

NEW SECTION. Sec. 11. 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. Sections 3, 4, and 7 of this act shall take effect on June 30, 1981. The remainder of this act shall take effect immediately.

Passed the House February 3, 1981.

Passed the Senate February 16, 1981.

Approved by the Governor February 19, 1981.

Filed in Office of Secretary of State February 19, 1981.

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CHAPTER 5

[Substitute House Bill No. 206]

SUPPLEMENTAL BUDGET

AN ACT Relating to state agencies; adopting a supplemental budget; making supplemental appropriations and authorizing expenditures; making other appropriations; amending section 52, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 1, chapter 167, Laws of 1980 (uncodified); amending section 53, chapter 270, Laws of 1979 ex. sess. as amended by section 8, chapter 167, Laws of 1980 (uncodified); amending section 54, chapter 270, Laws of 1979 ex. sess. as amended by section 9, chapter 167, Laws of 1980 (uncodified); amending section 55, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 56, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 58, chapter 270, Laws of 1979 ex. sess. as amended by section 10, chapter 167, Laws of 1980 (uncodified); amending section 59, chapter 270, Laws of 1979 ex. sess. as amended by section 11, chapter 167, Laws of 1980 (uncodified); amending section 60, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 61, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 62, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 19, chapter 261, Laws of 1979 ex. sess. (uncodified); amending section 63, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 64, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 65, chapter 270, Laws of 1979 ex. sess. as amended by section 1, chapter 158, Laws of 1980 and by section 12, chapter 167, Laws of 1980 (uncodified); amending section 100, chapter 270, Laws of 1979 ex. sess. (uncodified); amending section 15, chapter 15, Laws of 1970 ex. sess. as last amended by section 5, chapter 6, Laws of 1980 and RCW 28A.48.010; and declaring an emergency.

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

NEW SECTION. Section 1. A supplemental budget as set forth in this 1981 act is hereby adopted and, subject to the provisions set forth in this 1981 act, the several amounts specified in this 1981 act, 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 of the designated agencies and offices of the state and for other specified purposes for the fiscal biennium beginning July 1, 1979, and ending June 30, 1981, except as otherwise provided, out of the several funds of the state hereinafter named, and making other appropriations.

NEW SECTION. Sec. 2. FOR THE HOUSE OF REPRESENTATIVES

General Fund Appropriation . . . . . \$ 1,400,000

NEW SECTION. Sec. 3. FOR THE SENATE

General Fund Appropriation . . . . . \$ 800,000

NEW SECTION. Sec. 4. FOR THE ADMINISTRATOR FOR THE COURTS

General Fund Appropriation . . . . . \$ 500,000

NEW SECTION. Sec. 5. FOR THE INSURANCE COMMISSIONER

General Fund Appropriation . . . . . \$ 41,000

The appropriation contained in this section shall be used exclusively for payment of costs of receivership services provided in the case of H & A Associates, Incorporated, provided that reimbursement is not received prior to June 30, 1981.

NEW SECTION. Sec. 6. FOR THE DEPARTMENT OF REVENUE

General Fund Appropriation . . . . . \$ 275,000

NEW SECTION. Sec. 7. FOR THE SECRETARY OF STATE

General Fund Appropriation . . . . . \$ 189,000

NEW SECTION. Sec. 8. FOR THE OFFICE OF FINANCIAL MANAGEMENT

General Fund Appropriation . . . . . \$ 4,200,000

The appropriation contained in this section, or so much thereof as may be necessary, shall be used exclusively for grants to those units of local government most severely impacted by the eruptions of Mt. St. Helens as determined pursuant to this section.

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

(a) "FEMA costs" means the difference between those costs of a unit of local government resulting from Mt. St. Helens eruptions which are eligible for reimbursement under criteria established by the federal emergency management agency and those funds provided, or to be provided, by the federal emergency management agency to the unit of local government.

(b) "Units of local government" means counties, cities, towns, special purpose districts, and municipal or quasi municipal corporations.

(c) "Operating budget" means those budget items of a unit of local government other than capital, enterprise, and any special revenue-funded budget items, to be specifically delineated by the office of financial management.

(2) The office of financial management shall develop a distribution mechanism for these grants subject to the following criteria:

(a) The only costs eligible for reimbursement and the only costs used in calculating the distribution of grants shall be FEMA costs.

(b) Grants shall not be distributed to units of local government having a FEMA cost impact of less than four percent of their operating budget.

(c) Grants shall be distributed in a relationship that provides a greater percentage reimbursement to those units of local government whose FEMA costs represent a greater proportion of their operating budget, but in no instance shall a unit of local government receive grants in excess of seventy-five percent of their FEMA costs.

NEW SECTION. Sec. 9. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Department of General Administration Facilities and Services Revolving Fund Appropriation . . . . . \$ 540,000

NEW SECTION. Sec. 10. FOR THE DEPARTMENT OF LICENSING

Highway Safety Fund Appropriation . . . . . \$ 14,000

NEW SECTION. Sec. 11. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

General Fund—Criminal Justice Training Account Appropriation . . . . . \$ 469,000

NEW SECTION. Sec. 12. FOR THE DEPARTMENT OF NATURAL RESOURCES

General Fund Appropriation . . . . . \$ 350,000

The appropriation contained in this section shall be expended exclusively for emergency forest fire suppression.

Sec. 13. Section 52, chapter 270, Laws of 1979 ex. sess. (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

State Funding Sources . . . . .	\$	<del>((1,239,677,000))</del>
		<u>1,325,993,000</u>
Federal Funding Sources . . . . .	\$	<del>((848,298,000))</del>
		<u>936,195,000</u>
Other Funding Sources . . . . .	\$	13,433,000
Total of all Funding Sources . . . . .	\$	<del>((2,101,408,000))</del>
		<u>2,275,621,000</u>
Total FTE Staff Years . . . . .		<del>((28,435))</del>
		<u>27,961</u>

The appropriations contained in sections 53 through 65 of this act shall be subject to the following conditions and limitations:

(1) The department shall not initiate any new services beyond those authorized by appropriation in this act without approval of the office of financial management. The senate ways and means committee and the house appropriations committee of the legislature shall be advised of any approvals.

(2) Funds appropriated to programs in sections 53 through 65 of this act shall be initially allotted reflecting the fiscal assumptions and legislative intent of this act. (~~Transfers between programs may occur only to the extent required to meet obligations deriving from federal matching requirements and legislative intent regarding federal programs as expressed in this appropriations act.~~) Transfers between or within programs may occur notwithstanding any limitation, condition, or proviso in sections 53 through 65, chapter 270, Laws of 1979 ex. sess., when approved by the office of financial management. Prior to implementation of any transfer, an analysis of the programmatic impacts and justification of approved (~~amendments to this plan~~) transfers will be conveyed by the office of financial management to the senate ways and means committee and the house appropriations committee of the legislature.

(3) The department of social and health services will cooperate with the state energy office and participate in the programs established by Title III of the National Energy Conservation Policy Act.

Sec. 14. Section 1, chapter 167, Laws of 1980 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADULT CORRECTIONS PROGRAM**

There is appropriated to the department of social and health services for the adult corrections program for the biennium ending June 30, 1981, the following amount, or so much thereof as may be necessary:

General Fund Appropriation . . . . . \$ 9,144,000

The appropriation contained in this section shall be subject to the following conditions and limitations:

(1) \$2,440,000 shall be expended for the operation of Cedar Creek as an adult corrections facility.

~~((2) \$206,000 shall be expended for a modular home construction vocation training program at the Washington state penitentiary:~~

~~(3) \$788,000 shall be expended for relief coverage required to be provided due to correctional officer training:~~

~~(4) \$733,000 shall be expended for provision of additional beds within the institutions:~~

~~(5) \$2,145,000 shall be expended for the costs incurred at the Washington state penitentiary resulting from the lockdown:))~~

Sec. 15. Section 53, chapter 270, Laws of 1979 ex. sess. as amended by section 8, chapter 167, Laws of 1980 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADULT CORRECTIONS PROGRAM**

General Fund Appropriation . . . . . \$ ~~((12,318,000))~~  
115,847,000

Total FTE Staff Years ..... 4,299

The appropriation contained in this section shall be subject to the following conditions and limitations:

~~((1) Not more than \$1,702,000 from the general fund shall be expended for community services:~~

~~(2) Not more than \$1,716,000 from the general fund and 76.0 FTE's shall be expended for intensive parole:~~

~~(3) Not more than \$15,679,000 from the general fund and 731 FTE's shall be expended for probation and parole:~~

~~(4) Not more than \$7,002,000 from the general fund and 152 FTE's shall be expended for work/training release:~~

~~(5) Not more than \$81,663,000 from the general fund and 3,259 FTE's shall be expended for institutional staffing:~~

~~(6) \$123,000 from the general fund shall be expended to contract with a nonprofit corporation to provide a diversionary program for convicted felons with prior conviction records and prior incarcerations. No felon may participate in the program if: (a) he or she has a prior conviction for any violent or inherently dangerous felony, or (b) the crime for which he or she is being diverted into the program is a violent or inherently dangerous felony. For the purposes of this section, "violent or inherently dangerous felony" means rape in the first or second degree, robbery in the first or second degree, kidnapping in the first or second degree, assault in the first or second degree, or arson in the first or second degree. Prior to entering into the contract, the secretary of the department of social and health services must have assurance of the cooperation of the superior court bench of the county in which the program will be implemented. The program shall include the following:~~

~~(a) A contractual agreement between such nonprofit corporation and the felon with approval of the sentencing judge. Such agreement will describe work performance and restitution expectations, and judicial conditions and review;~~

~~(b) A fully controlled residential component;~~

~~(c) Supervision by a probation officer of the department of social and health services;~~

~~(d) Coordination of all activities by a case manager employed by such nonprofit corporation;~~

~~(e) Job development and placement services which will guarantee each participant regular employment;~~

~~(f) Specialized alcohol, drug, and counseling services; and~~

~~(g) Participation of community and corporate entities which will provide \$1,212,000 in direct and in-kind support.~~

~~(7) Not more than \$25,000 from the general fund will be expended for a program evaluation by an independent third party of the diversionary program set forth in subsection (6) of this section. Such evaluation will commence with the initiation of the contract and shall include the following:~~

~~(a) Evaluation of the intake procedures, including initial screening, final screening, the contract between the nonprofit organization and the convicted felon, and the participant selection process;~~

~~(b) Evaluation of the program elements;~~

~~(c) Evaluation of the program impact on recidivism using the measures of rearrest, type of rearrest offense, reconviction, revocation and recommitment;~~

~~(d) Evaluation of the control group;~~

~~(e) Data collection and analysis; and~~

~~(f) A cost benefit analysis.~~

~~(8) In the event chapter ... (Substitute House Bill No. 144), Laws of 1979 1st ex. sess. fails to pass, \$100,000 will be reverted to the general fund.~~

~~(9) \$347,000 shall be expended for the funding of private nonprofit diversion programs for persons convicted of alcohol and substance abuse related crimes and who are placed on probation, parole, or work training release.)~~

\$2,000,000 is provided for the temporary use of McNeil Island as an adult correctional facility.

Sec. 16. Section 54, chapter 270, Laws of 1979 ex. sess. as amended by section 9, chapter 167, Laws of 1980 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—JUVENILE REHABILITATION PROGRAM**

General Fund Appropriation—State . . . . .	\$	<del>((51,197,000))</del>
		<u>49,433,000</u>
General Fund Appropriation—Federal . . . . .	\$	747,000
Total Appropriation . . . . .	\$	<del>((51,944,000))</del>
		<u>50,180,000</u>
Total FTE Staff Years . . . . .		<del>((1,966))</del> <u>1,897</u>

The appropriations contained in this section shall be subject to the following conditions and limitations:

(1) \$600,000 from the general fund and 50 FTE staff years shall be held in reserve for the sole purpose of providing adequate staffing within the institutions and to allow residence units not currently being utilized to be opened and staffed. Staffing patterns within the residence units will provide for at least two staff persons during those periods, other than normal sleeping hours, when residents are not attending classes or involved in work programs.

(2) Not more than \$30,000 shall be expended for resource development and coordination and educational program development and coordination.

(3) \$800,000 and 26 FTE staff years shall be expended for a mental health unit at Maple Lane School, except that such unit will be fully implemented and operational by September 30, 1979, except that if such unit is not implemented and operational by September 30, 1979, the operational responsibility will be transferred to the mental health division of the department of social and health services.

(4) No funds shall be expended for the lease-back of any institutional facility.

Sec. 17. Section 55, chapter 270, Laws of 1979 ex. sess. (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MENTAL HEALTH PROGRAM

General Fund Appropriation—State . . . . .	\$	<del>((98,559,000))</del>
		<u>100,304,000</u>
General Fund Appropriation—Federal . . . . .	\$	<del>((17,184,000))</del>
		<u>17,522,000</u>
General Fund Appropriation—Local . . . . .	\$	2,119,000
Total Appropriation . . . . .	\$	<del>((117,862,000))</del>
		<u>119,945,000</u>
Total FTE Staff Years . . . . .		<del>((3,110))</del> <u>3,108</u>

The appropriations contained in this section shall be subject to the following conditions and limitations:

(1) \$31,845,000 of which \$11,396,000 shall be from federal funds shall be expended to maintain and enhance the present level of community mental health services, except that, of this amount, \$373,000 from state funds shall be expended to continue the "grandfathered" level of support through the 1979-81 biennium at which time this level of support shall be terminated.

~~(2) (((\$5,500,000 from state funds shall be expended for the purpose of providing staffing grant-in-aid to the nonprofit community mental health centers and to nonprofit mental health providers: PROVIDED, That no more than a total of \$200,000 may be assigned to nonprofit mental health providers.~~

~~(3))~~ \$500,000 from state funds shall be expended to implement a program for the violent, disturbed child.

~~((4))~~ (3) \$262,000 from state funds ~~((shall))~~ may be expended to maintain institutional legal services.

~~((5))~~ (4) \$302,000 from state funds shall be expended for a demonstration project providing case management, residential, and support services to chronic seriously mentally ill adults who have continual histories of admission and readmission to eastern state hospital.

~~((6))~~ (5) \$400,000 from state funds shall be expended for a demonstration project in four counties to provide full case management services.

~~((7))~~ (6) \$984,000, of which \$49,000 shall be from federal funds, and 60 FTE staff years shall be held in reserve for the sole purpose of providing adequate staffing with the state hospitals.

~~((8))~~ (7) Not more than \$250,000 shall be expended for a demonstration project to reduce the number of hospitalizations of children assessed by mental health professionals as needing hospital care, provided that the project will involve intensive in-home family crisis and education services conducted by highly-trained individuals and shall include an evaluation component to compare the outcomes with those of similar children who are hospitalized. The department shall submit this evaluation to the legislature by January 5, 1981.

Sec. 18. Section 56, chapter 270, Laws of 1979 ex. sess. (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—DEVELOPMENTAL DISABILITIES PROGRAM

General Fund Appropriation—State . . . . .	\$	<del>((99,439,000))</del>
		<u>99,956,000</u>
General Fund Appropriation—Federal . . . . .	\$	<del>((61,900,000))</del>
		<u>59,893,000</u>
Total Appropriation . . . . .	\$	<del>((161,339,000))</del>
		<u>159,849,000</u>
Total FTE Staff Years . . . . .		<del>((6,821))</del> <u>6,750</u>

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

(1) \$1,718,000 (of which \$859,000 shall be from federal funds) ~~((with))~~ may be expended for home aide services, assuming six hundred fifty-five cases per month in fiscal year 1980 and seven hundred thirty-one cases per month in fiscal year 1981.

(2) Not more than \$682,000 (of which \$46,000 shall be from federal funds) shall be expended to increase the personal needs allowance of clients in group homes and institutions to \$32.50 per month.

(3) \$78,000 from state funds ~~((shall))~~ may be expended for the provision of legal services for institutionalized persons: PROVIDED, That no moneys may be expended on deinstitutionalization lawsuits.

~~(4) ((2,793,000 from state funds shall be expended solely for the purpose of providing vendor rate increases.~~

~~((7))~~ (5) Extended sheltered employment will be provided in the vocational rehabilitation program and none of the appropriations contained in this section shall be expended for such services.

~~((7))~~ (5) Not more than \$344,000 shall be allocated for a pilot project for disturbed youth to develop a treatment program for certain youth with multiple problems that do not fit within the specific eligibility criteria of the various service programs of the department of social and health services.



The department shall provide the appropriate legislative committees an evaluation and monitoring report semiannually regarding the effectiveness of this pilot project, and shall provide to the forty-seventh legislature, no later than January 5, 1981, an evaluation report containing recommendations for future programming.

~~((8))~~ (6) Not more than \$2,946,000 shall be expended exclusively to increase compensation for group home resident care and support staff, excluding administrative staff.

Sec. 19. Section 58, chapter 270, Laws of 1979 ex. sess. as amended by section 10, chapter 167, Laws of 1980 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—NURSING HOMES PROGRAM

General Fund Appropriation—State . . . . .	\$	<del>((122,273,000))</del>
		<u>128,834,000</u>
General Fund Appropriation—Federal . . . . .	\$	<del>((21,595,000))</del>
		<u>128,084,000</u>
Total Appropriation . . . . .	\$	<del>((243,868,000))</del>
		<u>256,918,000</u>

The appropriations contained in this section shall be subject to the following conditions and limitations:

(1) The wages for nursing service personnel shall be the sum of the product of ninety percent of the prevailing wages for the categories of nursing assistants, licensed practical nurses, registered nurses, and noncontractual therapists and related restorative employees, expressed as an hourly rate, based upon the state-wide salary survey as conducted pursuant to RCW 41.06.160, multiplied by the standard hours determined by the department of social and health services.

(2) The wages for all employees, other than those specified in subsection (1) of this section and administrators and assistant administrators, shall be the sum of the product of ninety percent of the prevailing wages, expressed as an hourly rate, based upon the state-wide salary survey as conducted pursuant to RCW 41.06.160, multiplied by the standard hours for such employees developed by the department of social and health services.

(3) Food reimbursement shall be one hundred fifteen percent of the average of all costs for bulk and raw foods and beverages purchased for dietary needs, expressed as a per patient per day amount.

(4) Reimbursement for administration and operations will include all items not specified in subsections (1), (2), (3), (5), and (6) of this section and shall not exceed the eighty-fifth percentile of all reporting facilities, except that the nursing home facilities may be grouped by factors, other than ownership or legal organizational characteristics, which could reasonably influence cost requirements for administration and operations.

(5) Property reimbursement for both leased and owner-operated facilities shall not exceed the predicted cost plus one standard deviation of the necessary and ordinary costs of depreciation, and interest, of owner-operated facilities utilizing a multiple regression formula developed by the department of social and health services, recognizing factors which may be significant, including location, age, and type of facility. For July 1980 rate setting, rental costs of leased facilities other than those operating as intermediate care facilities for the mentally retarded, and depreciation and interest costs of owner-operated facilities, for leases or mortgages entered into prior to July 1, 1979, shall be reimbursed to the extent they do not exceed the reimbursement rate payable for the property cost center as of June 30, 1979, adjusted to meet any discrepancies as determined by the federal government between the reimbursements made and the approved state medicaid plan, and adjusted for any approved capitalized additions or replacements; except that, any leased facility which has operated as an intermediate care facility for the mentally retarded prior to July 1, 1979, shall be reimbursed to the extent that the property costs exceed the upper limit of the multiple regression formula.

(6) The return of net invested equity for each facility will be determined by utilizing Medicare rules and regulations.

(7) Patient personal needs allowance limitation will be extended to \$32.50 per month.

~~(8) ((\$500,000, or so much thereof as may be necessary, may be expended by the department of social and health services for purposes of retaining special private counsel, subject to the concurrence of the governor, to defend the department against law suits challenging the cost reimbursement system of the department of social and health services.~~

~~(9))~~ (9) \$810,000, of which \$404,000 shall be from federal funds, shall be used to implement a program which will enable short-term placement in nursing homes.

~~((+10))~~ (9) \$1,800,000 (of which \$900,000 shall be from federal funds) may be used for reimbursement of costs incurred from the training of nurses' assistants.

Sec. 20. Section 59, chapter 270, Laws of 1979 ex. sess. as amended by section 11, chapter 167, Laws of 1980 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—INCOME MAINTENANCE GRANTS PROGRAM

General Fund Appropriation—State . . . . .	\$	<del>((310,017,000))</del>
		<u>362,698,000</u>
General Fund Appropriation—Federal . . . . .	\$	<del>((205,932,000))</del>
		<u>266,072,000</u>
Total Appropriation . . . . .	\$	<del>((515,949,000))</del>

628,770,000

The appropriations contained in this section shall be subject to the following conditions and limitations:

(1) ~~((31))~~ ~~\$31,928,000 (of which \$10,052,000 shall be from federal funds) shall be expended for the purposes of providing a 10.0% per year increase to all assistance grants.~~

~~((2))~~ \$1,496,000 from state funds shall be expended to increase the personal needs allowance of clients in nursing homes and congregate care facilities to \$32.50 per month.

~~((3))~~ (2) \$5,036,000 (of which \$448,000 shall be from federal funds) shall be expended solely for vendor rate increases of 7.0% per year.

~~((4))~~ (3) \$760,000 from state general funds shall be expended to provide forty-eight hours of shelter care for victims of domestic violence.

~~((5))~~ (4) \$360,000 from state general funds ~~((shall))~~ may be expended to provide a variable one-time allowance for persons without resources who are discharged from a skilled nursing facility.

~~((6))~~ (5) \$900,000 of state funds and \$600,000 of federal funds shall be expended to place Kitsap county residents into Area I grant standards eligibility and pay such grants accordingly.

~~((7))~~ (6) Not more than \$1,869,000 shall be expended exclusively to increase compensation for employees of congregate care facilities, excluding administrative staff.

~~((8))~~ (7) From the appropriation contained in this section, the department shall implement a 1.0% grant standard increase for all public assistance recipients effective July 1, 1980, in addition to the grant increase provided in subsection (1) of this section; except that, up to an additional 2.0% grant standard increase for all public assistance recipients may be implemented from the savings generated by the supplemental security income cost-of-living increase provided for fiscal year 1981.

(8) \$1,834,000 (of which \$917,000 shall be from state funds) is provided for the federal emergency assistance program at the food only level.

Sec. 21. Section 60, chapter 270, Laws of 1979 ex. sess. (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—COMMUNITY SOCIAL SERVICES GRANTS PROGRAM**

General Fund Appropriation—State . . . . .	\$	<del>((79,755,000))</del>
		<u>83,355,000</u>
General Fund Appropriation—Federal . . . . .	\$	65,624,000
General Fund Appropriation—Local . . . . .	\$	100,000
Total Appropriation . . . . .	\$	<del>((145,479,000))</del>
		<u>149,079,000</u>

The appropriations contained in this section shall be subject to the following conditions and limitations:

~~((4))~~ (1) \$161,000 from state funds shall be provided to the department of personnel alcoholism program for state employees stationed in eastern Washington, except that this program shall be initiated in eastern Washington by January 1, 1980; otherwise the funds shall revert to the general fund.

~~((5))~~ \$866,000, of which \$434,000 shall be from federal funds, shall be expended to provide enhancement of the foster care program, including the establishment of a foster parent's property damage or loss fund, an increase in the clothing allowance, and a children's needs assessment.

~~(6))~~ (2) Reimbursement to private child caring agencies responsible for foster care placement shall be increased from \$33 per month per child to \$50 per month per child.

(3) Chore services authorized under RCW 74.08.540 shall be provided through June 30, 1981, for those individuals who are adult recipients of supplemental security income and/or state supplementation and other individuals having income equal to or less than the state standards for state supplementation/supplemental security income. \$2,000,000 from state funds shall be used to continue chore services for a period ending not later than April 30, 1981, for those individuals who received chore services in February, 1981, but who are not eligible under the preceding sentence.

(4) \$1,600,000, or so much as is necessary, shall be used to provide bureau of community and residential care (BCRC) attendant care services, through June 30, 1981, to those individuals who received attendant care services in February, 1981.

Sec. 22. Section 61, chapter 270, Laws of 1979 ex. sess. (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MEDICAL ASSISTANCE GRANTS PROGRAM**

General Fund Appropriation—State . . . . .	\$	<del>((201,114,000))</del>
		<u>238,061,000</u>
General Fund Appropriation—Federal . . . . .	\$	<del>((148,435,000))</del>
		<u>178,689,000</u>
Total Appropriation . . . . .	\$	<del>((349,549,000))</del>
		<u>416,750,000</u>

The appropriations contained in this section shall be subject to the following condition(s) and limitation(s):

~~((1))~~ \$23,743,000 (of which \$9,628,000 shall be from federal funds) shall be expended solely for inflationary increases for hospitals:

~~(2)~~ \$23,236,000 (of which \$10,307,000 shall be from federal funds) shall be expended solely for inflationary increases for medical vendors other than hospitals:))

\$1,923,000 (of which \$961,000 shall be from state funds) is provided in the federal emergency assistance program medical services.

Sec. 23. Section 62, chapter 270, Laws of 1979 ex. sess. (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—PUBLIC HEALTH PROGRAM

General Fund Appropriation—State . . . . .	\$	<del>((20,556,000))</del>
		19,430,000
General Fund Appropriation—Federal . . . . .	\$	<del>((49,745,000))</del>
		49,731,000
General Fund Appropriation—Local . . . . .	\$	400,000
General Fund Appropriation—State and Local Improvements Revolving Account—		
Water Supply Facilities: Appropriated pursuant to chapter 128, Laws of 1972 ex. sess.		
(Referendum 27)—Reappropriation . . . . .	\$	10,814,000
Total Appropriation . . . . .	\$	<del>((81,515,000))</del>
		80,375,000
Total FTE Staff Years . . . . .		<del>((838))</del> 817

The appropriations contained in this section shall be subject to the following conditions and limitations:

(1) \$1,266,000 from state funds ~~((shall))~~ may be used ~~((solely))~~ for supplemental funding to kidney centers.

(2) \$400,000 from state funds ~~((will))~~ may be used ~~((solely))~~ to continue the contract for the purchase of cancer research.

(a) Local offices are to provide outreach for the EPSDT program.

(b) The department shall develop a screening/billing form to be used by EPSDT providers as a requirement for payment.

(c) The department shall develop a reporting system which will enable follow-up to the EPSDT diagnosis and treatment process.

(d) 2 FTE's shall be used by the department for the coordination and management of the EPSDT program.

(3) \$800,000 of the general fund appropriation—state is contingent upon reduction of a like amount from section 19, chapter 261, Laws of 1979 ex. sess.

Sec. 24. Section 19, chapter 261, Laws of 1979 ex. sess. (uncodified) is amended to read as follows:

There is hereby appropriated from the general fund to the department of social and health services for the 1979–81 biennium, the sum of ~~((two million two hundred twenty-nine))~~ one million four hundred thousand dollars and twelve additional FTE staff years or so much thereof as may be necessary to carry out the purposes of RCW 18.71.200 through 18.71.210 and chapter 18.73 RCW.

~~((No less than sixty percent of the appropriated funds shall be disbursed in the form of grants under section 8 of this act.))~~

Sec. 25. Section 63, chapter 270, Laws of 1979 ex. sess. (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—VOCATIONAL REHABILITATION PROGRAM

General Fund Appropriation—State . . . . .	\$	<u>((7,196,000))</u>
		7,150,000
General Fund Appropriation—Federal . . . . .	\$	<u>((35,741,000))</u>
		35,665,000
Total Appropriation . . . . .	\$	<u>((42,937,000))</u>
		42,815,000
Total FTE Staff Years . . . . .		<u>((658))648</u>

The appropriation contained in this section shall be subject to the following condition or limitation: \$2,871,000 of which \$2,153,000 shall be federal funds shall be expended for the extended sheltered employment program.

Sec. 26. Section 64, chapter 270, Laws of 1979 ex. sess. (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADMINISTRATION AND SUPPORTING SERVICES PROGRAM

General Fund Appropriation—State . . . . .	\$	<u>((52,875,000))</u>
		49,631,000
General Fund Appropriation—Federal . . . . .	\$	<u>((33,837,000))</u>
		34,847,000
Total Appropriation . . . . .	\$	<u>((86,712,000))</u>
		84,478,000
Total FTE Staff Years . . . . .		<u>((2,951))</u>
		2,815

The appropriations contained in this section shall be subject to the following conditions and limitations:

- (1) Not more than \$14,003,000 of which \$8,359,000 shall be federal funds, and 702 FTE's shall be expended for support enforcement.
- (2) Not more than \$2,526,000 of which \$923,000 shall be federal funds, and 104 FTE's shall be expended for fair hearings.
- (3) Not more than \$17,628,000 of which \$5,371,000 shall be federal funds, and 526 FTE's shall be expended for information systems.
- ~~((4) \$115,000 of which \$23,000 shall be federal funds shall be expended to increase the personal needs allowance to \$32.50 per month.))~~

Sec. 27. Section 65, chapter 270, Laws of 1979 ex. sess. as amended by section 1, chapter 158, Laws of 1980 and by section 12, chapter 167, Laws of 1980 (uncodified) is reenacted and amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—COMMUNITY SERVICES ADMINISTRATION PROGRAM

General Fund Appropriation—State . . . . .	\$	((70,935,000))	
			71,294,000
General Fund Appropriation—Federal . . . . .	\$	((103,001,000))	
			99,321,000
Total Appropriation . . . . .	\$	((173,936,000))	
			170,615,000
Total FTE Staff Years . . . . .		((7,792))	7,629

The appropriations contained in this section shall be subject to the following conditions and limitations:

(1) Fifty-two FTE's shall be utilized in the delinquency prevention and crisis intervention intake services program. During the 1979-1981 biennium, the delinquency prevention services program shall be maintained without any significant changes.

(2) Not more than 258 FTE staff years and \$7,852,000 (of which \$7,736,000 shall be from federal funds) shall be utilized in the disability insurance benefits section.

(3) The department of social and health services shall obtain competitive bids from the private sector for the purpose of the administration of the dental program with medical assistance.

NEW SECTION. Sec. 28. The department shall conduct a random sample of those individuals affected by the elimination and/or reduction of the public assistance programs as required by this supplemental budget. This study shall include a detailing of the following impacts: (1) The extent to which individuals are institutionalized as a result of loss of assistance; (2) the number of individuals which were able to find assistance from private sources to meet basic needs; (3) the number of individuals who become enrolled in another state or locally funded program. The department shall provide this report within existing research resources.

NEW SECTION. Sec. 29. The department shall conduct a random sample of those individuals affected by the reduction of chore services as required by this supplemental budget. This study shall include a detailing of the following impacts: (1) The extent to which individuals are institutionalized as a result of loss of assistance; (2) the number of individuals which were able to find assistance from private sources to meet basic needs; and (3) the number of individuals who become enrolled in another state or locally funded program. The department shall provide this report within existing research resources.

Sec. 30. Section 100, chapter 270, Laws of 1979 ex. sess. (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—  
 BASIC EDUCATION ALLOCATION FOR FISCAL YEARS 1980  
 AND 1981

General Fund Appropriation—State . . . . .	\$	((2,063,520,000))
		<u>2,050,620,000</u>
<u>General Fund—State Timber Tax Reserve</u>		
Account Appropriation . . . . .	\$	24,000,000
<u>Common School Construction Fund Appropria-</u>		
tion . . . . .	\$	19,956,000
<u>General Fund—Resource Management Cost</u>		
Account Appropriation . . . . .	\$	1,823,000
Total Appropriation . . . . .	\$	<u>2,096,399,000</u>

The appropriations contained in this section shall be subject to the following conditions and limitations:

(1) No district may grant from any fund source whatsoever any percentage salary increase greater than that provided in sections 100, 102, 103, and 106 of this act.

(2) The allocation of moneys for a basic education allocation per annual average full time equivalent student for the 1979–80 school year shall be at 100% of formula and 100% of formula in the 1980–81 school year. One hundred percent of formula for each school district shall be determined by the superintendent of public instruction as follows:

(a) Respecting certificated employees: A numerical allocation of one certificated staff unit shall be established for each average annual twenty full time equivalent kindergarten, elementary, and secondary students, excluding secondary vocational full time equivalent students enrolled in a vocational program approved by the superintendent of public instruction.

(b) Respecting certificated employees: A numerical allocation of one certificated staff unit shall be established for each average annual sixteen and sixty–seven one–hundredths full time equivalent students enrolled in a vocational education program approved by the superintendent of public instruction.

(c) Respecting certificated employees: Numerical allocations of certificated staff units shall be established for districts enrolling not more than one hundred average annual full time equivalent students and for small school plants within any school district, which small plants have been judged to be remote and necessary by the state board of education as follows:

(i) For grades K–6, for enrollments of not more than sixty annual average full time equivalent students, three certificated staff units;

(ii) For grades K–6, for enrollments above sixty annual average full time equivalent students, additional certificated staff units based upon a ratio of one certificated staff unit per twenty annual average full time equivalent students;



(iii) For grades 7 and 8, for enrollments of not more than twenty annual average full time equivalent students, one certificated staff unit;

(iv) For grades 7 and 8, for enrollment above twenty annual average full time equivalent students, additional certificated staff units based upon a ratio of one certificated staff unit per twenty annual average full time equivalent students.

(d) Respecting certificated employees: Numerical allocations of certificated staff units shall be established for districts operating high schools with enrollments of not more than three hundred average annual full time equivalent students as follows:

(i) Nine and one-half certificated staff units for the first sixty annual average full time equivalent students;

(ii) Additional certificated staff units based upon a ratio of one certificated staff unit per forty-three and one-half average annual full time equivalent students.

(e) Total certificated compensation entitlement for school year 1979-80 shall be the sum of the following subsections:

(i) Maintenance of compensation shall be calculated using each district's 1978-79 base salary established in section 101 of this act times the number of certificated staff units generated in subsection (2)(a) through (d) of this section in each district times each district's particular 1979-80 average staff mix factor improved by seven and forty-three hundredths percent;

(ii) Total salary increase compensation for each district shall be calculated by multiplying the 1978-79 base salary times the total number of staff units generated in subsection (2)(a) through (d) of this section times the 1979-80 average staff mix factor, times the percentage salary increase for each district pursuant to section 102 of this act improved by six and thirteen hundredths percent; and

(iii) Health benefits shall be calculated at the rate of \$85 per month per certificated full time equivalent staff units generated in subsection (2)(a) through (d) of this section.

(f) Total certificated compensation entitlement for school year 1980-81 shall be equal to the sum of the following subsections:

(i) Maintenance of compensation shall be calculated by using each district's 1978-79 base salary established in section 101 of this act improved by the percentage salary increase for each district pursuant to section 102 of this act, times the number of staff units generated in subsection (2)(a) through (d) of this section times each district's particular 1980-81 average staff mix factor improved by seven and seventy-eight hundredths percent;

(ii) Total salary increase compensation for each district shall be calculated by multiplying the 1978-79 base salary times the total number of staff units generated in subsection (2)(a) through (d) of this section times the

1980-81 average staff mix factor, improved by the percentage salary increase pursuant to section 102 of this act, times the percentage salary increase pursuant to section 103 of this act improved by six and forty-eight hundredths percent; and

(iii) Health benefits shall be calculated at the rate of \$95 per month per certificated full time equivalent staff units generated in subsection (2)(a) through (d) of this section.

(g) Respecting classified employees: A numerical allocation of one classified staff unit for each three certificated staff units as computed for the purposes of subsections (2) (a), (c) and (d) of this section, and one classified staff unit for each sixty vocational full time equivalent students, for each school district shall be established.

(h) Total 1979-80 basic education classified compensation entitlement for each district shall be equal to the sum of the following:

(i) Maintenance of classified compensation shall be equal to the staff units generated in subsection (2)(g) of this section times the 1978-79 average classified salary established in section 104 of this act improved by nineteen and thirty-one hundredths percent;

(ii) Total salary increase compensation shall be equal to the 1978-79 average classified salary established in section 104 of this act times the classified units established in subsection (2)(g) of this section times eight percent salary increase improved by thirteen and thirteen hundredths percent; and

(iii) Health benefits shall be calculated at the rate of \$85 per month per classified full time equivalent staff units generated in subsection (2)(g) of this section.

(i) Total 1980-81 basic education classified compensation entitlement for each district shall be equal to the sum of the following:

(i) Maintenance of classified compensation shall be equal to the staff units generated in subsection (2)(g) of this section times the 1978-79 average classified salary for each district improved by eight percent improved by nineteen and sixty-six hundredths percent;

(ii) Total salary increase compensation shall be equal to the 1978-79 average classified salary for each district improved by eight percent times the number of staff units established in subsection (2)(g) of this section, times six percent salary increase improved by thirteen and forty-eight hundredths percent; and

(iii) Health benefits shall be calculated at the rate of \$95 per month per classified full time equivalent staff units generated in subsection (2)(g) of this section.

(j) Respecting nonemployee related costs: The allocation of additional moneys for nonemployee related costs for the 1979-80 school year shall utilize the number of certificated staff units as computed for the purposes of subsections (2) (a), (c), and (d) of this section, multiplied by \$3,910 for

each such certificated staff unit and shall utilize the number of certificated staff units computed for the purposes of subsection (2)(b) of this section, multiplied by \$6,893 for each such certificated staff unit.

(k) Respecting nonemployee related costs: The allocation of additional moneys for nonemployee related costs for the 1980-81 school year shall utilize the number of certificated staff units as computed for the purposes of subsections (2) (a), (c), and (d) of this section, multiplied by \$4,184 for each such certificated unit and shall utilize the number of certificated staff units computed for the purposes of subsection (2)(b) of this section multiplied by \$7,375 for each such certificated staff unit.

(3) Not more than \$10,460,000 of the appropriation contained in this section shall be expended for districts which experience an enrollment decline in the 1979-80 school year from the 1978-79 base enrollment level and in the 1980-81 school year from the 1979-80 base enrollment level. The superintendent of public instruction shall distribute funds based on certificated staff units in the 1979-80 and 1980-81 school years to such districts on the basis of current school year enrollment plus one-half the amount of the enrollment decline from the prior school year level. The superintendent of public instruction in ascertaining the full time equivalent enrollment under this section for any school district declining in enrollment at a rate of at least four percent, or three hundred full time equivalent students, whichever is less, from the immediately preceding school year, shall increase the enrollment as otherwise herein computed by fifty percent of the full time equivalent pupil enrollment loss from the previous school year.

(4) The superintendent of public instruction shall distribute not more than \$19,507,000 of the funds appropriated by this section, outside of the basic education allocation to school districts as follows:

(a) For school district emergencies, not more than \$500,000.

(b) For fire protection districts at a rate of \$1.00 per year for each student attending a school located in an unincorporated area within a fire protection district as mandated by RCW 52.36.020; not more than \$280,000 for the 1979-80 school year and not more than \$280,000 for the 1980-81 school year.

(c) Not more than \$6,138,000 shall be expended for extracurricular and extended duty pay to be distributed on the basis of \$85 per state funded full time equivalent certificated staff per year in the following programs: Basic education, secondary vocational education, general support, handicapped, and special needs.

(d) For substitute teachers, to be distributed to districts on the basis of the number of state supported employees who are classroom teachers; for fiscal year 1980, an amount not to exceed \$5,447,000 and for fiscal year 1981, an amount not to exceed \$6,562,000: PROVIDED, That such distribution shall be for not more than five days per classroom teacher and shall

be reimbursable at a rate of forty dollars per day exclusively for sick leave days taken.

(e) Not more than \$300,000 for nonhigh school district billings for documented shortages caused by application of the levy lid act, chapter 325, Laws of 1977 ex. sess.

(5) The superintendent of public instruction shall ensure that data reported by each school district regarding the staff mix factor is accurate for allocation purposes.

**NEW SECTION. Sec. 31. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund Appropriation—State . . . . .	\$	607,000
General Fund—Resource Management Cost		
Account Appropriation . . . . .	\$	3,177,000
Total Appropriation . . . . .	\$	3,784,000

The appropriations contained in this section shall be subject to the following conditions and limitations:

- (1) Not more than \$2,542,000 shall be expended for handicapped excess costs.
- (2) Not more than \$1,000,000 shall be expended for the pupil transportation program.
- (3) Not more than \$242,000 shall be expended for adult education at vocational-technical institutes.

Sec. 32. Section 15, chapter 15, Laws of 1970 ex. sess. as last amended by section 5, chapter 6, Laws of 1980 and RCW 28A.48.010 are each amended to read as follows:

(1) On or before the last business day of September 1969 and each month thereafter, the superintendent of public instruction shall apportion from the state general fund to the several educational service districts of the state the proportional share of the total annual amount due and apportionable to such educational service districts for the school districts thereof as follows:

September . . . . .	9%
October . . . . .	9%
November . . . . .	5.5%
December . . . . .	9%
January . . . . .	9%
February . . . . .	9%
March . . . . .	9%
April . . . . .	9%
May . . . . .	5.5%
June . . . . .	9%
July . . . . .	8.5%
August . . . . .	8.5%

The annual amount due and apportionable shall be the amount apportionable for all apportionment credits estimated to accrue to the schools during the apportionment year beginning September first and continuing through August thirty-first. Appropriations made for school districts for each year of a biennium shall be apportioned according to the schedule set forth in this section for the fiscal year starting September 1st of the then calendar year and ending August 31st of the next calendar year. The apportionment from the state general fund for each month shall be an amount which will equal the amount due and apportionable to the several educational service districts during such month: PROVIDED, That any school district may petition the superintendent of public instruction for an emergency advance of funds which may become apportionable to it but not to exceed ten percent of the total amount to become due and apportionable during the school districts apportionment year. The superintendent of public instruction shall determine if the emergency warrants such advance and if the funds are available therefor. If he determines in the affirmative, he may approve such advance and, at the same time, add such an amount to the apportionment for the educational service district in which the school district is located: PROVIDED, That the emergency advance of funds and the interest earned by school districts on the investment of temporary cash surpluses resulting from obtaining such advance of state funds shall be deducted by the superintendent of public instruction from the remaining amount apportionable to said districts during that apportionment year in which the funds are advanced.

(2) Notwithstanding the apportionment percentages prescribed in subsection (1) of this section, for the period ending August 31, 1981, the June apportionment shall be 4.5 percent and the July and August apportionments shall each be 10.75 percent.

NEW SECTION. Sec. 33. FOR THE STATE TREASURER—  
TRANSFERS

General Fund—Investment Reserve Account  
 Appropriation: For transfer to the General Fund on or before June 30, 1981, an amount up to \$18,000,000 (in addition to amounts appropriated in section 171, chapter 270, Laws of 1979 ex. sess.) . . . . . \$ 18,000,000

State Treasurer's Service Fund Appropriation:  
 For transfer to the General Fund on or before July 20, 1981, an amount up to \$11,600,000 in excess of the cash requirements in the State Treasurer's Service Fund for fiscal year 1982, for credit to the fiscal year in which earned (in addition to

amounts appropriated in section 171, chapter 270, Laws of 1979 ex. sess.) . . . . . \$ 11,600,000

NEW SECTION. Sec. 34. 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.

Passed the House February 17, 1981.

Passed the Senate February 16, 1981.

Approved by the Governor February 19, 1981.

Filed in Office of Secretary of State February 19, 1981.

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CHAPTER 6

[Substitute House Bill No. 207]

INSURANCE PREMIUM TAX—PREPAYMENT

AN ACT Relating to insurance premiums taxation; amending section .14.06, chapter 79, Laws of 1947 and RCW 48.14.060; adding a new section to chapter 48.14 RCW; and declaring an emergency.

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

NEW SECTION. Section 1. There is added to chapter 48.14 RCW a new section to read as follows:

(1) Every insurer with a tax obligation under RCW 48.14.020 shall make prepayment of the tax obligations under RCW 48.14.020 for the current calendar year's business, if the sum of the tax obligations under RCW 48.14.020 for the preceding calendar year's business is four hundred dollars or more.

(2) The commissioner shall credit the prepayment toward the appropriate tax obligations of the insurer for the current calendar year under RCW 48.14.020.

(3) The minimum amounts of the prepayments shall be percentages of the insurer's tax obligation based on the preceding calendar year's business and shall be paid to the state treasurer through the commissioner's office by the due dates and in the following amounts:

- (a) On or before June 15, forty-five percent;
- (b) On or before September 15, twenty-five percent; and
- (c) On or before December 15, twenty-five percent.

(4) The effect of transferring policies of insurance from one insurer to another insurer is to transfer the tax prepayment obligation with respect to the policies.

(5) On or before June 1 of each year, the commissioner shall notify each insurer required to make prepayments in that year of the amount of each prepayment and shall provide remittance forms to be used by the insurer. However, an insurer's responsibility to make prepayments is not affected by