection.

(6) \$15,000,000 of the motor vehicle account—state appropriation is provided solely for extraordinary snow and ice removal expenses and related road repair expenses incurred during the winter of 2018-2019.

Sec. 813. 2018 c 297 s 216 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—OPERATING

Motor Vehicle Account—State Appropriation	(\$65,743,000)
	<u>\$65,711,000</u>
Motor Vehicle Account—Federal Appropriation	\$2,050,000
Motor Vehicle Account—Private/Local Appropriation	(\$250,000)
	<u>\$350,000</u>
TOTAL APPROPRIATION	(\$68,043,000)
	<u>\$68,111,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$6,000,000 of the motor vehicle account—state appropriation is provided solely for low-cost enhancements. The department shall give priority to low-cost enhancement projects that improve safety or provide congestion relief. By December 15th of each odd-numbered year, the department shall provide a report to the legislature listing all low-cost enhancement projects completed in the prior fiscal biennium.

(2) When regional transit authority construction activities are visible from a state highway, the department shall allow the regional transit authority to place safe and appropriate signage informing the public of the purpose of the construction activity.

(3) The department must make signage for low-height bridges a high priority.

(4) \$50,000 of the motor vehicle account—state appropriation is provided solely for the department to coordinate with the appropriate local jurisdictions for development and implementation of a historic route 10 signage program on Interstate 90 from the Columbia River to the Idaho state border.

(5)(a) During the 2017-2019 fiscal biennium, the department shall continue a pilot program that expands private transportation providers' access to high occupancy vehicle lanes. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, the following vehicles must be authorized to use the reserved portion of the highway if the vehicle has the capacity to carry eight or more passengers, regardless of the number of passengers in the vehicle: (i) Auto transportation company vehicles regulated under chapter 81.68 RCW; (ii) passenger charter carrier vehicles regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; (iii) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and (iv) private employer transportation service vehicles. For purposes of this subsection, "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees. Nothing in this subsection is intended to authorize the conversion of public infrastructure to private, for-profit purposes or to otherwise create an entitlement or other claim by private users to public infrastructure.

(b) The department shall expand the high occupancy vehicle lane access pilot program to vehicles that deliver or collect blood, tissue, or blood components for a blood-collecting or distributing establishment regulated under chapter 70.335 RCW. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, blood-collecting or distributing establishment vehicles that are clearly and identifiably marked as such on all sides of the vehicle are considered emergency vehicles and must be authorized to use the reserved portion of the highway.

(c) The department shall expand the high occupancy vehicle lane access pilot program to private, for hire vehicles regulated under chapter 81.72 RCW that have been specially manufactured, designed, or modified for the transportation of a person who has a mobility disability and uses a wheelchair or other assistive device. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, wheelchair-accessible taxicabs that are clearly and identifiably marked as such on all sides of the vehicle are considered public transportation vehicles and must be authorized to use the reserved portion of the highway.

(d) Nothing in this subsection (5) is intended to exempt these vehicles from paying tolls when they do not meet the occupancy requirements established by the department for high occupancy toll lanes.

Sec. 814. 2018 c 297 s 217 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S**

Motor Vehicle Account—State Appropriation	(\$34,198,000)
	<u>\$34,207,000</u>
Motor Vehicle Account—Federal Appropriation	\$1,656,000
Multimodal Transportation Account—State Appropriation	\$1,129,000
TOTAL APPROPRIATION	(\$36,983,000)
	<u>\$36,992,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,500,000 of the motor vehicle account—state appropriation is provided solely for a grant program that makes awards for the following: (a) Support for nonprofit agencies, churches, and other entities to help provide outreach to populations underrepresented in the current apprenticeship programs; (b) preapprenticeship training; and (c) child care, transportation, and other supports that are needed to help women, veterans, and minorities enter and succeed in apprenticeship. The department must report on grants that have been awarded and the amount of funds disbursed by December 1, 2017, and annually thereafter.

(2) \$300,000 of the motor vehicle account—state appropriation is provided solely for succession planning and leadership training. The department shall report on the implementation of these activities to the transportation committees of the legislature by December 31, 2018.

(3) From the revenues generated by the five dollar per studded tire fee under RCW 46.37.427, \$150,000 of the motor vehicle account—state appropriation is provided solely for the department, in consultation with the appropriate local jurisdictions and relevant stakeholder groups, to establish a pilot media-based public information campaign regarding the damage of studded tire use on state and local roadways in Spokane county. The reason for the geographic selection of Spokane county for the pilot is based on the high utilization of studded tires in this jurisdiction. The public information campaign must primarily focus on making the consumer aware of the road deterioration, financial impact for taxpayers, the safety implications for other drivers, and, secondarily, the alternatives to studded tires. The pilot must begin by September 1, 2018. By January 14, 2019, the department shall provide the transportation committees of the legislature an update on the pilot public information program. It is the intent of the legislature that the public information campaign will be a two-year pilot program with a report to the legislature upon completion of the pilot program.

Sec. 815. 2018 c 297 s 218 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
TRANSPORTATION PLANNING, DATA, AND RESEARCH—
PROGRAM T**

Motor Vehicle Account—State Appropriation	(\$28,073,000)
	<u>\$27,604,000</u>
Motor Vehicle Account—Federal Appropriation	\$39,782,000
Motor Vehicle Account—Local Appropriation	\$100,000
Multimodal Transportation Account—State Appropriation	\$711,000

Multimodal Transportation Account—Federal	
Appropriation	\$2,809,000
Multimodal Transportation Account—Private/Local	
Appropriation	\$100,000
TOTAL APPROPRIATION	(\$71,575,000)
	<u>\$71,106,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall investigate opportunities for a transit-oriented development pilot project at the existing Kingsgate park and ride at Interstate 405 and 132nd. The department must coordinate with the city of Kirkland and other key stakeholders to determine the feasibility and cost of transit-oriented development at Kingsgate. A report on the process and outcomes is due to the transportation committees of the legislature no later than December 1, 2017.

(2) \$100,000 of the motor vehicle account—state appropriation and \$250,000 of the motor vehicle account—federal appropriation are provided solely for a study that details a cost estimate for replacing the westbound U.S. 2 trestle and recommends a series of financing options to address that cost and to satisfy debt service requirements.

In conducting the study, the department shall work in close collaboration with a stakeholder group that includes, but is not limited to, Snohomish county, the port of Everett, economic alliance Snohomish county, the cities of Everett, Lake Stevens, Marysville, Snohomish, and Monroe, and affected transit agencies.

The department shall quantify both the cost of replacing the westbound trestle structure and making mobility and capacity improvements to maximize the use of the structure in the years leading up to full replacement. Financing options that should be examined and quantified include public-private partnerships, public-public partnerships, a transportation benefit district tailored to the specific incorporated and unincorporated area, loans and grants, and other alternative financing measures available at the state or federal level.

The department shall also evaluate ways in which the costs of alternative financing can be debt financed.

The department shall complete the study and submit a final report and recommendations to the transportation committees of the legislature, including recommendations on statutory changes needed to implement available financing options, by January 8, 2018.

(3) \$181,000 of the motor vehicle account—state appropriation is provided solely for the department, in coordination with the University of Washington department of mechanical engineering, to study measures to reduce noise impacts from bridge expansion joints. The study must examine testing methodologies and project timelines and costs. A final report must be submitted to the transportation committees of the legislature by October 15, 2018.

(4) \$200,000 of the motor vehicle account—state appropriation is provided solely for implementation of a practical solutions study for the state route number 162 and state route number 410 interchange, based on the recommendations of the SR-162 Study/Design project (L2000107). The study

must include short, medium, and long-term phase recommendations and must be submitted to the transportation committees of the legislature by January 1, 2019.

(5) \$500,000 of the motor vehicle account—state appropriation is provided solely for implementation of a state route number 518 corridor study to be conducted in partnership with the Port of Seattle, Sound Transit and other regional entities. The department must study practical solutions to address high vehicle volumes and delays in the corridor including evaluation of solutions to the rapid growth of traffic in the corridor and how that growth impacts access to the Seattle-Tacoma international airport and the surrounding communities. ~~((The study must be submitted to the transportation committees of the legislature by June 30, 2019.))~~

(6) ~~((~~\$500,000~~))~~ \$370,000 of the motor vehicle account—state appropriation and \$50,000 of the motor vehicle account—local appropriation are provided solely for implementation of a corridor study to identify potential improvements between exit 116 and exit 99 of Interstate 5. The study should further develop mid- and long-term strategies from the corridor sketch, and identify potential US 101/I-5 interchange improvements, a strategic plan for the Nisqually River bridges, regional congestion relief options, and ecosystem benefits to the Nisqually River estuary for salmon productivity and flood control.

(7) Among the options studied as part of the SR 410 Corridor Study, the department shall examine the mobility and safety benefits of replacing or expanding the White River bridge between Enumclaw and Buckley to four lanes and removing the trestle.

(8) Within existing resources, the department shall meet with local stakeholders in south Pierce county and North Thurston county to discuss potential solutions to traffic congestion; emergency management concerns regarding routes away from natural disasters and around incidents similar to the train derailment that occurred on December 18, 2017; and what state transportation investments would benefit the economic development of the area. The department shall provide regular updates on its progress to the joint transportation committee.

Sec. 816. 2018 c 297 s 219 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U

Motor Vehicle Account—State Appropriation	.....	((\$75,058,000))
		<u>\$81,004,000</u>
Multimodal Transportation Account—State		
Appropriation	.....	\$1,982,000
TOTAL APPROPRIATION	.....	((\$77,040,000))
		<u>\$82,986,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,500,000 of the motor vehicle account—state appropriation is provided solely for the difference between the state liability coverage amounts and actual lawsuit award for recently settled traffic accident claims.

(2) \$3,200,000 of the motor vehicle account—state appropriation is provided solely for increased legal and lawsuit claims for the Washington state ferry system.

Sec. 817. 2018 c 297 s 220 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V

State Vehicle Parking Account—State Appropriation	\$784,000
Regional Mobility Grant Program Account—State Appropriation	(\$101,786,000)
	<u>\$81,869,000</u>
Rural Mobility Grant Program Account—State Appropriation	\$32,223,000
Multimodal Transportation Account—State Appropriation	(\$98,381,000)
	<u>\$90,723,000</u>
Multimodal Transportation Account—Federal Appropriation	\$3,574,000
TOTAL APPROPRIATION	(\$236,748,000)
	<u>\$209,173,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$52,679,000 of the multimodal transportation account—state appropriation is provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation. Of this amount:

(a) \$12,000,000 of the multimodal transportation account—state appropriation is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers must be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided. Of the amount provided in this subsection (1)(a), \$25,000 of the multimodal transportation account—state appropriation is provided solely for the ecumenical christian helping hands organization for special needs transportation services.

(b) \$40,679,000 of the multimodal transportation account—state appropriation is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must, to the greatest extent practicable, have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies must be prorated based on the amount expended for demand response service and route deviated service in calendar year 2015 as reported in the "Summary of Public Transportation - 2015" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions.

(2) \$32,223,000 of the rural mobility grant program account—state appropriation is provided solely for grants to aid small cities in rural areas as prescribed in RCW 47.66.100.

(3)(a) \$10,702,000 of the multimodal transportation account—state appropriation is provided solely for a vanpool grant program for: (i) Public transit agencies to add vanpools or replace vans; and (ii) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; operating costs for public transit agencies are not eligible for funding under this grant program. Additional employees may not be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. The department shall encourage grant applicants and recipients to leverage funds other than state funds.

(b) At least \$1,600,000 of the amount provided in this subsection must be used for vanpool grants in congested corridors.

(4) \$24,107,000 of the regional mobility grant program account—state appropriation is reappropriated and provided solely for the regional mobility grant projects identified in LEAP Transportation Document ((2018)) 2019-2 ALL PROJECTS as developed ((March 5)) April 27, ((2018)) 2019, Program - Public Transportation Program (V). Of the amounts provided in this subsection, \$757,000 of the regional mobility grant program account—state appropriation is reappropriated for the Kitsap Transit, SR 305 Interchange Improvements at Suquamish Way Park and Ride (Project 20130101).

(5)(a) ((~~\$77,679,000~~)) \$57,762,000 of the regional mobility grant program account—state appropriation is provided solely for the regional mobility grant projects identified in LEAP Transportation Document ((2018)) 2019-2 ALL PROJECTS as developed ((March 5)) April 27, ((2018)) 2019, Program - Public Transportation Program (V). The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, must be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and any remaining funds must be used only to fund projects identified in the LEAP transportation document referenced in this subsection. The department shall provide annual status reports on December 15, 2017, and December 15, 2018, to the office of financial management and the transportation committees of the legislature regarding the projects receiving the grants. It is the intent of the legislature to appropriate funds through the regional mobility grant program only for projects that will be completed on schedule. A grantee may not receive more than twenty-five percent of the amount appropriated in this subsection. The department shall not approve any increases or changes to the scope of a project for the purpose of a grantee expending remaining funds on an awarded grant.

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2017-2019 fiscal biennium, a transit agency must establish a process for private transportation providers to apply for the use of park and ride facilities. For purposes of this subsection, (i) "private transportation provider" means: An auto transportation company regulated under chapter 81.68 RCW; a passenger charter carrier regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; a private nonprofit transportation provider

regulated under chapter 81.66 RCW; or a private employer transportation service provider; and (ii) "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees.

(6) Funds provided for the commute trip reduction (CTR) program may also be used for the growth and transportation efficiency center program.

(7) \$7,170,000 of the multimodal transportation account—state appropriation and \$784,000 of the state vehicle parking account—state appropriation are provided solely for CTR grants and activities. Of this amount:

(a) \$500,000 of the multimodal transportation account—state appropriation is provided solely for a voluntary pilot program to expand public-private partnership CTR incentives to make measurable reductions in off-peak, weekend, and nonwork trips. Ridesharing may be integrated into grant proposals. The department shall prioritize grant proposals that focus on the Interstate 90, Interstate 5, state route number 167, or Interstate 405 corridor. The department shall offer competitive trip-reduction grants. The department shall report to the transportation committees of the legislature by December 1, 2018, on the pilot program's impacts to the transportation system and potential improvements to the CTR grant program.

(b) \$1,000,000 of the multimodal transportation account—state appropriation is provided solely for the department to direct a pilot transit pass incentive program. Businesses and nonprofit organizations located in a county adjacent to Puget Sound with a population of more than seven hundred thousand that have never offered transit subsidies to employees are eligible to apply to the program for a fifty percent rebate on the cost of employee transit subsidies provided through the regional ORCA fare collection system. No single business or nonprofit organization may receive more than ten thousand dollars from the program.

(i) Businesses and nonprofit organizations may apply and be awarded funds prior to purchasing a transit subsidy, but the department may not provide reimbursement until proof of purchase or a contract has been provided to the department.

(ii) The department shall report to the transportation committees of the legislature on the impact of the program by June 30, 2019, and may adopt rules to administer the program; and

(c) \$30,000 of the state vehicle parking account—state appropriation is provided solely for the STAR pass program for state employees residing in Mason and Grays Harbor Counties. Use of the pass is for public transportation between Mason County and Thurston County, and Grays Harbor and Thurston County. The pass may also be used within Grays Harbor County.

(8) (~~(\$20,891,000)~~) \$13,233,000 of the multimodal transportation account—state appropriation is provided solely for connecting Washington transit projects identified in LEAP Transportation Document ~~((2018))~~ 2019-2 ALL PROJECTS as developed ~~((March 5))~~ April 27, ((2018)) 2019. It is the intent of the legislature that entities identified to receive funding in the LEAP document referenced in this subsection receive the amounts specified in the time frame specified in that LEAP document. If an entity has already completed a project in the LEAP document referenced in this subsection before the time

frame identified, the entity may substitute another transit project or projects that cost a similar or lesser amount.

(9) \$2,000,000 of the multimodal transportation account—state appropriation is provided solely for transit coordination grants.

(10) \$250,000 of the multimodal transportation account—state appropriation is provided solely for King county for a pilot program to provide certain students in the Highline and Lake Washington school districts with an ORCA card during the summer. To be eligible for an ORCA card under this program, a student must also be in high school, be eligible for free and reduced-price lunches, and have a job or other responsibility during the summer. King county must provide a report to the department and the transportation committees of legislature by December 15, 2018, regarding: The annual student usage of the pilot program, available ridership data, the cost to expand the program to other King county school districts, the cost to expand the program to student populations other than high school or eligible for free and reduced-price lunches, opportunities for subsidized ORCA cards or local grant or matching funds, and any additional information that would help determine if the pilot program should be extended or expanded.

(11) The department shall not require more than a ten percent match from nonprofit transportation providers for state grants.

(12)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (4) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance one or more of the following projects:

(i) King County Metro - RapidRide Expansion, Burien-Delridge (G2000031);

(ii) King County Metro - Route 40 Northgate to Downtown (G2000032);

(iii) Spokane Transit - Spokane Central City Line (G2000034);

(iv) Kitsap Transit - East Bremerton Transfer Center (G2000039); or

(v) City of Seattle - Northgate Transit Center Pedestrian Bridge (G2000041).

(b) At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

(13) \$300,000 of the multimodal transportation account—state appropriation is provided solely for Pierce Transit to procure and install digital transit information technology at various transit centers, in order to provide transit riders with real-time arrival and departure information.

(14) \$750,000 of the multimodal transportation account—state appropriation is provided solely for the Intercity Transit Dash shuttle program.

Sec. 818. 2018 c 297 s 221 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X
Puget Sound Ferry Operations Account—State

Appropriation .....	..((<u>\$509,954,000</u>))
	<u>\$516,229,000</u>
Puget Sound Ferry Operations Account—Federal	
Appropriation .....	..\$8,743,000
Puget Sound Ferry Operations Account—Private/Local	
Appropriation .....	..\$121,000
TOTAL APPROPRIATION .....	..((<u>\$518,818,000</u>))
	<u>\$525,093,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The office of financial management budget instructions require agencies to recast enacted budgets into activities. The Washington state ferries shall include a greater level of detail in its 2017-2019 supplemental and 2019-2021 omnibus transportation appropriations act requests, as determined jointly by the office of financial management, the Washington state ferries, and the transportation committees of the legislature. This level of detail must include the administrative functions in the operating as well as capital programs.

(2) For the 2017-2019 fiscal biennium, the department may enter into a distributor controlled fuel hedging program and other methods of hedging approved by the fuel hedging committee.

(3) (~~(\$71,004,000)~~) \$73,587,000 of the Puget Sound ferry operations account—state appropriation is provided solely for auto ferry vessel operating fuel in the 2017-2019 fiscal biennium, which reflect cost savings from a reduced biodiesel fuel requirement and, therefore, is contingent upon the enactment of section 703 chapter 313, Laws of 2017. The amount provided in this subsection represents the fuel budget for the purposes of calculating any ferry fare fuel surcharge.

(4) \$30,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the marine division assistant secretary's designee to the board of pilotage commissioners, who serves as the board chair. As the agency chairing the board, the department shall direct the board chair, in his or her capacity as chair, to require that the report to the governor and chairs of the transportation committees required under RCW 88.16.035(1)(f) be filed by September 1, 2017, and annually thereafter, and that the report include the continuation of policies and procedures necessary to increase the diversity of pilots, trainees, and applicants, including a diversity action plan. The diversity action plan must articulate a comprehensive vision of the board's diversity goals and the steps it will take to reach those goals.

(5) (~~(\$500,000)~~) \$750,000 of the Puget Sound ferry operations account—state appropriation is provided solely for operating costs related to moving vessels for emergency capital repairs. Funds may only be spent after approval by the office of financial management.

(6) \$25,000 of the Puget Sound ferry operations account—state appropriation is provided solely for additional hours of traffic control assistance by a uniformed officer at the Fauntleroy ferry terminal.

(7) \$75,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the department to contract with the University of Washington to conduct an analysis of loading procedures at the

Fauntleroy ferry terminal. The department must share the results of the analysis with the governor's office and the transportation committees of the legislature by December 31, 2018.

(8) \$3,612,000 of the Puget Sound ferry operations account—state appropriation is provided solely for additional overtime costs. Within the amount provided in this subsection, the department shall contract with a uniformed officer for additional traffic control assistance at the Kingston ferry terminal during peak ferry travel times, with a particular focus on Sundays and holiday weekends. Traffic control methods should include, but not be limited to, holding traffic on the shoulder at Lindvog Road until space opens for cars at the tollbooths and dock, and management of traffic on Highway 104 in order to ensure Kingston residents and business owners have access to businesses, roads, and driveways.

Sec. 819. 2018 c 297 s 222 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—OPERATING

Multimodal Transportation Account—State

Appropriation	((\$81,013,000))
	<u>\$65,878,000</u>

Multimodal Transportation Account—Private/Local

Appropriation	\$496,000
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TOTAL APPROPRIATION	((\$81,509,000))
	<u>\$66,374,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$300,000 of the multimodal transportation account—state appropriation is provided solely for a consultant study of ultra high-speed ground transportation. "Ultra high-speed" means two hundred fifty miles per hour or more. The study must identify the costs and benefits of ultra high-speed ground transportation along a north-south alignment in Washington state. The study must provide:

(a) An update to the high speed ground transportation study commissioned pursuant to chapter 231, Laws of 1991 and delivered to the governor and legislature on October 15, 1992;

(b) An analysis of an ultra high-speed ground transportation alignment between Vancouver, British Columbia and Portland, Oregon with stations in: Vancouver, British Columbia; Bellingham, Everett, Seattle, SeaTac, Tacoma, Olympia, and Vancouver, Washington; and Portland, Oregon, with an option to connect with an east-west alignment in Washington state and with a similar system in the state of California; and

(c) An analysis of the following key elements:

(i) Economic feasibility;

(ii) Forecasted demand;

(iii) Corridor identification;

(iv) Land use and economic development and environmental implications;

(v) Compatibility with other regional transportation plans, including interfaces and impacts on other travel modes such as air transportation;

- (vi) Technological options for ultra high-speed ground transportation, both foreign and domestic;
- (vii) Required specifications for speed, safety, access, and frequency;
- (viii) Identification of existing highway or railroad rights-of-way that are suitable for ultra high-speed travel, including identification of additional rights-of-way that may be needed and the process for acquiring those rights-of-way;
- (ix) Institutional arrangements for carrying out detailed system planning, construction, and operations; and
- (x) An analysis of potential financing mechanisms for an ultra high-speed travel system.

The department shall provide a report of its study findings to the governor and transportation committees of the legislature by December 15, 2017.

(2)(a) \$450,000 of the multimodal transportation account—private/local appropriation and \$750,000 of the multimodal transportation account—state appropriation is provided solely for a consultant business case analysis of ultra high-speed ground transportation. The business case analysis must build on the results of the 2017 Washington state ultra high-speed ground transportation feasibility study.

(b) The business case analysis must include an advisory group with members as provided in this subsection. The president of the senate shall appoint one member from each of the two largest caucuses of the senate; the speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives; the governor or his or her designee; the secretary of transportation or his or her designee; the director of the department of commerce or his or her designee; the rail director of the department of transportation or his or her designee; and representatives from communities and stakeholders from public and private sectors relevant to the analysis, including from the province of British Columbia and the state of Oregon.

(c) The department shall provide a report of its findings to the governor and transportation committees of the legislature by June 30, 2019.

Sec. 820. 2018 c 297 s 223 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING

Motor Vehicle Account—State Appropriation	.....	(\$11,347,000)
		<u>\$11,346,000</u>
Motor Vehicle Account—Federal Appropriation	.....	\$2,567,000
Multiuse Roadway Safety Account—State Appropriation	.....	\$132,000
TOTAL APPROPRIATION	.....	(\$14,046,000)
		<u>\$14,045,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$1,100,000 of the motor vehicle account—state appropriation is provided solely for the department, from amounts set aside out of statewide fuel taxes distributed to counties according to RCW 46.68.120(3), to contract with the Washington state association of counties to: Provide statewide updates to transportation metrics and financial reporting; develop and implement an inventory of county culvert and short-span bridge infrastructure; and develop and implement enhanced road safety data in support of county road systemic

safety programs. The Washington state association of counties must develop and implement data collection, management, and reporting in cooperation with state agencies involved with the collection and maintenance of related inventory systems.

TRANSPORTATION AGENCIES—CAPITAL

Sec. 901. 2018 c 297 s 301 (uncodified) is amended to read as follows:

FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Freight Mobility Investment Account—State	
Appropriation	((<u>\$22,507,000</u>))
	<u>\$17,321,000</u>
Highway Safety Account—State Appropriation	\$2,000,000
Motor Vehicle Account—Federal Appropriation	((<u>\$3,250,000</u>))
	<u>\$1,000,000</u>
Freight Mobility Multimodal Account—State	
Appropriation	((<u>\$22,283,000</u>))
	<u>\$11,680,000</u>
((Freight Mobility Multimodal Account—Private/Local	
Appropriation	(<u>\$1,320,000</u>))
TOTAL APPROPRIATION	((<u>\$51,360,000</u>))
	<u>\$32,001,000</u>

Sec. 902. 2018 c 297 s 303 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State Appropriation	
	((<u>\$63,186,000</u>))
	<u>\$45,186,000</u>
Motor Vehicle Account—State Appropriation	\$706,000
County Arterial Preservation Account—State	
Appropriation	\$38,434,000
TOTAL APPROPRIATION	((<u>\$102,326,000</u>))
	<u>\$84,326,000</u>

Sec. 903. 2018 c 297 s 304 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD

Small City Pavement and Sidewalk Account—State	
Appropriation	((<u>\$5,780,000</u>))
	<u>\$3,880,000</u>
Transportation Improvement Account—State	
Appropriation	((<u>\$279,300,000</u>))
	<u>\$268,100,000</u>
Multimodal Transportation Account—State	
Appropriation	\$14,670,000
TOTAL APPROPRIATION	((<u>\$299,750,000</u>))
	<u>\$286,650,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire multimodal transportation account—state appropriation is provided solely for the complete streets program.

(2) \$9,687,000 of the transportation improvement account—state appropriation is provided solely for:

- (a) The arterial preservation program to help low tax-based, medium-sized cities preserve arterial pavements;
- (b) The small city pavement program to help cities meet urgent preservation needs; and
- (c) The small city low-energy street light retrofit program.

Sec. 904. 2018 c 297 s 305 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF TRANSPORTATION—FACILITIES—PROGRAM D—(DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)—CAPITAL

Motor Vehicle Account—State Appropriation	\$10,070,000
Connecting Washington Account—State Appropriation	(\$26,537,000)
	<u>\$24,466,000</u>
Transportation Partnership Account—State Appropriation	\$17,000
TOTAL APPROPRIATION	(\$36,624,000)
	<u>\$34,553,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) ~~(\$17,237,000)~~ \$15,166,000 of the connecting Washington account—state appropriation is provided solely for a new Olympic region maintenance and administration facility to be located on the department-owned site at the intersection of Marvin Road and 32nd Avenue in Lacey, Washington.
- (2) \$9,300,000 of the connecting Washington account—state appropriation is provided solely for a new administration facility on Euclid Avenue in Wenatchee, Washington.
- (3)(a) \$3,400,000 of the motor vehicle account—state appropriation is provided solely for the department facility located at 15700 Dayton Ave N in Shoreline. This appropriation is contingent upon the department of ecology ~~(and department of licensing)~~ signing a not less than twenty-year agreement to pay ~~(proportional)~~ a share~~(s)~~ of ~~(an annual amount equal to)~~ any financing contract issued pursuant to chapter 39.94 RCW.
- (b) Payments from the ~~(department of licensing and)~~ department of ecology as described in this subsection shall be deposited into the motor vehicle account.
- (c) Total project costs are not to exceed \$46,500,000.

***Sec. 905.** 2018 c 297 s 306 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I

Transportation Partnership Account—State

<i>Appropriation</i>	(\$689,745,000)
	<u>\$617,572,000</u>
Motor Vehicle Account—State Appropriation	(\$72,967,000)
	<u>\$65,459,000</u>
Motor Vehicle Account—Federal Appropriation	(\$253,410,000)
	<u>\$226,018,000</u>
Motor Vehicle Account—Private/Local Appropriation	(\$49,330,000)
	<u>\$48,821,000</u>
Connecting Washington Account—State	

Appropriation	(\$1,215,013,000)
	<u>\$1,067,841,000</u>
Special Category C Account—State Appropriation	(\$11,000,000)
	<u>\$11,100,000</u>
Multimodal Transportation Account—State	
Appropriation	(\$16,299,000)
	<u>\$13,562,000</u>
Alaskan Way Viaduct Replacement Project Account—State	
Appropriation	(\$122,047,000)
	<u>\$122,044,000</u>
<i>Transportation 2003 Account (Nickel Account)—State</i>	
<i>Appropriation</i>	<i>(\$52,457,000)</i>
	<u><i>\$39,625,000</i></u>
Interstate 405 Express Toll Lanes Operations Account—State	
Appropriation	(\$6,258,000)
	<u>\$6,222,000</u>
TOTAL APPROPRIATION	(\$2,488,526,000)
	<u>\$2,218,264,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire connecting Washington account—state appropriation and the entire transportation partnership account—state appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document ~~((2018)) 2019-1~~ as developed ~~((March 5)) April 27, ((2018)) 2019~~, Program - Highway Improvements Program (I). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section ~~((601 of this act)) 601 of this act, chapter . . . Laws of 2019 (this act)~~.

(2) Except as otherwise provided in this section, the entire transportation 2003 account (nickel account)—state appropriation is provided solely for the projects and activities as listed in LEAP Transportation Document ~~((2018)) 2019-1~~ as developed ~~((March 5)) April 27, ((2018)) 2019~~, Program - Highway Improvements Program (I).

(3) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document ~~((2018)) 2019-2~~ ALL PROJECTS as developed ~~((March 5)) April 27, ((2018)) 2019~~, Program - Highway Improvements Program (I). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and bridge preservation activities.

(4) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act. The department shall submit a report on fiscal year funds transferred in the

prior fiscal year using this subsection as part of the department's annual budget submittal.

(5) The connecting Washington account—state appropriation includes up to \$323,175,000 in proceeds from the sale of bonds authorized in RCW 47.10.889.

(6) The transportation 2003 account (nickel account)—state appropriation includes up to \$25,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

(7) The transportation partnership account—state appropriation includes up to \$367,622,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(8) The Alaskan Way viaduct replacement project account—state appropriation includes up to ~~(\$122,047,000)~~ \$122,044,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(9) The motor vehicle account—state appropriation includes up to \$43,448,000 in proceeds from the sale of bonds authorized in RCW 47.10.843.

(10) ~~(\$194,258,000)~~ \$194,263,000 of the transportation partnership account—state appropriation, \$7,000 of the motor vehicle account—federal appropriation, ~~(\$27,903,000)~~ \$27,904,000 of the motor vehicle account—private/local appropriation, ~~(\$30,097,000)~~ \$30,098,000 of the transportation 2003 account (nickel account)—state appropriation, ~~(\$122,047,000)~~ \$122,044,000 of the Alaskan Way viaduct replacement project account—state appropriation, and ~~(\$2,663,000)~~ \$827,000 of the multimodal transportation account—state appropriation are provided solely for the SR 99/Alaskan Way Viaduct Replacement project (809936Z).

(11) \$12,500,000 of the multimodal transportation account—state appropriation is provided solely for transit mitigation for the SR 99/Viaduct Project - Construction Mitigation project (809940B).

(12) Within existing resources, during the regular sessions of the legislature, the department of transportation shall participate in work sessions, before the transportation committees of the house of representatives and senate, on the Alaskan Way viaduct replacement project. These work sessions must include a report on current progress of the project, timelines for completion, outstanding claims, the financial status of the project, and any other information necessary for the legislature to maintain appropriate oversight of the project. The parties invited to present may include the department of transportation, the Seattle tunnel partners, and other appropriate stakeholders.

(13) \$7,769,000 of the transportation partnership account—state appropriation, \$6,744,000 of the transportation 2003 account (nickel account)—state appropriation, \$215,000 of the motor vehicle account—federal appropriation, and \$5,000,000 of the special category C account—state appropriation are provided solely for the US 395/North Spokane Corridor project (600010A). Any future savings on the project must stay on the US 395/Interstate 90 corridor and be made available to the current phase of the North Spokane corridor project or any future phase of the project in 2017-2019.

(14) ~~(\$27,415,000)~~ \$4,220,000 of the transportation partnership account—state appropriation, \$16,000 of the motor vehicle account—local appropriation, and ~~(\$13,158,000)~~ \$353,000 of the transportation 2003 account (nickel account)—state appropriation are provided solely for the I-405/Kirkland Vicinity Stage 2 - Widening project (8B11002). This project must

be completed as soon as practicable as a design-build project. Any future savings on this project or other Interstate 405 corridor projects must stay on the Interstate 405 corridor and be made available to either the I-405/SR 167 Interchange - Direct Connector project (140504C), the I-405 Renton to Bellevue project (M00900R), or the I-405/SR 522 to I-5 Capacity Improvements project (L2000234) in the 2017-2019 fiscal biennium.

(15) \$4,960,000 of the transportation partnership account—state appropriation and \$3,000,000 of the Interstate 405 express toll lanes operations account—state appropriation are provided solely for the I-405/SR 522 to I-5 Capacity Improvements project (L2000234) for activities related to adding capacity on Interstate 405 between state route number 522 and Interstate 5, with the goals of increasing vehicle throughput and aligning project completion with the implementation of bus rapid transit in the vicinity of the project. The transportation partnership account—state appropriation funding is a transfer or a reappropriation of a transfer from the I-405/Kirkland Vicinity Stage 2 - Widening project due to savings, and will start an additional phase of this I-405 project.

(16)(a) The SR 520 Bridge Replacement and HOV project (8BI1003) is supported over time from multiple sources, including a \$300,000,000 TIFIA loan, \$924,615,000 in Garvee bonds, toll revenues, state bonds, interest earnings, and other miscellaneous sources.

(b) (~~(\$78,958,000)~~) \$49,353,000 of the transportation partnership account—state appropriation, \$12,296,000 of the motor vehicle account—federal appropriation, and (~~(\$232,000)~~) \$50,000 of the motor vehicle account—local appropriation are provided solely for the SR 520 Bridge Replacement and HOV project (8BI1003).

(c) When developing the financial plan for the project, the department shall assume that all maintenance and operation costs for the new facility are to be covered by tolls collected on the toll facility and not by the motor vehicle account.

(17) The department shall itemize all future requests for the construction of buildings on a project list and submit them through the transportation executive information system as part of the department's annual budget submittal. It is the intent of the legislature that new facility construction must be transparent and not appropriated within larger highway construction projects.

(18) Any advisory group that the department convenes during the 2017-2019 fiscal biennium must consider the interests of the entire state of Washington.

(19) It is the intent of the legislature that for the I-5 JBLM Corridor Improvements project (M00100R), the department shall actively pursue \$50,000,000 in federal funds to pay for this project to supplant state funds in the future. \$50,000,000 in connecting Washington account funding must be held in unallotted status during the 2021-2023 fiscal biennium. These funds may only be used after the department has provided notice to the office of financial management that it has exhausted all efforts to secure federal funds from the federal highway administration and the department of defense.

(20) (~~(\$93,651,000)~~) \$133,651,000 of the connecting Washington account—state appropriation is provided solely for the SR 167/SR 509 Puget Sound Gateway project (M00600R).

(a) Any savings on the project must stay on the Puget Sound Gateway corridor until the project is complete.

(b) Proceeds from the sale of any surplus real property acquired for the purpose of building the SR 167/SR 509 Puget Sound Gateway (M00600R) project must be deposited into the motor vehicle account for the purpose of constructing the project.

(21)(a) In making budget allocations to the Puget Sound Gateway project, the department shall implement the project's construction as a single corridor investment. The department shall develop a coordinated corridor construction and implementation plan for state route number 167 and state route number 509 in collaboration with affected stakeholders. Specific funding allocations must be based on where and when specific project segments are ready for construction to move forward and investments can be best optimized for timely project completion. Emphasis must be placed on avoiding gaps in fund expenditures for either project.

(b) The secretary of transportation must develop a memorandum of understanding with local project stakeholders that identifies a schedule for stakeholders to provide local matching funds for the Puget Sound Gateway project. Criteria for eligibility of local match includes matching funds and equivalent in-kind contributions including, but not limited to, land donations. The memorandum of understanding must be finalized by July 1, 2018. The department must submit a copy of the memorandum of understanding to the transportation committees of the legislature and report regularly on the status of the requirements outlined in this subsection (21)(b) and (c) of this subsection.

(c) During the course of developing the memorandum of understanding, the department must evaluate the project schedules to determine if there are any benefits to be gained by moving the project schedule forward. It is the legislature's intent that if the department identifies any savings after the funding gap on the base project is closed as part of the proposal to expedite the project, that these cost savings shall go toward construction of a full single-point urban interchange at the junction of state route number 161 (Meridian avenue) and state route number 167 and a full single-point urban interchange at the junction of state route number 509 and 188th Street. If the department receives additional funds from an outside source for this project after the funding gap on the base project is closed, the funds must be applied toward the completion of these two full single-point urban interchanges.

(d) For the SR 167/SR 509 Puget Sound Gateway project (M00600R) the department is strongly encouraged to work to relocate any significant businesses currently located within the planned path of the state route number 509/Interstate 5 under-crossing to a location within the Kent city limits. The department shall provide regular updates on its progress to the joint transportation committee and affected stakeholders.

(e) In designing the state route number 509/state route number 516 interchange component of the SR 167/SR 509 Puget Sound Gateway project (M00600R), the department shall make every effort to utilize the preferred "4B" design.

(22) It is the intent of the legislature that, for the I-5/North Lewis County Interchange project (L2000204), the department develop and design the project with the objective of significantly improving access to the industrially zoned

properties in north Lewis county. The design must consider the county's process of investigating alternatives to improve such access from Interstate 5 that began in March 2015.

(23)(a) (~~(\$2,000,000)~~) \$1,050,000 of the transportation partnership account—state appropriation and \$942,000 of the motor vehicle account—state appropriation are provided solely for the U.S. 2 Trestle IJR project (L1000158).

(b) Of the amounts provided in this subsection, \$942,000 of the motor vehicle account—state appropriation is provided solely for the department to complete an interchange justification report (IJR) for the U.S. 2 trestle, covering the state route number 204 and 20th Street interchanges at the end of the westbound structure.

~~((a))~~ (c) The department shall develop the IJR in close collaboration with affected local jurisdictions, including Snohomish county and the cities of Everett, Lake Stevens, Marysville, Snohomish, and Monroe.

~~((b))~~ (d) Within the amount provided for the IJR, the department must address public outreach and the overall operational approval of the IJR.

~~((c))~~ (e) The department shall complete the IJR and submit the final report to the governor and the transportation committees of the legislature by July 1, 2018.

(24)(a) The legislature recognizes that the city of Mercer Island has unique access issues that require the use of Interstate 90 to leave the island and that this access may be affected by the I-90/Two-Way Transit and HOV Improvements project. One of the most heavily traveled on-ramps from Mercer Island to the westbound Interstate 90 general purpose lanes is from Island Crest Way. The department must continue to consult with the city of Mercer Island and the other signatories to the 1976 memorandum of agreement to preserve access provided to Mercer Island by the Island Crest Way on-ramp, and thus grandfather in the current use of the on-ramp for both high occupancy vehicles as well as vehicles seeking to access the general purpose lanes of Interstate 90. The department must consider all reasonable access solutions, including allowing all vehicles to use the Island Crest Way on-ramp to access the new high occupancy vehicle lane with a reasonable and safe distance provided for single-occupancy vehicles to merge into the general purpose lanes.

(b) A final access solution for Mercer Island must consider the following criteria: Safety; operational effects on all users, including maintaining historic access to Interstate 90 provided from Mercer Island by Island Crest Way; enforcement requirements; and compliance with state and federal law.

(c) The department may not restrict by occupancy the westbound on-ramp from Island Crest Way until a final access solution that meets the criteria in (b) of this subsection has been reached.

(25) (~~(\$3,258,000)~~) \$3,222,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for the I-405 NB Hard Shoulder Running - SR 527 to I-5 project (L1000163).

(26) The legislature finds that there are sixteen companies involved in wood preserving in the state that employ four hundred workers and have an annual payroll of fifteen million dollars. Before the department's switch to steel guardrails, ninety percent of the twenty-five hundred mile guardrail system was constructed of preserved wood and one hundred ten thousand wood guardrail posts were produced annually for state use. Moreover, the policy of using steel

posts requires the state to use imported steel. Given these findings, where practicable, and until June 30, 2019, the department shall include the design option to use wood guardrail posts, in addition to steel posts, in new guardrail installations. The selection of posts must be consistent with the agency design manual policy that existed before December 2009.

(27) For the SR 526 Corridor Improvements project (N52600R), the department shall look holistically at the state route number 526 corridor from the state route number 526/Interstate 5 interchange at the east end to the southwest Everett industrial area and Boeing's west access road on the west end. The department, working with affected jurisdictions and stakeholders, shall select project elements that best maximize mobility and congestion relief in the corridor and draw from project elements identified in a practical solutions process.

(28)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance one or more of the following projects:

- (i) SR 20/Sharpes Corner Vicinity Intersection (L1000112);
- (ii) I-5/Marvin Road/SR 510 Interchange (L1100110);
- (iii) I-5/Northbound On-ramp at Bakerview (L2000119);
- (iv) US 395/Ridgeline Intersection (L2000127);
- (v) I-90/Eastside Restripe Shoulders (L2000201);
- (vi) SR 240/Richland Corridor Improvements (L2000202);
- (vii) SR 14/Bingen (~~Overpass~~) Underpass (L2220062);
- (viii) US Hwy 2 Safety (N00200R);
- (ix) SR 520/148th Ave NE Overlake Access Ramp (L1100101);
- (x) SR 28/SR 285 North Wenatchee Area Improvements (L2000061);
- (xi) I-5/Rebuild Chamber Way Interchange Improvements (L2000223);
- (xii) SR 28 East Wenatchee Corridor Improvements (T10300R);
- (xiii) SR 3 Freight Corridor (T30400R); or
- (xiv) SR 510/Yelm Loop Phase 2 (T32700R).

(b) At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

(29) Within existing resources and in consultation with local communities, the department shall begin planning efforts, including traffic data collection, analysis and evaluation, scoping, and environmental review, for roundabouts at the intersection of state route number 900 and SE May Valley Road and at the intersection of state route number 169 and Cedar Grove Road SE.

(30) The legislature continues to prioritize the replacement of the state's aging infrastructure and recognizes the importance of reusing and recycling construction aggregate and recycled concrete materials in our transportation system.

To accomplish Washington state's sustainability goals in transportation and in accordance with RCW 70.95.805, the legislature reaffirms its direction to the department to lead the way in advancing the reuse and recycling of construction aggregate and recycled concrete materials whenever readily available, to use these recycled products when cost competitive, and to work with industry implementation partners to remove obstacles that unnecessarily preclude or inhibit their use and implement strategies for the reuse and recycling of construction aggregate and recycled concrete materials.

Specific steps and efforts made to achieve these objectives and accomplishments shall be included in the annual report to the legislature as required by RCW 70.95.807.

(31) Within existing resources, the department shall implement a safety solution after evaluating barrier and mitigation options on state route number 167 between the intersections with 50th Ave E and E 40th Street in Pierce county to prevent vehicles from leaving the roadway and entering private property below the grade of the highway.

(32) \$350,000 of the motor vehicle account—state appropriation is provided solely for implementation of chapter 288 (Substitute Senate Bill No. 5806), Laws of 2017 (I-5 Columbia river bridge), listed as Replacement Bridge on Interstate 5 across the Columbia River project number (L2000259).

(33) For the SR 520 Seattle Corridor Improvements - West End project (M00400R), the legislature recognizes the department must acquire the entirety of parcel number 1-23190 for construction of the project. The department shall work with its design-build contractor to ensure to the maximum extent practicable that the building housing any grocery store or market currently located on parcel number 1-23190 will be preserved. The legislature recognizes the city of Seattle has requirements in the project area that the department must address and that those requirements may affect the use of parcel number 1-23190 and may affect the ability of the department to preserve any grocery store or market currently located on the property. The department shall meet and confer regularly with residents in the vicinity of the parcel regarding the status of the project and its effects on any grocery store or market currently located on the property. The legislature strongly encourages the city to utilize maximum flexibility in how the department meets the city's requirements and to be an equal partner in efforts to preserve any grocery store or market on parcel number 1-23190.

**Sec. 905 is partially vetoed. See message at end of chapter.*

Sec. 906. 2018 c 297 s 307 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
PRESERVATION—PROGRAM P**

Recreational Vehicle Account—State Appropriation	\$3,584,000
High Occupancy Toll Lanes Operations Account—State Appropriation.	(\$161,000)
	<u>\$1,000</u>
Transportation Partnership Account—State Appropriation	\$12,785,000
<u>Highway Safety Account—State Appropriation</u>	<u>\$1,000</u>
Motor Vehicle Account—State Appropriation	(\$63,246,000)
	<u>\$65,250,000</u>

Motor Vehicle Account—Federal Appropriation	(\$579,624,000)
	<u>\$579,810,000</u>
Motor Vehicle Account—Private/Local Appropriation	\$11,739,000
State Route Number 520 Corridor Account—State Appropriation	\$1,747,000
Connecting Washington Account—State Appropriation	(\$204,242,000)
	<u>\$193,867,000</u>
Tacoma Narrows Toll Bridge Account—State Appropriation	(\$856,000)
	<u>\$918,000</u>
Transportation 2003 Account (Nickel Account)—State Appropriation	\$57,849,000
TOTAL APPROPRIATION	(\$935,833,000)
	<u>\$927,551,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire connecting Washington account—state appropriation and the entire transportation partnership account—state appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document ~~((2018))~~ 2019-1 as developed ~~((March 5))~~ April 27, ((2018)) 2019, Program - Highway Preservation Program (P). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section ~~((601 of this act))~~ 601 of this act, chapter . . . , Laws of 2019 (this act).

(2) Except as otherwise provided in this section, the entire transportation 2003 account (nickel account)—state appropriation is provided solely for the projects and activities as listed in LEAP Transportation Document ~~((2018))~~ 2019-1 as developed ~~((March 5))~~ April 27, ((2018)) 2019, Program - Highway Preservation Program (P).

(3) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document ~~((2018-2))~~ 2019-2 ALL PROJECTS as developed ~~((March 5))~~ April 27, ((2018)) 2019, Program - Highway Preservation Program (P). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and bridge preservation activities.

(4) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act. The department shall submit a report on fiscal year funds transferred in the prior fiscal year using this subsection as part of the department's annual budget submittal.

(5) The transportation 2003 account (nickel account)—state appropriation includes up to \$29,553,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

(6) The motor vehicle account—state appropriation includes up to \$29,985,000 in proceeds from the sale of bonds authorized in RCW 47.10.843.

(7) \$11,553,000 of the connecting Washington account—state appropriation is provided solely for the land mobile radio upgrade (G2000055) and is subject to the conditions, limitations, and review provided in section 701, chapter 313, Laws of 2017. The land mobile radio project is subject to technical oversight by the office of the chief information officer. The department, in collaboration with the office of the chief information officer, shall identify where existing or proposed mobile radio technology investments should be consolidated, identify when existing or proposed mobile radio technology investments can be reused or leveraged to meet multiagency needs, increase mobile radio interoperability between agencies, and identify how redundant investments can be reduced over time. The department shall also provide quarterly reports to the technology services board on project progress.

(8) (~~(\$3,000,000)~~) \$5,000,000 of the motor vehicle account—state appropriation is provided solely for extraordinary costs incurred from litigation awards, settlements, or dispute mitigation activities not eligible for funding from the self-insurance fund. The amount provided in this subsection must be held in unallotted status until the department submits a request to the office of financial management that includes documentation detailing litigation-related expenses. The office of financial management may release the funds only when it determines that all other funds designated for litigation awards, settlements, and dispute mitigation activities have been exhausted. No funds provided in this subsection may be expended on any legal fees related to the SR 99/Alaskan Way viaduct replacement project.

(9) \$20,755,000 of the motor vehicle account—federal appropriation and \$844,000 of the motor vehicle account—state appropriation are provided solely for the preservation of structurally deficient bridges or bridges that are at risk of becoming structurally deficient. These funds must be used widely around the state of Washington. When practicable, the department shall pursue design-build contracts for these bridge projects to expedite delivery. The department shall provide a report that identifies the progress of each project funded in this subsection as part of its annual agency budget request.

(10) The appropriation in this section includes funding for starting planning, engineering, and construction of the Elwha River bridge replacement. To the greatest extent practicable, the department shall maintain public access on the existing route.

(11)(a) \$9,014,000 of the motor vehicle account—federal appropriation and \$217,000 of the motor vehicle account—state appropriation are provided solely for weigh station preservation (0BP3006). These amounts must be held in unallotted status, except that the director of the office of financial management may approve allotment of the funds upon fulfillment of the conditions of (b) of this subsection.

(b) The department and the Washington state patrol shall jointly submit a prioritized list of weigh station projects to the office of financial management by October 1, 2017. Projects submitted must include estimated costs for preliminary engineering, rights-of-way, and construction and must also consider the timing of any available funding for weigh station projects.

(12) The department must consult with the Washington state patrol and the office of financial management during the design phase of any improvement or preservation project that could impact Washington state patrol weigh station operations. During the design phase of any such project, the department must estimate the cost of designing around the affected weigh station's current operations, as well as the cost of moving the affected weigh station.

(13) During the course of any planned resurfacing or other preservation activity on state route number 26 between Colfax and Othello in the 2017-2019 fiscal biennium, the department must add dug-in reflectors.

(14) The department shall continue to monitor the test patch of pavement that used electric arc furnace slag as an aggregate and report back to the legislature by December 1, 2018, on its comparative wear resistance, skid resistance, and feasibility for use throughout the state in new pavement construction.

(15) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance the US 12/Wildcat Bridge Replacement project (L2000075). At least ten business days before advancing the project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of the project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

(16) Within the connecting Washington account—state appropriation, the department may transfer funds from Highway System Preservation (L1100071) to other preservation projects listed in the LEAP transportation document identified in subsection (1) of this section, if it is determined necessary for completion of these high priority preservation projects. The department's next budget submittal after using this subsection must appropriately reflect the transfer.

Sec. 907. 2018 c 297 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—CAPITAL

Motor Vehicle Account—State Appropriation	((<u>\$6,636,000</u>))
	<u>\$5,753,000</u>
Motor Vehicle Account—Federal Appropriation	((<u>\$5,566,000</u>))
	<u>\$5,578,000</u>
Motor Vehicle Account—Private/Local Appropriation	((<u>\$649,000</u>))
	<u>\$650,000</u>
TOTAL APPROPRIATION	((<u>\$12,851,000</u>))
	<u>\$11,981,000</u>

The appropriations in this section are subject to the following conditions and limitations: The department shall set aside a sufficient portion of the motor vehicle account—state appropriation for federally selected competitive grants or congressional earmark projects that require matching state funds. State funds set

aside as matching funds for federal projects must be accounted for in project 000005Q and remain in unallotted status until needed for those federal projects.

*Sec. 908. 2018 c 297 s 309 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W

Puget Sound Capital Construction Account—State

<i>Appropriation</i>	<i>((\$72,024,000))</i>	<i><u>\$65,777,000</u></i>
Puget Sound Capital Construction Account—Federal		
Appropriation	<i>((\$205,032,000))</i>	<i><u>\$199,623,000</u></i>
Puget Sound Capital Construction Account—Private/Local		
Appropriation	<i>((\$27,196,000))</i>	<i><u>\$27,197,000</u></i>
Transportation Partnership Account—State		
Appropriation	<i>((\$2,923,000))</i>	<i><u>\$1,892,000</u></i>
Connecting Washington Account—State Appropriation		
	<i>((\$136,918,000))</i>	<i><u>\$121,996,000</u></i>
Multimodal Transportation Account—State Appropriation		
		<i>\$2,734,000</i>
Transportation 2003 Account (Nickel Account)—State		
Appropriation		<i>\$4,169,000</i>
TOTAL APPROPRIATION	<i>((\$450,996,000))</i>	<i><u>\$423,388,000</u></i>

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed in LEAP Transportation Document ((2018)) 2019-2 ALL PROJECTS as developed ((~~March-5~~) April 27, ((2018)) 2019, Program - Washington State Ferries Capital Program (W) and is contingent upon the enactment of subsection (6) of this section.

(2) \$27,825,000 of the Puget Sound capital construction account—federal appropriation, ***((~~\$44,485,000~~)) \$29,485,000*** of the connecting Washington account—state appropriation, and \$1,483,000 of the Puget Sound capital construction account—state appropriation are provided solely for the Mukilteo ferry terminal (952515P). To the greatest extent practicable and within available resources, the department shall design the new terminal to be a net-zero energy building. To achieve this goal, the department shall evaluate using highly energy efficient equipment and systems, and the most appropriate renewable energy systems for the needs and location of the terminal. To the extent practicable, the department shall avoid the closure of, or disruption to, any existing public access walkways in the vicinity of the terminal project during construction. Of the amounts provided in this subsection, \$750,000 of the Puget Sound capital construction account—state appropriation is provided solely for additional photovoltaic panels for this project.

(3) \$94,671,000 of the Puget Sound capital construction account—federal appropriation, \$46,919,000 of the connecting Washington account—state

appropriation, \$26,949,000 of the Puget Sound capital construction account—private/local appropriation, \$2,734,000 of the multimodal transportation account—state appropriation, \$511,000 of the Puget Sound capital construction account—state appropriation, and \$679,000 of the transportation 2003 (nickel account)—state appropriation are provided solely for the Seattle Terminal Replacement project (900010L).

(4) (~~(\$5,000,000)~~) \$7,100,000 of the Puget Sound capital construction account—state appropriation is provided solely for emergency capital repair costs (999910K). Funds may only be spent after approval by the office of financial management.

(5) \$950,000 of the Puget Sound capital construction account—state appropriation is provided solely for life extension of the existing ticketing system and ORCA acceptance (998521A and 998521B). The ferry system shall work with Washington technology solutions and the tolling division on the development of a new, interoperable ticketing system.

(6)(a) The department shall, in consultation with the office of financial management, hire an independent planning consultant to assist with overall scope development of a new ferry system long-range plan, including incorporating the items listed in (b) of this subsection. The independent planning consultant must have experience in planning for other ferry systems.

(b) The department shall update the ferries division long-range plan by January 1, 2019. In reviewing the changing needs of the users of the ferry system and the associated funding opportunities and challenges, the department must include, but is not limited to, the following elements in the new long-range plan:

(i) Identify changes in the demographics of users of the system;

(ii) Review route timetables and propose adjustments that take into consideration ridership volume, vessel load times, proposed and current passenger-only ferry system ridership, and other operational needs;

(iii) Review vessel needs by route and propose a vessel replacement schedule, vessel retirement schedule, and estimated number of vessels needed. This analysis should also articulate a reserve vessel strategy;

(iv) Identify the characteristics most appropriate for replacement vessels, such as passenger and car-carrying capacity, while taking into consideration other cost-driving factors. These factors should include:

(A) Anticipated crewing requirements;

(B) Fuel type;

(C) Other operating and maintenance costs;

(v) Review vessel dry dock needs, consider potential impacts of the United States navy, and propose strategies to meet these needs;

(vi) Address the seismic vulnerability of the system and articulate emergency preparedness plans;

(vii) Evaluate leased and state-owned property locations for the ferry headquarters, to include an analysis of properties outside the downtown area of Seattle;

(viii) Evaluate strategies that may help spread peak ridership, such as time-of-day ticket pricing and expanding the reservation system; and

(ix) Identify operational changes that may reduce costs, such as nighttime tie-up locations.

(c) The department shall submit a status report on the long-range plan update to the governor and the transportation committees of the legislature by June 30, 2018, and a final report by January 1, 2019.

(7) \$600,000 of the Puget Sound capital construction account—state appropriation is provided solely for development of a request for proposal to convert the three ferry vessels in the Jumbo Mark II class to hybrid electric propulsion and make associated necessary modifications to the Seattle, Bainbridge, Edmonds, and Kingston terminals. The department is directed to explore capital project financing options to include, but not be limited to, federal funding opportunities, private or local contributions, application for Volkswagen settlement funds, and energy-savings performance contracting to be repaid in whole or in part by fuel-cost savings. The department will report total capital cost estimates, optimal construction schedule, annual capital and operating savings or costs, and a recommended funding option to the governor and to the transportation committees of the legislature by June 30, 2019.

**Sec. 908 is partially vetoed. See message at end of chapter.*

Sec. 909. 2018 c 297 s 310 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—CAPITAL

Essential Rail Assistance Account—State Appropriation	(\$845,000)
	<u>\$710,000</u>
Transportation Infrastructure Account—State Appropriation	(\$7,575,000)
	<u>\$5,388,000</u>
Multimodal Transportation Account—State Appropriation	(\$79,357,000)
	<u>\$74,965,000</u>
Multimodal Transportation Account—Federal Appropriation	(\$59,814,000)
	<u>\$43,175,000</u>
TOTAL APPROPRIATION	(\$147,591,000)
	<u>\$124,238,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document ~~((2018))~~ 2019-2 ALL PROJECTS as developed ~~((March 5))~~ April 27, ((2018)) 2019, Program - Rail Program (Y).

(2) ~~(\$7,009,000)~~ \$5,000,000 of the transportation infrastructure account—state appropriation is provided solely for new low-interest loans approved by the department through the freight rail investment bank (FRIB) program. The department shall issue FRIB program loans with a repayment period of no more than ten years, and charge only so much interest as is necessary to recoup the department's costs to administer the loans. The department shall report annually to the transportation committees of the legislature and the office of financial management on all FRIB loans issued.

(3) \$7,017,000 of the multimodal transportation account—state appropriation and \$24,000 of the essential rail assistance account—state appropriation are provided solely for new statewide emergent freight rail assistance projects identified in the LEAP transportation document referenced in subsection (1) of this section.

(4) \$367,000 of the transportation infrastructure account—state appropriation and \$1,100,000 of the multimodal transportation account—state appropriation are provided solely to reimburse Highline Grain, LLC for approved work completed on Palouse River and Coulee City (PCC) railroad track in Spokane county between the BNSF Railway Interchange at Cheney and Geiger Junction and must be administered in a manner consistent with freight rail assistance program projects. The value of the public benefit of this project is expected to meet or exceed the cost of this project in: Shipper savings on transportation costs; jobs saved in rail-dependent industries; and/or reduced future costs to repair wear and tear on state and local highways due to fewer annual truck trips (reduced vehicle miles traveled). The amounts provided in this subsection are not a commitment for future legislatures, but it is the legislature's intent that future legislatures will work to approve biennial appropriations until the full \$7,337,000 cost of this project is reimbursed.

(5)(a) \$686,000 of the essential rail assistance account—state appropriation, \$422,000 of the multimodal transportation account—state appropriation, and \$21,000 of the transportation infrastructure account—state appropriation are provided solely for the purpose of the rehabilitation and maintenance of the Palouse river and Coulee City railroad line (F01111B).

(b) Expenditures from the essential rail assistance account—state in this subsection may not exceed the combined total of:

(i) Revenues and transfers deposited into the essential rail assistance account from leases and sale of property relating to the Palouse river and Coulee City railroad; and

(ii) Revenues transferred from the miscellaneous program account to the essential rail assistance account, pursuant to RCW 47.76.360, for the purpose of sustaining the grain train program by maintaining the Palouse river and Coulee City railroad.

(6) The department shall issue a call for projects for the freight rail assistance program, and shall evaluate the applications in a manner consistent with past practices as specified in section 309, chapter 367, Laws of 2011. By November 15, 2018, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

(7) For projects funded as part of the 2015 connecting Washington transportation package identified on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance the South Kelso Railroad Crossing project (L1000147). At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the

projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

(8) It is the intent of the legislature to encourage the department to pursue federal grant opportunities leveraging up to \$6,696,000 in connecting Washington programmed funds to be used as a state match to improve the state-owned Palouse river and Coulee City system. The amount listed in this subsection is not a commitment for future legislatures, but is the legislature's intent that future legislatures will work to approve biennial appropriations up to a state match share not to exceed \$6,696,000 of a grant award.

(9) \$5,608,000 of the multimodal transportation account—state appropriation is provided solely as expenditure authority for any insurance proceeds received by the state for Passenger Rail Equipment Replacement (project 700010C). The department must use this expenditure authority only to purchase passenger rail equipment that has been competitively procured.

Sec. 910. 2018 c 297 s 311 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—CAPITAL

Highway Infrastructure Account—State Appropriation	(\$1,083,000)
	<u>\$583,000</u>
Highway Infrastructure Account—Federal Appropriation	\$488,000
Transportation Partnership Account—State	
Appropriation	(\$2,321,000)
	<u>\$1,571,000</u>
Highway Safety Account—State Appropriation	(\$4,287,000)
	<u>\$3,487,000</u>
Motor Vehicle Account—State Appropriation	(\$28,659,000)
	<u>\$16,791,000</u>
Motor Vehicle Account—Federal Appropriation	(\$71,614,000)
	<u>\$64,414,000</u>
Motor Vehicle Account—Private/Local Appropriation	(\$18,000,000)
	<u>\$7,500,000</u>
Connecting Washington Account—State Appropriation	(\$137,387,000)
	<u>\$66,400,000</u>
Multimodal Transportation Account—State	
Appropriation	(\$82,382,000)
	<u>\$59,999,000</u>
TOTAL APPROPRIATION	(\$346,221,000)
	<u>\$221,233,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document ((2018)) 2019-2 ALL PROJECTS as developed ((March 5)) April 27, ((2018)) 2019, Program - Local Programs Program (Z).

(2) The amounts identified in the LEAP transportation document referenced under subsection (1) of this section for pedestrian safety/safe routes to school are as follows:

(a) (~~(\$18,380,000 of the multimodal transportation account—state appropriation is provided solely for newly selected pedestrian and bicycle safety program projects. \$14,219,000)~~ \$26,659,000 of the multimodal transportation account—state appropriation and (~~(\$1,846,000)~~ \$1,096,000 of the transportation partnership account—state appropriation are (~~reappropriated~~) provided solely for pedestrian and bicycle safety program projects (~~selected in the previous biennia~~) (L2000188).

(b) (~~(\$11,400,000)~~ \$15,681,000 of the motor vehicle account—federal appropriation (~~and \$7,750,000~~), \$6,824,000 of the multimodal transportation account—state appropriation (~~are provided solely for newly selected safe routes to school projects. \$11,181,000 of the motor vehicle account—federal appropriation, \$1,394,000 of the multimodal transportation account—state appropriation~~), and (~~(\$4,287,000)~~ \$3,487,000 of the highway safety account—state appropriation are (~~reappropriated~~) provided solely for safe routes to school projects (~~selected in the previous biennia~~) (L2000189). The department may consider the special situations facing high-need areas, as defined by schools or project areas in which the percentage of the children eligible to receive free and reduced-price meals under the national school lunch program is equal to, or greater than, the state average as determined by the department, when evaluating project proposals against established funding criteria while ensuring continued compliance with federal eligibility requirements.

(3) The department shall submit a report to the transportation committees of the legislature by December 1, 2017, and December 1, 2018, on the status of projects funded as part of the pedestrian safety/safe routes to school grant program. The report must include, but is not limited to, a list of projects selected and a brief description of each project's status.

(4) (~~(\$32,984,000)~~ \$23,701,000 of the multimodal transportation account—state appropriation is provided solely for bicycle and pedestrian projects listed in the LEAP transportation document referenced in subsection (1) of this section.

(5) \$43,800,000 of the motor vehicle account—federal appropriation is provided solely for national highway freight network projects identified on the project list submitted in accordance with section 218(4)(b), chapter 14, Laws of 2016 on October 31, 2016. The department shall validate the projects on the list. Only tier one projects on the prioritized freight project list that are validated by the department may receive funding under this subsection. The department shall continue to work with the Washington state freight advisory committee to improve project screening and validation to support project prioritization and selection, including during the freight mobility plan update in 2017. The department may compete for funding under this program and shall provide an updated prioritized freight project list when submitting its 2019-2021 budget request. To the greatest extent practicable, the department shall follow the Washington state freight advisory committee recommendation to allocate ten percent of the funds in this subsection to multimodal projects as permitted under the fixing America's surface transportation (FAST) act.

(6) It is the expectation of the legislature that the department will be administering a local railroad crossing safety grant program for \$7,400,000 in federal funds during the 2017-2019 fiscal biennium. Of the amounts identified in this subsection, a minimum of \$500,000 must be for railroad grade-crossing

safety grants at locations where multiple pedestrian or bicyclist fatalities have occurred in the vicinity of a grade-crossing in the last five years.

(7) (~~(\$8,000,000)~~) \$4,840,000 of the connecting Washington account—state appropriation is provided solely for the Covington Connector (L2000104). The amounts described in the LEAP transportation document referenced in subsection (1) of this section are not a commitment by future legislatures, but it is the legislature's intent that future legislatures will work to approve appropriations in the 2019-2021 fiscal biennium to reimburse the city of Covington for approved work completed on the project up to the full \$24,000,000 cost of this project.

(8)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance one or more of the following projects:

- (i) SR 502 Main Street Project/Widening (L2000065);
- (ii) Complete SR 522 Improvements-Kenmore (T10600R);
- (iii) Issaquah-Fall City Road (L1000094);
- (iv) Lewis Street Bridge (L2000066);
- (v) Covington Connector (L2000104);
- (vi) Orchard Street Connector (L2000120);
- (vii) Harbour Reach Extension (L2000136);
- (viii) Sammamish Bridge Corridor (L2000137);
- (ix) Brady Road (L2000164);
- (x) Thornton Road Overpass (L2000228);
- (xi) I-5/Port of Tacoma Road Interchange (L1000087);
- (xii) Wilburton Reconnection Project (G2000006);
- (xiii) SR 520 Trail Grade Separation at 40th Street (G2000013);
- (xiv) Bay Street Pedestrian Project (G2000015); or
- (xv) Cowiche Canyon Trail (G2000010).

(b) At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

TRANSFERS AND DISTRIBUTIONS

Sec. 1001. 2018 c 297 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

Transportation Partnership Account—State	
Appropriation	(\$4,646,000)
	<u>\$2,046,000</u>
Motor Vehicle Account—State Appropriation	(\$736,000)

	<u>\$396,000</u>
Connecting Washington Account—State Appropriation	(((\$3,199,000))
	<u>\$1,699,000</u>
Highway Bond Retirement Account—State Appropriation.	(((\$1,229,874,000))
	<u>\$1,279,604,000</u>
Ferry Bond Retirement Account—State Appropriation	(((\$28,873,000))
	<u>\$28,223,000</u>
Transportation Improvement Board Bond Retirement Account—State Appropriation	\$13,254,000
Nondebt-Limit Reimbursable Bond Retirement Account—State Appropriation	\$26,391,000
Toll Facility Bond Retirement Account—State Appropriation.	\$86,493,000
Transportation 2003 Account (Nickel Account)—State Appropriation.	(((\$450,000))
	<u>\$250,000</u>
TOTAL APPROPRIATION	(((\$1,393,916,000))
	<u>\$1,438,356,000</u>

Sec. 1002. 2018 c 297 s 403 (uncodified) is amended to read as follows:
FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

Motor Vehicle Account—State Appropriation:
 For motor vehicle fuel tax distributions to
 cities and counties

	(((\$508,182,000))
	<u>\$508,105,000</u>

Sec. 1003. 2018 c 297 s 404 (uncodified) is amended to read as follows:
FOR THE STATE TREASURER—TRANSFERS

Motor Vehicle Account—State Appropriation:
 For motor vehicle fuel tax refunds and
 statutory transfers.

	(((\$2,145,972,000))
	<u>\$2,142,063,000</u>

Sec. 1004. 2018 c 297 s 405 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF LICENSING—TRANSFERS

Motor Vehicle Account—State Appropriation:
 For motor vehicle fuel tax refunds and
 transfers

	(((\$203,535,000))
	<u>\$221,282,000</u>

Sec. 1005. 2018 c 297 s 406 (uncodified) is amended to read as follows:
FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS

(1) Highway Safety Account—State Appropriation: For transfer to the Motor Vehicle Account—State.	\$. \$30,000,000
(2) Transportation Partnership Account—State Appropriation: For transfer to the Connecting Washington Account—State.	\$. \$10,946,000
(3) Motor Vehicle Account—State Appropriation:	

For transfer to the Connecting Washington

~~Account—State \$56,464,000~~

~~((4)) Motor Vehicle Account—State Appropriation:~~

For transfer to the Freight Mobility Investment

~~Account—State (((\$8,511,000))~~

\$1,255,000

~~((5)) (2) Motor Vehicle Account—State Appropriation:~~

For transfer to the Puget Sound Capital

~~Construction Account—State (((\$20,000,000))~~

\$15,000,000

~~((6)) (3) Motor Vehicle Account—State Appropriation:~~

For transfer to the Rural Arterial Trust

~~Account—State \$4,844,000~~

~~((7)) (4) Motor Vehicle Account—State Appropriation:~~

For transfer to the Transportation Improvement

~~Account—State \$9,688,000~~

~~((8)) (5) Highway Safety Account—State Appropriation:~~

For transfer to the State Patrol Highway

~~Account—State (((\$33,000,000))~~

\$2,000,000

~~((9) Puget Sound Ferry Operations Account—State
Appropriation: For transfer to the Connecting
Washington Account—State \$1,305,000~~

~~((10)) (6) Rural Mobility Grant Program Account—State~~

~~Appropriation: For transfer to the Multimodal~~

~~Transportation Account—State \$3,000,000~~

~~((11)) (7) State Route Number 520 Civil Penalties~~

~~Account—State Appropriation: For transfer to~~

~~the State Route Number 520 Corridor~~

~~Account—State \$2,000,000~~

~~((12)) (8) Capital Vessel Replacement Account—State~~

~~Appropriation: For transfer to the Connecting~~

~~Washington Account—State \$36,500,000~~

~~((13)) (9) Multimodal Transportation Account—State~~

~~Appropriation: For transfer to the Freight~~

~~Mobility Multimodal Account—State (((\$8,511,000))~~

\$1,255,000

~~((14)) (10) Multimodal Transportation Account—State~~

~~Appropriation: For transfer to the Puget Sound~~

~~Capital Construction Account—State \$34,000,000~~

~~((15)) (11) Multimodal Transportation Account—State~~

~~Appropriation: For transfer to the Puget Sound~~

~~Ferry Operations Account—State (((\$20,000,000))~~

\$25,000,000

~~((16)) (12) Multimodal Transportation Account—State~~

~~Appropriation: For transfer to the Regional~~

~~Mobility Grant Program Account—State \$27,679,000~~

~~((17)) (13) Multimodal Transportation Account—State~~

~~Appropriation: For transfer to the Rural~~

Mobility Grant Program Account—State \$15,223,000
 ((48)) (14) Tacoma Narrows Toll Bridge Account—State
 Appropriation: For transfer to the Motor Vehicle
 Account—State \$950,000
 ((49)) (15) Transportation 2003 Account (Nickel Account)—
 State Appropriation: For transfer to the Connecting
 Washington Account—State ((22,970,000))
\$18,000,000

((20)) (16)(a) Interstate 405 Express Toll Lanes Operations
 Account—State Appropriation: For transfer to the
 Motor Vehicle Account—State \$2,019,000

(b) The transfer identified in this subsection is provided solely to repay in full the motor vehicle account—state appropriation loan from section 407(19), chapter 222, Laws of 2014.

((21)) (17)(a) Transportation Partnership Account—State
 Appropriation: For transfer to the Alaskan Way Viaduct
 Replacement Project Account—State \$122,047,000

(b) The amount transferred in this subsection represents that portion of the up to \$200,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.873, intended to be sold through the 2021-2023 fiscal biennium, used only for construction of the SR 99/Alaskan Way Viaduct Replacement project (809936Z), and that must be repaid from the Alaskan Way viaduct replacement project account consistent with RCW 47.56.864.

((22(a))) (18)(a) Motor Vehicle Account—State Appropriation:
 For transfer to the Tacoma Narrows Toll Bridge
 Account—State \$5,000,000

(b) The transfer in this subsection must be made in April 2019. It is the intent of the legislature that this transfer is temporary, for the purpose of minimizing the impact of toll increases, and an equivalent reimbursing transfer is to occur in November 2019.

((23)) (19) Motor Vehicle Account—State Appropriation:
 For transfer to the County Arterial Preservation
 Account—State \$4,844,000

((24)) (20)(a) General Fund Account—State Appropriation:
 For transfer to the State Patrol Highway
 Account—State \$625,000

(b) The state treasurer shall transfer the funds only after receiving notification from the Washington state patrol under section 207(6) ((of this act)), chapter 297, Laws of 2018.

((25)) (21)(a) Motor Vehicle Account—State Appropriation:
 For transfer to the Alaskan Way Viaduct Replacement
 Project Account—State ((11,337,000))
\$9,992,000

(b) The funds provided in (a) of this subsection are a loan to the Alaskan Way viaduct replacement project account—state, and the legislature assumes that these funds will be reimbursed to the motor vehicle account—state at a later date when the portion of state route number 99 that is a deep bore tunnel is operational.

~~((26) Multimodal Transportation Account—State~~

~~Appropriation: For transfer to the Highway Safety~~

~~Account—State \$7,000,000~~

~~(27)) (22)(a) Alaskan Way Viaduct Replacement Project~~

Account—State Appropriation: For transfer to the

Transportation Partnership Account—State ~~(\$2,400,000)~~

\$1,471,000

(b) The amount transferred in this subsection represents repayment of debt service incurred for the construction of the SR 99/Alaskan Way Viaduct Replacement Project (809936Z).

(23) Transportation 2003 Account (Nickel Account)

—State Appropriation: For transfer to the Motor

Vehicle Account—State \$10,000,000

MISCELLANEOUS 2017-2019 FISCAL BIENNIUM

Sec. 1101. 2018 c 297 s 701 (unmodified) is amended to read as follows:

ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS

(1) The department of transportation is authorized, subject to the conditions in ~~(section 305(3) of this act)~~ section 305(3), chapter 297, Laws of 2018, to enter into a financing contract pursuant to chapter 39.94 RCW through the state treasurer's lease-purchase program for the purposes indicated. The department may use any funds, appropriated or nonappropriated, in not more than the principal amounts indicated, plus financing expenses and required reserves, if any. Expenditures made by the department of transportation for the indicated purposes before the issue date of the authorized financing contract and any certificates of participation therein may be reimbursed from proceeds of the financing contract and any certificates of participation therein to the extent provided in the agency's financing plan approved by the state finance committee.

(2) Department of transportation: Enter into a financing contract for up to \$32,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to renovate the existing office building at 15700 Dayton Ave N, Shoreline.

NEW SECTION. Sec. 1102. A new section is added to 2018 c 297 (unmodified) to read as follows:

The appropriations to the department of transportation in chapter 297, Laws of 2018 and this act must be expended for the programs and in the amounts specified in this act. However, after May 1, 2019, unless specifically prohibited, the department may transfer state appropriations for the 2017-2019 fiscal biennium among operating programs after approval by the director of the office of financial management. However, the department shall not transfer state moneys that are provided solely for a specific purpose. The department shall not transfer funds, and the director of the office 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 the office of financial management shall notify the appropriate transportation committees of the legislature prior to approving any allotment modifications or transfers under this section.

NEW SECTION. Sec. 1103. The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective July 1, 2019:

2018 c 297 s 701.

MISCELLANEOUS

NEW SECTION. Sec. 1201. 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. 1202. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House April 28, 2019.

Passed by the Senate April 28, 2019.

Approved by the Governor May 21, 2019, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 21, 2019.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Sections 208(5); 208(7); 208(9); 208(12); 208(15); 208(16); 208(17); 208(24); 208(27); 208(28); 208(29); 220, page 42, line 23; page 42, line 38 beginning with "Fuel" through line 39 ending with "process."; page 43, line 3 beginning with "Fuel" through line 4 ending with "process."; page 43, line 15 beginning with "Fuel" through line 16 ending with "process."; page 44, line 10 beginning with "Fuel" through line 11 ending with "process."; page 44, line 31 beginning with "Fuel" through line 32 ending with "process"; page 46, line 5; 304(2); 306(17); 905, page 169, lines 36-38; page 170, lines 18-20; 905(14); 908, page 184, lines 10-12; and 908(1), Engrossed Substitute House Bill No. 1160 entitled:

"AN ACT Relating to transportation funding and appropriations."

Sections 208(5), pages 17-18; 208(7), page 18; 208(15), pages 19-20; 208(16), page 20; 208(17), pages 20-21; 208(27), page 22; and 208(28), pages 22-23, Department of Licensing, Unfunded Studies

The Department of Licensing was tasked with forming several unfunded work groups and conducting studies, while also taking significant budget cuts. The department will not be able to complete all of the directives it has been assigned without additional funding. I am directing the department to undertake these efforts as much as it can within existing resources, prioritizing the work groups that assist active-duty and former military members. For this reason, I have vetoed Sections 208(5), 208(7), 208(15), 208(16), 208(17), 208(27) and 208(28).

Section 304(2), pages 55-56, Transportation Improvement Board, Programmatic Allotments

This section requires the Transportation Improvement Board (TIB) to allot its appropriations by certain programs and to not deviate without legislative consultation. This removes the TIB's authority, which is established in statute, to set its internal program levels. While the Legislature has the authority to appropriate funds, the executive branch has the statutory authority to allot the funds. For these reasons, I have vetoed Section 304(2).

Section 306(17), page 62, Department of Transportation, Highway Improvements, New Rhodes Lake Road Project

This section requires the Washington State Department of Transportation (WSDOT) to support, review, and approve improvements and right-of-way plans following the preferred and recommended alternative of Pierce County's supplemental environmental impact statement for this project, which is a traffic signal. WSDOT conducted an intersection control evaluation process with stakeholders and determined that a roundabout provides the safest and most efficient results for this intersection. WSDOT is the approving authority for intersection control on highways such as State Route 162, and as such, the proviso language conflicts with WSDOT's stewardship of SR 162. For these reasons, I have vetoed Section 306(17).

Section 905, page 169, lines 36-38; page 170, lines 18-20; and Section 905(14), pages 172-173, Department of Transportation, Transportation Partnership Account-State Appropriation, Nickel Account-State Appropriation, and I-405/Kirkland Vicinity Project Delivery

The supplemental budget provides appropriations to the Interstate 405/Kirkland stage 2 project that are lower than expected expenditures and would result in a shortfall of approximately \$35 million in the Highway Construction program. For this reason, I have vetoed the supplemental Transportation Partnership Account-State appropriation, the supplemental Nickel Account-State appropriation, and the project proviso in order to increase the appropriation levels. I am directing WSDOT to spend within the appropriation provided by the Legislature, but including the \$35 million necessary for the I-405 Kirkland stage 2 project. For these reasons, I have vetoed Section 905, page 169, lines 36-38; page 170, lines 18-20; and Section 905(14).

Section 908, page 184, lines 10-12, and Section 908(1), page 184, Department of Transportation, Puget Sound Capital Construction Account-State Appropriation, Washington State Ferries Construction Program

The supplemental budget removed the ferry dispatch system replacement project, of which \$600,000 had already been spent. The appropriation of \$600,000 was also removed. Thus, the appropriation level in the Puget Sound Capital Construction account is below what is needed to fund the capital project list in the ferry program. For this reason I have vetoed the supplemental Puget Sound Capital Construction Account-State appropriation and the capital project list, thereby restoring it to previous levels. I am directing WSDOT to spend within the appropriation and capital project list provided by the Legislature, but including the \$600,000 that was removed. For these reasons, I have vetoed Section 908, page 184, lines 10-12, and Section 908(1).

Section 220, page 42, line 23; page 42, line 38 beginning with "Fuel" through line 39 ending with "process."; page 43, line 3 beginning with "Fuel" through line 4 ending with "process."; page 43, line 15 beginning with "Fuel" through line 16 ending with "process."; page 44, line 10 beginning with "Fuel" through line 11 ending with "process."; page 44, line 31 beginning with "Fuel" through line 32 ending with "process."; and page 46, line 5

Section 220 includes the following sentence in six provisos: "Fuel type may not be a factor in the grant selection process." This requirement is contrary to, and in direct conflict with, the statutory mandates in RCW 47.66.040 and 47.66.030 that direct WSDOT to consider, among other criteria, energy efficiency issues, and federal and state air quality requirements in selecting programs and projects. In addition, this requirement also conflicts with, or at best substantially impairs, the statutory mandate for the state and for local government subdivisions to transition to zero emission vehicles as articulated in RCW 43.19.648.

The sentence at issue is a policy change—that is, an amendment—to existing statutory requirements. As such, the sentence violates Article II, Section 37, by amending those statutes indirectly and failing to set those statutes forth in full. It also places WSDOT and others in the untenable position of being forced to violate one state law in order to comply with another.

It is well established that the governor's veto powers in Article III, Section 12 of the Washington State Constitution extend to appropriation items and full subsections or provisos in an appropriation bill. It is also well established that our courts will intervene to prevent obvious circumvention of the veto power by the Legislature or equally obvious manipulation of that power by the governor. The addition of this sentence within these provisos constrains my ability to exercise the constitutionally authorized veto powers.

While my veto authority is generally limited to subsections or appropriation items in an appropriation bill, in this very rare and unusual circumstance I have no choice but to veto a single sentence in several subsections to prevent a constitutional violation and to prevent a forced violation of state law.

For these reasons, I have vetoed Section 220, page 42, line 23, page 42, line 38 beginning with "Fuel" through line 39 ending with "process.", page 43, line 3 beginning with "Fuel" through line 4 ending with "process.", page 43, line 15 beginning with "Fuel" through line 16 ending with "process.", page 44, line 10 beginning with "Fuel" through line 11 ending with "process.", page 44, line 31 beginning with "Fuel" through line 32 ending with "process", and page 46, line 5.

I have vetoed the following sections related to bills that did not pass the Legislature, resulting in the lapse of funding. My veto of these sections will serve to clean up these unnecessary sections of the bill.

Section 208(9), pages 18-19, Department of Licensing, SSB 5694, Commercial Beekeeper Drivers

Section 208(12), page 19, Department of Licensing, SSB 5591, Stolen Vehicle Check Fee

Section 208(24), page 22, Department of Licensing, HB 1255, Patches Pal License Plate

Section 208(29), page 23, Department of Licensing, ESHB 1504, Impaired Driving

For these reasons I have vetoed Sections 208(5); 208(7); 208(9); 208(12); 208(15); 208(16); 208(17); 208(24); 208(27); 208(28); 208(29); 220, page 42, line 23; page 42, line 38 beginning with "Fuel" through line 39 ending with "process."; page 43, line 3 beginning with "Fuel" through line 4 ending with "process."; page 43, line 15 beginning with "Fuel" through line 16 ending with "process."; page 44, line 10 beginning with "Fuel" through line 11 ending with "process."; page 44, line 31 beginning with "Fuel" through line 32 ending with "process."; page 46, line 5; 304(2); 306(17); 905, page 169, lines 36-38; page 170, lines 18-20; 905(14); 908, page 184, lines 10-12; and 908(1) of Engrossed Substitute House Bill No. 1160.

With the exception of Sections 208(5); 208(7); 208(9); 208(12); 208(15); 208(16); 208(17); 208(24); 208(27); 208(28); 208(29); 220, page 42, line 23; page 42, line 38 beginning with "Fuel" through line 39 ending with "process."; page 43, line 3 beginning with "Fuel" through line 4 ending with "process."; page 43, line 15 beginning with "Fuel" through line 16 ending with "process."; page 44, line 10 beginning with "Fuel" through line 11 ending with "process."; page 44, line 31 beginning with "Fuel" through line 32 ending with "process."; page 46, line 5; 304(2); 306(17); 905, page 169, lines 36-38; page 170, lines 18-20; 905(14); 908, page 184, lines 10-12; and 908(1), Engrossed Substitute House Bill No. 1160 is approved."

AUTHENTICATION

I, Kathleen Buchli, Code Reviser of the State of Washington, certify that, with the exception of such corrections as I have made in accordance with the powers vested in me by RCW 44.20.060, the laws published in this volume are a true and correct reproduction of the copies of the enrolled laws of the 2019 session (66th Legislature), chapters 415 through 416, as certified and transmitted to the Statute Law Committee by the Secretary of State under RCW 44.20.020.

IN TESTIMONY WHEREOF, I have hereunto set my hand at Olympia, Washington, this 29th day of May, 2019.

A handwritten signature in black ink, appearing to read "Kathleen Buchli". The signature is written in a cursive style with a loop at the end.

Kathleen Buchli
Code Reviser