

unconstitutional, the remainder of this act and the application of such provisions to other persons or circumstances shall not be affected thereby, and it shall be conclusively presumed that the legislature would have enacted the remainder of this act without such invalid or unconstitutional provision.

NEW SECTION. Sec. 5. Sections 1 through 4 of this act shall constitute a new chapter in Title 4 RCW.

Passed the Senate March 31, 1973.

Passed the House April 14, 1973.

Approved by the Governor April 23, 1973.

Filed in Office of Secretary of State April 24, 1973.

CHAPTER 139

[Engrossed Substitute Senate Bill No. 2800]

DEPARTMENT OF SOCIAL AND HEALTH

SERVICES BUDGET

AN ACT Adopting the budget for the department of social and health services and allied agencies; making appropriations and authorizing expenditures for the operations of the department and allied agencies for the fiscal biennium beginning July 1, 1973, and ending June 30, 1975; designating effective dates for certain appropriations; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Section 1. That a budget is hereby adopted for the department of social and health services and its allied agencies and subject to the provisions set forth in the following sections, the several amounts specified in the following sections, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be disbursed for salaries, wages and other expenses and for other specified purposes for the fiscal biennium beginning July 1, 1973, and ending June 30, 1975, except as otherwise provided, out of the several funds of the state hereinafter named.

NEW SECTION. Sec. 2. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

General Fund Appropriation: PROVIDED, That

\$594,866,929 is from state funds and

\$6,541,168 is from private and local funds and

\$417,713,198 is from federal funds: PROVIDED,

That any proposal to expend moneys or man

years from an appropriated fund or account

in excess of appropriations provided by law, based

upon the receipt of unanticipated revenues, shall be submitted to the House Ways and Means Committee and to the Senate Ways and Means Committee, if the state legislature is in session, or to the legislative budget committee during the interim between legislative sessions which may authorize the expenditure of unanticipated receipts during the legislative interim arising from federal sources, gifts or grants, by a majority of the members: PROVIDED, That the Department initiate negotiations with the federal government for federal administration of the state supplementation of the supplemental security income program and also initiate negotiations for the optional federal administration of eligibility for medicaid by the adult recipients: PROVIDED, That a draft negotiated contract shall be submitted to the Legislative Budget Committee or to the House and Senate Ways and Means Committees if the Legislature is in session by Sept. 15, 1973 for their review and such contract shall not be completed without legislative authorization: PROVIDED, That if the claim made by the state to the U. S. Department of Health, Education and Welfare on October 24, 1972 for reimbursement in the amount of \$32,876,903 is sustained or any portion of that claim is sustained such funds shall be deposited by the State Treasurer in Suspense Fund 705 and no allocation or disbursements of these funds shall be made until a legislative appropriation determining the use of such moneys shall be enacted into law: PROVIDED, That all disputes arising between the state and the United States Department of Health, Education, and Welfare involving the state's claim to federal reimbursement of state expenditures as provided by the applicable provisions of Titles I, IV, X, XIV, XVI and XIX of the Social Security Act which would have

the effect of reducing or increasing any appropriation or any part thereof shall be negotiated and settled only with the consent of a majority of the members of the House Ways and Means Committee and the Senate Ways and Means Committee: PROVIDED, That the sum of \$5,508,264 currently being held by the State Treasurer in Suspense Fund 705 pending the completion of a federal review of the legitimacy of the claim for such moneys shall continue to be held and no allocation or disbursements of these funds, except to repay the federal government if necessary, shall be made until a legislative appropriation determining the use of such moneys shall be enacted into law: PROVIDED, That if the Department claims additional matching for the period of October 1, 1972 through June 30, 1973, or any portion thereof, such moneys shall be deposited by the State Treasurer in Suspense Fund 705 and no allocation or disbursements of these funds shall be made until a legislative appropriation determining the use of such moneys shall be enacted into law: PROVIDED, That the department shall deploy personnel in such a manner as to insure, insofar as is possible, that ineligible persons shall be removed from current caseloads, errors resulting in overpayments or underpayments to recipients shall be corrected, efforts shall be made to insure that only eligible individuals are added to the public assistance caseloads and that caseloads are kept within the estimates for which funds are herein provided: PROVIDED, That compliance with this act and the attempt to contain caseloads within acceptable limits shall be accomplished but, notwithstanding the provisions of RCW 74.08.040, the Department shall not impose ratable reductions, or any other form of

reduction in public assistance grants which are in addition to, or in any way lower the maximums presently imposed: PROVIDED, That the agency charged with the responsibility for performance or management audits shall periodically monitor departmental management to insure that compliance with these provisions is being maintained:

PROVIDED FURTHER, That this appropriation shall be expended for the following purposes.....\$1,019,121,295

Adult Corrections and Rehabilitative Services

Program.....\$ 42,208,916

Juvenile Rehabilitation Program: PROVIDED,

That it is the intent of the legislature that the delinquency prevention program shall be continued

in combination with the protective services program.....\$ 29,994,492

Mental Health Program.....\$ 51,994,015

Developmental Disabilities Program: PROVIDED,

That \$115,050 is appropriated for auditory training systems for use at the state school for the deaf: PROVIDED, That of the new positions authorized in this act twenty-five shall be developmental disability community workers added during the first year of the biennium and an additional twenty-five developmental disability community workers to be added during the second year of the biennium.....\$ 70,118,192

Veterans' Services Program: PROVIDED,

That the Department of Social and Health Services shall perform an in-depth study regarding the need for the Veterans' Home at Retsil, and the Soldiers' Home and Colony at Orting, and possible alternative approaches to provision of this service including, but not limited to, combining of the programs or closure of one or both homes, and the results are to be reported to the State Legislature prior to October 1, 1973.....\$ 6,431,756

Income Maintenance Program: PROVIDED, That a

person referred to and accepted by the Division of Vocational Rehabilitation for rehabilitation under an approved plan, which plan includes maintenance payments, shall not be eligible to receive general assistance: PROVIDED, That of this sum \$3,817,082 in state moneys or so much thereof as shall be necessary, shall be employed exclusively for the purpose of providing a state supplement up to the aid to families with dependent children public assistance standards for recipients of unemployment compensation benefits who, except for the restriction on eligibility for those receiving unemployment compensation benefits, meet aid to families with dependent children eligibility standards: PROVIDED, That those recipients concurrently receiving unemployment compensation benefits shall not be eligible for additional state funded medical services beyond those services now available to such recipients: PROVIDED, That the amount paid from this appropriation to or on behalf of a recipient in a nursing home or a hospital for clothing and necessary incidentals shall not exceed fifty percent of the amount which would be paid to such a recipient if he were living in his own home: PROVIDED, That of this appropriation \$3,611,163 of which \$1,692,552 is the state share, or so much thereof as shall be necessary, shall be utilized exclusively for the purpose of providing a five percent cost of living increase for recipients of aid to families with dependent children and general assistance from July 1, 1973 through June 30, 1975: PROVIDED, That the department shall report to the legislature the total amount of all moneys deposited in the state treasury in nonrevenue accounts and the total of all moneys received for nonassistance support collections accounts and that in no event shall the department

utilize these moneys to establish new programs, to expand existing programs beyond legislatively authorized intent nor to supplant federal funds without specific legislative authorization: PROVIDED, That of this amount \$1,731,330 of which the state share shall be \$840,620 shall be utilized exclusively for the purpose of providing a five percent cost of living increase for old age assistance, aid to blind and disability assistance categorical recipients from July 1, 1973 through June 30, 1975: PROVIDED, That of this amount \$1,215,043 shall be utilized exclusively for the purpose of providing one hundred additional man-years and related costs within the employment level provided for in section 3 of this act consisting solely of welfare eligibility examiners of claims investigators and supervisors to be utilized in the local offices verification and overpayment control sections and such man-year allocations shall be so distributed as to provide the greatest impact upon insuring that income maintenance payments are made only to eligible recipients: PROVIDED, That within the employment level provided in section 3 of this act, not to exceed \$1,049,647 of this amount shall be utilized exclusively for the purpose of providing a total of seventy-six man-years and related costs for the "state investigative unit" whose responsibility shall be to investigate all complaints of fraud and to institute the proper corrective action.....\$ 350,162,055

Community Social Services Program: PROVIDED, That \$2,000,000 of this appropriation shall be used to reimburse those nonprofit voluntary agencies enumerated under RCW 74.15.020 (3) (a), (b) and (c) for costs incurred in the administration, operation and maintenance of such agencies, such costs being in addition to the purchase of care for

such children as otherwise authorized by law: PROVIDED, FURTHER, That \$786,064 in state funds, or so much thereof as shall be necessary, shall be employed exclusively for the purpose of providing for sixty manyears and related costs to continue the delinquency prevention program: PROVIDED, FURTHER, That the department may implement at its discretion a sliding scale of charges in accordance with existing statutes and

regulations.....\$ 102,176,039

State General Fund Appropriation:

For day care services for former and potential AFDC recipients.....\$

4,067,000

Medical Assistance Program:

PROVIDED, That the Department of Social and Health Services shall, commencing August 1, 1973 pay for skilled nursing care not less than the rates of \$12.82 per day per patient for Class I care, and \$10.00 per day per patient for Class II care, and shall pay not less than the rate of \$7.54 per day per resident for Intermediate care.....\$

271,581,120

: PROVIDED, That notwithstanding the provisions of RCW 18.51.090, the Department shall make a yearly inspection and investigation of all nursing homes; every inspection shall include an inspection of every part of the premises and an examination of all records including financial records, methods of administration, the general and special dietary, the dispersal of drugs, and the stores and methods of supply. The results of such inspection shall be made available to the House and Senate Ways and Means Committee and to the Legislative Budget Committee.

Public Health Program.....\$

26,945,251

Vocational Rehabilitation Program: PROVIDED, That a person referred to and accepted by

the Division of Vocational Rehabilitation for rehabilitation under an approved plan, which plan includes maintenance payments, shall not be eligible to receive general assistance: PROVIDED, That an amount up to \$100,000 shall be allocated for the Radio Talking Book program for the blind: PROVIDED, That of this appropriation \$150,000 shall be made available exclusively for the purpose of development programs for eligible disabled clients who were in vocational rehabilitation programs pursuant to performance contracts between the department and private placement agencies: PROVIDED FURTHER, That such services shall be made available in a state-wide program that teaches disabled persons (1) How to inventory their work skills and relate such skills to the labor market; (2) Where jobs fitting their work skills are most likely to be available; (3) How to conduct a systematic search for employment and how to present themselves most favorably to a prospective employer; and (4) How and where education and training are available to develop or improve marketable work skills.....\$ 29,888,865

Administration and Supporting Services Program.....\$ 33,554,044

General Fund Appropriation for medical services and supplies including adjustment of hospital costs not in excess of the unexpended balance of the 1971-73 appropriations or allotments for this purpose.

Medical Assistance.....\$ 5,100,000

Vocational Rehabilitation.....\$ 25,000

General Fund Appropriation for grants to communities for mental health and mental retardation construction grants not in excess of the unexpended balance of the 1971-73 appropriations or allotments for this purpose.

Mental Health.....\$ 1,115,996

Developmental Disabilities.....\$ 303,197

NEW SECTION. Sec. 3. It is the intent of the Legislature that the department shall not expend in excess of 26,320 man-years

during the 1973-75 biennium. The department shall allocate these man-years among the various programs in such a manner as to effect the maximum efficiency and effectiveness possible: PROVIDED, That it is the further intent of the Legislature that in making necessary adjustments in man-years the Department of Social and Health Services shall retain those local office personnel officers and staff needed to maintain adequate position control and, to process personnel actions and that reductions necessitated by legislative intent shall reduce state level personnel officers: PROVIDED, That this restriction shall not apply to staff positions funded by one hundred percent federal moneys in the Office of Disability Insurance throughout the 1973-75 biennium: PROVIDED, That this restriction shall not apply to those staff positions directly concerned with the enumeration and conversion of the current old age assistance, aid to blind and disability assistance programs to Supplemental Security Income as these functions are performed through federal contract and funded one hundred percent from federal moneys for the period up to January 1, 1974: PROVIDED FURTHER, That any deviations from the overall man-year limitations because of these three exceptions shall be promptly reported to the House and Senate Ways and Means Committees chairmen if the Legislature is in session or to the Legislative Budget Committee: PROVIDED, That it is the intent of the Legislature that compliance with overall intent expressed through this act shall result in the least disruption of currently filled positions and that every effort shall be made by the Department, within the rules and regulations of the Personnel Board, to comply with the intended man-year adjustments through failing to fill vacancies caused by attrition and other similar means including reclassifications of existing positions as necessary.

NEW SECTION. Sec. 4. It is the intent of the legislature that the department of social and health services retain a degree of flexibility within the eleven purposes for which funds are herein appropriated to meet unforeseen circumstances and to capitalize upon the potential availability of other funds and sources of funds and to that end the department is authorized to seek allotment amendments reducing appropriated amounts up to a maximum of \$5,000,000 and raising other appropriated amounts up to a maximum of \$5,000,000 after notifying the Legislative Budget Committee or its successor of the department's intentions to distribute all or any portion of such moneys.

NEW SECTION. Sec. 5. If any part of this act shall be found to be in conflict with federal requirements which are a prescribed condition to the allocation of federal funds to the state, such conflicting part of this act is hereby declared to be inoperative solely to the extent of such conflict, and such finding or

determination shall not affect the operation of the remainder of this act. The rules and regulations under this act shall meet federal requirements which are a necessary condition to the receipt of federal funds by the state.

NEW SECTION. Sec. 6. Notwithstanding any other provision of law, from the total funds reduced as a result of revised caseload and expenditure estimates, a sum of \$10,500,000 shall be held as revenue reserve until the Legislature has had an opportunity to determine whether the estimated caseload and expenditure reductions set forth in the Legislative Auditor's memorandum of March 2, 1973 to the chairman of the House Ways and Means Committee materialize. The department shall review its caseload and expenditure estimates and submit a report to the chairmen of the House and Senate Ways and Means Committees and the Legislative Budget Committee prior to January 1, 1974. The Legislature shall determine prior to March 1, 1974 whether all or any portion of the amount set out in this section shall be appropriated as a result of revised caseload and expenditure estimates.

NEW SECTION. Sec. 7. The words "department and allied agency" used herein means and includes every institution, whether educational, correctional, or other, and division, board and commission, except as otherwise provided in this act.

NEW SECTION. Sec. 8. In order to carry out the provisions of these appropriations and the state budget, the director of the office of program planning and fiscal management with the approval of the governor, may:

(1) Allot all of any portion of the funds herein appropriated or included in this budget, to the department for such periods as he shall determine and may place any funds not so allotted in reserve available for subsequent allotment. (a) When necessary to limit total state expenditures to available revenues as required by RCW 43.88.110(2); (b) When the department proposes the expenditure of a resource not disclosed in the budget request submitted to the Governor and Legislature: PROVIDED, HOWEVER, That the aggregate of allotments for the department shall not exceed the total of applicable appropriations and local funds available to the department or allied agency. It shall be unlawful for any officer or employee to incur obligations in excess of approved allotments or to incur a deficiency and any obligation so made shall be deemed invalid. Nothing in this section or in chapter 328, Laws of 1959, shall prevent revision of any allotment when necessary to prevent the making of expenditures under appropriations in this act in excess of available revenues.

(2) Issue rules and regulations to establish uniform standards and business practices throughout the state service, including

regulation of travel by officers and employees and the conditions under which per diem shall be paid, so as to improve efficiency and conserve funds.

(3) Prescribe procedures and forms to carry out the above.

(4) Allot funds from appropriations in this act in advance of July 1, 1973; for the sole purpose of authorizing the department and its allied agencies to order goods, supplies, or services for delivery after July 1, 1973: PROVIDED, That no expenditures may be made from the appropriations contained in this act, except as otherwise provided, until after July 1, 1973.

NEW SECTION. Sec. 9. Whenever possible, the receipt of federal or other funds which are not anticipated by the governor's budget or in the appropriations enacted by the Legislature shall be used to support regular programs instead of using funds appropriated from state taxes or similar revenue sources.

NEW SECTION. Sec. 10. In the event that receipts shall be less than those estimated in the budget from any source expenditures shall be limited to the amount received and allotments made as provided in section 8. Receipts for purposes of this section shall include amounts realized within one calendar month following the close of a fiscal period and applicable to expenditures of that period. The amount of such payment shall be credited to and shall be treated for all purposes as having been collected during the fiscal period.

NEW SECTION. Sec. 11. Agencies are authorized to make refunds of erroneous or excessive payments and in the case of other refunds, which may be provided by law, without express appropriation therefor.

NEW SECTION. Sec. 12. Whenever allocations are made from the governor's emergency appropriation to an agency which is financed by other than general fund moneys, the director of the office of program planning and fiscal management may direct the repayment of such allocated amount to the general fund from any balance in the fund or funds which finance such agency. No appropriation shall be necessary to effect such repayment.

NEW SECTION. Sec. 13. Amounts received by the department or an allied agency as reimbursements pursuant to RCW 43.09.210 shall be considered as returned loans of materials supplied or services rendered. Such amounts may be expended as a part of the original appropriation of the fund to which it belongs, without further or additional appropriation, subject to conditions and procedures prescribed by the director of the office of program planning and fiscal management which shall provide for determination of full costs, disclosure of such reimbursements in the governor's budget, maximum interagency usage of data processing equipment and services

and such restrictions as will promote more economical operations of state government without incurring continuing costs beyond those reimbursed.

NEW SECTION. Sec. 14. In order to obtain maximum interagency use of aircraft, the Aeronautics Commission, in accordance with RCW 43.09.210 and chapter 39.34 RCW is hereby authorized to lease, purchase or otherwise acquire suitable aircraft which shall be utilized for the purposes of the Aeronautics Commission and also by other state agencies which have a need for an aircraft to carry out agency assigned responsibilities: PROVIDED, That the Aeronautics Commission is further authorized to enter into contractual agreements with other state agencies in order to acquire aircraft, establish rental rates for aircraft under their control, provide pilot services, aircraft maintenance and make such other provisions as necessary to provide aircraft and related services for multi-agency use: PROVIDED FURTHER, That in order to achieve economy in the use of the appropriations contained within this act no state agency may purchase or otherwise acquire an aircraft or enter into a flying service or aircraft rental contract without first seeking such service from the Aeronautics Commission and without prior approval of the director of the office of program planning and fiscal management.

NEW SECTION. Sec. 15. All contract personal services contracts except those for medical and health care and such other contracts which the director of the office of program planning and fiscal management may exempt after consultation with the Legislative Budget Committee shall be filed with the office of program planning and fiscal management and the Legislative Budget Committee prior to obligating any portion of the appropriations approved in this act.

NEW SECTION. Sec. 16. Within the rules and regulations of the Department of Personnel, as applicable, in the filling of vacant positions and in the filling of new positions of employment in state government, preference shall be given, where necessary, to nonwhite and Mexican-American applicants in order to attain the same minority employment ratio in each agency as obtains in the population of the state at large.

NEW SECTION. Sec. 17. The department and its allied agencies are hereby authorized and directed to pay their share of the 1971-73 unemployment compensation costs in accordance with section 19, chapter 3, Laws of 1971, as determined by the Employment Security Department, from their 1973-75 operating appropriations. The director of the office of program planning and fiscal management may require agencies to place funds in reserve status in order to assure that funds will be available for the purpose of this section.

NEW SECTION. Sec. 18. If any provision of this act, or its application to any person or circumstance is held invalid, the

remainder of the act, or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 19. This act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and shall take effect immediately: PROVIDED, That provisions of this appropriations act shall not take effect until the legislature shall have approved the entire 1973-75 biennial budget for the state of Washington.

Passed the Senate April 14, 1973.

Passed the House April 14, 1973.

Approved by the Governor April 23, 1973 with the exception of an item in section 2 which is vetoed.

Filed in Office of Secretary of State April 24, 1973.

Note: Governor's explanation of partial veto is as follows:

"I am filing herewith to be transmitted to the Senate at the next session of the Legislature, without my approval as to one item, Substitute Senate Bill No. 2800, entitled:

Veto
Message

"AN ACT Adopting the budget for the Department of Social and Health Services and allied agencies; making appropriations and authorizing expenditures for the operations of the department and allied agencies for the fiscal biennium beginning July 1, 1973, and ending June 30, 1975; designating effective dates for certain appropriations; and declaring an emergency."

The specific item which I have vetoed is the phrase "in combination with the protective services program" which appears in Section 2, page 5, lines 8 and 9. I have vetoed the phrase in order to correct a technical error which would lead to accounting and programming problems. The Child Protective Services Program technically does not exist as a separate and distinct accounting or program entity in the Department but is part of the broad ranged Community Social Services Program. This amendment simply allows the Department to continue the program as part of the Community Services Program.

With the exception of the item described above, the remainder of the bill is approved."