2011-2012

SESSION LAWS

OF THE

STATE OF WASHINGTON

2011 SECOND SPECIAL SESSION SIXTY-SECOND LEGISLATURE Convened November 28, 2011. Adjourned December 14, 2011.

2012 REGULAR SESSION SIXTY-SECOND LEGISLATURE

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WASHINGTON SESSION LAWS GENERAL INFORMATION

1. EDITIONS AVALIABLE.

- (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) <u>underlined</u> matter is new matter.
 - (ii) deleted matter is ((lined out and bracketed between double parentheses)).
- (b) Complete new sections are prefaced by the words <u>NEW SECTION.</u>
- 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 2012 regular session to be the first moment of June 7, 2012.
- (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 2012 laws may be found at the back of the final volume.

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WASHINGTON LAWS

2011 SECOND SPECIAL SESSION

CHAPTER 1

[Engrossed House Bill 2159] EDUCATION—STEM CAREERS AND TRAINING

AN ACT Relating to grant opportunities for high school aerospace assembler, skill center manufacturing, and high school project lead the way STEM career courses; adding new sections to chapter 28A.700 RCW; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that careers in science, technology, engineering, and mathematics (STEM) are critically important to the state's economy and will grow in importance in the future. The vitality of STEM product and process development, manufacturing, international trade, and research are dependent on a well-educated, trained, creative workforce. The legislature also finds that there are current employment opportunities and projected high employer demands in STEM careers. The legislature further finds that the interdisciplinary connections of science, technology, engineering, and mathematics taught in integrated, applied, and hands-on courses not only deepens content understanding but also extends and expands that learning to thoughtful and creative problem solving practices on the assembly line, in the laboratory, and at the drawing board.

It is the intent of the legislature to support STEM education programs to help increase the number of Washingtonians prepared to enter STEM career fields. It is also the intent of the legislature to support courses and programs that begin in high school and build upon one another so that technical certifications and degrees are connected from high schools and skill centers to community and technical colleges and four-year universities.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 28A.700 RCW to read as follows:

(1)(a) Subject to funds appropriated for this purpose, the office of the superintendent of public instruction shall allocate grants to high schools to implement a training program to prepare students for employment as entry-level aerospace assemblers. Grant funds must be allocated on a one-time basis and may be used to purchase or improve course curriculum, purchase course equipment, and support professional development for course teachers. The office of the superintendent of public instruction shall consult and team with the community and technical colleges' center of excellence for aerospace and advanced materials manufacturing regarding the developing aerospace program of study and industry career needs. This information must assist the office of the superintendent of public instruction in refining specific aspects to the criteria in (b) of this subsection and leveraging advantages and opportunities for students in selected high schools.

(b) The superintendent of public instruction must select grant recipients based on the criteria in this subsection (1)(b). This is a competitive grant process. Successful high school applicants must:

(i) Demonstrate engaged and committed high school and district leadership and faculty in support of the aerospace assembler program;

(ii) Demonstrate capacity to offer the program and maximize the use of grant resources addressing: Availability of appropriate physical space, meeting program technology requirements, providing projected enrollment from the high

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school as well as from other area high schools as appropriate, planned hours and days each week the program is to be offered, and other specific program requirements set forth by the office of the superintendent of public instruction;

(iii) Demonstrate linkages to programs at local community and technical colleges and private technical schools to provide a seamless pathway for students to continue their education and career preparation beyond high school;

(iv) Demonstrate a history of successful partnerships within the community and partner support for implementing an entry-level aerospace assembler program that includes one or more of the following: Apprenticeships, supplying materials, instruction support, internships, mentorships, and other program components;

(v) Provide the plan for program implementation that includes a beginning date for first classes as well as plans for recruiting and retaining students in the course; and

(vi) Demonstrate capacity to continue the program in years succeeding the initial grant year.

(2) The education data center in the office of financial management must collect aerospace assembler program student participation and completion data for grant recipient high schools. The center must follow students to employment or further training and education in the two years following the students' completion of the program. Findings must be reported beginning in January 2014 and each January thereafter through January 2018 to the governor, the office of the superintendent of public instruction, other appropriate state agencies, and the appropriate education and fiscal committees of the legislature.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 28A.700 RCW to read as follows:

(1) Subject to funds appropriated for this purpose, the office of the superintendent of public instruction shall allocate grants to skill centers to implement enhanced manufacturing skills programs. Grant funds must be allocated on a one-time basis and may be used to purchase or improve program curriculum, purchase course equipment, and support professional development for program teachers. The office of the superintendent of public instruction shall consult and team with the community and technical colleges' center of excellence for aerospace and advanced materials manufacturing regarding the developing aerospace program of study and industry career needs as well as other community and technical college manufacturing programs. This information must assist the office of the superintendent of public instruction in refining specific aspects to the criteria in subsection (2) of this section and leveraging advantages and opportunities for students in selected skill centers.

(2) The superintendent of public instruction must select grant recipients based on the criteria in this subsection (2). This is a competitive grant process. Successful skill center applicants must:

(a) Demonstrate that enhanced manufacturing skills programs meet industry certification standards;

(b) Demonstrate engaged and committed skill center and school district leadership and faculty in support of the program;

(c) Demonstrate capacity to offer the enhanced manufacturing skills programs and maximize the use of grant resources addressing: Availability of appropriate physical space, meeting program technology requirements, providing projected enrollment from area high schools and students from area community and technical colleges if space is available, planned hours and days each week the program is to be offered, and other specific program requirements set forth by the office of the superintendent of public instruction;

(d) Demonstrate linkages to programs at local community and technical colleges and private technical schools to provide a seamless pathway for students to continue their education and career preparation beyond high school;

(e) Demonstrate a history of successful partnerships within the community and partner support for implementing an enhanced manufacturing skills program that includes one or more of the following: Apprenticeships, supplying materials, instruction support, internships, mentorships, and other program components;

(f) Provide the plan for program implementation that includes a beginning date for first classes as well as plans for recruiting and retaining students in the program; and

(g) Demonstrate capacity to continue the program in years succeeding the initial grant year.

(3) The education research center in the office of financial management must collect enhanced manufacturing skills programs student participation and completion data for grant recipient skill centers. The center must follow students to employment or further training and education in the two years following the students' completion of the program. Findings must be reported beginning in January 2014 and each January thereafter through January 2018 to the governor, the office of the superintendent of public instruction, other appropriate state agencies, and the appropriate education and fiscal committees of the legislature.

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 28A.700 RCW to read as follows:

(1) Subject to funds appropriated for this purpose, the office of the superintendent of public instruction shall allocate grants to high schools to implement specialized courses in science, technology, engineering, and mathematics (STEM) careers as provided by a national multidisciplinary science, technology, engineering, and mathematics program. Grant funds must be allocated on a one-time basis and may be used to purchase course curriculum and equipment, initial course student materials, and support professional development for course teachers.

(2) The superintendent of public instruction must select grant recipients based on the criteria in this subsection (2). This is a competitive grant process. Successful high school applicants must:

(a) Demonstrate engaged and committed high school and district leadership and faculty in support of expanding specialized STEM courses;

(b) Demonstrate that faculty are appropriately trained to offer specialized STEM courses or a plan for faculty to obtain the appropriate training;

(c) Demonstrate capacity to offer the specialized STEM courses and maximize the use of grant resources by addressing: Availability of appropriate physical space, meeting program technology requirements, providing projected enrollment at the high school and from area high schools as appropriate, planned hours and days each week the program is to be offered, and other specific program requirements set forth by the superintendent of public instruction;

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(d) Provide the plan for course implementation that includes a beginning date for first classes as well as plans for recruiting and retaining students in the course;

(e) Provide a plan to promote opportunities for students to acquire college credit;

(f) Demonstrate a history of successful partnerships within the community and partner support for implementing specialized STEM courses. Partner support may include one or more of the following: Supplying materials, instruction support, internships, mentorships, apprenticeships, and other program components;

(g) Demonstrate connections to community and technical college programs as well as links to four-year higher education institution STEM programs; and

(h) Demonstrate capacity to continue the course in years succeeding the initial grant year.

(3)(a) The education data center in the office of financial management must, with the office of the superintendent of public instruction, collect student course enrollment and course completion information.

(b) The education data center must: (i) Study mathematics and science course-taking patterns of students completing specialized STEM courses; and (ii) follow the students to employment or further training and education in the two years following high school. This study must be designed to inform policymakers about the extent to which specialized science, technology, engineering, and mathematics classes taken by students reduce mathematics remediation of students entering the workplace, apprenticeships, community and technical colleges, and four-year institutions of higher education. Study findings must be reported annually beginning January 2014 and each January thereafter through January 2018 to the governor, appropriate state agencies, and the appropriate education and fiscal committees of the legislature.

Passed by the House December 14, 2011. Passed by the Senate December 14, 2011. Approved by the Governor December 20, 2011. Filed in Office of Secretary of State December 21, 2011.

CHAPTER 2

[House Bill 2160]

TEACHER CERTIFICATION—STEM COMPONENTS

AN ACT Relating to revised standards and assessments for teacher certification integrating STEM knowledge and skills; adding new sections to chapter 28A.410 RCW; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 28A.410 RCW to read as follows:

The professional educator standards board shall, in its regular review and revision of teacher certification standards as required by RCW 28A.410.210, revise standards for the elementary education endorsement and middle level and secondary mathematics and science teacher endorsements as well as other subject area endorsements with STEM-related components. Standards revisions related to mathematics shall be adopted by September 1, 2013. Standards

revisions related to science shall be adopted by September 1, 2014. The revised standards shall include the integration of science, technology, engineering, and mathematics (STEM) knowledge and skill and be aligned, as appropriate, with common core mathematics standards, the 2009 revision of state mathematics student learning standards and performance expectations, the biology end-of-course assessment, and the 2012 student science learning standards developed from the conceptual framework for science education and next generation standards and related student performance expectations. In addition to appropriate mathematics and science content, the endorsement standards must also include the concepts and instructional practices of the interdisciplinary connections with engineering and technology.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 28A.410 RCW to read as follows:

(1) The professional educator standards board shall revise assessments for prospective teachers and teachers adding subject area endorsements required for teacher certification under RCW 28A.410.220 to measure the revised standards in section 1 of this act.

(2) In implementing the evidence-based assessment of teaching effectiveness under RCW 28A.410.280, the professional educator standards board shall require that successful candidates for the residency certificate demonstrate effective subject specific instructional methods that address the revised standards.

<u>NEW SECTION.</u> Sec. 3. The professional educator standards board shall revise certificate renewal rules for teachers at the elementary and secondary levels in STEM-related subjects by September 1, 2014. The revised rules shall include the requirement that continuing education or professional growth plans for these teachers include a specific focus on the integration of science, mathematics, technology, and engineering instruction.

Passed by the House December 14, 2011.

Passed by the Senate December 14, 2011.

Approved by the Governor December 20, 2011.

Filed in Office of Secretary of State December 21, 2011.

CHAPTER 3

[Engrossed Senate Bill 5974]

COLLEGE-LEVEL SKILLS—STEM EXAMINATIONS

AN ACT Relating to demonstrating college level skills; and amending RCW 28B.10.053.

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

Sec. 1. RCW 28B.10.053 and 2011 c 77 s 3 are each amended to read as follows:

(1) By December 1, 2011, and by June of each odd-numbered year thereafter, the institutions of higher education shall collaboratively develop a master list of postsecondary courses that can be fulfilled by taking the advanced placement, international baccalaureate, or other recognized college-level proficiency examinations, including but not limited to examinations by a national multidisciplinary science, technology, engineering, and mathematics program, and meeting the qualifying examination score or demonstrated

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competencies for lower division general education requirements or postsecondary professional technical requirements. The master list of postsecondary courses fulfilled by proficiency examinations or demonstrated competencies are those that fulfill lower division general education requirements or career and technical education requirements and qualify for postsecondary credit. From the master list, each institution shall create and publish a list of its courses that can be satisfied by successful proficiency examination scores or demonstrated competencies for lower division general education requirements or postsecondary professional technical requirements. The qualifying examination scores and demonstrated competencies shall be included in the published list. The requirements to develop a master list under this section do not apply if an institution has a clearly published policy of awarding credit for the advanced placement, international baccalaureate, or other recognized college-level placement exams and does not require those credits to meet specific course requirements but generally applies those credits towards degree requirements.

(2) To the maximum extent possible, institutions of higher education shall agree on examination qualifying scores and demonstrated competencies for the credits or courses under subsection (3) of this section, with scores equivalent to qualified or well-qualified. Nothing in this subsection shall prevent an institution of higher education from adopting policies using higher scores for additional purposes.

(3) Each institution of higher education, in designing its certificate, technical degree program, two-year academic transfer program, or freshman and sophomore courses of a baccalaureate program or baccalaureate degree, must recognize the equivalencies of at least one year of course credit and maximize the application of the credits toward lower division general education requirements that can be earned through successfully demonstrating proficiency on examinations, including but not limited to advanced placement and international baccalaureate examinations. The successful completion of the examination and the award of credit shall be noted on the student's college transcript.

(4) Each institution of higher education must clearly include in its admissions materials and on its web site the credits or the institution's list of postsecondary courses that can be fulfilled by proficiency examinations or demonstrated competencies and the agreed-upon examination scores and demonstrated competencies that qualify for postsecondary credit. Each institution must provide the information to the higher education coordinating board and state board for community and technical colleges in a form that the superintendent of public instruction is able to distribute to school districts.

Passed by the Senate December 14, 2011. Passed by the House December 14, 2011. Approved by the Governor December 20, 2011. Filed in Office of Secretary of State December 21, 2011.

CHAPTER 4

[Substitute Senate Bill 5988] FORECLOSURES—MEDIATION

AN ACT Relating to making imperative changes to the foreclosure fairness act to ensure mediators' participation; amending RCW 61.24.163 and 61.24.169; and declaring an emergency.

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

Sec. 1. RCW 61.24.163 and 2011 c 58 s 7 are each amended to read as follows:

(1) The foreclosure mediation program established in this section applies only to borrowers who have been referred to mediation by a housing counselor or attorney. The mediation program under this section is not governed by chapter 7.07 RCW and does not preclude mediation required by a court or other provision of law.

(2) A housing counselor or attorney referring a borrower to mediation shall send a notice to the borrower and the department, stating that mediation is appropriate.

(3) Within ten days of receiving the notice, the department shall:

(a) Send a notice to the beneficiary, the borrower, the housing counselor or attorney who referred the borrower, and the trustee stating that the parties have been referred to mediation. The notice must include the statements and list of documents and information described in subsection (5)(b)(i) through (iv) of this section; and

(b) Select a mediator and notify the parties of the selection.

 $(4)((\frac{(a)}{(a)}))$ Within forty-five days of receiving the referral from the department, the mediator shall convene a mediation session in the county where the borrower resides, unless the parties agree on another location. The parties may agree in writing to extend the time in which to schedule the mediation session. If the parties agree to extend the time, the beneficiary shall notify the trustee of the extension and the date the mediator is expected to issue the mediator's certification.

(((b) Prior to scheduling a mediation session, the mediator shall require that both parties sign a waiver stating that neither party may call the mediator as a live witness in any litigation pertaining to a foreclosure action between the parties. However, the mediator's certification may be deemed admissible evidence, subject to court rules, in any litigation pertaining to a foreclosure action between the parties.))

(5)(a) The mediator may schedule phone conferences, consultations with the parties individually, and other communications to ensure that the parties have all the necessary information to engage in a productive mediation.

(b) The mediator must send written notice of the time, date, and location of the mediation session to the borrower, the beneficiary, and the department at least fifteen days prior to the mediation session. At a minimum, the notice must contain:

(i) A statement that the borrower may be represented in the mediation session by an attorney or other advocate;

(ii) A statement that a person with authority to agree to a resolution, including a proposed settlement, loan modification, or dismissal or continuation

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of the foreclosure proceeding, must be present either in person or on the telephone or video conference during the mediation session;

(iii) A complete list of documents and information required by this section that the parties must provide to the mediator and the deadlines for providing the documents and information; and

(iv) A statement that the parties have a duty to mediate in good faith and that failure to mediate in good faith may impair the beneficiary's ability to foreclose on the property or the borrower's ability to modify the loan or take advantage of other alternatives to foreclosure.

(6) The borrower, the beneficiary or authorized agent, and the mediator must meet in person for the mediation session. However, a person with authority to agree to a resolution on behalf of the beneficiary may be present over the telephone or video conference during the mediation session.

(7) The participants in mediation must address the issues of foreclosure that may enable the borrower and the beneficiary to reach a resolution, including but not limited to reinstatement, modification of the loan, restructuring of the debt, or some other workout plan. To assist the parties in addressing issues of foreclosure, the mediator must require the participants to consider the following:

(a) The borrower's current and future economic circumstances, including the borrower's current and future income, debts, and obligations for the previous sixty days or greater time period as determined by the mediator;

(b) The net present value of receiving payments pursuant to a modified mortgage loan as compared to the anticipated net recovery following foreclosure;

(c) Any affordable loan modification calculation and net present value calculation when required under any federal mortgage relief program, including the home affordable modification program (HAMP) as applicable to government-sponsored enterprise and nongovernment-sponsored enterprise loans and any HAMP-related modification program applicable to loans insured by the federal housing administration, the veterans administration, and the rural housing service. If such a calculation is not required, then the beneficiary must use the current calculations, assumptions, and forms that are established by the federal deposit insurance corporation and published in the federal deposit insurance corporation program guide; and

(d) Any other loss mitigation guidelines to loans insured by the federal housing administration, the veterans administration, and the rural housing service, if applicable.

(8) A violation of the duty to mediate in good faith as required under this section may include:

(a) Failure to timely participate in mediation without good cause;

(b) Failure of the beneficiary to provide the following documentation to the borrower and mediator at least ten days before the mediation or pursuant to the mediator's instructions:

(i) An accurate statement containing the balance of the loan as of the first day of the month in which the mediation occurs;

(ii) Copies of the note and deed of trust;

(iii) Proof that the entity claiming to be the beneficiary is the owner of any promissory note or obligation secured by the deed of trust. Sufficient proof may be a copy of the declaration described in RCW 61.24.030(7)(a);

(iv) The best estimate of any arrearage and an itemized statement of the arrearages;

(v) An itemized list of the best estimate of fees and charges outstanding;

(vi) The payment history and schedule for the preceding twelve months, or since default, whichever is longer, including a breakdown of all fees and charges claimed;

(vii) All borrower-related and mortgage-related input data used in any net present value analysis;

(viii) An explanation regarding any denial for a loan modification, forbearance, or other alternative to foreclosure in sufficient detail for a reasonable person to understand why the decision was made;

(ix) The most recently available appraisal or other broker price opinion most recently relied upon by the beneficiary; and

(x) The portion or excerpt of the pooling and servicing agreement that prohibits the beneficiary from implementing a modification, if the beneficiary claims it cannot implement a modification due solely to limitations in a pooling and servicing agreement, and documentation or a statement detailing the efforts of the beneficiary to obtain a waiver of the pooling and servicing agreement provisions;

(c) Failure of the borrower to provide documentation to the beneficiary and mediator, at least ten days before the mediation or pursuant to the mediator's instruction, showing the borrower's current and future income, debts and obligations, and tax returns for the past two years;

(d) Failure of either party to pay the respective portion of the mediation fee in advance of the mediation as required under this section;

(e) Failure of a party to designate representatives with adequate authority to fully settle, compromise, or otherwise reach resolution with the borrower in mediation; and

(f) A request by a beneficiary that the borrower waive future claims he or she may have in connection with the deed of trust, as a condition of agreeing to a modification, except for rescission claims under the federal truth in lending act. Nothing in this section precludes a beneficiary from requesting that a borrower dismiss with prejudice any pending claims against the beneficiary, its agents, loan servicer, or trustee, arising from the underlying deed of trust, as a condition of modification.

(9) Within seven business days after the conclusion of the mediation session, the mediator must send a written certification to the department and the trustee and send copies to the parties of:

(a) The date, time, and location of the mediation session;

(b) The names of all persons attending in person and by telephone or video conference, at the mediation session;

(c) Whether a resolution was reached by the parties, including whether the default was cured by reinstatement, modification, or restructuring of the debt, or some other alternative to foreclosure was agreed upon by the parties;

(d) Whether the parties participated in the mediation in good faith; and

(e) A description of the net present value test used, along with a copy of the inputs, including the result of the net present value test expressed in a dollar amount.

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(10) If the parties are unable to reach any agreement and the mediator certifies that the parties acted in good faith, the beneficiary may proceed with the foreclosure.

(11)(a) The mediator's certification that the beneficiary failed to act in good faith in mediation constitutes a defense to the nonjudicial foreclosure action that was the basis for initiating the mediation. In any action to enjoin the foreclosure, the beneficiary shall be entitled to rebut the allegation that it failed to act in good faith.

(b) The mediator's certification that the beneficiary failed to act in good faith during mediation does not constitute a defense to a judicial foreclosure or a future nonjudicial foreclosure action if a modification of the loan is agreed upon and the borrower subsequently defaults.

(c) If an agreement was not reached and the mediator's certification shows that the net present value of the modified loan exceeds the anticipated net recovery at foreclosure, that showing in the certification shall constitute a basis for the borrower to enjoin the foreclosure.

(12) The mediator's certification that the borrower failed to act in good faith in mediation authorizes the beneficiary to proceed with the foreclosure.

(13)(a) A trustee may not record the notice of sale until the trustee receives the mediator's certification stating that the mediation has been completed.

(b) If the trustee does not receive the mediator's certification, the trustee may record the notice of sale after ten days from the date the certification to the trustee was due. If the notice of sale is recorded under this subsection (13)(b) and the mediator subsequently issues a certification alleging the beneficiary violated the duty of good faith, the trustee may not proceed with the sale.

(14) A mediator may charge reasonable fees as authorized by this subsection and by the department. Unless the fee is waived or the parties agree otherwise, a foreclosure mediator's fee may not exceed four hundred dollars for a mediation session lasting between one hour and three hours. For a mediation session exceeding three hours, the foreclosure mediator may charge a reasonable fee, as authorized by the department. The mediator must provide an estimated fee before the mediation, and payment of the mediator's fee must be divided equally between the beneficiary and the borrower. The beneficiary and the borrower must tender the loan mediator's fee seven calendar days before the commencement of the mediation or pursuant to the mediator's instructions.

(15) Beginning December 1, 2012, and every year thereafter, the department shall report annually to the legislature on:

(a) The performance of the program, including the numbers of borrowers who are referred to mediation by a housing counselor or attorney;

(b) The results of the mediation program, including the number of mediations requested by housing counselors and attorneys, the number of certifications of good faith issued, the number of borrowers and beneficiaries who failed to mediate in good faith, and the reasons for the failure to mediate in good faith, if known, the numbers of loans restructured or modified, the change in the borrower's monthly payment for principal and interest and the number of principal write-downs and interest rate reductions, and, to the extent practical, the number of borrowers who report a default within a year of restructuring or modification;

(c) The information received by housing counselors regarding outcomes of foreclosures; and

(d) Any recommendations for changes to the statutes regarding the mediation program.

Sec. 2. RCW 61.24.169 and 2011 c 58 s 10 are each amended to read as follows:

(1) For the purposes of RCW 61.24.163, the department must maintain a list of approved foreclosure mediators. The department may approve the following persons to serve as foreclosure mediators under this section:

(a) Attorneys who are active members of the Washington state bar association;

(b) Employees of United States department of housing and urban development-approved housing counseling agencies or approved by the Washington state housing finance commission;

(c) Employees or volunteers of dispute resolution centers under chapter 7.75 RCW; and

(d) Retired judges of Washington courts.

(2) The department may establish a required training program for foreclosure mediators and may require mediators to acquire training before being approved. The mediators must be familiar with relevant aspects of the law, have knowledge of community-based resources and mortgage assistance programs, and refer borrowers to these programs where appropriate.

(3) The department may remove any mediator from the approved list of mediators.

(4)(a) A mediator under this section who is an employee or volunteer of a dispute resolution center under chapter 7.75 RCW is immune from suit in any civil action based on any proceedings or other official acts performed in his or her capacity as a foreclosure mediator, except in cases of willful or wanton misconduct.

(b) A mediator is not subject to discovery or compulsory process to testify in any litigation pertaining to a foreclosure action between the parties. However, the mediator's certification and all information and material presented as part of the mediation process may be deemed admissible evidence, subject to court rules, in any litigation pertaining to a foreclosure action between the parties.

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

Passed by the Senate December 14, 2011. Passed by the House December 14, 2011. Approved by the Governor December 20, 2011. Filed in Office of Secretary of State December 21, 2011.

CHAPTER 5

[Engrossed Substitute Senate Bill 5969] MILITARY SPOUSES—OCCUPATIONAL LICENSING

AN ACT Relating to procedures allowing certain military spouses to seek employment in state-licensed professional occupations after relocating to Washington; amending RCW 28A.410.010; adding a new section to chapter 19.105 RCW; adding a new section to chapter 46.82

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RCW; adding a new section to chapter 42.44 RCW; adding a new section to chapter 67.08 RCW; adding a new section to chapter 64.36 RCW; adding a new chapter to Title 18 RCW; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. The lives of military families are dominated by frequent deployments, relocations, and extended periods of single parenthood. Military spouses are some of the most mobile populations in our country, making the maintenance of professional licenses a significant obstacle. According to the 2010 defense management data center, there are thirty-three thousand three hundred eighty active duty and ten thousand eight hundred thirty-seven reserve military spouses residing in Washington. Military families depend on two incomes and want to achieve their goals and aspirations. It is the intent of the legislature to recognize the sacrifices made by military families in service to our country and our state and to help alleviate the hardships military families face due to their highly transient life.

<u>NEW SECTION.</u> Sec. 2. (1) For the purposes of this section, "authority" means any board, commission, or other authority for issuance of a license, certificate, registration, or permit under this title.

(2) To the extent resources are available:

(a) Each authority shall establish procedures to expedite the issuance of a license, certificate, registration, or permit to perform professional services regulated by each such authority to a person:

(i) Who is certified or licensed, certified, or registered, or has a permit in another state to perform professional services in that state;

(ii) Whose spouse is the subject of a military transfer to Washington; and

(iii) Who left employment in the other state to accompany the person's spouse to Washington.

(b) The procedure must include a process for issuing the person a license, certificate, registration, or permit, if, in the opinion of the authority, the requirements for licensure, certification, registration, or obtaining a permit of such other state are substantially equivalent to that required in Washington.

(c) Each authority in this title shall develop a method and adopt rules to authorize a person who meets the criteria in (a)(i) through (iii) of this subsection to perform services regulated by the authority in Washington by issuing the person a temporary license, certificate, registration, or permit for a limited period of time to allow the person to perform services regulated by the authority while completing any specific additional requirements in Washington that are not related to training or practice standards of the profession that were not required in the other state in which the person is licensed, certified, or registered, or has a permit. Nothing in this section requires the authority to issue a temporary license, certificate, registration, or permit if the standards of the other state are substantially unequal to Washington standards.

(d) An applicant must state in the application that he or she:

(i) Has requested verification from the other state or states that the person is currently licensed, certified, registered, or has a permit; and

(ii) Is not subject to any pending investigation, charges, or disciplinary action by the regulatory body of the other state or states.

(e) If the authority finds reasonable cause to believe that an applicant falsely affirmed or stated either of the requirements under (d)(i) or (ii) of this

subsection, the authority may summarily suspend the license, certificate, registration, or permit pending an investigation or further action to discipline or revoke the license, certificate, registration, or permit.

<u>NEW SECTION.</u> Sec. 3. The regulating authorities for the department of licensing, the department of health, the department of labor and industries, and the superintendent of public instruction shall appear before the joint committee on veteran and military affairs in December 2012 to inform the committee as to their efforts to implement the requirements of this chapter.

Sec. 4. RCW 28A.410.010 and 2005 c 497 s 203 are each amended to read as follows:

(1)(a) The Washington professional educator standards board shall establish, publish, and enforce rules determining eligibility for and certification of personnel employed in the common schools of this state, including certification for emergency or temporary, substitute or provisional duty and under such certificates or permits as the board shall deem proper or as otherwise prescribed by law. The rules shall require that the initial application for certification shall require a record check of the applicant through the Washington state patrol criminal identification system and through the federal bureau of investigation at the applicant's expense. The record check shall include a fingerprint check using a complete Washington state criminal identification fingerprint card. The superintendent of public instruction may waive the record check for any applicant who has had a record check within the two years before application. The rules shall permit a holder of a lapsed certificate but not a revoked or suspended certificate to be employed on a conditional basis by a school district with the requirement that the holder must complete any certificate renewal requirements established by the state board of education within two years of initial reemployment.

(b) In establishing rules pertaining to the qualifications of instructors of American sign language the board shall consult with the national association of the deaf, "sign instructors guidance network" (s.i.g.n.), and the Washington state association of the deaf for evaluation and certification of sign language instructors.

(c) The board shall develop rules consistent with section 2 of this act for the certification of spouses of military personnel.

(2) The superintendent of public instruction shall act as the administrator of any such rules and have the power to issue any certificates or permits and revoke the same in accordance with board rules.

<u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 19.105 RCW to read as follows:

The director shall develop rules consistent with section 2 of this act for the registration of spouses of military personnel.

<u>NEW SECTION.</u> Sec. 6. A new section is added to chapter 46.82 RCW to read as follows:

The director shall develop rules consistent with section 2 of this act for the licensure of spouses of military personnel.

<u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 42.44 RCW to read as follows:

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The director shall develop rules consistent with section 2 of this act for the appointment of spouses of military personnel to perform notarial acts in this state.

<u>NEW SECTION.</u> Sec. 8. A new section is added to chapter 67.08 RCW to read as follows:

The director shall develop rules consistent with section 2 of this act for the licensure of spouses of military personnel.

<u>NEW SECTION.</u> Sec. 9. A new section is added to chapter 64.36 RCW to read as follows:

The director shall develop rules consistent with section 2 of this act for the registration of spouses of military personnel.

<u>NEW SECTION.</u> Sec. 10. Sections 1 and 2 of this act constitute a new chapter in Title 18 RCW.

Passed by the Senate December 14, 2011.

Passed by the House December 14, 2011.

Approved by the Governor December 20, 2011.

Filed in Office of Secretary of State December 21, 2011.

CHAPTER 6

[Substitute House Bill 2131]

INVOLUNTARY TREATMENT ACT-DELAY OF PROVISIONS

AN ACT Relating to delaying implementation of provisions regarding evaluations of persons under the involuntary treatment act; amending RCW 71.05.212; amending 2010 c 280 s 5 (uncodified); providing an effective date; providing an expiration date; and declaring an emergency.

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

Sec. 1. 2010 c 280 s 5 (uncodified) is amended to read as follows:

Sections 2 and 3 of this act take effect ((January)) July 1, ((2012)) 2015.

Sec. 2. RCW 71.05.212 and 1999 c 214 s 5 are each amended to read as follows:

(1) Whenever a ((county)) designated mental health professional or professional person is conducting an evaluation under this chapter, consideration shall include all reasonably available information <u>from credible witnesses</u> and records regarding:

(((1))) (a) Prior recommendations for evaluation of the need for civil commitments when the recommendation is made pursuant to an evaluation conducted under chapter 10.77 RCW;

(((2))) (b) History of one or more violent acts;

(((3))) (c) <u>P</u>rior determinations of incompetency or insanity under chapter 10.77 RCW; and

(((4))) (d) Prior commitments under this chapter.

((In addition,)) (2) Credible witnesses may include family members, landlords, neighbors, or others with significant contact and history of involvement with the person. If the designated mental health professional relies upon information from a credible witness in reaching his or her decision to detain the individual, then he or she must provide contact information for any such witness to the prosecutor. The designated mental health professional or prosecutor shall provide notice of the date, time, and location of the probable cause hearing to such a witness.

(3) When conducting an evaluation for offenders identified under RCW 72.09.370, the ((county)) designated mental health professional or professional person shall consider an offender's history of judicially required or administratively ordered antipsychotic medication while in confinement.

NEW SECTION. Sec. 3. Section 2 of this act expires July 1, 2015.

<u>NEW SECTION.</u> Sec. 4. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately, except for section 2 of this act which takes effect January 1, 2012.

Passed by the House December 13, 2011. Passed by the Senate December 14, 2011. Approved by the Governor December 20, 2011.

Filed in Office of Secretary of State December 21, 2011.

CHAPTER 7

[Substitute House Bill 2148]

SEXUALLY VIOLENT PREDATORS—SUSPENSION OF PROCEEDINGS

AN ACT Relating to suspending annual examinations and show cause hearings for sexually violent predators convicted of a criminal offense or awaiting trial on criminal charges; amending RCW 71.09.070 and 71.09.090; and declaring an emergency.

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

Sec. 1. RCW 71.09.070 and 2001 c 286 s 8 are each amended to read as follows:

(1) Each person committed under this chapter shall have a current examination of his or her mental condition made by the department of social and health services at least once every year. The annual report shall include consideration of whether the committed person currently meets the definition of a sexually violent predator and whether conditional release to a less restrictive alternative is in the best interest of the person and conditions can be imposed that would adequately protect the community. The department of social and health services shall file this periodic report with the court that committed the person under this chapter. The report shall be in the form of a declaration or certification in compliance with the requirements of RCW 9A.72.085 and shall be prepared by a professionally qualified person as defined by rules adopted by the secretary. A copy of the report shall be served on the prosecuting agency involved in the initial commitment and upon the committed person and his or her counsel. The committed person may retain, or if he or she is indigent and so requests, the court may appoint a qualified expert or a professional person to examine him or her, and such expert or professional person shall have access to all records concerning the person.

(2) During any period of confinement pursuant to a criminal conviction, or for any period of detention awaiting trial on criminal charges, this section is suspended. Upon the return of the person committed under this chapter to the custody of the department, the department shall initiate an examination of the person's mental condition. The examination must comply with the requirements of subsection (1) of this section.

Sec. 2. RCW 71.09.090 and 2010 1st sp.s. c 28 s 2 are each amended to read as follows:

(1) If the secretary determines that the person's condition has so changed that either: (a) The person no longer meets the definition of a sexually violent predator; or (b) conditional release to a less restrictive alternative is in the best interest of the person and conditions can be imposed that adequately protect the community, the secretary shall authorize the person to petition the court for conditional release to a less restrictive alternative or unconditional discharge. The petition shall be filed with the court and served upon the prosecuting agency responsible for the initial commitment. The court, upon receipt of the petition for conditional release to a less restrictive alternative or unconditional discharge, shall within forty-five days order a hearing.

(2)(a) Nothing contained in this chapter shall prohibit the person from otherwise petitioning the court for conditional release to a less restrictive alternative or unconditional discharge without the secretary's approval. The secretary shall provide the committed person with an annual written notice of the person's right to petition the court for conditional release to a less restrictive alternative or unconditional discharge over the secretary's objection. The notice shall contain a waiver of rights. The secretary shall file the notice and waiver form and the annual report with the court. If the person does not affirmatively waive the right to petition, the court shall set a show cause hearing to determine whether probable cause exists to warrant a hearing on whether the person's condition has so changed that: (i) He or she no longer meets the definition of a sexually violent predator; or (ii) conditional release to a proposed less restrictive alternative would be in the best interest of the person and conditions can be imposed that would adequately protect the community.

(b) The committed person shall have a right to have an attorney represent him or her at the show cause hearing, which may be conducted solely on the basis of affidavits or declarations, but the person is not entitled to be present at the show cause hearing. At the show cause hearing, the prosecuting attorney or attorney general shall present prima facie evidence establishing that the committed person continues to meet the definition of a sexually violent predator and that a less restrictive alternative is not in the best interest of the person and conditions cannot be imposed that adequately protect the community. In making this showing, the state may rely exclusively upon the annual report prepared pursuant to RCW 71.09.070. The committed person may present responsive affidavits or declarations to which the state may reply.

(c) If the court at the show cause hearing determines that either: (i) The state has failed to present prima facie evidence that the committed person continues to meet the definition of a sexually violent predator and that no proposed less restrictive alternative is in the best interest of the person and conditions cannot be imposed that would adequately protect the community; or (ii) probable cause exists to believe that the person's condition has so changed that: (A) The person no longer meets the definition of a sexually violent predator; or (B) release to a proposed less restrictive alternative would be in the best interest of the person and conditions can be imposed that would adequately protect the community, then the court shall set a hearing on either or both issues.

(d) If the court has not previously considered the issue of release to a less restrictive alternative, either through a trial on the merits or through the procedures set forth in RCW 71.09.094(1), the court shall consider whether release to a less restrictive alternative would be in the best interests of the person and conditions can be imposed that would adequately protect the community, without considering whether the person's condition has changed. The court may not find probable cause for a trial addressing less restrictive alternatives unless a proposed less restrictive alternative placement meeting the conditions of RCW 71.09.092 is presented to the court at the show cause hearing.

(3)(a) At the hearing resulting from subsection (1) or (2) of this section, the committed person shall be entitled to be present and to the benefit of all constitutional protections that were afforded to the person at the initial commitment proceeding. The prosecuting agency shall represent the state and shall have a right to a jury trial and to have the committed person evaluated by experts chosen by the state. The department is responsible for the cost of one expert or professional person to conduct an evaluation on the prosecuting agency's behalf. The committed person shall also have the right to a jury trial and the right to have experts evaluate him or her on his or her behalf and the court shall appoint an expert if the person is indigent and requests an appointment.

(b) Whenever any person is subjected to an evaluation under (a) of this subsection, the department is responsible for the cost of one expert or professional person conducting an evaluation on the person's behalf. When the person wishes to be evaluated by a qualified expert or professional person of his or her own choice, such expert or professional person must be permitted to have reasonable access to the person for the purpose of such evaluation, as well as to all relevant medical and psychological records and reports. In the case of a person who is indigent, the court shall, upon the person's request, assist the person in obtaining an expert or professional person to perform an evaluation or participate in the hearing on the person's behalf. Nothing in this chapter precludes the person from paying for additional expert services at his or her own expense.

(c) If the issue at the hearing is whether the person should be unconditionally discharged, the burden of proof shall be upon the state to prove beyond a reasonable doubt that the committed person's condition remains such that the person continues to meet the definition of a sexually violent predator. Evidence of the prior commitment trial and disposition is admissible. The recommitment proceeding shall otherwise proceed as set forth in RCW 71.09.050 and 71.09.060.

(d) If the issue at the hearing is whether the person should be conditionally released to a less restrictive alternative, the burden of proof at the hearing shall be upon the state to prove beyond a reasonable doubt that conditional release to any proposed less restrictive alternative either: (i) Is not in the best interest of the committed person; or (ii) does not include conditions that would adequately protect the community. Evidence of the prior commitment trial and disposition is admissible.

(4)(a) Probable cause exists to believe that a person's condition has "so changed," under subsection (2) of this section, only when evidence exists, since the person's last commitment trial, or less restrictive alternative revocation

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proceeding, of a substantial change in the person's physical or mental condition such that the person either no longer meets the definition of a sexually violent predator or that a conditional release to a less restrictive alternative is in the person's best interest and conditions can be imposed to adequately protect the community.

(b) A new trial proceeding under subsection (3) of this section may be ordered, or a trial proceeding may be held, only when there is current evidence from a licensed professional of one of the following and the evidence presents a change in condition since the person's last commitment trial proceeding:

(i) An identified physiological change to the person, such as paralysis, stroke, or dementia, that renders the committed person unable to commit a sexually violent act and this change is permanent; or

(ii) A change in the person's mental condition brought about through positive response to continuing participation in treatment which indicates that the person meets the standard for conditional release to a less restrictive alternative or that the person would be safe to be at large if unconditionally released from commitment.

(c) For purposes of this section, a change in a single demographic factor, without more, does not establish probable cause for a new trial proceeding under subsection (3) of this section. As used in this section, a single demographic factor includes, but is not limited to, a change in the chronological age, marital status, or gender of the committed person.

(5) The jurisdiction of the court over a person civilly committed pursuant to this chapter continues until such time as the person is unconditionally discharged.

(6) During any period of confinement pursuant to a criminal conviction, or for any period of detention awaiting trial on criminal charges, this section is suspended.

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

Passed by the House December 13, 2011.

Passed by the Senate December 14, 2011.

Approved by the Governor December 20, 2011.

Filed in Office of Secretary of State December 21, 2011.

CHAPTER 8

[Substitute House Bill 2169]

UNIFORM UNCLAIMED PROPERTY ACT

AN ACT Relating to modifying the uniform unclaimed property act; amending RCW 63.29.220 and 63.29.240; creating a new section; and declaring an emergency.

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

Sec. 1. RCW 63.29.220 and 2005 c 367 s 4 are each amended to read as follows:

(1) Except as <u>otherwise</u> provided in $((\frac{\text{subsections } (2) \text{ and } (3) \text{ of}}))$ this section, the department, within five years after the receipt of abandoned property, $((\frac{\text{shall}}))$ <u>must</u> sell it to the highest bidder at public sale in whatever city

in the state affords in the judgment of the department the most favorable market for the property involved. The department may decline the highest bid and reoffer the property for sale if, in the judgment of the department, the bid is insufficient. If, in the judgment of the department, the probable cost of sale exceeds the value of the property, it need not be offered for sale. Any sale held under this ((section)) subsection must be preceded by a single publication of notice, at least three weeks in advance of sale, in a newspaper of general circulation in the county in which the property is to be sold.

(2)(a) Except as otherwise provided in this subsection (2)(a), the department must sell all securities delivered to the department as required by this chapter as soon as practicable, in the judgment of the department, after receipt by the department. However, this subsection does not apply with respect to any securities that, in the judgment of the department, cannot be sold, are worthless, or are not cost-effective to sell.

(b) Securities listed on an established stock exchange must be sold at prices prevailing at the time of sale on the exchange. Other securities may be sold over the counter at prices prevailing at the time of sale or by any other method the department considers advisable. All securities may be sold over the counter at prices prevailing at the time of the sale, or by any other method the department deems advisable.

(((3) Unless the department considers it to be in the best interest of the state to do otherwise, all securities, other than those presumed abandoned under RCW 63.29.100, delivered to the department must be held for at least one year before being sold.

(4) Unless the department considers it to be in the best interest of the state to do otherwise, all securities presumed abandoned under RCW 63.29.100 and delivered to the department must be held for at least three years before being sold. If the department sells any securities delivered pursuant to RCW 63.29.100 before the expiration of the three-year period, any person making a claim pursuant to this chapter before the end of the three-year period is entitled to either the proceeds of the sale of the securities or the market value of the securities at the time the claim is made, whichever amount is greater, less any deduction for fees pursuant to RCW 63.29.230(2).))

(c)(i) Except as otherwise provided in this subsection (2)(c), a person making a claim under this chapter ((after the expiration of this period is)) with respect to securities is only entitled to receive ((either the securities delivered to the department by the holder, if they still remain in the hands of the department, σ) the proceeds received from sale, less any amounts deducted pursuant to RCW 63.29.230(2)((, but)), even if the sale of the securities has not been completed at the time the department receives the claim. However, if the department receives a claim for securities and the department has not ordered those securities to be sold as of the time the claim is received by the department, the claimant is entitled to receive either the securities delivered to the department by the holder, or the proceeds received from the sale, less any amounts deducted pursuant to RCW 63.29.230(2).

(ii) With respect to securities that, in the judgment of the department, cannot be sold or are not cost-effective to sell and that remain in the possession of the department, a person making a claim under this chapter is only entitled to receive the securities delivered to the department by the holder.

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(d) No person has any claim under this chapter against the state, the holder, any transfer agent, registrar, or other person acting for or on behalf of a holder for <u>or on account of</u> any appreciation <u>or depreciation</u> in the value of the property occurring after delivery by the holder to the department.

(((5))) (3) The purchaser of property at any sale conducted by the department pursuant to this chapter takes the property free of all claims of the owner or previous holder thereof and of all persons claiming through or under them. The department ((shall)) <u>must</u> execute all documents necessary to complete the transfer of ownership.

Sec. 2. RCW 63.29.240 and 1983 c 179 s 24 are each amended to read as follows:

(1) A person, excluding another state, claiming an interest in any property paid or delivered to the department may file with it a claim on a form prescribed by it and verified by the claimant.

(2) The department ((shall)) <u>must</u> consider each claim within ninety days after it is filed and give written notice to the claimant if the claim is denied in whole or in part. The notice may be given by mailing it to the last address, if any, stated in the claim as the address to which notices are to be sent. If no address for notices is stated in the claim, the notice may be mailed to the last address, if any, of the claimant as stated in the claim. No notice of denial need be given if the claim fails to state either the last address to which notices are to be sent or the address of the claimant.

(3)(a) If a claim is allowed, the department ((shall)) <u>must</u> pay over or deliver to the claimant the property or the amount the department actually received or the net proceeds if it has been sold by the department, together with any additional amount required by RCW 63.29.210. ((If the claim is for property presumed abandoned under RCW 63.29.100 which was sold by the department within three years after the date of delivery, the amount payable for that claim is the value of the property at the time the claim was made or the net proceeds of sale, whichever is greater.)) Nothing in this subsection (3)(a) may be construed to modify RCW 63.29.220(2)(c).

(b) If the property claimed was interest-bearing to the owner on the date of surrender by the holder, the department also ((shall)) <u>must</u> pay interest at the legal rate or any lesser rate the property earned while in the possession of the holder. Interest begins to accrue when the property is delivered to the department and ceases on the earlier of the expiration of ten years after delivery or the date on which payment is made to the owner. No interest on interest-bearing property is payable for any period before June 30, 1983.

(4) Any holder who pays the owner for property that has been delivered to the state and which, if claimed from the department, would be subject to subsection (3) of this section ((shall)) <u>must</u> add interest as provided in subsection (3) of this section. The added interest must be repaid to the holder by the department in the same manner as the principal.

<u>NEW SECTION.</u> Sec. 3. (1) Section 1(2)(a) of this act applies with respect to securities the department of revenue holds as of the effective date of this section as well as securities delivered to the department of revenue after the effective date of this section.

(2) Section 1(2)(c)(i) of this act applies with respect to claims received by the department of revenue on or after the effective date of this section.

<u>NEW SECTION.</u> Sec. 4. 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 December 13, 2011. Passed by the Senate December 14, 2011. Approved by the Governor December 20, 2011. Filed in Office of Secretary of State December 21, 2011.

CHAPTER 9

[Substitute House Bill 2058] OPERATING BUDGET

AN ACT Relating to fiscal matters; amending RCW 28B.50.837, 28B.76.565, 28B.76.565, 28B.76.605, 28B.76.605, 43.21A.660, 43.79.460, 43.320.110, 70.96A.350, and 79.105.150; amending 2011 1st sp.s. c 50 ss 101, 102, 107, 109, 110, 111, 113, 114, 116, 118, 119, 121, 122, 123, 125, 126, 127, 129, 130, 131, 134, 135, 138, 140, 141, 143, 144, 145, 146, 148, 150, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 215, 216, 217, 218, 219, 220, 221, 222, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 401, 402, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 617, 618, 619, 620, 621, 622, 701, 703, 704, 713, and 805 (uncodified); reenacting and amending RCW 43.19.791; adding new sections to 2011 1st sp.s. c 50 (uncodified); repealing 2011 1st sp.s. c 50 ss 139, 722, and 725 (uncodified); making appropriations; providing effective dates; providing expiration dates; and declaring an emergency.

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

PART I GENERAL GOVERNMENT

Sec. 101. 2011 1st sp.s. c 50 s 101 (uncodified) is amended to read as follows:

FOR THE HOUSE OF REPRESENTATIVES

General Fund—State Appropriation (FY 2012)((\$29,923,000))
<u>\$29,934,000</u>
General Fund—State Appropriation (FY 2013)((\$30,444,000))
<u>\$30,465,000</u>
Motor Vehicle Account—State Appropriation
TOTAL APPROPRIATION
<u>\$61,715,000</u>

Sec. 102. 2011 1st sp.s. c 50 s 102 (uncodified) is amended to read as follows:

FOR THE SENATE

General Fund—State Appropriation (FY 2012)	((\$21,772,000))
	\$21,770,000
General Fund—State Appropriation (FY 2013)	((\$23,868,000))
	\$23,864,000
Motor Vehicle Account—State Appropriation	\$1,400,000

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Sec. 103. 2011 1st sp.s. c 50 s 107 (uncodified) is amended to read as follows:

FOR THE STATUTE LAW COMMITTEE
General Fund—State Appropriation (FY 2012)
\$4,248,000
General Fund—State Appropriation (FY 2013)
<u>\$4,689,000</u>
TOTAL APPROPRIATION
<u>\$8,937,000</u>

Sec. 104. 2011 1st sp.s. c 50 s 109 (uncodified) is amended to read as follows:

FOR THE SUPREME COURT

General Fund—State Appropriation (FY 2012)	((\$6,714,000))
	\$6,724,000
General Fund—State Appropriation (FY 2013)	((\$6,729,000))
	<u>\$6,738,000</u>
TOTAL APPROPRIATION	((\$13,443,000))
	\$13,462,000

Sec. 105. 2011 1st sp.s. c 50 s 110 (uncodified) is amended to read as follows:

FOR THE LAW LIBRARY

General Fund—State Appropriation (FY 2012)	((\$1,472,000))
	<u>\$1,506,000</u>
General Fund—State Appropriation (FY 2013)	\$1,466,000
TOTAL APPROPRIATION	
	\$2,972,000

Sec. 106. 2011 1st sp.s. c 50 s 111 (uncodified) is amended to read as follows:

FOR THE COURT OF APPEALS

FOR THE COURT OF ATTEALS	
General Fund—State Appropriation (FY 2012)((\$1	5,227,000))
	<u>515,285,000</u>
General Fund—State Appropriation (FY 2013)((\$1	5,280,000))
5	<u>515,290,000</u>
TOTAL APPROPRIATION	- , , , ,
	<u>\$30,575,000</u>

Sec. 107. 2011 1st sp.s. c 50 s 113 (uncodified) is amended to read as follows:

FOR THE ADMINISTRATOR FOR THE COURTS

General Fund—State Appropriation (FY 2012)	((\$50,619,000))
	<u>\$50,692,000</u>
General Fund—State Appropriation (FY 2013)	((\$50,174,000))
	\$50,235,000
General Fund—Federal Appropriation	((\$1,551,000))
	\$2,532,000

General Fund—Private/Local Appropriation
Judicial Information Systems Account—State
Appropriation
•• •
<u>\$42,414,000</u>
Judicial Stabilization Trust Account—State
Appropriation
TOTAL APPROPRIATION
<u>\$151,677,000</u>

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

(1) \$1,800,000 of the general fund—state appropriation for fiscal year 2012 and \$1,800,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for school districts for petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. The office of the administrator for the courts shall develop an interagency agreement with the superintendent of public instruction to allocate the funding provided in this subsection. Allocation of this money to school districts shall be based on the number of petitions filed. This funding includes amounts school districts may expend on the cost of serving petitions filed under RCW 28A.225.030 by certified mail or by personal service or for the performance of service of process for any hearing associated with RCW 28A.225.030.

(2)(a) \$8,252,000 of the general fund—state appropriation for fiscal year 2012 and \$8,253,000 of the general fund—state appropriation for fiscal year 2013 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.

(b) Each fiscal year during the 2011-2013 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 ways and means 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.

(3) 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.

(4) \$265,000 of the general fund—state appropriation for fiscal year 2012 is provided solely for the office of public guardianship to provide guardianship services for low-income incapacitated persons.

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(5) \$1,178,000 of the judicial information systems account—state appropriation is provided solely for replacing computer equipment at state courts and state judicial agencies.

(6) No later than September 30, 2011, the judicial information systems committee shall provide a report to the legislature on the recommendations of the case management feasibility study, including plans for a replacement of the superior court management information system (SCOMIS) and plans for completing the data exchange core system component consistent with a complete data exchange standard. No later than December 31, 2011, the judicial information systems committee shall provide a report to the legislature on the status of the data exchange, the procurement process for a SCOMIS replacement, and a case management system that is designed to meet the requirements approved by the superior courts and county clerks of all thirty-nine counties. The legislature shall solicit input on both reports from judicial, legislative, and executive stakeholders.

(7) In order to gather better data on juveniles in the criminal justice system, the administrative office of the courts shall modify the judgment and sentence form for juvenile and adult sentences to include one or more check boxes indicating whether (a) the adult superior court had original jurisdiction for a defendant who was younger than eighteen years of age at the time the case was filed; (b) the case was originally filed in juvenile court but transferred to adult superior court or transferred to adult superior court but then returned to the juvenile court.

Sec. 108. 2011 1st sp.s. c 50 s 114 (uncodified) is amended to read as follows:

FOR THE OFFICE OF PUBLIC DEFENSE

FOR THE OFFICE OF FODERC DEFENSE	
General Fund—State Appropriation (FY 2012)	((\$25,027,000))
	<u>\$25,030,000</u>
General Fund—State Appropriation (FY 2013)	((\$24,966,000))
	<u>\$24,972,000</u>
Judicial Stabilization Trust Account—State	
Appropriation	\$2,490,000
TOTAL APPROPRIATION	((\$52,483,000))
	<u>\$52,492,000</u>

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) By December 1, 2011, the office of public defense shall submit to the appropriate policy and fiscal committees of the legislature a proposal for office of public defense to assume the effective and efficient administration of defense services for indigent persons throughout the state who are involved in proceedings under chapter 71.09 RCW. In developing its proposal, the office of public defense should consult with interested stakeholders, including the King county public defender, the Washington defender association, the Washington association of criminal defense lawyers, the administrative office of the courts, the superior court judges association, the office of the attorney general, the King county prosecuting attorney, the Washington association of counties, and the

department of social and health services. At a minimum, the proposal should identify:

(a) Procedures to control costs and require accountability, consistent with the state's obligation to ensure the right to counsel under both the United States Constitution and the Washington Constitution;

(b) Appropriate practice standards for trial-level defense of indigent persons involved in proceedings under chapter 71.09 RCW, an estimated number of attorneys statewide who are qualified to provide such representation, and reasonable compensation for such defense services;

(c) The total budget necessary to implement the proposal statewide for fiscal year 2013, including administrative support; and

(d) Possible savings to the state and counties that might result from implementing the proposal.

Sec. 109. 2011 1st sp.s. c 50 s 116 (uncodified) is amended to read as follows:

FOR THE OFFICE OF THE GOVERNOR

General Fund—State Appropriation (FY 2012)	((\$5,312,000))
	\$5,311,000
General Fund—State Appropriation (FY 2013)	((\$5,293,000))
	<u>\$5,292,000</u>
Economic Development Strategic Reserve Account—State	
Appropriation	
TOTAL APPROPRIATION	.((\$12,105,000))
	\$12,103,000

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

(1) \$1,500,000 of the economic development strategic reserve account appropriation is provided solely for efforts to assist with currently active industrial recruitment efforts that will bring new jobs to the state or will retain headquarter locations of major companies currently housed in the state.

(2) \$547,000 of the general fund—state appropriation for fiscal year 2012 and \$547,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the office of the education ombudsman.

Sec. 110. 2011 1st sp.s. c 50 s 118 (uncodified) is amended to read as follows:

FOR THE PUBLIC DISCLOSURE COMMISSION

General Fund—State Appropriation (FY 2012)	((\$2,107,000))
	<u>\$2,106,000</u>
General Fund—State Appropriation (FY 2013)	((\$2,130,000))
	<u>\$2,129,000</u>
TOTAL APPROPRIATION	((\$4,237,000))
	\$4,235,000

The appropriations in this section are subject to the following conditions and limitations: \$43,000 of the general fund—state appropriation for fiscal year 2012 and \$82,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5021 (election campaign disclosure).

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Sec. 111. 2011 1st sp.s. c 50 s 119 (uncodified) is amended to read as follows:

FOR THE SECRETARY OF STATE

General Fund—State Appropriation (FY 2012)	
<u>\$16,014,000</u>	
General Fund—State Appropriation (FY 2013)	
<u>\$12,862,000</u>	
General Fund—Federal Appropriation	
Public Records Efficiency, Preservation, and Access	
Account—State Appropriation	
<u>\$7,950,000</u>	
Charitable Organization Education Account—State	
Appropriation\$452,000	
Local Government Archives Account—State	
Appropriation	
\$10,557,000	
Election Account—Federal Appropriation \$17,288,000	
Washington State Heritage Center Account—State	
Appropriation \$1,028,000	
TOTAL APPROPRIATION	
\$73,489,000	

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

(1) ((\$4,101,000)) \$3,898,000 of the general fund—state appropriation for fiscal year 2012 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) ((\$1,997,000)) \$1,847,000 of the general fund—state appropriation for fiscal year 2012 and ((\$2,076,000)) \$1,926,000 of the general fund—state appropriation for fiscal year 2013 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 2011-2013 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.

Sec. 112. 2011 1st sp.s. c 50 s 121 (uncodified) is amended to read as follows:

Sec. 113. 2011 1st sp.s. c 50 s 122 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER

State Treasurer's Service Account—State

Appropriation	((\$14,996,000))
	<u>\$14,994,000</u>

Sec. 114. 2011 1st sp.s. c 50 s 123 (uncodified) is amended to read as follows:

FOR THE STATE AUDITOR

State Auditing Services Revolving Account—State

6	
Appropriation	\$10,293,000
Performance Audit of Government Account-	State
Appropriation	((\$1,685,000))
	<u>\$1,461,000</u>
ΤΟΤΑΙ Α DDD Ο DDΙ ΑΤΙΟΝ	((\$11078000))

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

(1) Audits of school districts by the division of municipal corporations shall include findings regarding the accuracy of: (a) Student enrollment data; and (b) the experience and education of the district's certified instructional staff, as reported to the superintendent of public instruction for allocation of state funding.

(2) \$1,461,000 of the performance audits of government account 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.

(3) Within the amounts appropriated in this section, the state auditor shall continue to complete the annual audit of the state's comprehensive annual financial report and the annual federal single audit consistent with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in government auditing standards, issued by the comptroller general of the United States, and OMB circular A-133, audits of states, local governments, and nonprofit organizations.

Sec. 115. 2011 1st sp.s. c 50 s 125 (uncodified) is amended to read as follows:

FOR THE ATTORNEY GENERAL

General Fund—State Appropriation (FY 2012)((\$4,028,000))
\$4.758.000 (#2.007.202)
General Fund—State Appropriation (FY 2013)
General Fund—Federal Appropriation
New Motor Vehicle Arbitration Account—State
Appropriation
Legal Services Revolving Account—State
Appropriation
<u>\$206,617,000</u>
Tobacco Prevention and Control Account—State
Appropriation\$270,000
TOTAL APPROPRIATION
<u>\$224,163,000</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 ways and means.

(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) The attorney general shall enter into an interagency agreement with the department of social and health services for expenditure of the state's proceeds from the *cy pres* settlement in *State of Washington v. AstraZeneca* (Seroquel) for the purposes set forth in sections 204 and 213 of this act.

(5) \$62,000 of the legal services revolving fund—state appropriation is provided solely to implement House Bill No. 1770 (state purchasing). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(6) \$5,924,000 of the legal services revolving account—state appropriation is provided solely to implement House Bill No. 2123 (workers' compensation). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(7) The office of the attorney general is authorized to expend \$2,100,000 from the *Zyprexa* and other *cy pres* awards towards consumer protection costs in accordance with uses authorized in the court orders.

(8) \$96,000 of the legal services revolving fund—state appropriation is provided solely to implement Senate Bill No. 5076 (financial institutions). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(9) \$99,000 of the legal services revolving fund—state appropriation is provided solely to implement Engrossed Second Substitute Senate Bill No. 5769 (coal-fired generation). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(10) \$416,000 of the legal services revolving fund—state appropriation is provided solely to implement Substitute Senate Bill No. 5801 (industrial insurance system). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(11) \$31,000 of the legal services revolving fund—state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5021 (election campaign disclosure). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(12) The executive ethics board shall: (a) Develop a statewide plan, with performance measures, to provide overall direction and accountability in all executive branch agencies and statewide elected offices; (b) coordinate and work with the commission on judicial conduct and the legislative ethics board; (c) assess and evaluate each agency's ethical culture through employee and stakeholder surveys, review Washington state quality award feedback reports, and publish an annual report on the results to the public; and (d) solicit outside evaluations, studies, and recommendations for improvements from academics, nonprofit organizations, the public disclosure commission, or other entities with expertise in ethics, integrity, and the public sector.

Sec. 116. 2011 1st sp.s. c 50 s 126 (uncodified) is amended to read as follows:

FOR THE CASELOAD FORECAST COUNCIL

General Fund—State Appropriation (FY 2013)	((\$1,305,000))
	\$1,309,000
TOTAL APPROPRIATION	((\$2,613,000))
	<u>\$2,619,000</u>

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

(1) The appropriations in this section include funding for activities transferred from the sentencing guidelines commission to the caseload forecast council pursuant to Engrossed Substitute Senate Bill No. 5891 (criminal justice cost savings). Prior to the effective date of Engrossed Substitute Senate Bill No. 5891, the appropriations in this section may be expended for the continued operations and expenses of the sentencing guidelines commission pursuant to the expenditure authority schedule produced by the office of financial management in accordance with chapter 43.88 RCW.

(2) \$57,000 of the general fund—state appropriation for fiscal year 2012 and \$57,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the implementation of Senate Bill No. 5304 (college bound scholarship).

Sec. 117. 2011 1st sp.s. c 50 s 127 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

FOR THE DEFARIMENT OF COMMERCE
General Fund—State Appropriation (FY 2012)
<u>\$57,261,000</u>
General Fund—State Appropriation (FY 2013)
<u>\$72,459,000</u>
General Fund—Federal Appropriation
<u>\$282,185,000</u>
General Fund—Private/Local Appropriation
<u>\$4,989,000</u>
Public Works Assistance Account—State
Appropriation
\$2,764,000
Drinking Water Assistance Administrative
Account—State Appropriation\$437,000
Lead Paint Account—State Appropriation
Building Code Council Account—State Appropriation\$13,000
Home Security Fund Account—State Appropriation ((\$16,655,000))
\$16,652,000
Affordable Housing for All Account—State
Appropriation
County Research Services Account—State Appropriation \$1,081,000
Financial Fraud and Identity Theft Crimes Investigation
and Prosecution Account—State Appropriation
Low-Income Weatherization Assistance Account—State
Appropriation\$5,778,000
City and Town Research Services Account—State
Appropriation

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Manufacturing Innovation and Modernization
Account—State Appropriation\$61,000
Community and Economic Development Fee Account—State
Appropriation
Washington Housing Trust Account—State
Appropriation
<u>\$17,498,000</u>
Prostitution Prevention and Intervention Account—
State Appropriation
<u>\$86,000</u>
Public Facility Construction Loan Revolving
Account—State Appropriation\$755,000
Washington Community Technology Opportunity Account—
State Appropriation
TOTAL APPROPRIATION
\$487,519,000

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) \$500,000 of the general fund—state appropriation for fiscal year 2012 and \$500,000 of the general fund—state appropriation for fiscal year 2013 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) \$306,000 of the general fund—state appropriation for fiscal year 2012 and \$306,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for a grant to the retired senior volunteer program.

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

(5) \$1,800,000 of the home security fund—state appropriation is provided for transitional housing assistance or partial payments for rental assistance under the independent youth housing program.

(6) \$5,000,000 of the home security fund—state appropriation is for the operation, repair, and staffing of shelters in the homeless family shelter program.

(7) \$198,000 of the general fund—state appropriation for fiscal year 2012 and \$198,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the Washington new Americans program.

(8) \$2,949,000 of the general fund—state appropriation for fiscal year 2012 and \$2,949,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for associate development organizations.

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(9) \$127,000 of the general fund—federal appropriation is provided solely for implementation of Substitute House Bill No. 1886 (Ruckelshaus center process). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(10) Up to \$200,000 of the general fund—private/local appropriation is for a grant to the Washington tourism alliance for the maintenance of the Washington state tourism web site www.experiencewa.com and its related sub-sites. The department may transfer ownership of the web site and other tourism promotion assets and assign obligations to the Washington tourism alliance for purposes of tourism promotion throughout the state. The alliance may use the assets only in a manner consistent with the purposes for which they were created. Any revenue generated from these assets must be used by the alliance for the sole purposes of statewide Washington tourism promotion. The legislature finds that the Washington tourism alliance, a not-for-profit, 501.c.6 organization established, funded, and governed by Washington tourism industry stakeholders to sustain destination tourism marketing across Washington, is an appropriate body to receive funding and assets from and assume obligations of the department for the purposes described in this section.

(((12))) (11) Within the appropriations in this section, specific funding is provided to implement Substitute Senate Bill No. 5741 (economic development commission).

(((13))) (12) \$2,000,000 of the community and economic development fee account appropriation is provided solely for the department of commerce for services to homeless families through the Washington families fund.

(((14))) (13) \$260,000 of the general fund—state appropriation for fiscal year 2012 and \$259,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the Washington asset building coalitions.

(((15))) (14) \$1,859,000 of the general fund—state appropriation for fiscal year 2012 and \$1,859,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for innovative research teams, also known as entrepreneurial STARS, at higher education research institutions, and for entrepreneurs-in-residence programs at higher education research institutions and entrepreneurial assistance organizations. Of these amounts no more than \$50,000 in fiscal year 2012 and no more than \$50,000 in fiscal year 2013 may be provided for the operation of entrepreneurs-in-residence programs at entrepreneurs-in-residence programs at entrepreneurial assistance organizations external to higher education research institutions.

(((16))) (<u>15</u>) Up to \$700,000 of the general fund—private/local appropriation is for pass-through grants to cities in central Puget Sound to plan for transfer of development rights receiving areas under the central Puget Sound regional transfer of development rights program.

(((+17))) (16) \$16,000 of the general fund—state appropriation for fiscal year 2012 is provided solely to implement section 503 of Substitute House Bill No. 1277 (licensed settings for vulnerable adults). The long-term care ombudsman shall convene an adult family home quality assurance panel to review problems concerning the quality of care for residents in adult family homes. If Substitute House Bill No. 1277 (licensed settings for vulnerable adults) is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(((18))) (17) \$24,605,000 of the general fund—state appropriation for fiscal year 2012 and \$39,527,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for establishment of the essential needs and housing support program created in Engrossed Substitute House Bill No. 2082 (essential needs and assistance program). The department of commerce shall contract for these services with counties or community-based organizations involved in providing essential needs and housing supports to low-income persons who meet eligibility pursuant to Engrossed Substitute House Bill No. 2082. The department shall limit the funding used for administration of the program to no more than five percent. Counties and community providers shall limit the funding used for administration of the program to no more than seven percent.

(a) Of the amounts provided in this subsection, \$4,000,000 is provided solely for essential needs to clients who meet the eligibility established in Engrossed Substitute House Bill No. 2082. Counties and community-based organizations shall distribute basic essential products in a manner that prevents abuse. To the greatest extent possible, the counties or community-based organizations shall leverage local or private funds, and volunteer support to acquire and distribute the basic essential products.

(b) Of the amounts provided in this subsection, \$30,000,000 is provided solely for housing support services to individuals who are homeless and eligible for services under this program pursuant to Engrossed Substitute House Bill No. 2082.

(c) Of the amounts provided in this subsection, \$30,000,000 is provided solely as a contingency fund to provide housing support services for individuals who may become homeless and are otherwise eligible for this program pursuant to Engrossed Substitute House Bill No. 2082.

Sec. 118. 2011 1st sp.s. c 50 s 129 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

General Fund—State Appropriation (FY 2012)
\$18,627,000
General Fund—State Appropriation (FY 2013)
<u>\$18,851,000</u>
General Fund—Federal Appropriation \$31,534,000
General Fund—Private/Local Appropriation \$1,270,000
Performance Audits of Government Account—
State Appropriation\$25,000
Economic Development Strategic Reserve Account—
State Appropriation
Department of Personnel Services—State
Appropriation
Data Processing Revolving Account State
Data Processing Revolving Account—State Appropriation\$5,208,000
Higher Education Personnel Services Account—State
Appropriation
\$1,537,000
01,000

Aquatic Lands Enhancement Account—State Appropriation\$100,000 TOTAL APPROPRIATION((\$86,344,000)) \$85,259,000

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

(1) \$1,210,000 of the general fund—state appropriation for fiscal year 2012 and \$1,210,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for implementation of House Bill No. 1178 (regulatory assistance office). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

(2) \$150,000 of the general fund—state appropriation for fiscal year 2012 is provided solely for the office of financial management to contract with an independent consultant to evaluate and recommend the most cost-effective provision of services required to support the department of social and health services special commitment center on McNeil Island. The evaluation shall include island operation services that include, but are not limited to: (a) Marine transport of passengers and goods; (b) wastewater treatment; (c) fire protection and suppression; (d) electrical supply; (e) water supply; and (f) road maintenance.

The office of financial management shall solicit the input of Pierce county, the department of corrections, and the department of social and health services in developing the request for proposal, evaluating applications, and directing the evaluation. The consultant shall report to the governor and legislature by November 15, 2011.

(3) \$100,000 of the aquatic lands enhancement account—state appropriation is provided solely for the office of financial management to prepare a report to be used to initiate a comprehensive, long-range planning process for the future of McNeil Island during the 2013-2015 fiscal biennium.

(a) The report on the initiation of the process must document:

(i) Ownership issues, including consultation with the federal government about its current legal requirements associated with the island;

(ii) Federal and state decision-making processes to change use or ownership;

(iii) Tribal treaty interests;

(iv) Fish and wildlife species and their habitats;

(v) Land use and public safety needs;

(vi) Recreational opportunities for the general public;

(vii) Historic and archaeological resources; and

(viii) Revenue from and necessary to support potential future uses of the island.

(b) The report shall develop and recommend a comprehensive, long-range planning process for the future of the island and associated aquatic resources, addressing the items in (a) of this subsection.

(c) The office of financial management may use its own staff and other public agency and tribal staff or contract for services, and may create a work group of knowledgeable agencies, organizations, and individuals to assist in preparing the report. (d) The office of financial management shall engage in broad consultation with interested parties, including, but not limited to:

(i) Federal agencies with relevant responsibilities;

(ii) Tribal governments;

(iii) State agencies;

(iv) Local governments and communities in the area, including the Anderson Island community, Steilacoom, and Pierce county; and

(v) Interested private organizations and individuals.

(e) The report must be submitted to the governor and appropriate committees of the legislature by October 1, 2012.

(((7))) (4) The appropriations in this section include funding for activities transferred from the sentencing guidelines commission to the office of financial management pursuant to Engrossed Substitute Senate Bill No. 5891 (criminal justice cost savings). Prior to the effective date of Engrossed Substitute Senate Bill No. 5891, the appropriations in this section may be expended for the continued operations and expenses of the sentencing guidelines commission pursuant to the expenditure authority schedule produced by the office of financial management in accordance with chapter 43.88 RCW.

Sec. 119. 2011 1st sp.s. c 50 s 130 (uncodified) is amended to read as follows:

FOR THE OFFICE OF ADMINISTRATIVE HEARINGS

Administrative Hearings Revolving Account—State

The appropriation in this section is subject to the following conditions and limitations: \$769,000 of the administrative hearings revolving account—state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5921 (social services programs). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

Sec. 120. 2011 1st sp.s. c 50 s 131 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE LOTTERY

Lottery Administrative Account—State

Appropriation	$\dots \dots ((\$25,694,000))$
	\$25,709,000

Sec. 121. 2011 1st sp.s. c 50 s 134 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF RETIREMENT SYSTEMS— OPERATIONS

Department of Retirement Systems Expense

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

(1) \$146,000 of the department of retirement systems—state appropriation is provided solely for the administrative costs associated with implementation of

House Bill No. 2070 (state and local government employees). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(2) \$65,000 of the department of retirement systems—state appropriation is provided solely for the administrative costs associated with implementation of House Bill No. 1625 (plan 3 default investment option). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(3) \$133,000 of the department of retirement systems—state appropriation is provided solely for the administrative costs associated with implementation of Engrossed House Bill No. 1981 as amended (post-retirement employment). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(((5))) (4) \$15,000 of the department of retirement systems expense account—state appropriation is provided solely for the administrative costs associated with implementation of Substitute House Bill No. 2021 (plan 1 annual increase amounts). If the bill is not enacted by June 30, 2011, the amount provided in this section shall lapse.

Sec. 122. 2011 1st sp.s. c 50 s 135 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF REVENUE
General Fund—State Appropriation (FY 2012)
<u>\$100,927,000</u>
General Fund—State Appropriation (FY 2013)
<u>\$100,801,000</u>
Timber Tax Distribution Account—State Appropriation
Waste Reduction/Recycling/Litter Control—State
Appropriation\$129,000
Waste Tire Removal Account—State Appropriation
State Toxics Control Account—State Appropriation
Oil Spill Prevention Account—State Appropriation\$19,000
Master License Fund—State Appropriation
Vehicle License Fraud Account—State Appropriation\$5,000
Performance Audits of Government Account—State
Appropriation\$3,188,000
TOTAL APPROPRIATION
\$225,110,000

Sec. 123. 2011 1st sp.s. c 50 s 138 (uncodified) is amended to read as follows:

FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

<u>NEW SECTION.</u> Sec. 124. 2011 1st sp.s. c 50 s 139 (uncodified) is repealed.

Sec. 125. 2011 1st sp.s. c 50 s 140 (uncodified) is amended to read as follows:

FOR THE INSURANCE COMMISSIONER

General Fund—Federal Appropriation \$4,452,000

Insurance Commissioners Regulatory Account-State

Appropriation.	
	<u>\$47,514,000</u>
TOTAL APPROPRIATION	
	<u>\$51,966,000</u>

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

(1) \$75,000 of the insurance commissioner's regulatory account—state appropriation is provided solely for the implementation of Substitute Senate Bill No. 5445 (health benefit exchange).

(2) \$42,000 of the insurance commissioner's regulatory account—state appropriation is provided solely for the implementation of Senate Bill No. 5213 (insurance statutes).

Sec. 126. 2011 1st sp.s. c 50 s 141 (uncodified) is amended to read as follows:

FOR THE BOARD OF ACCOUNTANCY

Certified Public Accountants' Account—State

	i iee ounit blate	
Appropriation		,810,000))
	4	2,808,000

Sec. 127. 2011 1st sp.s. c 50 s 143 (uncodified) is amended to read as follows:

FOR THE HORSE RACING COMMISSION

Horse Racing Commission Operating Account—State

Sec. 128. 2011 1st sp.s. c 50 s 144 (uncodified) is amended to read as follows:

FOR THE LIQUOR CONTROL BOARD

Liquor Control Board Construction and Maintenance

Account—State Appropriation	\$10,081,000
Liquor Revolving Account—State Appropriation	((\$176,646,000))
	\$176,238,000
General Fund—Federal Appropriation	\$120,000
TOTAL APPROPRIATION	((\$186,847,000))
	\$186,439,000

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

Sec. 129. 2011 1st sp.s. c 50 s 145 (uncodified) is amended to read as follows:

FOR THE UTILITIES AND TRANSPORTATION COMMISSION

General Fund—Federal Appropriation	\$502,000
General Fund—Private/Local Appropriation	. \$11,175,000
Public Service Revolving Account—State	
Appropriation	(\$30,990,000))
	\$30,992,000
Pipeline Safety Account—State Appropriation	\$3,201,000

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

(1) In accordance with RCW 80.36.610(1), the utilities and transportation commission is authorized to establish federal telecommunications act services fees in fiscal year 2012 as necessary to meet the actual costs of conducting business and the appropriation levels in this section.

(2) \$15,000 of the pipeline safety account—state appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1634 (underground utilities).

(3) \$182,000 of the public service revolving account—state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5769 (coal-fired generation).

(4) \$169,000 of the public service revolving account—state appropriation is provided solely for the implementation of Second Substitute Senate Bill No. 5034 (private infrastructure).

Sec. 130. 2011 1st sp.s. c 50 s 146 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT

General Fund—State Appropriation (FY 2012)
<u>\$7,175,000</u>
General Fund—State Appropriation (FY 2013)((\$8,001,000))
<u>\$7,175,000</u>
General Fund—Federal Appropriation
Enhanced 911 Account—State Appropriation \$46,556,000
Disaster Response Account—State Appropriation \$17,933,000
Disaster Response Account—Federal Appropriation \$66,266,000
Military Department Rent and Lease Account—State
Appropriation\$615,000
Worker and Community Right-to-Know Account—State
Appropriation\$2,165,000
TOTAL APPROPRIATION
\$307,066,000

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

(1) \$18,018,000 of the disaster response account—state appropriation and \$66,266,000 of the disaster response account—federal appropriation may be spent only on disasters declared by the governor and with the approval of the office of financial management. The military department shall submit a report to the office of financial management and the legislative fiscal committees on October 1st and February 1st 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 2011-2013 biennium based on current revenue and expenditure patterns.

(2) \$75,000,000 of the general fund—federal appropriation is provided solely for homeland security, subject to the following conditions:

(a) Any communications equipment purchased by local jurisdictions or state agencies shall be consistent with standards set by the Washington state interoperability executive committee; and

(b) The department shall submit an annual report to the office of financial management and the legislative fiscal committees detailing the governor's domestic security advisory group recommendations; homeland security revenues and expenditures, including estimates of total federal funding for the state; and incremental changes from the previous estimate.

Sec. 131. 2011 1st sp.s. c 50 s 148 (uncodified) is amended to read as follows:

General Fund—State Appropriation (FY 2012)	((\$2,347,000))
	\$2,346,000
General Fund—State Appropriation (FY 2013)	((\$2,402,000))
	<u>\$2,400,000</u>
Higher Education Personnel Services Account—State	
Appropriation.	\$251,000
Department of Personnel Service Account—State	
Appropriation.	\$3,309,000
TOTAL APPROPRIATION	((\$8,309,000))
	\$8,306,000

FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION

Sec. 132. 2011 1st sp.s. c 50 s 150 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

General Fund—State Appropriation (FY 2012)((\$4,052,000))
<u>\$3,501,000</u>
General Fund—State Appropriation (FY 2013)((\$4,047,000))
<u>\$3,495,000</u>
General Fund—Federal Appropriation\$177,000
General Fund—Private/Local Appropriation
Building Code Council Account—State Appropriation ((\$1,185,000))
<u>\$1,187,000</u>
Department of Personnel Service Account—State
Appropriation
Appropriation
Appropriation
Appropriation.
Appropriation.
Appropriation.

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

(1) The appropriations in this section are for the operations and expenses of the department of enterprise services as established by Engrossed Substitute Senate Bill No. 5931 (central service functions of state government), effective

October 1, 2011. Prior to October 1, 2011, the appropriations in this section may be expended for the continued operations and expenses of the office of financial management, the department of general administration, the department of information services, and the department of personnel, pursuant to the expenditure authority schedules produced by the office of financial management, in accordance with chapter 43.88 RCW.

(2) \$3,090,000 of the general fund—state appropriation for fiscal year 2012 and \$3,090,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the payment of facilities and services charges, utilities and contracts charges, public and historic facilities charges, and capital projects surcharges allocable to the senate, house of representatives, statute law committee, 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.

(3) In accordance with RCW 46.08.172 and 43.135.055, the department is authorized to increase parking fees in fiscal years 2012 and 2013 as necessary to meet the actual costs of conducting business.

(4) The building code council account appropriation is provided solely for the operation of the state building code council as required by statute and modified by the standards established by executive order 10-06. The council shall not consider any proposed code amendment or take any other action not authorized by statute or in compliance with the standards established in executive order 10-06. No member of the council may receive compensation, per diem, or reimbursement for activities other than physical attendance at those meetings of the state building code council or the council's designated committees, at which the opportunity for public comment is provided generally and on all agenda items upon which the council proposes to take action.

(5) Specific funding is provided for the purposes of section 3 of House Bill No. 1770 (state purchasing).

(6) The amounts appropriated in this section are for implementation of Senate Bill No. 5931 (streamlining central service functions).

PART II HUMAN SERVICES

Sec. 201. 2011 1st sp.s. c 50 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 health care authority and the department are authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership (WMIP), the health care authority and the department may combine and transfer such medicaid funds appropriated under sections 204, 206, 208, and 213 of this act as may be necessary to finance a unified health care plan for the WMIP program enrollment. The WMIP pilot projects shall not exceed a daily enrollment of 6,000 persons, nor expand beyond one county during the 2011-2013 fiscal biennium. The amount of funding assigned 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. In implementing the WMIP, the health care authority and the department may: (a) Withhold from calculations of "available resources" as set forth in RCW 71.24.025 a sum equal to the capitated rate for enrolled individuals; and (b) employ capitation financing and risk-sharing arrangements in collaboration with health care service contractors licensed by the office of the insurance commissioner and gualified to participate in both the medicaid and medicare programs. The health care authority and the department shall conduct an evaluation of the WMIP, measuring changes in participant health outcomes, changes in patterns of service utilization, participant satisfaction, participant access to services, and the state fiscal impact.

(4) 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.

(((6))) (5) 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 section 213 of this act. 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.

Sec. 202. 2011 1st sp.s. c 50 s 202 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES— CHILDREN AND FAMILY SERVICES PROGRAM

General Fund—State Appropriation (FY 2012)
<u>\$295,011,000</u>
General Fund—State Appropriation (FY 2013)((\$302,895,000))
<u>\$294,232,000</u>
General Fund—Federal Appropriation
<u>\$487,912,000</u>
General Fund—Private/Local Appropriation \$1,358,000
Home Security Fund—State Appropriation \$10,741,000
Domestic Violence Prevention Account—State
Appropriation \$1,154,000
Education Legacy Trust Account—State Appropriation\$725,000
TOTAL APPROPRIATION
<u>\$1,091,133,000</u>

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

(1) Within amounts provided for the foster care and adoption support programs, the department shall control reimbursement decisions for foster care and adoption support cases such that the aggregate average cost per case for foster care and for adoption support does not exceed the amounts assumed in the projected caseload expenditures.

(2) \$668,000 of the general fund—state appropriation for fiscal year 2012 and \$668,000 of the general fund—state appropriation for fiscal year 2013 are 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. The department shall collaborate with the pediatric interim care center to determine if and how the center could be appropriately incorporated into the performance-based contract model and report its findings to the legislature by December 1, 2012. (3)(a) ((\$85,114,000)) \$85,202,000 of the general fund—state appropriation for fiscal year 2012, ((\$85,409,000)) \$85,408,000 of the general fund—state appropriation for fiscal year 2013, and ((\$79,166,000)) \$79,279,000 of the general fund—federal appropriation are provided solely for services for children and families subject to RCW 74.13.360 and House Bill No. 2122 (child welfare). Prior to approval of contract services pursuant to RCW 74.13.360 and House Bill No. 2122, the amounts provided in this section shall be allotted on a monthly basis and expenditures shall not exceed allotments based on a three month rolling average without approval of the office of financial management following notification to the legislative fiscal committees.

(b) The department shall use performance-based contracts to provide services to safely reduce the number of children in out-of-home care, safely reduce the time spent in out-of-home care prior to achieving permanency, and safely reduce the number of children returning to out-of-home care following permanency. The department shall provide an initial report to the legislature and the governor by January 15, 2012, regarding the start-up costs associated with performance-based contracts under RCW 74.13.360 and House Bill No. 2122 (child welfare).

(4) \$176,000 of the general fund—state appropriation for fiscal year 2012, \$177,000 of the general fund—state appropriation for fiscal year 2013, \$656,000 of the general fund—private/local appropriation, \$253,000 of the general fund federal appropriation, and \$725,000 of the education legacy trust account—state appropriation are provided solely for children's administration to 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 transition to performance based contracts. Funding shall be prioritized to regions with high numbers of foster care youth and/or regions where backlogs of youth that have formerly requested educational outreach services exist. The department shall utilize private matching funds to maintain educational advocacy services.

(5) \$670,000 of the general fund—state appropriation for fiscal year 2012 and \$670,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for services provided through children's advocacy centers.

(6) To ensure expenditures remain within available funds appropriated in this section as required by RCW 74.13A.005 and 74.13A.020, the secretary shall not set the amount of any adoption assistance payment or payments, made pursuant to RCW 26.33.320 and 74.13A.005 through 74.13A.080, to more than ninety percent of the foster care maintenance payment for that child had he or she remained in a foster family home during the same period. This subsection does not apply to adoption assistance agreements in existence on the effective date of this section.

(7) \$10,741,000 of the home security fund—state appropriation is provided solely for the department to contract for services pursuant to RCW 13.32A.030 and 74.15.220. The department shall contract and collaborate with service providers in a manner that maintains the availability and geographic representation of secure and semi-secure crisis residential centers and HOPE centers. To achieve efficiencies and increase utilization, the department shall allow the co-location of these centers, except that a youth may not be placed in a

secure facility or the secure portion of a co-located facility except as specifically authorized by chapter 13.32A RCW. The reductions to appropriations in this subsection related to semi-secure crisis residential centers reflect a reduction to the number of beds for semi-secure crisis residential centers and not a reduction in rates. Any secure crisis residential center or semi-secure crisis residential center bed reduction shall not be based solely upon bed utilization. The department is to exercise its discretion in reducing the number of beds but to do so in a manner that maintains availability and geographic representation of semisecure and secure crisis residential centers.

(((9))) (8) \$47,000 of the general fund—state appropriation for fiscal year 2012, \$14,000 of the general fund—state appropriation for fiscal year 2013, and \$40,000 of the general fund—federal appropriation are provided solely to implement Substitute House Bill No. 1697 (dependency system). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

(((10))) (9) \$564,000 of the general fund—federal appropriation is provided solely to implement Second Substitute House Bill No. 1128 (extended foster care). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

*Sec. 203. 2011 1st sp.s. c 50 s 203 (uncodified) is amended to read as follows:

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

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 2012 and \$331,000 of the general fund—state appropriation for fiscal year 2013 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) \$2,716,000 of the general fund—state appropriation for fiscal year 2012 and \$2,716,000 of the general fund—state appropriation for fiscal year 2013 are

provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(3) \$3,482,000 of the general fund—state appropriation for fiscal year 2012 and \$3,482,000 of the general fund—state appropriation for fiscal year 2013 are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(4) \$1,130,000 of the general fund—state appropriation for fiscal year 2012 and \$1,130,000 of the general fund—state appropriation for fiscal year 2013 are provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that submitted a plan for the provision of services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(5) \$3,123,000 of the general fund—state appropriation for fiscal year 2012 and \$3,123,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for grants to county juvenile courts for the following programs identified by the Washington state institute for public policy (institute) in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Functional family therapy, multi-systemic therapy, aggression replacement training and interagency coordination programs, or other programs with a positive benefitcost finding in the institute's report. County juvenile courts shall apply to the juvenile rehabilitation administration for funding for program-specific participation and the administration shall provide grants to the courts consistent with the per-participant treatment costs identified by the institute.

(6) \$1,537,000 of the general fund—state appropriation for fiscal year 2012 and \$1,537,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for expansion of the following treatments and therapies in juvenile rehabilitation administration programs identified by the Washington state institute for public policy in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Multidimensional treatment foster care, family integrated transitions, and aggression replacement training, or other programs with a positive benefit-cost finding in the institute's report. The administration may concentrate delivery of these treatments and therapies at a limited number of programs to deliver the treatments in a cost-effective manner.

(7)(a) The juvenile rehabilitation administration shall administer a block grant, rather than categorical funding, of consolidated juvenile service funds, community juvenile accountability act grants, the chemical dependency disposition alternative funds, the mental health disposition alternative, and the sentencing disposition alternative for the purpose of serving youth adjudicated in the juvenile justice system. In making the block grant, the juvenile rehabilitation

administration shall follow the following formula and will prioritize evidencebased 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) Thirtyseven and one-half percent for the at-risk population of youth ten to seventeen years old; (ii) fifteen percent for 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 disposition alternative; and (vi) two percent for the mental health and sentencing 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.

(b) The juvenile rehabilitation administration shall phase the implementation of the formula provided in subsection (1) of this section by including a stop-loss formula of five percent in fiscal year 2012 and five percent in fiscal year 2013.

(c) 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 cochaired 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. Initial members will include one juvenile court representative from the finance committee, the community juvenile accountability act committee, the risk assessment quality assurance committee, the executive board of the Washington association of juvenile court administrators, the Washington state center for court research, and a representative of the superior court judges association; two representatives from the juvenile rehabilitation administration headquarters program oversight staff, two representatives of the juvenile rehabilitation administration regional office staff, one representative of the juvenile rehabilitation administration fiscal staff and a juvenile rehabilitation administration division director. The committee may make changes to the formula categories other than the evidence-based program and disposition alternative categories if it is determined 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. Long-term cost benefit must be considered. Percentage changes may occur in the evidencebased program or disposition alternative categories of the formula should it be determined the changes will increase evidence-based program or disposition alternative delivery and increase the cost benefit to the state. These outcomes will also be considered in determining when evidence-based expansion or special sex offender disposition alternative funds should be included in the block grant or left separate.

(d) The juvenile courts and administrative office of the courts shall be responsible for collecting and distributing information and providing 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 will 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.

(8) The juvenile courts and administrative office of the courts shall collect and distribute information related to program outcome and provide access to these data systems to the juvenile rehabilitation administration and Washington state institute for public policy. Consistent with chapter 13.50 RCW, all confidentiality agreements necessary to implement this information-sharing shall be approved within 30 days of the effective date of this section. The agreements between administrative office of the courts, the juvenile courts, and the juvenile rehabilitation administration shall be executed to ensure that the juvenile rehabilitation administration receives the data that the juvenile rehabilitation administration identifies as needed to comply with this subsection. This includes, but is not limited to, information by program at the statewide aggregate level, individual court level, and individual client level for the purpose of the juvenile rehabilitation administration providing quality assurance and oversight for the locally committed youth block grant and associated funds and at times as specified by the juvenile rehabilitation administration as necessary to carry out these functions. The data shall be provided in a manner that reflects the collaborative work the juvenile rehabilitation administration and juvenile courts have developed regarding program outcomes that reinforce the greatest cost benefit to the state in the implementation of evidence-based practices and disposition alternatives.

(9) Within the funds provided in this section, the juvenile rehabilitation administration shall maintain the physical plant and protect state assets at the Maple Lane School.

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

Sec. 204. 2011 1st sp.s. c 50 s 204 (uncodified) is amended to read as follows:

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

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS	
General Fund—State Appropriation (FY 2012)	
\$317,392,000	
General Fund—State Appropriation (FY 2013)	
\$322,982,000	
General Fund—Federal Appropriation	
\$448,732,000	
General Fund—Private/Local Appropriation	
\$17,864,000	
Hospital Safety Net Assessment Fund—State	
Appropriation	

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

(a) \$109,342,000 of the general fund—state appropriation for fiscal year 2012 and \$109,341,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for persons and services not covered by the medicaid program. This is a reduction of \$4,348,000 each fiscal year from the nonmedicaid funding that was allocated for expenditure by regional support networks during fiscal year 2011 prior to supplemental budget reductions. This \$4,348,000 reduction shall be distributed among regional support networks proportional to each network's share of the total state population. To the extent possible, levels of regional support network spending shall be maintained in the following priority order: (i) Crisis and commitment services; (ii) community inpatient services; and (iii) residential care services, including personal care and emergency housing assistance.

(b) \$6,590,000 of the general fund—state appropriation for fiscal year 2012, \$6,590,000 of the general fund-state appropriation for fiscal year 2013, and \$7,620,000 of the general fund-federal appropriation are provided solely for the department and regional support networks 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 regional support networks with PACT teams, the department shall consider the differences between regional support networks in the percentages of services and other costs associated with the teams that are not reimbursable under medicaid. The department may allow regional support networks 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 section 204(1)(a) of this act. The department and regional support networks shall maintain consistency with all essential elements of the PACT evidence-based practice model in programs funded under this section.

(c) \$5,850,000 of the general fund—state appropriation for fiscal year 2012, \$5,850,000 of the general fund—state appropriation for fiscal year 2013, and \$1,300,000 of the general fund—federal appropriation are provided solely for the western Washington regional support networks to provide either community-or hospital campus-based services for persons who require the level of care previously provided by the program for adaptive living skills (PALS) at western state hospital.

(d) The number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 192 per day. The number of nonforensic beds allocated for use by regional support networks at western state hospital shall be 557 per day.

(e) From the general fund—state appropriations in this subsection, the secretary of social and health services shall assure that regional support networks reimburse the aging and disability services administration for the general fund—state cost of medicaid personal care services that enrolled regional support network consumers use because of their psychiatric disability.

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(f) \$4,582,000 of the general fund—state appropriation for fiscal year 2012 and \$4,582,000 of the general fund—state appropriation for fiscal year 2013 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.

(g) The department is authorized to continue to contract directly, rather than through contracts with regional support networks, for children's long-term inpatient facility services.

(h) \$750,000 of the general fund—state appropriation for fiscal year 2012 and \$750,000 of the general fund—state appropriation for fiscal year 2013 are provided solely to continue performance-based incentive contracts to provide appropriate community support services for individuals with severe mental illness who were discharged from the state hospitals as part of the expanding community services initiative. These funds will be used to enhance community residential and support services provided by regional support networks through other state and federal funding.

(i) \$1,125,000 of the general fund—state appropriation for fiscal year 2012 and \$1,125,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the Spokane regional support network 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 regional support network 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.

(j) \$1,529,000 of the general fund—state appropriation for fiscal year 2012 and \$1,529,000 of the general fund—state appropriation for fiscal year 2013 are provided solely to reimburse Pierce and Spokane counties for the cost of conducting 180-day commitment hearings at the state psychiatric hospitals.

(k) Regional support networks 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, regional support networks may use a portion of the state funds allocated in accordance with (a) of this subsection to earn additional 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.

(1) Given the recent approval of federal medicaid matching funds for the disability lifeline and the alcohol and drug abuse treatment support act programs,

the department shall charge regional support networks for only the state share rather than the total cost of community psychiatric hospitalization for persons enrolled in those programs.

(m) \$750,000 of the general fund—state appropriation for fiscal year 2012, \$750,000 of the general fund—state appropriation for fiscal year 2013, and \$1,500,000 of the general fund—federal appropriation are provided solely to adjust regional support network capitation rates to account for the per diem rates actually paid for psychiatric care provided at hospitals participating in the certified public expenditure program operated pursuant to section 213 of this act.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2012)	((\$114,686,000))
	<u>\$115,317,000</u>
General Fund—State Appropriation (FY 2013)	((\$113,766,000))
	<u>\$114,111,000</u>
General Fund—Federal Appropriation	((\$150,767,000))
	<u>\$153,324,000</u>
General Fund—Private/Local Appropriation	((\$65,834,000))
	\$67,325,000
TOTAL APPROPRIATION	((\$445,053,000))
	\$450,077,000

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 and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(b) \$231,000 of the general fund—state appropriation for fiscal year 2012 and \$231,000 of the general fund—state appropriation for fiscal year 2013 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.

(c) \$45,000 of the general fund—state appropriation for fiscal year 2012 and \$45,000 of the general fund—state appropriation for fiscal year 2013 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) \$20,000,000 of the general fund—state appropriation for fiscal year 2012 and \$20,000,000 of the general fund—state appropriation for fiscal year 2013 are provided solely to maintain staffed capacity to serve an average daily census in forensic wards at western state hospital of 270 patients per day.

(3) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2012)	$\dots \dots ((\$1,457,000))$
	\$1,168,000
General Fund—State Appropriation (FY 2013)	((\$1,462,000))
	<u>\$1,164,000</u>

General Fund—Federal Appropriation	((\$2,682,000))
	<u>\$4,109,000</u>
General Fund—Private/Local Appropriation	\$700,000
TOTAL APPROPRIATION	((\$6,301,000))
	\$7,141,000

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

(a) \$1,161,000 of the general fund—state appropriation for fiscal year 2012 and \$1,161,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for children's evidence based mental health services. Funding is sufficient to continue serving children at the same levels as fiscal year 2009.

(b) \$700,000 of the general fund—private/local appropriation is 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 for serving children and youth with mental health disorders. The department shall enter into an interagency agreement with the office of the attorney general for expenditure of \$700,000 of the state's proceeds of the *cy pres* settlement in *State of Washington v. AstraZeneca* (Seroquel) for this purpose.

(4) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2012))
<u>\$4,476,000</u>	
General Fund—State Appropriation (FY 2013)((\$4,102,000)	
<u>\$4,261,000</u>	-
General Fund—Federal Appropriation	
\$7,227,000 \$446,000	
General Fund—Private/Local Appropriation	
TOTAL APPROPRIATION	· .
<u>\$16,410,000</u>	J

(a) The appropriations in this subsection are subject to the following conditions and limitations: In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to increase license and certification fees in fiscal years 2012 and 2013 to support the costs of the regulatory program. The fee schedule increases must be developed so that the maximum amount of additional fees paid by providers statewide in the 2011-2013 fiscal biennium is \$446,000. 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 facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accreditation must reflect the lower costs of licensing for these programs than for other organizations which are not accredited.

(b) \$19,000 of the general fund—state appropriation for fiscal year 2012, \$17,000 of the general fund—state appropriation for fiscal year 2013, and \$34,000 of the general fund—federal appropriation are provided solely to

support a partnership among the department of social and health services, the department of health, and agencies that deliver medical care and behavioral health services in Cowlitz county. The partnership shall identify and recommend strategies for resolving regulatory, licensing, data management, reporting, and funding barriers to more effective integration of primary medical and behavioral health care services in the county.

Sec. 205. 2011 1st sp.s. c 50 s 205 (uncodified) is amended to read as follows:

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

(1) COMMUNITY SERVICES

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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) Amounts appropriated in this subsection reflect a reduction to funds appropriated for in-home care. The department shall reduce the number of inhome hours authorized. The reduction shall be scaled based on the acuity level of care recipients. The largest hour reductions shall be to lower acuity patients and the smallest hour reductions shall be to higher acuity patients.

(c) Amounts appropriated in this subsection are sufficient to develop and implement the use of a consistent, statewide outcome-based vendor contract for employment and day services by July 1, 2012. The rates paid to vendors under this contract shall also be made consistent. In its description of activities the agency shall include activity listings and dollars appropriated for: Employment services, day services, child development services and county administration of services to the developmentally disabled. The department shall begin reporting to the office of financial management on these activities beginning in fiscal year 2010.

(d) \$944,000 of the general fund—state appropriation for fiscal year 2012, \$944,000 of the general fund—state appropriation for fiscal year 2013, and \$1,888,000 of the general fund—federal appropriation are provided solely for state contributions for individual provider health care benefits. Pursuant to the collective bargaining agreement negotiated with the exclusive bargaining representative of individual providers established under RCW 74.39A.270, the state shall contribute to the multiemployer health benefits trust fund \$1.96 per paid hour worked by individual providers.

(e) \$1,871,000 of the general fund—state appropriation for fiscal year 2012, \$1,995,000 of the general fund-state appropriation for fiscal year 2013, and \$3,865,000 of the general fund-federal appropriation are provided solely for home care agencies to purchase health coverage for home care providers. The department shall calculate and distribute payments for health care benefits to home care agencies at \$558 per month for each worker who cares for publicly funded clients at 86 hours or more per month. In order to negotiate the most comprehensive health benefits package for its employees, each agency may determine benefit levels according to the hours an employee works providing state-funded personal care. Health benefits shall be offered to all employees who care for publicly funded clients for 86 hours per month or more. At a minimum, employees who care for publicly funded clients at 140 hours a month or greater must receive a comprehensive medical benefit. Benefits shall not be provided to employees who care for publicly funded clients at 85 hours or less per month or as interim respite workers. The department shall not pay an agency for benefits provided to an employee who otherwise receives health care coverage through other family members, other employment-based coverage, or military or veteran's coverage. The department shall require annually, each home care agency to review each of its employee's available health coverage and to provide a written declaration to the department verifying that health benefits purchased with public funds are solely for employees that do not have other available coverage. Home care agencies may determine a reasonable employee co-premium not to exceed 20 percent of the total benefit cost.

(f) \$1,127,000 of the general fund—state appropriation for fiscal year 2012, \$1,199,000 of the general fund—state appropriation for fiscal year 2013, and \$2,322,000 of the general fund—federal appropriation are provided solely for the state's contribution to the training partnership, as provided in RCW 74.39A.360, for instructional costs associated with the training of individual providers. House Bill No. 1548 and Senate Bill No. 5473 (long-term care worker requirements) make statutory changes to the increased training requirements and therefore the state shall contribute to the partnership \$0.17 per paid hour worked by all home care workers. This amount is pursuant to the collective bargaining agreement negotiated with the exclusive bargaining representative of individual providers established under RCW 74.39A.270. Expenditures for the purposes specified in this subsection shall not exceed the amounts provided in this subsection.

(g)(i) Within the amounts appropriated in this subsection, the department shall revise the current working age adult policy to allow clients to choose between employment and community access activities. Clients age 21 and older who are receiving services through a home- and community-based medicaid waiver shall be offered the choice to transition to a community access program after nine months of enrollment in an employment program, and the option to transition from a community access program to an employment program at any time. The department shall inform clients and their legal representatives of all available options for employment and day services. Information provided to the client and the client's legal representative shall include the types of activities each service option provides, and the amount, scope, and duration of service for which the client would be eligible under each service option. An individual client may be authorized for only one service option, either employment services or community access services. Clients may not participate in more than one of these services at any given time.

(ii) The department shall work with counties and stakeholders to strengthen and expand the existing community access program. The program must emphasize support for the client so they are able to participate in activities that integrate them into their community and support independent living and skills.

(iii) The appropriation in this subsection includes funding to provide employment or community access services to 168 medicaid eligible young adults with developmental disabilities living with their families who need employment opportunities and assistance after high school graduation.

(h) \$75,000 of the general fund—state appropriation for fiscal year 2012 and \$75,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the restoration of direct support to local organizations that utilize parent-to-parent networks and communication to promote access and quality of care for individuals with developmental disabilities and their families.

(i) In accordance with Engrossed Substitute House Bill No. 1277 (licensed settings for vulnerable adults), adult family home license fees are increased in fiscal years 2012 and 2013 to support the costs of conducting licensure, inspection, and regulatory programs.

(i) The current annual renewal license fee for adult family homes shall be increased to \$100 per bed beginning in fiscal year 2012 and \$175 per bed beginning in fiscal year 2013. Adult family homes shall receive a corresponding vendor rate increase per medicaid patient day of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013 to cover the cost of the license fee increase for publicly funded beds.

(ii) Beginning in fiscal year 2012, a processing fee of \$2,750 shall be charged to each adult family home when the home is initially licensed. This fee is nonrefundable.

(((k))) (j) Clients with developmental disabilities have demonstrated a need and a desire for a day services program as verified by over 900 clients currently accessing day programs through a long-term care service model. In addition, every individual, to include those with a developmental disability, should have the opportunity for meaningful employment which allows them to contribute to their communities and to become as self-sufficient as possible. Providing choice empowers recipients of publicly funded services and their families by expanding their degree of control over the services and supports they need.

The department shall work with legislators and stakeholders to develop a new approach to employment and day services. The objective of this plan is to ensure that adults with developmental disabilities have optimum choices, and that employment and day offerings are comprehensive enough to meet the needs of all clients currently served on a home and community based waiver. The proposal shall be submitted to the 2012 legislature for consideration and shall be constructed such that a client ultimately receives employment, community access, or the community day option but not more than one service at a time. The proposal shall include options for program efficiencies within the current employment and day structure and shall provide details on the plan to implement a consistent, statewide outcome-based vendor contract for employment and day services as specified in (c) of this subsection.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2012)	((\$80,256,000))
$C_{\rm example} = 1 - \Omega_{\rm ext} + \Lambda_{\rm example} + (EV 2012)$	<u>\$80,815,000</u>
General Fund—State Appropriation (FY 2013)	((\$79,288,000)) \$79,939,000
General Fund—Federal Appropriation	
	<u>\$154,388,000</u>
General Fund—Private/Local Appropriation	
	<u>\$337,185,000</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) \$721,000 of the general fund—state appropriation for fiscal year 2012 and \$721,000 of the general fund—state appropriation for fiscal year 2013 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.

(3) PROGRAM SUPPORT General Fund—State Appropriation (FY 2012)
General Fund—State Appropriation (FY 2013)
<u>\$1.371.000</u> General Fund—Federal Appropriation((\$1,326,000))
\$1,323,000 TOTAL APPROPRIATION
(4) SPECIAL PROJECTS
General Fund—State Appropriation (FY 2012)((\$4,659,000))
General Fund—State Appropriation (FY 2012) ((\$4,659,000)) \$4,648,000 \$4,648,000 General Fund—State Appropriation (FY 2013) ((\$4,659,000))
General Fund—State Appropriation (FY 2012)

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

Amounts appropriated in this subsection are for the purposes of transitioning clients with developmental disabilities into community settings. The department is authorized as needed to use these funds to either pay for clients residing within a residential habilitation center or for placements in the

\$19,858,000

community. Pursuant to Second Substitute Senate Bill No. 5459 (services for people with developmental disabilities), funding in this subsection must be prioritized for the purpose of facilitating the consolidation and closure of Frances Haddon Morgan Center. The department shall use a person-centered approach in developing the discharge plan to assess each resident's needs and identify services the resident requires to successfully transition to the community or another residential habilitation center. The department is authorized to use any savings from this effort for the purpose of developing community resources to address the needs of clients with developmental disabilities who are in crisis or in need of respite. The department shall track the costs and savings of closing Frances Haddon Morgan Center and any investments into community placements and resources. The department shall provide a fiscal progress report to the legislature by December 5, 2011.

Sec. 206. 2011 1st sp.s. c 50 s 206 (uncodified) is amended to read as follows:

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

(1) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed \$170.37 for fiscal year 2012 and shall not exceed \$171.43 for fiscal year 2013, including the rate add-ons described in (a) and (b) of this subsection. However, if the waiver requested from the federal centers for medicare and medicaid services in relation to the safety net assessment created by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is for any reason not approved and implemented, the weighted average nursing facility payment rate shall not exceed \$159.87 for fiscal year 2012 and shall not exceed \$160.93 for fiscal year 2013. There will be no adjustments for economic trends and conditions in fiscal years 2012 and 2013. The economic trends and conditions factor or factors defined in the biennial appropriations act shall not be compounded with the economic trends and conditions factor or factors defined in any other biennial appropriations acts before applying it to the component rate allocations established in accordance with chapter 74.46 RCW. When no economic trends and conditions factor for either fiscal year is defined in a biennial appropriations act, no economic trends

and conditions factor or factors defined in any earlier biennial appropriations act shall be applied solely or compounded to the component rate allocations established in accordance with chapter 74.46 RCW.

(a) Within the funds provided, the department shall continue to provide an add-on per medicaid resident day per facility not to exceed \$1.57. The add-on shall be used to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary aides, housekeepers, laundry aides, or any other category of worker whose statewide average dollarsper-hour wage was less than \$15 in calendar year 2008, according to cost report data. The add-on may also be used to address resulting wage compression for related job classes immediately affected by wage increases to low-wage workers. The department shall continue reporting requirements and a settlement process to ensure that the funds are spent according to this subsection.

(b) The department shall do a comparative analysis of the facility-based payment rates calculated on July 1, 2011, using the payment methodology defined in Engrossed Substitute Senate Bill No. 5581 (nursing home payments), to the facility-based payment rates in effect June 30, 2010. If the facility-based payment rate calculated on July 1, 2011, is smaller than the facility-based payment rate on June 30, 2010, then the difference shall be provided to the individual nursing facilities as an add-on payment per medicaid resident day.

(c) During the comparative analysis performed in subsection (b) of this section, if it is found that the direct care rate for any facility calculated using the payment methodology defined in Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is greater than the direct care rate in effect on June 30, 2010, then the facility shall receive a ten percent direct care rate add-on to compensate that facility for taking on more acute clients than they have in the past.

(d) 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.

(e) If the waiver requested from the federal centers for medicare and medicaid services in relation to the safety net assessment created by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is for any reason not approved and implemented, subsections (b), (c), and (d) of this subsection do not apply.

(2) After examining actual nursing facility cost information, the legislature finds that the medicaid nursing facility rates calculated pursuant to Engrossed Substitute Senate Bill No. 5581 (nursing home payments) provide sufficient reimbursement to efficiently and economically operating nursing facilities and bear a reasonable relationship to costs.

(3) In accordance with chapter 74.46 RCW, the department shall issue no additional certificates of capital authorization for fiscal year 2012 and no new certificates of capital authorization for fiscal year 2013 and shall grant no rate add-ons to payment rates for capital improvements not requiring a certificate of need and a certificate of capital authorization for fiscal years 2012 and 2013.

(4) The long-term care program may develop and pay enhanced rates for exceptional care to nursing homes for persons with traumatic brain injuries who

are transitioning from hospital care. The cost per patient day for caring for these clients in a nursing home setting may be equal to or less than the cost of caring for these clients in a hospital setting.

(5) Amounts appropriated in this section reflect a reduction to funds appropriated for in-home care. The department shall reduce the number of inhome hours authorized. The reduction shall be scaled based on the acuity level of care recipients. The largest hour reductions shall be to lower acuity patients and the smallest hour reductions shall be to higher acuity patients.

(6) \$1,883,000 of the general fund—state appropriation for fiscal year 2012, \$1,883,000 of the general fund—state appropriation for fiscal year 2013, and \$3,766,000 of the general fund—federal appropriation are provided solely for state contributions for individual provider health care benefits. Pursuant to the collective bargaining agreement negotiated with the exclusive bargaining representative of individual providers established under RCW 74.39A.270, the state shall contribute to the multiemployer health benefits trust fund \$1.96 per paid hour worked by individual providers.

(7) \$16,835,000 of the general fund—state appropriation for fiscal year 2012, \$17,952,000 of the general fund—state appropriation for fiscal year 2013, and \$34,786,000 of the general fund—federal appropriation are provided solely for home care agencies to purchase health coverage for home care providers. The department shall calculate and distribute payments for health care benefits to home care agencies at \$558 per month for each worker who cares for publicly funded clients at 86 hours or more per month. In order to negotiate the most comprehensive health benefits package for its employees, each agency may determine benefit levels according to the hours an employee works providing state-funded personal care. Health benefits shall be offered to all employees who care for publicly funded clients for 86 hours per month or more. At a minimum, employees who care for publicly funded clients at 140 hours a month or greater must receive a comprehensive medical benefit. Benefits shall not be provided to employees who care for publicly funded clients at 85 hours or less per month or as interim respite workers. The department shall not pay an agency for benefits provided to an employee who otherwise receives health care coverage through other family members, other employment-based coverage, or military or veteran's coverage. The department shall require annually, each home care agency to review each of its employee's available health coverage and to provide a written declaration to the department verifying that health benefits purchased with public funds are solely for employees that do not have other available coverage. Home care agencies may determine a reasonable employee co-premium not to exceed 20 percent of the total benefit cost.

(8) \$2,063,000 of the general fund—state appropriation for fiscal year 2012, \$2,195,000 of the general fund—state appropriation for fiscal year 2013, and \$4,260,000 of the general fund—federal appropriation are provided solely for the state's contribution to the training partnership, as provided in RCW 74.39A.360, for instructional costs associated with the training of individual providers. House Bill No. 1548 and Senate Bill No. 5473 (long-term care worker requirements) make statutory changes to the increased training requirements and therefore the state shall contribute to the partnership \$0.17 per paid hour worked by all home care workers. This amount is pursuant to the collective bargaining agreement negotiated with the exclusive bargaining

representative of individual providers established under RCW 74.39A.270. Expenditures for the purposes specified in this subsection shall not exceed the amounts provided in this subsection.

(9) 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.

(10) The department shall eliminate the adult day health program under the state plan 1915(i) option and shall reestablish it under the long-term care home and community-based waiver.

(11) \$4,588,000 of the general fund—state appropriation for fiscal year 2012, \$4,559,000 of the general fund—state appropriation for fiscal year 2013, and \$9,237,000 of the general fund—federal appropriation are provided solely for the continued operation of community residential and support services for persons who are older adults or who have co-occurring medical and behavioral disorders and who have been discharged or diverted from a state psychiatric hospital. These funds shall be used to serve individuals whose treatment needs constitute substantial barriers to community placement, who no longer require active psychiatric treatment at an inpatient hospital level of care, and who no longer meet the criteria for inpatient involuntary commitment.

(12) \$1,840,000 of the general fund—state appropriation for fiscal year 2012 and \$1,877,000 of the general fund—state appropriation for fiscal year 2013 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.

(13) In accordance with Engrossed Substitute House Bill No. 1277 (licensed settings for vulnerable adults), nursing facility fees are increased in fiscal year 2012 and adult family home fees are increased in fiscal year 2013 to support the costs of conducting licensure, inspection, and regulatory programs.

(a) The current annual renewal license fee for nursing facilities shall be increased to \$359 per bed beginning in fiscal year 2012 and assumes \$517,000 of the general fund—private/local appropriation. Nursing facilities shall receive a vendor rate increase of \$0.08 per medicaid patient day to cover the license fee increase for publicly funded beds.

(b) The current annual renewal license fee for adult family homes shall be increased to \$100 per bed beginning in fiscal year 2012 and assumes \$1,449,000 of the general fund—private/local appropriation; and \$175 per bed beginning in fiscal year 2013 and assumes \$2,463,000 of the general fund—private/local appropriation. Adult family homes shall receive a corresponding vendor rate increase per medicaid patient day of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013 to cover the license fee increase for publicly funded beds.

(c) Beginning in fiscal year 2012, a processing fee of \$2,750 shall be charged to each adult family home when the home is initially licensed. This fee is nonrefundable.

(d) \$72,000 of the general fund—state appropriation for fiscal year 2012, \$708,000 of the general fund—private/local appropriation and \$708,000 of the general fund—federal appropriation are provided solely to implement sections 501 through 503 of Engrossed Substitute House Bill No. 1277 (licensed settings

for vulnerable adults). The department shall use additional investigative resources to address complaints about provider practices as well as alleged abuse, neglect, abandonment, and exploitation of residents in adult family homes. The department shall develop a statewide internal quality review and accountability program to improve the accountability of staff and the consistent application of investigative activities, and shall convene a quality assurance panel to review problems in the quality of care in adult family homes.

(14) \$3,316,000 of the traumatic brain injury account—state appropriation is provided solely to continue services for persons with traumatic brain injury (TBI) as defined in chapter 143, Laws of 2011 (traumatic brain injury strategic partnership).

(15) 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.

Sec. 207. 2011 1st sp.s. c 50 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 2012)((\$506,611,000))
<u>\$487,305,000</u>
General Fund—State Appropriation (FY 2013)
\$503,362,000
General Fund—Federal Appropriation
<u>\$1,167,467,000</u>
General Fund—Private/Local Appropriation
TOTAL APPROPRIATION
<u>\$2,188,726,000</u>

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

(1) $((\frac{\$297,623,000}))$ $(\frac{\$258,880,000}{\$258,880,000})$ of the general fund—state appropriation for fiscal year 2012, $((\frac{\$297,623,000}))$ $(\frac{\$297,296,000}{\$297,296,000})$ of the general fund—federal appropriation are provided solely for all components of the WorkFirst program. Under section 2 of Engrossed Substitute Senate Bill No. 5921 (social services programs), the amounts in this subsection assume that any participant in the temporary assistance for needy families where their participation is suspended and does not volunteer to participate in WorkFirst services or unsubsidized employment does not receive child care subsidies or WorkFirst subsidies as a condition of the suspension. Within the amounts provided for the WorkFirst program, the department may provide assistance tor needy families.

(a) Within the amounts provided for WorkFirst in this subsection, the department shall continue to implement WorkFirst program improvements that are designed to achieve progress against outcome measures specified in RCW 74.08A.410.

(b) The department may establish a career services work transition program.

(c) Within the amounts provided in this subsection, \$1,414,000 of the general fund—state appropriation for fiscal year 2012 and \$5,150,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the implementation and administration of the electronic benefit transfer system under section 12 of Engrossed Substitute Senate Bill No. 5921 (social services programs). The department shall transfer these amounts to the department of early learning for the implementation and administration of the project.

(d) Within amounts appropriated in this section, the legislature expressly mandates that the department exercise its authority, granted in 1997 under RCW 74.08A.290, to contract for work activities services pursuant to that statutory authority and RCW 41.06.142(3).

(e) The department shall create a temporary assistance for needy families budget structure that allows for more 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 shall include budget units for the following: Grants, child care, WorkFirst activities, and administration of the program.

(2)(a) \$11,825,000 of the general fund—federal appropriation is provided solely for a contingency reserve in the event the temporary assistance for needy families cash benefit is projected to exceed forecasted amounts by more than one percent. The department shall only expend an amount equal to the forecasted over-expenditure. For purposes of this subsection, the temporary assistance forecast shall be completed every quarter and follow a similar schedule of the caseload forecast council forecasts.

(b) If sufficient savings in subsection (1) of this section are achieved, the department of early learning shall increase the number of child care slots available for the working connections child care program.

(3) ((\$31,960,000)) \$23,494,000 of the general fund—state appropriation for fiscal year 2012, in addition to supplemental security income recoveries, is provided solely for financial assistance and other services to recipients in the program established in section 4, chapter 8, Laws of 2010 1st sp. sess., until the program terminates on October 31, 2011.

(4)(a) ((\$11,690,000)) \$13,086,000 of the general fund—state appropriation for fiscal year 2012 and ((\$21,494,000)) \$24,788,000 of the general fund—state appropriation for fiscal year 2013, in addition to supplemental security income recoveries, are provided solely for the programs created in Engrossed Substitute House Bill No. 2082 (essential needs and assistance program) beginning November 1, 2011.

(b) 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.

(c) 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 outstationing department of veterans' affairs staff in selected community service office locations in King and Pierce counties to facilitate applications for veterans' services.

(5) \$1,657,000 of the general fund—state appropriation for fiscal year 2012 and \$1,657,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for naturalization services.

(6) \$2,366,000 of the general fund—state appropriation for fiscal year 2012 is provided solely for refugee employment services, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee assistance organizations for limited English proficiency pathway services; and \$2,366,000 of the general fund—state appropriation for fiscal year 2013 is provided solely for refugee employment services, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee assistance organizations for limited English proficiency pathway services.

(7) On December 1, 2011, and annually thereafter, the department must report to 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.

(8) 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 fifty percent of the federal supplemental nutrition assistance program benefit amount.

Sec. 208. 2011 1st sp.s. c 50 s 208 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES— ALCOHOL AND SUBSTANCE ABUSE PROGRAM

General Fund—State Appropriation (FY 2012)((\$75,785,000))
<u>\$74,287,000</u>
General Fund—State Appropriation (FY 2013)((\$75,924,000))
<u>\$74,422,000</u>
General Fund—Federal Appropriation((\$141,516,000))
<u>\$141,514,000</u>
General Fund—Private/Local Appropriation \$2,086,000
Criminal Justice Treatment Account—State
Appropriation
<u>\$20,748,000</u>
Problem Gambling Account—State Appropriation \$1,448,000
TOTAL APPROPRIATION
<u>\$314,505,000</u>

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

(1) Within the amounts appropriated in this section, the department may contract with the University of Washington and community-based providers for the provision of the parent-child assistance program. For all contractors, indirect charges for administering the program shall not exceed ten percent of the total contract amount.

(2) Within the amounts appropriated in this section, the department shall continue to provide for chemical dependency treatment services for adult medicaid eligible, pregnant and parenting women, disability lifeline, and

alcoholism and drug addiction treatment and support act, and medical care services clients.

(3) In accordance with RCW 70.96A.090 and 43.135.055, the department is authorized to increase fees for the review and approval of treatment programs in fiscal years 2012 and 2013 as necessary 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 facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accreditation must reflect the lower cost of licensing for these programs than for other organizations which are not accredited.

(4) \$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.

Sec. 209. 2011 1st sp.s. c 50 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 2012)((\$10,852,000))
<u>\$10,874,000</u>
General Fund—State Appropriation (FY 2013) \$10,861,000
General Fund—Federal Appropriation
<u>\$105,091,000</u>
Telecommunications Devices for the Hearing and
Speech Impaired—State Appropriation \$2,766,000
TOTAL APPROPRIATION
<u>\$129,592,000</u>

The appropriations in this section are subject to the following conditions and limitations: $((\frac{2}{2}))$ \$480,000 of the telecommunications devices for the hearing and speech impaired account—state appropriation is provided solely for the office of deaf and hard of hearing to contract for services that provide employment support and help with life activities for deaf-blind individuals in King county.

Sec. 210. 2011 1st sp.s. c 50 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 2012)
\$47,719,000
General Fund—State Appropriation (FY 2013)((\$47,609,000))
\$46,292,000
TOTAL APPROPRIATION
<u>\$94,011,000</u>

Sec. 211. 2011 1st sp.s. c 50 s 211 (uncodified) is amended to read as follows:

FOR THE DEDARTMENT OF SOCIAL AND HEALTH SERVICES

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
ADMINISTRATION AND SUPPORTING SERVICES PROGRAM
General Fund—State Appropriation (FY 2012)((\$25,698,000))
<u>\$26,125,000</u>
General Fund—State Appropriation (FY 2013)
\$24,586,000
General Fund—Federal Appropriation
\$39,223,000
General Fund—Private/Local Appropriation \$2,116,000
Performance Audits of State Government—State
Appropriation
TOTAL APPROPRIATION
<u>\$96,862,000</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 2012 and \$300,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the Washington state mentors program to continue its public-private partnerships to provide technical assistance and training to mentoring programs that serve at-risk youth.

(2) \$445,000 of the general fund—state appropriation for fiscal year 2012 and \$445,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for funding of the teamchild project.

(3) \$178,000 of the general fund—state appropriation for fiscal year 2012 and \$178,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the juvenile detention alternatives initiative.

(4) \$4,812,000 of the performance audits of state government—state appropriation is provided solely for support and expansion of the division of fraud investigation. The division shall conduct investigatory and enforcement activities for all department programs, including the child support and TANF programs.

(5) \$1,400,000 of the general fund—state appropriation for fiscal year 2012 is provided solely for the department to distribute as support to community public health and safety networks that have a history of providing training and services related to adverse childhood experiences. Distribution of these funds is contingent upon securing funding from a private entity or entities to provide one dollar in matching funds for each dollar in state funds received by a network so that the funding received by a community public health and safety network will be equal portions of state and private funding.

Sec. 212. 2011 1st sp.s. c 50 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 2013)	((\$63,304,000))
	<u>\$61,927,000</u>
General Fund—Federal Appropriation	((\$60,313,000))
	<u>\$58,400,000</u>
TOTAL APPROPRIATION	((\$190,027,000))
	<u>\$183,105,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$469,000 of the general fund—state appropriation for fiscal year 2011 and \$270,000 of the general fund—state appropriation for fiscal year 2012 are provided solely for implementation of Engrossed Substitute Senate Bill No. 5921 (social services programs). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

Sec. 213. 2011 1st sp.s. c 50 s 213 (uncodified) is amended to read as follows:

FOR THE STATE HEALTH CARE AUTHORITY

General Fund—State Appropriation (FY 2012)	((\$2,195,580,000))
	<u>\$2,130,229,000</u>
General Fund—State Appropriation (FY 2013)	((\$2,263,679,000))
	<u>\$2,185,617,000</u>
General Fund—Federal Appropriation	((\$5,608,085,000))
	<u>\$5,389,627,000</u>
General Fund—Private/Local Appropriation	
	<u>\$45,512,000</u>
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation	\$15,077,000
Hospital Safety Net Assessment Fund—State	
Appropriation	((\$404,438,000))
	<u>\$394,905,000</u>
State Health Care Authority Administration Account—	
State Appropriation	((\$34,476,000))
	\$34,118,000
Basic Health Plan Stabilization Account—	
State Appropriation	\$44,000,000
Medical Aid Account—State Appropriation	\$529,000
TOTAL APPROPRIATION	. ((\$10,643,180,000))
	<u>\$10,239,614,000</u>

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

(1) Within amounts appropriated in this section and sections 205 and 206 of this act, the health care authority shall continue to provide an enhanced basic health plan subsidy for foster parents licensed under chapter 74.15 RCW and workers in state-funded home care programs. Under this enhanced subsidy option, foster parents eligible to participate in the basic health plan as subsidized enrollees and home care workers with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at the minimum premium amount charged to enrollees with incomes below sixty-five percent of the federal poverty level.

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(2) The health care authority shall require organizations and individuals that are paid to deliver basic health plan services and that choose to sponsor enrollment in the subsidized basic health plan to pay 133 percent of the premium amount which would otherwise be due from the sponsored enrollees.

(3)(a) \$1,200,000 of the general fund—state appropriation for fiscal year 2012 is provided solely to plan the implementation of a system of consolidated public school employee health benefits purchasing.

It is the intent of the legislature to improve the administration, transparency, and equity in delivering a K-12 employees' health benefits system. In addition, the legislature intends that any cost savings that result from changes to K-12 health benefits be dedicated to public schools.

To further this legislative intent, the state health care authority shall develop a plan to implement a consolidated health benefits' system for K-12 employees for the 2013-14 school year. The health care authority shall deliver a report to the legislature by December 15, 2011, that sets forth the implementation plan to the ways and means committees of the house of representatives and the senate.

(b) The report prepared by the health care authority shall compare and contrast the costs and benefits, both long and short term, of:

(i) The current K-12 health benefits system;

(ii) A new K-12 employee benefits pool; and

(iii) Enrolling K-12 employees into the health benefits pool for state employees.

(c) In addition to the implementation plan, the report shall include the following information:

(i) The costs and benefits of the current K-12 health benefits system;

(ii) The costs and benefits of providing a new statewide K-12 employees' health benefits pool to school districts and school employees;

(iii) The costs and benefits of enrolling K-12 employees into the existing health benefits pool for state employees;

(iv) Recommendations of ways to limit administrative duplication and costs, improve transparency to employees, the legislature, and the public and assure equity among beneficiaries of publicly provided employee health benefits;

(v) Recommendations for standardizing benefit packages and purchasing efforts in a manner that seeks to maximize funding and equity for all school employees;

(vi) Recommendations regarding the use of incentives, including how changes to state health benefit allocations could provide employees with benefits that would encourage participation;

(vii) Recommendations regarding the implementation of a new K-12 employee benefit plan, with separate options for voluntary participation and mandatory statewide participation;

(viii) Recommendations regarding methods to reduce inequities between individual and family coverage;

(ix) Consolidation of the purchasing and budget accountability for school employee benefits to maximize administrative efficiency and leverage existing skills and resources; and

(x) Other details the health care authority deems necessary, including but not limited to recommendations on the following:

(A) Approaches for implementing the transition to a statewide pool, including administrative and statutory changes necessary to ensure a successful transition, and whether the pool should be separate from, or combined with, the public employees' benefits pool;

(B) The structure of a permanent governing group to provide ongoing oversight to the consolidated pool, in a manner similar to the public employees benefits board functions for employee health benefits, including statutory duties and authorities of the board; and

(C) Options for including potential changes to: Eligibility standardization, the public employees benefits risk pools, the movement of school employee retirees into the new K-12 pool or pools, and the movement of educational service district employees into the new K-12 pool or pools.

(d) In determining its costs and benefits of a new statewide K-12 employees' health benefits pool for school districts and school employees, the health care authority shall assume the following:

(i) School district enrollees must constitute an entire bargaining unit, or an entire group of nonrepresented employees;

(ii) Staffing and administration for benefits purchasing shall be provided by the health care authority; and

(iii) The new K-12 pool would operate on a schedule that coordinates with the financing and enrollment schedule used for school districts.

(e) The office of the superintendent of public instruction and the office of the insurance commissioner shall provide information and technical assistance to the health care authority as requested by the health care authority. The health care authority shall not implement the new school employee benefits pool until authorized to do so by the legislature.

(4) The administrator shall take at least the following actions to assure that persons participating in the basic health plan are eligible for the level of assistance they receive: (a) Require submission of (i) income tax returns, and recent pay history, from all applicants, or (ii) other verifiable evidence of earned and unearned income from those persons not required to file income tax returns; (b) check employment security payroll records at least once every twelve months on all enrollees; (c) require enrollees whose income as indicated by payroll records exceeds that upon which their subsidy is based to document their current income as a condition of continued eligibility; (d) require enrollees for whom employment security payroll records cannot be obtained to document their current income at least once every six months; (e) not reduce gross family income for self-employed persons by noncash-flow expenses such as, but not limited to, depreciation, amortization, and home office deductions, as defined by the United States internal revenue service; and (f) pursue repayment and civil penalties from persons who have received excessive subsidies, as provided in RCW 70.47.060(9).

(5) Enrollment in the subsidized basic health plan shall be limited to only include persons who qualify as subsidized enrollees as defined in RCW 70.47.020 and who (a) qualify for services under 1115 medicaid demonstration project number 11-W-00254/10; or (b) are foster parents licensed under chapter 74.15 RCW.

(6) \$23,700,000 of the general fund—federal appropriation is provided solely for planning and implementation of a health benefit exchange under the

federal patient protection and affordable care act. Within the amounts provided in this subsection, funds used by the authority for information technology projects are conditioned on the authority satisfying the requirements of Engrossed Second Substitute Senate Bill No. 5931 (central service agencies).

(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 2012, \$4,261,000 of the general fund—state appropriation for fiscal year 2013, and \$8,522,000 of the general fund—federal appropriation are provided solely for low-income disproportionate share hospital payments under RCW 74.09.730(1)(a).

(12) \$5,905,000 of the general fund—state appropriation for fiscal year 2012, \$5,905,000 of the general fund—state appropriation for fiscal year 2013, and \$11,810,000 of the general fund—federal appropriation are provided solely for nonrural indigent assistance disproportionate share hospital payments in accordance with RCW 74.09.730(1).

(13) \$665,000 of the general fund—state appropriation for fiscal year 2012, \$665,000 of the general fund—state appropriation for fiscal year 2013, and \$1,330,000 of the general fund—federal appropriation are provided solely for small rural indigent assistance disproportionate share hospital payments in accordance with RCW 74.09.730(1).

(14) \$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.

(15) The health care authority shall continue the inpatient hospital certified public expenditures program for the 2011-2013 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, 2011, and by November 1, 2012, 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 2012 and fiscal year 2013, 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 2011-13 biennial operating appropriations act and in effect on July 1, 2011, (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 2011-13 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 ((\$32,673,000)) \$24,677,000 of the general fund—state requested.

appropriation for fiscal year 2012, of which 6,570,000 is appropriated in section 204(1) of this act, and (($\frac{229,693,000}$)) $\frac{21,531,000}{521,531,000}$ of the general fund—state appropriation for fiscal year 2013, of which 6,570,000 is appropriated in section 204(1) of this act, are provided solely for state grants for the participating hospitals. CPE hospitals will receive the inpatient and outpatient reimbursement rate restorations in RCW 74.60.080 and rate increases in RCW 74.60.090 funded through the hospital safety net assessment fund rather than through the baseline mechanism specified in this subsection.

(((18))) (16) 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.

(((19))) (17) 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.

(((20))) (18) For children with family incomes above 200 percent of the federal poverty level in the state-funded children's health program for children who are not eligible for coverage under the federally funded children's health insurance program, premiums shall be set every two years in an amount equal to the average state-only share of the per capita cost of coverage in the state-funded children's health program for children in families with incomes at or less than two hundred percent of the federal poverty level.

 $(((\frac{21})))$ (19) \$704,000 of the general fund—state appropriation for fiscal year 2012, \$726,000 of the general fund—state appropriation for fiscal year 2013, and \$1,431,000 of the general fund—federal appropriation are provided solely for 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.

(((22))) (20) \$998,000 of the general fund—state appropriation for fiscal year 2012, \$979,000 of the general fund—state appropriation for fiscal year 2013, and \$1,980,000 of the general fund—federal appropriation are provided solely to increase prior authorization activities for advanced imaging procedures.

(((23))) (21) \$249,000 of the general fund—state appropriation for fiscal year 2012, \$246,000 of the general fund—state appropriation for fiscal year 2013, and \$495,000 of the general fund—federal appropriation are provided solely to increase prior authorization activities for surgical procedures, which may include orthopedic procedures, spinal procedures and interventions, and nerve procedures.

(((24))) (<u>22</u>) \$300,000 of the general fund—private/local appropriation and \$300,000 of the general fund—federal appropriation are provided solely for a prescriptive practices improvement collaborative focusing upon atypical

antipsychotics and other medications commonly used in the treatment of severe and persistent mental illnesses among adults. The project shall promote collaboration among community mental health centers, other major prescribers of atypical antipsychotic medications to adults enrolled in state medical assistance programs, and psychiatrists, pharmacists, and other specialists at the University of Washington department of psychiatry and/or other research universities. The collaboration shall include patient-specific prescriber consultations by psychiatrists and pharmacists specializing in treatment of severe and persistent mental illnesses among adults; production of profiles to assist prescribers and clinics in tracking their prescriptive practices and their patients' medication use and adherence relative to evidence-based practices guidelines, other prescribers, and patients at other clinics; and in-service seminars at which participants can share and increase their knowledge of evidence-based and other effective prescriptive practices. The health care authority shall enter into an interagency agreement with the office of the attorney general for expenditure of \$300,000 of the state's proceeds of the cy pres settlement in State of Washington v. AstraZeneca (Seroquel) for this purpose.

 $(((\frac{25})))$ (23) \$570,000 of the general fund—private/local appropriation is provided solely for continued operation of the partnership access line for child mental health consultations. The health care authority shall enter into an interagency agreement with the office of the attorney general for expenditure of \$570,000 of the state's proceeds of the *cy pres* settlement in *State of Washington v. AstraZeneca* (Seroquel) for this purpose.

(((26)))) (<u>24</u>) \$80,000 of the general fund—state appropriation for fiscal year 2012, \$80,000 of the general fund—state appropriation for fiscal year 2013, and \$160,000 of the general fund—federal appropriation are provided solely to fund the Tacoma-Pierce county health department for access and outreach activities to reduce infant mortality.

(((27))) (25) \$75,000 of the general fund—state appropriation for fiscal year 2012, \$75,000 of the general fund—state appropriation for fiscal year 2013, and \$150,000 of the general fund—federal appropriation are provided solely to assist with development and implementation of evidence-based strategies regarding the appropriate, safe, and effective role of C-section surgeries and early induced labor in births and neonatal care. The strategies shall be identified and implemented in consultation with clinical research specialists, physicians, hospitals, advanced registered nurse practitioners, and organizations concerned with maternal and child health.

 $((\frac{(28) \$4,126,000}))$ (26) \$2,400,000 of the general fund—state appropriation for fiscal year 2012, ((\$4,268,000)) \$2,435,000 of the general fund—state appropriation for fiscal year 2013, ((\$11,816,000)) \$7,253,000 of the general fund—private/local appropriation, and ((\$20,207,000)) \$12,455,000 of the general fund—federal appropriation are provided solely for continued provision of school-based medical services by means of an intergovernmental transfer arrangement. Under the arrangement, the state shall provide forty percent and school districts sixty percent of the nonfederal matching funds required for receipt of federal medicaid funding for the service.

 $(((\frac{29})))$ (27) \$263,000 of the general fund—state appropriation for fiscal year 2012, \$88,000 of the general fund—state appropriation for fiscal year 2013, and \$351,000 of the general fund—federal appropriation are provided

solely for development and submission to the federal government by October 1, 2011, of a demonstration project proposal as provided in Substitute Senate Bill No. 5596 (medicaid demonstration waiver).

(((30) \$19,000 of the general fund—state appropriation for fiscal year 2012, \$17,000 of the general fund—state appropriation for fiscal year 2013, and \$34,000 of the general fund—federal appropriation are provided solely to support a partnership among the department of social and health services, the department of health, and agencies that deliver medical care and behavioral health services in Cowlitz county. The partnership shall identify and recommend strategies for resolving regulatory, licensing, data management, reporting, and funding barriers to more effective integration of primary medical and behavioral health care services in the county.

(31) \$4,761,000)) (28) \$5,600,000 of the general fund—state appropriation for fiscal year 2012, ((\$4,066,000)) \$4,094,000 of the general fund—state appropriation for fiscal year 2013, and ((\$10,902,000)) \$11,332,000 of the general fund—federal appropriation are provided solely for spoken-language interpreter services. The authority shall develop and implement a new model for delivery of such services no later than January 1, 2012. The model shall include:

(a) Development by the authority in consultation with subject-area experts of guidelines to assist medical practitioners identify the circumstances under which it is appropriate to use telephonic or video-remote interpreting;

(b) The requirement that the state contract with delivery organizations, including foreign language agencies, who employ or subcontract only with language access providers or interpreters working in the state who are certified or authorized by the state. When a state-certified or state-authorized in-state language access provider or interpreter is not available, the delivery organization, including foreign language agencies, may use a provider with other certifications or qualifications deemed to meet state standards, including interpreters in other states; and

(c) Provision of a secure, web-based tool that medical practitioners will use to schedule appointments for interpreter services and to identify the most appropriate, cost-effective method of service delivery in accordance with the state guidelines.

Nothing in this subsection affects the ability of health care providers to provide interpretive services through employed staff or through telephone and video remote technologies when not reimbursed directly by the department. The amounts in this subsection do not include federal administrative funds provided to match nonstate expenditures by local health jurisdictions and governmental hospitals.

(((32))) (29) In its procurement of contractors for delivery of medical managed care services for nondisabled, nonelderly persons, the medical assistance program shall (a) place substantial emphasis upon price competition in the selection of successful bidders; and (b) not require delivery of any services that would increase the actuarial cost of service beyond the levels included in current healthy options contracts.

(((33))) (30) \$1,430,000 of the general fund—state appropriation for fiscal year 2012, \$1,430,000 of the general fund—state appropriation for fiscal year 2013, and \$2,860,000 of the general fund—federal appropriation are provided solely to pay federally-designated rural health clinics their standard encounter

rate for prenatal and well-child visits, whether delivered under a managed care contract or fee-for-service. In reconciling managed care enhancement payments for calendar years 2009 and 2010, the department shall treat well-child and prenatal care visits as encounters subject to the clinic's encounter rate.

(((35))) (31) \$280,000 of the general fund—state appropriation for fiscal year 2012 and \$282,000 of the general fund—federal appropriation are provided solely to increase utilization management of drugs and drug classes for which there is evidence of over-utilization, off-label use, excessive dosing, duplicative therapy, or opportunities to shift utilization to less expensive, equally effective formulations.

 $((\frac{(36)}{36}))$ (32) \$70,000 of the general fund—state appropriation for fiscal year 2012, \$70,000 of the general fund—state appropriation for fiscal year 2013, and \$140,000 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.

(((37))) (33) \$400,000 of the general fund—state appropriation for fiscal year 2012 and \$400,000 of the general fund—state appropriation for fiscal year 2013 is provided solely for the local outreach, case management, and coordination with dental providers needed to execute the access to baby and child dentistry program, which provides dental care to Medicaid eligible children up to age six.

 $((\frac{(39)}{1,555,000}))$ (34) \$1,868,000 of the general fund—state appropriation for fiscal year 2012, $((\frac{$1,580,000}))$ \$1,873,000 of the general fund—state appropriation for fiscal year 2013, and $((\frac{$2,171,000}))$ \$3,154,000 of the general fund—federal appropriation are provided solely to continue to provide dental services to pregnant women. Services shall include preventive, routine, and emergent dental care.

(((40))) (35) \$395,000 of the general fund—state appropriation for fiscal year 2012, \$395,000 of the general fund—state appropriation for fiscal year 2013, and \$790,000 of the general fund—federal appropriation are provided solely for continued operation of the dental education in care of persons with disabilities (DECOD) program at the University of Washington.

(((41))) (36) \$112,000 of the general fund—state appropriation for fiscal year 2012, \$112,000 of the general fund—state appropriation for fiscal year 2013, and \$1,928,000 of the general fund—federal appropriation are provided solely for the provider incentive program and other initiatives related to the health information technology Medicaid plan.

(((42) \$1,373,000 of the general fund state appropriation for fiscal year 2012, \$2,105,000 of the medicaid fraud penalty account state appropriation, and \$3,701,000 of the general fund federal appropriation are provided solely for efforts to reduce Medicaid fraud and abuse and to seek coverage or recovery from other medical payers.

(43))) (37) \$2,926,000 of the general fund—local appropriation and \$2,928,000 of the general fund—federal appropriation are provided solely to support medical airlift services.

(((44))) (38) The authority shall collect data on enrollment and utilization to study whether the expansion of family planning coverage under Substitute Senate Bill No. 5912 is reducing state medical expenditures by reducing

unwanted pregnancies. The authority shall report its findings to the legislature by December 1, 2012.

 $((\frac{45}))$ (39) \$480,000 of the general fund—state appropriation for fiscal year 2012, \$480,000 of the general fund—state appropriation for fiscal year 2013, and \$824,000 of the general fund—federal appropriation are provided solely for customer services staff. The authority will attempt to improve the phone answer rate to 40 percent and reduce the response times to written questions to ten days for clients and 25 days for providers. The authority will report to the legislature on its progress toward achieving these goals by January 1, 2012. If the authority has not achieved these goals by July 1, 2012, then the authority shall reduce expenditures on management staff in order to increase expenditures on customer service staff until the goals are achieved.

 $((\frac{46}{)}))$ (40) The department shall purchase a brand name drug when it determines that the cost of the brand name drug after rebates is less than the cost of generic alternatives and that purchase of the brand rather than generic version can save at least \$250,000. The department may purchase generic alternatives when changes in market prices make the price of the brand name drug after rebates more expensive than the generic alternatives.

(((49))) (41) The department shall collaborate closely with the Washington state hospital and medical associations in identification of the diagnostic codes and retroactive review procedures that will be used to determine whether an emergency room visit is a nonemergency condition to assure that conditions that require emergency treatment continue to be covered.

Sec. 214. 2011 1st sp.s. c 50 s 215 (uncodified) is amended to read as follows:

FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS

Worker and Community Right-to-Know Account-State

\$10,000
((\$19,685,000))
<u>\$19,690,000</u>
((\$19,685,000))
<u>\$19,689,000</u>
((\$39,380,000))
<u>\$39,389,000</u>

#10 000

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

(1) \$36,000 of the accident account—state appropriation and \$36,000 of the medical aid account—state appropriation are solely provided for Engrossed Substitute Senate Bill No. 5068 (industrial safety and health act). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

(2) \$16,000 of the accident account—state appropriation and \$16,000 of the medical aid account—state appropriation are solely provided for Substitute Senate Bill No. 5801 (industrial insurance system). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

(3) \$1,893,000 of the accident account—state appropriation and \$1,893,000 of the medical aid account—state appropriation are provided solely for implementation of House Bill No. 2123 (workers' compensation). If the bill is

not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

Sec. 215. 2011 1st sp.s. c 50 s 216 (uncodified) is amended to read as follows:

FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

General Fund—State Appropriation (FY 2012)	,,000))
<u>\$14,8</u> :	50,000
General Fund—State Appropriation (FY 2013)) ,000))
\$14,7	11,000
General Fund—Federal Appropriation	56,000
General Fund—Private/Local Appropriation \$4,04	
Death Investigations Account—State Appropriation\$14	
Municipal Criminal Justice Assistance Account—	
State Appropriation	50,000
Washington Auto Theft Prevention Authority Account—	<i>.</i>
State Appropriation \$8,5	97,000
TOTAL APPROPRIATION	
	70,000

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 2012 and \$5,000,000 of the general fund—state appropriation for fiscal year 2013, 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) \$321,000 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.

(3) The criminal justice training commission may not run a basic law enforcement academy class of fewer than 30 students.

(4) \$100,000 of the general fund—state appropriation for fiscal year 2012 and \$100,000 of the general fund—state appropriation for fiscal year 2013 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.

(5) \$96,000 of the general fund—state appropriation for fiscal year 2012 and \$90,000 of the general fund—state appropriation for fiscal year 2013 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 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.

(6) \$1,000,000 of the general fund—state appropriation for fiscal year 2012 and \$1,000,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for grants to counties enforcing illegal drug laws and which have been underserved by federally funded state narcotics task forces. The Washington association of sheriffs and police chiefs, the Washington association of prosecuting attorneys, and the Washington association of county officials shall jointly develop funding allocations for the offices of the county sheriff, county prosecutor, and county clerk in qualifying counties. The commission shall not impose an administrative cost on this program.

Sec. 216. 2011 1st sp.s. c 50 s 217 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

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General Fund—State Appropriation (FY 2013) $((\$19,513,000))$ General Fund—Federal Appropriation $((\$10,100,000))$ Asbestos Account—State Appropriation $\$11.636,000$ Asbestos Account—State Appropriation $\$395,000$ Electrical License Account—State Appropriation $\$37,019,000$ Farm Labor Revolving Account—Private/Local Appropriation $\$28,000$ Worker and Community Right-to-Know Account— State Appropriation $\$949,000$ Public Works Administration Account—State Appropriation $\$6,814,000$ Manufactured Home Installation Training Account— State Appropriation $\$334,000$ Accident Account—State Appropriation $\$334,000$ Accident Account—Federal Appropriation $\$13,622,000$ Medical Aid Account—Federal Appropriation $\$3,186,000$ Plumbing Certificate Account—State Appropriation $\$3,186,000$ Plumbing Certificate Account—State Appropriation $\$3,186,000$ Propriation Account—State Appropriation $\$3,186,000$ ToTAL APPROPRIATION $\$4,068,000$	General Fund—State Appropriation (FY 2012)((\$18,605,000))
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$\begin{array}{c} \text{State Appropriation} \dots & ((\$151,000)) \\ & \$334,000 \\ \text{Accident Account} & \text{State Appropriation} \dots & ((\$252,689,000)) \\ & \$252,809,000 \\ \text{Accident Account} & \text{Federal Appropriation} \dots & \$13,622,000 \\ \text{Medical Aid Account} & \text{State Appropriation} \dots & ((\$264,070,000)) \\ & \$264,202,000 \\ \text{Medical Aid Account} & \text{Federal Appropriation} \dots & \$3,186,000 \\ \text{Plumbing Certificate Account} & \text{State Appropriation} \dots & \$1,688,000 \\ \text{Pressure Systems Safety Account} & \text{State Appropriation} \dots & \$4,068,000 \\ & \text{TOTAL APPROPRIATION} \dots & ((\$632,897,000)) \end{array}$	
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Pressure Systems Safety Account—State Appropriation	
TOTAL APPROPRIATION	
	Pressure Systems Safety Account—State Appropriation
<u>\$632,557,000</u>	
	<u>\$632,557,000</u>

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

(1) Pursuant to RCW 43.135.055, the department is authorized to increase fees related to factory assembled structures, contractor registration, electricians, plumbers, asbestos removal, boilers, elevators, and manufactured home installers. These increases are necessary to support expenditures authorized in

this section, consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

(2) \$50,000 of the general fund—state appropriation for fiscal year 2012 and \$50,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the crime victims compensation program to pay claims for mental health services for crime victim compensation program clients who have an established relationship with a mental health provider and subsequently obtain coverage under the medicaid program or the medical care services program under chapter 74.09 RCW. Prior to making such payment, the program must have determined that payment for the specific treatment or provider is not available under the medicaid or medical care services program. In addition, the program shall make efforts to contact any healthy options or medical care services health plan in which the client may be enrolled to help the client obtain authorization to pay the claim on an out-of-network basis.

(((4))) (3) \$1,281,000 of the accident account—state appropriation and \$1,281,000 of the medical aid account—state appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 1725 (workers' compensation). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

 $((\frac{(5)}{)})$ (4) \$51,000 of the accident account—state appropriation and \$51,000 of the medical aid account—state appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 1367 (for hire vehicles, operators). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

(((6))) (5) \$8,727,000 of the medical aid account—state appropriation is provided solely for implementation of Substitute Senate Bill No. 5801 (industrial insurance system). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(((7))) (<u>6</u>) \$625,000 of the general fund—state appropriation for fiscal year 2012, \$625,000 of the general fund—state appropriation for fiscal year 2013, \$1,250,000 of the public works administration account—state appropriation, \$708,000 of the accident account—state appropriation, and \$708,000 of the medical aid account—state appropriation are provided solely for the purposes of expanding the detecting unregistered employers targeting system and to support field staff in investigation and enforcement. Within the funds appropriated in this subsection, the department shall aggressively combat the underground economy in construction. Of the amounts provided in this subsection, \$800,000 shall be used for investigation and enforcement.

(((8))) (7) \$8,583,000 of the accident account—state appropriation and \$18,278,000 of the medical aid account—state appropriation are provided solely for implementation of House Bill No. 2123 (workers' compensation). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

Sec. 217. 2011 1st sp.s. c 50 s 218 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF VETERANS AFFAIRS

(1) HEADQUARTERS

General Fund—State Appropriation (FY 2012)..... \$1,832,000

General Fund—State Appropriation (FY 2013) \$1,826,0	000
Charitable, Educational, Penal, and Reformatory	
Institutions Account—State Appropriation	000
TOTAL APPROPRIATION	000
(2) FIELD SERVICES	
General Fund—State Appropriation (FY 2012) \$5,006,0	000
General Fund—State Appropriation (FY 2013) \$5,001,0	
General Fund—Federal Appropriation	())
\$3,356,0	
General Fund—Private/Local Appropriation	((
<u>\$4,737,0</u>	000
Veterans Innovations Program Account—State	
Appropriation\$812,0	000
Veteran Estate Management Account—Private/Local	
Appropriation\$1,083,0	00
TOTAL APPROPRIATION	0))
<u>\$19,995,0</u>	000

The appropriations in this subsection are subject to the following conditions and limitations: (((b))) \$821,000 of the veterans innovations program account—state appropriation is provided solely for the department to continue support for returning combat veterans through the veterans innovation program, including emergency financial assistance through the defenders' fund and long-term financial assistance through the competitive grant program.

(3) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2012)	((\$1,693,000))
	<u>\$899,000</u>
General Fund—State Appropriation (FY 2013)	((\$903,000))
	<u>\$71,000</u>
General Fund—Federal Appropriation	((\$56,141,000))
	\$59,177,000
General Fund—Private/Local Appropriation	((\$33,630,000))
	\$32,094,000
TOTAL APPROPRIATION	((\$92,367,000))
	\$92,241,000

Sec. 218. 2011 1st sp.s. c 50 s 219 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF HEALTH

<u>\$79,888,000</u> General Fund—State Appropriation (FY 2013)
General Fund—State Appropriation (FY 2013)
\$79,718,000
General Fund—Federal Appropriation((\$533,065,000))
\$555,563,000
General Fund—Private/Local Appropriation
\$148,362,000
Hospital Data Collection Account—State Appropriation\$214,000

Health Professions Account—State Appropriation
<u>\$94,469,000</u>
Aquatic Lands Enhancement Account—State Appropriation\$604,000
Emergency Medical Services and Trauma Care Systems
Trust Account—State Appropriation\$12,302,000
Safe Drinking Water Account—State Appropriation
Drinking Water Assistance Account—Federal
Appropriation
\$22,875,000
Waterworks Operator Certification—State
Appropriation\$1,532,000
Drinking Water Assistance Administrative Account—
State Appropriation
((Site Closure Account State Appropriation
Biotoxin Account—State Appropriation
State Toxics Control Account—State Appropriation
Medical Test Site Licensure Account—State
Appropriation
Youth Tobacco Prevention Account—State Appropriation \$1,512,000
Community and Economic Development Fee Account—State
Appropriation\$596,000
Public Health Supplemental Account—Private/Local
Appropriation
Accident Account—State Appropriation
Medical Aid Account—State Appropriation
Tobacco Prevention and Control Account—State
Appropriation
<u>\$37,000</u> TOTAL APPROPRIATION
<u>\$1,013,560,000</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) In accordance with RCW 43.70.250 and 43.135.055, the department is authorized to establish and raise fees in fiscal year 2012 as necessary to meet the actual costs of conducting business and the appropriation levels in this section. This authorization applies to fees required for: The review of health care facility construction; review of health facility requests for certificate of need; the regulation and inspection of farm worker housing, hospital licensing, in-home health service agencies, and producers of radioactive waste; the regulation and inspection of shellfish sanitary control, surgical facility licensing, and; fees associated with the following professions: Dieticians and nutritionists, occupational therapists, pharmacy, veterinarian, orthotics and prosthetics, surgical technicians, nursing home administrators, health care assistants, hearing and speech, psychology, hypnotherapy, chiropractic, social workers, physicians, and physician assistants.

(3) \$1,969,000 of the health professions account—state appropriation is provided solely to implement online licensing for health care providers. The department must submit a detailed investment plan for this project to the office of financial management. The office of financial management must review and approve this plan before funding may be expended. The department of health must successfully implement online application and renewal for at least one profession as a pilot project before pursuing additional professions. The department must report to the office of financial management on the outcome of the pilot project.

(4) \$16,000 of the health professions account—state appropriation is provided solely for the implementation of House Bill No. 1181 (board of naturopathy). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(5) \$21,000 of the health professions account—state appropriation is provided solely for the implementation of Substitute House Bill No. 1304 (health care assistants). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(6) \$54,000 of the health professions account—state appropriation is provided solely for the implementation of House Bill No. 1353 (pharmacy technicians). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(7) \$142,000 of the health professions account—state appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5020 (social workers). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(8) \$336,000 of the health professions account—state appropriation is provided solely for the implementation of Senate Bill No. 5480 (physicians and physician assistants). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(9) \$46,000 of the health professions account—state appropriation is provided solely for the implementation of Substitute Senate Bill No. 5071 (online access for midwives and marriage and family therapists). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(10) \$137,000 of the health professions account—state appropriation is provided solely for implementation of Substitute House Bill No. 1133 (massage practitioner license). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(((12))) (11) \$85,000 of the general fund—state appropriation for fiscal year 2012 and \$85,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the developmental disabilities council to contract for a family-to-family mentor program to provide information and support to families and guardians of persons who are transitioning out of residential habilitation centers. To the maximum extent allowable under federal law, these funds shall be matched under medicaid through the department of social and health services and federal funds shall be transferred to the department for the purposes stated in this subsection. If Second Substitute Senate Bill No. 5459 (people with developmental disabilities) is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

(((13))) (12) \$57,000 of the general fund—state appropriation for fiscal year 2012 and \$58,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the midwifery licensure and regulatory program to offset a reduction in revenue from fees. There shall be no change to the current annual fees for new or renewed licenses for the midwifery program, except from online access to HEAL-WA. The department shall convene the midwifery advisory committee on a quarterly basis to address issues related to licensed midwifery.

(((15))) (13) \$118,000 of the general fund—state appropriation for fiscal year 2012 and \$118,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for prevention of youth suicides.

 $(((\frac{16}{10})))$ (14) \$87,000 of the general fund—state appropriation for fiscal year 2012 and \$87,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the senior falls prevention program.

Sec. 219. 2011 1st sp.s. c 50 s 220 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

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 2012 and \$35,000 of the general fund—state appropriation for fiscal year 2013 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.

(2) CORRECTIONAL OPERATIONS
General Fund—State Appropriation (FY 2012)
\$609,105,000
General Fund—State Appropriation (FY 2013)
<u>\$602,804,000</u>
General Fund—Federal Appropriation
<u>\$3,324,000</u>
((General Fund—Private/Local Appropriation\$2,336,000))
Washington Auto Theft Prevention Authority Account—
State Appropriation \$14,079,000
TOTAL APPROPRIATION
<u>\$1,229,312,000</u>

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

(((b))) (<u>a</u>) During the 2011-13 biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account.

(((c))) (b) The Harborview medical center and the University of Washington medical center shall provide inpatient and outpatient hospital services to offenders confined in department of corrections facilities at a rate no greater than the average rate that the department has negotiated with other community hospitals in Washington state.

(((d))) (c) \$102,000 of the general fund—state appropriation for fiscal year 2012 and \$102,000 of the general fund—state appropriation for fiscal year 2013 are provided solely to implement House Bill No. 1290 (health care employee overtime). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

(((e))) (d) \$32,000 of the general fund—state appropriation for fiscal year 2012 and \$33,000 of the general fund—state appropriation for fiscal year 2013 are provided solely to implement Substitute House Bill No. 1718 (offenders with developmental disabilities). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

(((f))) (e) The department of corrections shall contract with local and tribal governments for the provision of jail capacity to house offenders. 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 increase, provided that medical payments conform to the department's offender health

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plan, pharmacy formulary, and all off-site medical expenses are preapproved by department utilization management staff.

(3) COMMUNITY SUPERVISION
General Fund—State Appropriation (FY 2012)((\$128,403,000))
\$129,635,000
General Fund—State Appropriation (FY 2013)((\$124,709,000))
<u>\$128,049,000</u>
Federal Narcotics Forfeiture Account—Federal
<u>Appropriation\$372,000</u>
Controlled Substances Account—State
<u>Appropriation\$32,000</u>
TOTAL APPROPRIATION
<u>\$258,088,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: $(((\frac{b}{b})))$ \$875,000 of the general fund—state appropriation for fiscal year 2012 is provided solely to implement Engrossed Substitute House Bill No. 5891 (criminal justice cost savings). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(4) CORRECTIONAL INDUSTRIES	
General Fund—State Appropriation (FY 2012)	((\$3,598,000))
	<u>\$3,535,000</u>
General Fund—State Appropriation (FY 2013)	((\$3,589,000))
	<u>\$3,458,000</u>
TOTAL APPROPRIATION	((\$7,187,000))
	<u>\$6,993,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: ((\$132,000)) \$66,000 of the general fund—state appropriation for fiscal year 2012 ((and \$132,000 of the general fund—state appropriation for fiscal year 2013 are)) is provided solely for transfer to the jail industries board. The board shall use the amounts provided only for administrative expenses, equipment purchases, and technical assistance associated with advising cities and counties in developing, promoting, and implementing consistent, safe, and efficient offender work programs.

(5) INTERAGENCY PAYMENTS	
General Fund—State Appropriation (FY 2012).	
	<u>\$37,053,000</u>
General Fund—State Appropriation (FY 2013).	
	\$35,549,000
TOTAL APPROPRIATION	
	<u>\$72,602,000</u>

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

(a) The state prison institutions may use funds appropriated in this subsection to rent uniforms from correctional industries in accordance with existing legislative mandates.

(b) The state prison medical facilities may use funds appropriated in this subsection to purchase goods and supplies through hospital or other group purchasing organizations when it is cost effective to do so.

(c) The department shall reduce payments to the department of information services or its successor by \$213,000 in fiscal year 2012 and by \$1,150,000 in fiscal year 2013. The reduction in payment shall be related to the elimination of the offender base tracking system, including moving remaining portions of the offender base tracking system into the offender management network information system.

Sec. 220. 2011 1st sp.s. c 50 s 221 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SERVICES FOR THE BLIND

General Fund—State Appropriation (FY 2012)	. \$2,278,000
General Fund—State Appropriation (FY 2013)	. \$2,264,000
General Fund—Federal Appropriation	\$19,082,000
General Fund—Private/Local Appropriation	\$30,000
TOTAL APPROPRIATION	\$23,654,000

Sec. 221. 2011 1st sp.s. c 50 s 222 (uncodified) is amended to read as follows:

FOR THE EMPLOYMENT SECURITY DEPARTMENT

((General Fund State Appropriation (FY 2012)\$43,000	Э
General Fund—State Appropriation (FY 2013)\$26,000))
General Fund—Federal Appropriation)
\$267,301,000	<u>)</u>
General Fund—Private/Local Appropriation)
\$33,931,000)
Unemployment Compensation Administration Account—	
Federal Appropriation	
\$350,622,000)
Administrative Contingency Account—State	
Appropriation)
<u>\$20,948,000</u>)
Employment Service Administrative Account—State	
Appropriation)
<u>\$33,721,000</u>	
TOTAL APPROPRIATION)
<u>\$706,523,000</u>)

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

(1) \$39,666,000 of the unemployment compensation administration account—federal appropriation is from amounts made available to the state by section 903 (d), (f), and (g) of the social security act (Reed act). This amount is provided solely for continuing current unemployment insurance functions and department services to employers and job seekers.

(2) \$35,584,000 of the unemployment compensation administration account—federal appropriation is from amounts made available to the state by section 903 (d), (f), and (g) of the social security act (Reed act). This amount is

provided solely for the replacement of the unemployment insurance tax information system for the employment security department. The employment security department shall support the department of revenue and department of labor and industries to develop a common vision to ensure technological compatibility between the three agencies to facilitate a coordinated business tax system for the future that improves services to business customers. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer created in Engrossed Substitute Senate Bill No. 5931 (information technology management).

(3) \$25,000 of the unemployment compensation administration account federal appropriation is from amounts made available to the state by section 903 (d), (f), and (g) of the social security act (Reed act). This amount is provided solely for implementation of system changes to the unemployment insurance tax information system required under chapter 4, Laws of 2011 (unemployment insurance program).

(4) \$1,459,000 of the unemployment compensation administration account—federal appropriation is from amounts available to the state by section 903 (d), (f), and (g) of the social security act (Reed act). This amount is provided solely for implementation of chapter 4, Laws of 2011 (unemployment insurance program).

(5) \$60,000 of the unemployment compensation administration account federal appropriation is provided solely for costs associated with the initial review and evaluation of the training benefits program as directed in section 15(2), chapter 4, Laws of 2011 (unemployment insurance program). The initial review shall be developed by the joint legislative audit and review committee. This appropriation is provided from funds made available to the state by section 903 (d), (f), and (g) of the social security act (Reed act).

PART III NATURAL RESOURCES

Sec. 301. 2011 1st sp.s. c 50 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund—State Appropriation (FY 2012)	J))
<u>\$402,0</u>	00
General Fund—State Appropriation (FY 2013)\$410,0	00
General Fund—Federal Appropriation)))
<u>\$31,0</u>	00
General Fund—Private/Local Appropriation)))
<u>\$782,0</u>	00
TOTAL APPROPRIATION)))
<u>\$1,625,0</u>	00

Sec. 302. 2011 1st sp.s. c 50 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund—State Appropriation (FY 2012)	((\$49,002,000))
	<u>\$47,630,000</u>
General Fund—State Appropriation (FY 2013)	
	<u>\$46,226,000</u>
General Fund—Federal Appropriation	((\$77,467,000))
	<u>\$77,452,000</u>
General Fund—Private/Local Appropriation	
	<u>\$16,691,000</u>
Special Grass Seed Burning Research Account—State	
Appropriation	\$3,000
Reclamation Revolving Account—State Appropriation	\$3,642,000
Flood Control Assistance Account—State Appropriation	\$1,940,000
State Emergency Water Projects Revolving Account—State	
Appropriation	\$270,000
Waste Reduction/Recycling/Litter Control—State	
Appropriation	
	<u>\$11,478,000</u>
State Drought Preparedness Account—State Appropriation	\$118,000
State and Local Improvements Revolving Account	
(Water Supply Facilities)—State Appropriation	\$423,000
Freshwater Aquatic Algae Control Account—State	
Appropriation	\$509,000
Water Rights Tracking System Account-State Appropriation	\$46,000
Site Closure Account—State Appropriation	
	<u>\$703,000</u>
Wood Stove Education and Enforcement Account-State	
Appropriation	\$612,000
Worker and Community Right-to-Know Account-State	
Appropriation	\$1,668,000
Water Rights Processing Account—State Appropriation	\$136,000
State Toxics Control Account—State Appropriation((\$112,512,000))
	\$112,575,000
State Toxics Control Account—Private/Local	** ** ***
Appropriation	\$968,000
Local Toxics Control Account—State Appropriation	
	<u>\$27,390,000</u>
Water Quality Permit Account—State Appropriation	
	<u>\$37,748,000</u>
Underground Storage Tank Account—State	((\$2.251.000))
Appropriation	.((\$3,251,000))
	\$3,254,000
Biosolids Permit Account—State Appropriation	\$1,805,000
Hazardous Waste Assistance Account—State	((\$5.054.000))
Appropriation	
Air Dellection Control Account State Accounting	<u>\$5,857,000</u>
Air Pollution Control Account—State Appropriation	, 52,408,000
Oil Spill Prevention Account—State Appropriation	.((\$5,563,000)) <u>\$5,566,000</u>
	\$5 566 (10)

Air Operating Permit Account—State Appropriation
<u>\$2,746,000</u>
Freshwater Aquatic Weeds Account—State Appropriation \$1,700,000
Oil Spill Response Account—State Appropriation \$7,076,000
Metals Mining Account—State Appropriation\$14,000
((Pollution Liability Insurance Account—State
Appropriation
Water Pollution Control Revolving Account—State
Appropriation
Water Pollution Control Revolving Account—Federal
Appropriation
TOTAL APPROPRIATION
\$421,842,000

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) Pursuant to RCW 43.135.055, the department is authorized to increase the following fees as necessary to meet the actual costs of conducting business and the appropriation levels in this section: Wastewater discharge permit, not more than 4.34 percent in fiscal year 2012 and 4.62 percent in fiscal year 2013; biosolids permit fee, not more than 10 percent during the biennium; and air contaminate source registration fee, not more than 36 percent during the biennium; and dam safety and inspection fees, not more than 35 percent in fiscal year 2012 and 4.62 percent in fiscal year 2013.

(3) If Substitute House Bill No. 1294 (Puget Sound corps) is not enacted by June 30, 2011, \$322,000 of the general fund—state appropriation for fiscal year 2012 and \$322,000 of the general fund—state appropriation for fiscal year 2013 shall be transferred to the department of natural resources.

(4) \$463,000 of the state toxics control account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1186 (state's oil spill program). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(5) The department may not spend waste reduction, recycling, and litter control account funds to support the following activities: The beyond waste plan, work on national solid waste recycling issues, work on construction and demolition recycling and green building alternatives, education programs including the green schools initiative, and management of the 1-800-recycle hotline and database on school awards. Waste reduction, recycling, and litter account control funds must be prioritized to support litter pickup using correctional crews, regulatory programs, and technical assistance to local governments.

(6) The department shall make every possible effort through its existing statutory authorities to obtain federal funding for public participation grants regarding the Hanford nuclear reservation and associated properties and facilities. Such federal funding shall not limit the total state funding authorized

under this section for public participation grants made pursuant to RCW 70.105D.070(5), but the amount of any individual grant from such federal funding shall be offset against any grant award amount to an individual grantee from state funds under RCW 70.105D.070(5).

(7) The department shall review its water rights application review procedures to simplify the procedures, eliminate unnecessary steps, and decrease the time required to issue decisions. The department shall implement changes to improve water rights processing for which it has current administrative authority. The department shall report on reforms implemented and efficiencies achieved as demonstrated through enhanced permit processing to the appropriate committees of the legislature on December 1, 2011, and October 1, 2012.

(a) The department shall consult with key stakeholders on statutory barriers to efficient water rights processing and effective water management, including identification of obsolete, confusing, or conflicting statutory provisions. The department shall report stakeholder recommendations to appropriate committees of the legislature by December 1, 2011, and October 1, 2012.

(b) \$500,000 of the general fund—state appropriation for fiscal year 2013 is provided solely for processing water right permit applications only if the department of ecology issues at least five hundred water right decisions in fiscal year 2012, and if the department of ecology does not issue at least five hundred water right decisions in fiscal year 2012 the amount provided in this subsection shall lapse and remain unexpended. The department of ecology shall submit a report to the office of financial management and the state treasurer by June 30, 2012, that documents whether five hundred water right decisions were issued in fiscal year 2012.

(c) The department shall maintain an ongoing accounting of water right applications received and acted on and shall post that information to the department's internet site.

(8) ((Appropriations for fiscal year 2013 are included for consolidation of the Columbia river gorge commission and the pollution liability insurance agency into the department of ecology.

(11)) \$1,075,000 of the general fund—state appropriation for fiscal year 2012 and \$1,075,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for processing the backlog of pending water rights permit applications in the water resources program.

Sec. 303. 2011 1st sp.s. c 50 s 303 (uncodified) is amended to read as follows:

General Fund—State Appropriation (FY 2012)\$8,955,000General Fund—State Appropriation (FY 2013)\$8,379,000General Fund—Federal Appropriation\$5,905,000Winter Recreation Program Account—State Appropriation\$1,761,000ORV and Nonhighway Vehicle Account—State Appropriation\$224,000Snowmobile Account—State Appropriation\$4,848,000Aquatic Lands Enhancement Account—State Appropriation\$363,000Parks Renewal and Stewardship Account—State\$116,087,000\$116,087,000\$116,087,000

FOR THE STATE PARKS AND RECREATION COMMISSION

Parks Renewal and Stewardship Account—Private/Local

Appropriation.	
TOTAL APPROPRIATION	((\$146,514,000))
	<u>\$146,822,000</u>

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

(1) \$8,876,000 of the general fund—state appropriation for fiscal year 2012 and \$8,300,000 of the general fund—state appropriation for fiscal year 2013 are provided solely to operate and maintain state parks as the commission implements a new fee structure. The goal of this structure is to make the parks system self-supporting. By August 1, 2012, state parks must submit a report to the office of financial management detailing its progress toward this goal and outlining any additional statutory changes needed for successful implementation.

(2) \$79,000 of the general fund—state appropriation for fiscal year 2012 and \$79,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for a grant for the operation of the Northwest avalanche center.

(3) \$53,928,000 of the parks renewal and stewardship account—state appropriation is provided solely for implementation of Second Substitute Senate Bill No. 5622 (state land recreation access). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(((5))) (4) Prior to closing any state park, the commission must notify all affected local governments and relevant nonprofit organizations of the intended closure and provide an opportunity for the notified local governments and nonprofit organizations to elect to acquire, or enter into, a maintenance and operating contract with the commission that would allow the park to remain open.

Sec. 304. 2011 1st sp.s. c 50 s 304 (uncodified) is amended to read as follows:

FOR THE RECREATION AND CONSERVATION FUNDING BOARD

General Fund—State Appropriation (FY 2012)
<u>\$954,000</u>
General Fund—State Appropriation (FY 2013)
\$973,000
General Fund—Federal Appropriation\$3,299,000
General Fund—Private/Local Appropriation
Aquatic Lands Enhancement Account—State Appropriation\$278,000
Vessel Response Account—State Appropriation
Firearms Range Account—State Appropriation\$37,000
Recreation Resources Account—State Appropriation \$2,874,000
NOVA Program Account—State Appropriation\$900,000
TOTAL APPROPRIATION
<u>\$9,689,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$40,000 of the general fund—federal appropriation, \$24,000 of the general fund—private/local appropriation, \$100,000 of the vessel response account—state appropriation, and \$12,000 of the recreation resources account—

state appropriation are provided solely for House Bill No. 1413 (invasive species council). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

Sec. 305. 2011 1st sp.s. c 50 s 305 (uncodified) is amended to read as follows:

FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE	
General Fund—State Appropriation (FY 2012)	
\$2,308,000	
General Fund—State Appropriation (FY 2013)	
\$2,275,000	
TOTAL APPROPRIATION	
\$4 583 000	

Sec. 306. 2011 1st sp.s. c 50 s 306 (uncodified) is amended to read as follows:

FOR THE CONSERVATION COMMISSION

((\$6,790,000))
\$6,789,000
1 - 1
((\$6,793,000))
\$6,792,000
\$1,301,000
((\$14,884,000))
<u>\$14,882,000</u>

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

(1) The conservation commission, in cooperation with all conservation districts, will seek to minimize conservation district overhead costs. These efforts may include consolidating conservation districts.

(2) \$122,000 of the general fund—federal appropriation is provided solely for Engrossed Substitute House Bill No. 1886 (Ruckelshaus center process). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

Sec. 307. 2011 1st sp.s. c 50 s 307 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

FOR THE DETAKINENT OF FIGHTAND WILDDIFE
General Fund—State Appropriation (FY 2012)((\$35,721,000))
<u>\$34,695,000</u>
General Fund—State Appropriation (FY 2013)
<u>\$32,388,000</u>
General Fund—Federal Appropriation
General Fund—Private/Local Appropriation
<u>\$57,025,000</u>
ORV and Nonhighway Vehicle Account—State Appropriation\$391,000
Aquatic Lands Enhancement Account—State
Appropriation
<u>\$8,230,000</u>
Recreational Fisheries Enhancement—State Appropriation \$3,550,000
Warm Water Game Fish Account—State Appropriation \$3,051,000

Eastern Washington Pheasant Enhancement Account—State
Appropriation\$849,000
Aquatic Invasive Species Enforcement Account—State
Appropriation\$204,000
Aquatic Invasive Species Prevention Account—State
Appropriation\$719,000
State Wildlife Account—State Appropriation
\$100,424,000
Special Wildlife Account—State Appropriation \$2,384,000
Special Wildlife Account—Federal Appropriation
<u>\$500,000</u>
Special Wildlife Account—Private/Local Appropriation
<u>\$3,415,000</u>
Wildlife Rehabilitation Account—State Appropriation\$259,000
Regional Fisheries Enhancement Salmonid Recovery
Account—Federal Appropriation
Oil Spill Prevention Account—State Appropriation
Oyster Reserve Land Account—State Appropriation\$921,000
TOTAL APPROPRIATION
<u>\$360,610,000</u>

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

(1) \$294,000 of the aquatic lands enhancement account-state appropriation is provided solely for the implementation of hatchery reform recommendations defined by the hatchery scientific review group.

(2) \$355,000 of the general fund—state appropriation for fiscal year 2012 and \$355,000 of the general fund-state appropriation for fiscal year 2013 are provided solely for the department to continue a pilot project with the Confederated Tribes of the Colville Reservation to develop expanded recreational fishing opportunities on Lake Rufus Woods and its northern shoreline and to conduct joint enforcement of lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to state and tribal intergovernmental agreements developed under the Columbia River water supply program. For the purposes of the pilot project:

(a) A fishing permit issued to a nontribal member by the Colville Tribes shall satisfy the license requirement of RCW 77.32.010 on the waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

(b) The Colville Tribes have agreed to provide to holders of its nontribal member fishing permits a means to demonstrate that fish in their possession were lawfully taken in Lake Rufus Woods;

(c) A Colville tribal member identification card shall satisfy the license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

(d) The department and the Colville Tribes shall jointly designate fishing areas on the north shore of Lake Rufus Woods for the purposes of enhancing access to the recreational fisheries on the lake; and

(e) The Colville Tribes have agreed to recognize a fishing license issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal member fishing permit requirements of Colville tribal law on the reservation portion of

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the waters of Lake Rufus Woods and at designated fishing areas on the north shore of Lake Rufus Woods;

(3) Prior to submitting its 2013-2015 biennial operating and capital budget request related to state fish hatcheries to the office of financial management, the department shall contract with the hatchery scientific review group (HSRG) to review this request. This review shall: (a) Determine if the proposed requests are consistent with HSRG recommendations; (b) prioritize the components of the requests based on their contributions to protecting wild salmonid stocks and meeting the recommendations of the HSRG; and (c) evaluate whether the proposed requests are being made in the most cost effective manner. The department shall provide a copy of the HSRG review to the office of financial management with their agency budget proposal.

(4) \$400,000 of the general fund—state appropriation for fiscal year 2012 and \$400,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the U.S. army corps of engineers.

(5) \$50,000 of the general fund—state appropriation for fiscal year 2012 and \$50,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for removal of derelict gear in Washington waters.

(6) \$100,000 of the eastern Washington pheasant enhancement account state appropriation is provided solely for the department to support efforts to enhance permanent and temporary pheasant habitat on public and private lands in Grant, Franklin, and Adams counties. The department may support efforts by entities including conservation districts, nonprofit organizations, and landowners, and must require such entities to provide significant nonstate matching resources, which may be in the form of funds, material, or labor.

(7) 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.

(8) By September 1, 2011, the department shall update its interagency agreement dated September 30, 2010, with the department of natural resources concerning land management services on the department of fish and wildlife's wildlife conservation and recreation lands. The update shall include rates and terms for services.

(9) Prior to opening game management unit 490 to public hunting, the department shall complete an environmental impact statement that includes an assessment of how public hunting activities will impact the ongoing protection of the public water supply.

(10) \$18,514,000 of the state wildlife account—state appropriation is provided solely for the implementation of Second Substitute Senate Bill No. 5385 (state wildlife account). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(11) \$9,418,000 of the state wildlife account—state appropriation is provided solely for the implementation of Second Substitute Senate Bill No. 5622 (state land recreation access). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

Sec. 308. 2011 1st sp.s. c 50 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES \$31,324,000 \$35,791,000 General Fund—Federal Appropriation...... \$27,919,000 General Fund—Private/Local Appropriation \$2,374,000 \$41,717,000 ORV and Nonhighway Vehicle Account—State Appropriation..... \$4,387,000 Surveys and Maps Account—State Appropriation...... \$2,346,000 Aquatic Lands Enhancement Account—State \$7,224,000 Resources Management Cost Account—State \$82,097,000 Surface Mining Reclamation Account—State Disaster Response Account—State Appropriation...... \$5,000,000 Forest and Fish Support Account—State Appropriation \$7,933,000 Aquatic Land Dredged Material Disposal Site Account—State Appropriation\$838,000 Natural Resources Conservation Areas Stewardship Account—State Appropriation\$34,000 \$669,000 NOVA Program Account—State Appropriation.....\$639,000 Derelict Vessel Removal Account—State Appropriation...... \$1,761,000 Agricultural College Trust Management Account—State \$257,471,000

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

(1) ((\$977,000)) \$710,000 of the general fund—state appropriation for fiscal year 2012 and \$915,000 of the general fund—state appropriation for fiscal year 2013 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) ((\$10,037,000)) \$8,030,000 of the general fund—state appropriation for fiscal year 2012, \$10,037,000 of the general fund—state appropriation for fiscal year 2013, and \$5,000,000 of the disaster response account—state appropriation are provided solely for emergency fire suppression. None of the general fund and disaster response account amounts provided in this subsection may be used to fund agency indirect and administrative expenses. Agency indirect and administrative costs shall be allocated among the agency's remaining accounts

and appropriations. The department of natural resources shall submit a quarterly report to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from the disaster response account. This work shall be done in coordination with the military department.

(3) \$4,000,000 of the forest and fish support account—state appropriation is provided solely for adaptive management, monitoring, and participation grants to tribes. If federal funding for this purpose is reinstated, the amount provided in this subsection shall lapse.

(4) \$333,000 of the forest and fish support account—state appropriation is provided solely for adaptive management, monitoring, and participation grants to nongovernmental organizations.

(5) \$487,000 of the general fund—state appropriation is provided solely to fund interagency agreements with the department of ecology and the department of fish and wildlife as part of the adaptive management process.

(6) \$1,000,000 of the general fund—federal appropriation and \$1,000,000 of the forest and fish support account—state appropriation are provided solely for continuing scientific studies already underway as part of the adaptive management process. Funds may not be used to initiate new studies unless the department secures new federal funding for the adaptive management process.

(7) The department is authorized to increase the silviculture burning permit fee in the 2011-2013 biennium by up to eighty dollars plus fifty cents per ton for each ton of material burned in excess of one hundred tons.

(8) \$440,000 of the state general fund—state appropriation for fiscal year 2012 and \$440,000 of the state general fund—state appropriation for fiscal year 2013 are provided solely for forest work crews that support correctional camps and are contingent upon continuing operations of Naselle youth camp.

(9) By September 1, 2011, the department shall update its interagency agreement dated September 30, 2010, with the department of fish and wildlife concerning land management services on the department of fish and wildlife's wildlife conservation and recreation lands. The update shall include rates and terms for services.

Sec. 309. 2011 1st sp.s. c 50 s 309 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE

General Fund—State Appropriation (FY 2012)	$\dots ((\$15,729,000))$
	<u>\$15,484,000</u>
General Fund—State Appropriation (FY 2013)	((\$15,371,000))
	\$14,875,000
General Fund—Federal Appropriation	((\$22,925,000))
	\$22,940,000
General Fund—Private/Local Appropriation	\$190,000
Aquatic Lands Enhancement Account—State	
Appropriation	((\$2,074,000))
	\$2,553,000
State Toxics Control Account—State Appropriation	((\$5,116,000))
	\$5,118,000
Water Quality Permit Account—State Appropriation	\$60,000

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The appropriations in this section are subject to the following conditions and limitations: \$5,308,445 of the general fund—state appropriation for fiscal year 2012 and \$5,302,905 of the general fund—state appropriation for fiscal year 2013 are provided solely for implementing the food assistance program as defined in RCW 43.23.290.

Sec. 310. 2011 1st sp.s. c 50 s 310 (uncodified) is amended to read as follows:

FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM

Pollution Liability Insurance Program Trust

Account—State Appropriation	 ((\$335,000))
	<u>\$668,000</u>

Sec. 311. 2011 1st sp.s. c 50 s 311 (uncodified) is amended to read as follows:

FOR THE PUGET SOUND PARTNERSHIP

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

(1) ((\$706,000)) \$665,000 of the state toxics control account—state appropriation is provided solely for activities that contribute to Puget Sound protection and recovery, including provision of independent advice and assessment of the state's oil spill prevention, preparedness, and response programs, including review of existing activities and recommendations for any necessary improvements. The partnership may carry out this function through an existing committee, such as the ecosystem coordination board or the leadership council, or may appoint a special advisory council. Because this is a unique statewide program, the partnership may invite participation from outside the Puget Sound region.

(2) Within the amounts appropriated in this section, the Puget Sound partnership shall facilitate an ongoing monitoring consortium to integrate monitoring efforts for storm water, water quality, watershed health, and other indicators to enhance monitoring efforts in Puget Sound.

PART IV TRANSPORTATION

Sec. 401. 2011 1st sp.s. c 50 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund—State Appropriation (FY 2012)
<u>\$1,167,000</u>
General Fund—State Appropriation (FY 2013)((\$1,508,000))
<u>\$1,307,000</u>
Architects' License Account—State Appropriation \$1,084,000
Professional Engineers' Account—State
Appropriation
<u>\$3,518,000</u>
Real Estate Commission Account—State Appropriation ((\$9,843,000))
<u>\$9,833,000</u>
Uniform Commercial Code Account—State
Appropriation
<u>\$3,120,000</u>
Real Estate Education Account—State Appropriation
Real Estate Appraiser Commission Account—State
Appropriation \$1,687,000
Business and Professions Account—State
Appropriation
<u>\$15,592,000</u>
Real Estate Research Account—State Appropriation\$622,000
Geologists' Account—State Appropriation
Derelict Vessel Removal Account—State Appropriation\$31,000
TOTAL APPROPRIATION
<u>\$38,288,000</u>

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

(1) Pursuant to RCW 43.135.055, the department is authorized to increase fees for collection agencies. This increase is necessary to support the expenditures authorized in this section, consistent with RCW 43.24.086.

(2) \$8,000 of the business and professions account—state appropriation is provided solely to implement Substitute Senate Bill No. 5574 (collection agencies).

Sec. 402. 2011 1st sp.s. c 50 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund—State Appropriation (FY 2012)	((\$38,921,000))
	\$37,352,000
General Fund—State Appropriation (FY 2013)	((\$36,578,000))
	<u>\$35,108,000</u>
General Fund—Federal Appropriation	
General Fund—Private/Local Appropriation	\$3,021,000

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Death Investigations Account—State Appropriation
\$5,551,000
County Criminal Justice Assistance Account—State
Appropriation
Municipal Criminal Justice Assistance Account—State
Appropriation
Fire Service Trust Account—State Appropriation\$131,000
Disaster Response Account—State Appropriation \$8,002,000
Fire Service Training Account—State Appropriation
<u>\$9,394,000</u>
Aquatic Invasive Species Enforcement Account—State
Appropriation\$54,000
State Toxics Control Account—State Appropriation
Fingerprint Identification Account—State
Appropriation
<u>\$10,090,000</u>
Vehicle License Fraud Account—State Appropriation
TOTAL APPROPRIATION
<u>\$130,133,000</u>

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

(1) \$200,000 of the fire service training account—state appropriation is provided solely for two FTEs in the office of 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) \$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 and 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) \$400,000 of the fire service training account—state appropriation is provided solely for the firefighter apprenticeship training program.

(4) In accordance with RCW 43.43.742 the state patrol is authorized to increase the following fees in fiscal year 2012 as necessary to meet the actual costs of conducting business and the appropriation levels in this section: Notary service fee.

(5) \$59,000 of the fingerprint identification account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1776 (child care center licensing). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(6) \$6,000 of the fingerprint identification account—state appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 1494 (vulnerable adult referrals). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

PART V EDUCATION

Sec. 501. 2011 1st sp.s. c 50 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION
General Fund—State Appropriation (FY 2012)((\$25,701,000))
<u>\$25,406,000</u>
General Fund—State Appropriation (FY 2013)
<u>\$22,502,000</u>
General Fund—Federal Appropriation
<u>\$77,065,000</u>
General Fund—Private/Local Appropriation
TOTAL APPROPRIATION
<u>\$128,973,000</u>

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

(1) A maximum of ((\$16,450,000)) \$16,139,000 of the general fund—state appropriation for fiscal year 2012 and ((\$13,889,000)) \$13,335,000 of the general fund—state appropriation for fiscal year 2013 is for state agency operations.

(a) ((\$9,365,000)) \$9.775,000 of the general fund—state appropriation for fiscal year 2012 and ((\$8,451,000)) \$8,532,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection (1)(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.

(ii) By January 1, 2012, the office of the superintendent of public instruction shall issue a report to the legislature with a timeline and an estimate of costs for implementation of the common core standards. The report must incorporate feedback from an open public forum for recommendations to enhance the standards, particularly in math.

(iii) Within the amounts provided, and in consultation with the public school employees of Washington and the Washington school counselors' association, the office of the superintendent of public instruction shall develop a model policy that further defines the recommended roles and responsibilities of graduation coaches and identifies best practices for how graduation coaches work in coordination with school counselors and in the context of a comprehensive school guidance and counseling program.

 $(((\mathbf{v})))$ (iv) The office of the superintendent of public instruction shall, no later than August 1, 2011, establish a standard statewide definition of unexcused absence. The definition shall be reported to the ways and means committees of the senate and house of representatives for legislative review in the 2012 legislative session. Beginning no later than January 1, 2012, districts shall report to the office of the superintendent of public instruction, daily student unexcused absence data by school.

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(b) \$1,964,000 of the general fund—state appropriation for fiscal year 2012 and \$1,017,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for activities associated with the implementation of new school finance systems required by chapter 236, Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009 (state's education system), including technical staff, systems reprogramming, and workgroup deliberations, including the quality education council and the data governance working group.

(c) \$851,000 of the general fund—state appropriation for fiscal year 2012 and \$851,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities.

(d) \$1,744,000 of the general fund—state appropriation for fiscal year 2012 and \$1,362,000 of the general fund—state appropriation for fiscal year 2013 are provided solely to the professional educator standards board for the following:

(i) \$1,050,000 in fiscal year 2012 and \$1,050,000 in fiscal year 2013 are for the operation and expenses of the Washington professional educator standards board; and

(ii) \$694,000 of the general fund—state appropriation for fiscal year 2012 and \$312,000 of the general fund—state appropriation for fiscal year 2013 are for conditional scholarship loans and mentor stipends provided through the alternative routes to certification program administered by the professional educator standards board, including the pipeline for paraeducators program and the retooling to teach conditional loan programs. Funding within this subsection (1)(d)(ii) is also provided for the recruiting Washington teachers program. Funding reductions in this subsection (1)(d)(ii) in the 2011-2013 fiscal biennium are intended to be one-time.

(e) \$133,000 of the general fund—state appropriation for fiscal year 2012 and \$133,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the implementation of chapter 240, Laws of 2010, including staffing the office of equity and civil rights.

(f) \$50,000 of the general fund—state appropriation for fiscal year 2012 and \$50,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the ongoing work of the ((achievement)) education opportunity gap oversight and accountability committee.

(g) \$45,000 of the general fund—state appropriation for fiscal year 2012 and \$45,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the implementation of chapter 380, Laws of 2009 (enacting the interstate compact on educational opportunity for military children).

(h) \$159,000 of the general fund—state appropriation for fiscal year 2012 and \$93,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the implementation of chapter 185, Laws of 2011 (bullying prevention), which requires the office of the superintendent of public instruction to convene an ongoing workgroup on school bullying and harassment prevention. Within the amounts provided, \$140,000 is for youth suicide prevention activities.

 $(((\frac{1}{2})))$ (<u>i</u>) \$1,227,000 of the general fund—state appropriation for fiscal year 2012 and \$1,227,000 of the general fund—state appropriation for fiscal year 2013 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).

(((k))) (j) \$25,000 of the general fund—state appropriation for fiscal year 2012 and \$25,000 of the general fund—state appropriation for fiscal year 2013 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.

(((+))) (k) \$166,000 of the general fund—state appropriation for fiscal year 2012 is provided solely for the implementation of chapter 192, Laws of 2011 (school district insolvency). Funding is provided to develop a clear legal framework and process for dissolution of a school district.

(2) \$9,267,000 of the general fund—state appropriation for fiscal year 2012 and \$9,167,000 of the general fund—state appropriation for fiscal year 2013 are for statewide programs.

(a) HEALTH AND SAFETY

(i) \$2,541,000 of the general fund—state appropriation for fiscal year 2012 and \$2,541,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for a corps of nurses located at educational service districts, as determined by the superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(ii) \$50,000 of the general fund—state appropriation for fiscal year 2012 and \$50,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for a nonviolence and leadership training program provided by the institute for community leadership.

(b) TECHNOLOGY

\$1,221,000 of the general fund—state appropriation for fiscal year 2012 and \$1,221,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(c) GRANTS AND ALLOCATIONS

(i) \$675,000 of the general fund—state appropriation for fiscal year 2012 and \$675,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the Washington state achievers scholarship program. The funds shall be used to support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars.

(ii) \$1,000,000 of the general fund—state appropriation for fiscal year 2012 and \$1,000,000 of the general fund—state appropriation for fiscal year 2013 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.

(iii) \$2,808,000 of the general fund—state appropriation for fiscal year 2012 and \$2,808,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the dissemination of the navigation 101 curriculum to all districts. The funding shall support electronic student planning tools and software for analyzing the impact of navigation 101 on student performance, as well as grants to a maximum of one hundred school districts each year, based on progress and need for the implementation of the navigation 101 program. The implementation grants shall be awarded to a cross-section of school districts reflecting a balance of geographic and demographic characteristics. Within the amounts provided, the office of the superintendent of public instruction will create a navigation 101 accountability model to analyze the impact of the program.

(iv) \$337,000 of the general fund—state appropriation for fiscal year 2012 and \$337,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for implementation of the building bridges statewide program for comprehensive dropout prevention, intervention, and reengagement strategies.

(v) 135,000 of the general fund—state appropriation for fiscal year 2012 and 135,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for dropout prevention programs at the office of the superintendent of public instruction, including the jobs for America's graduates (JAG) program.

(vi) \$500,000 of the general fund—state appropriation for fiscal year 2012 and \$400,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the implementation of chapter 340, Laws of 2011 (assessment of students in state-funded full-day kindergarten classrooms), including the development and implementation of the Washington kindergarten inventory of developing skills (WaKIDS).

Sec. 502. 2011 1st sp.s. c 50 s 502 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL APPORTIONMENT

General Fund—State Appropriation (FY 2012)	((\$5,242,704,000))
	<u>\$5,253,769,000</u>
General Fund—State Appropriation (FY 2013)	((\$5,217,070,000))
	\$5,205,868,000
General Fund—Federal Appropriation	\$22,078,000
TOTAL APPROPRIATION	\$ 10,459,774,000))
	\$10,481,715,000

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 2011-12 and 2012-13 school years, the superintendent shall allocate general apportionment funding to school districts as provided in the funding formulas and salary schedules in sections 502 and 503 of this act, excluding (c) of this subsection.

(c) From July 1, 2011 to August 31, 2011, the superintendent shall allocate general apportionment funding to school districts programs as provided in sections 502 and 504, chapter 564, Laws of 2009, as amended through sections 1402 and 1403 of this act.

(d) The appropriations in this section include federal funds provided through section 101 of P.L. No. 111-226 (education jobs fund), which shall be used to support general apportionment program funding. In distributing general apportionment allocations under this section for the 2011-12 school year, the superintendent shall include the additional amount of \$3,078,000 allocated by the United States department of education on September 16, 2011, provided through 101 of P.L. No. 111-226 (education jobs fund) as part of each district's general apportionment allocation.

(e) 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.

(2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

Allocations for certificated instructional staff salaries for the 2011-12 and 2012-13 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 ((adjust)) 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
Grades K-3	 25.23
Grade 4	 27.00
Grades 5-6	 27.00
Grades 7-8	 28.53
Grades 9-12	 28.74

The superintendent shall base allocations for career and technical education (CTE) and skill center programs average class size as provided in RCW 28A.150.260.

(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 school:

Grades K-3	 24.10
Grade 4	 27.00
Grades 5-6	 27.00
Grades 7-8	 28.53
Grades 9-12	 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) Laboratory science, 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 students:

Career and Technical Education

(3) ADMINISTRATIVE STAFF ALLOCATIONS

(a) Allocations for school building-level certificated administrative staff salaries for the 2011-12 and 2012-13 school years for general education students are determined using the formula-generated staff units provided in RCW 28A.150.260, and adjusted based on a district's annual average full-time equivalent student enrollment in each grade.

(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 exceed the general education rate in (a) of this subsection by the following percentages:

Career and Technical Education students	2.5 percent
Skill Center students	19.75 percent

(4) CLASSIFIED STAFF ALLOCATIONS

Allocations for classified staff units providing school building-level and district-wide support services for the 2011-12 and 2012-13 school years are determined using the formula-generated staff units provided in RCW 28A.150.260, 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 2011-12 and 2012-13 school year 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), 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 3.69 percent for career and technical education students, and 21.92 percent for skill center students.

(6) FRINGE BENEFIT ALLOCATIONS

Fringe benefit allocations shall be calculated at a rate of ((16.49)) <u>16.33</u> percent in the 2011-12 school year and ((16.50)) <u>16.33</u> percent in the 2012-13 school year for certificated salary allocations provided under subsections (2), (3), and (5) of this section, and a rate of ((18.86)) <u>18.73</u> percent in the 2011-12 school year and ((18.88)) <u>18.73</u> percent in the 2012-13 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 purposes of distributing insurance benefits, full-time

equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(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) MSOC funding for general education students are allocated at the following per student rates:

MSOC RATES/STUDENT FTE

MSOC Component	2011-12 SCHOOL YEAR	2012-13 SCHOOL YEAR
Technology	((\$57.02)) <u>\$57.42</u>	((\$57.99)) <u>\$58.17</u>
Utilities and Insurance	((\$154.93)) <u>\$156.03</u>	((\$157.56)) <u>\$158.05</u>
Curriculum and Textbooks	((\$61.22)) <u>\$61.65</u>	((\$62.26)) <u>\$62.45</u>
Other Supplies and Library Materials	((\$129.97)) <u>\$130.89</u>	((\$132.18)) <u>\$132.59</u>
Instructional Professional Development for Certificated		
and Classified Staff	((\$9.47)) <u>\$9.53</u>	((\$9.63)) <u>\$9.66</u>
Facilities Maintenance	((\$76.75)) <u>\$77.30</u>	((\$78.06)) <u>\$78.30</u>
Security and Central Office	((\$53.17)) <u>\$53.55</u>	((\$54.08)) <u>\$54.25</u>
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	((\$542.53)) <u>\$546.37</u>	((\$551.76)) <u>\$553.47</u>

(b) Students in approved skill center programs generate per student FTE MSOC allocations which equal the rate for general education students calculated in (a) of this subsection, multiplied by a factor of ((2.187)) 2.171.

(c) Students in approved exploratory and preparatory career and technical education programs generate a per student MSOC allocation that is equal to the rate for general education students calculated in (a) of this subsection, multiplied by a factor of ((2.459)) 2.442.

(d) Students in laboratory science courses generate per student FTE MSOC allocations which equal the per student FTE rate for general education students established in (a) of this subsection.

(9) SUBSTITUTE TEACHER ALLOCATIONS

For the 2011-12 and 2012-13 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 are adjusted to reflect provisions of House Bill No. 2065 (allocation of funding for 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) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

Funding in this section is sufficient to fund voluntary full day kindergarten programs in qualifying high poverty schools, pursuant to RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls for the voluntary full-day program in a qualifying school shall count as one-half of one full-time equivalent student for purpose of making allocations under this section. Funding in this section provides full-day kindergarten programs for 21 percent of kindergarten enrollment in the 2011-12 school year, and 22 percent in the 2012-13 school year. Funding priority shall be given to schools with the highest poverty levels, as measured by prior year free and reduced price lunch eligibility rates in each school. Funding in this section is sufficient to fund voluntary full day kindergarten programs for July and August of the 2010-11 school year.

(12) 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 fulltime 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:

(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 onequarter 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;

(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 subsection (12) of this section 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.

(13) 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.

(14) The superintendent may distribute funding for the following programs outside the basic education formula during fiscal years 2012 and 2013 as follows:

(a) \$589,000 of the general fund—state appropriation for fiscal year 2012 and (($\frac{599,000}{1000}$)) $\frac{5597,000}{10000}$ of the general fund—state appropriation for fiscal year 2013 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 2012 and \$436,000 of the general fund—state appropriation for fiscal year 2013 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.

(c) Funding in this section is sufficient to fund adjustments to school districts' allocations resulting from the implementation of the prototypical school funding formula, pursuant to chapter 236, Laws of 2010 (K-12 education funding). The funding in this section is intended to hold school districts harmless in total for funding changes resulting from conversion to the prototypical school formula in the general apportionment program, the learning assistance program, the transitional bilingual program, and the highly capable program, after adjustment for changes in enrollment and other caseload adjustments.

(15) \$208,000 of the general fund—state appropriation for fiscal year 2012 and \$211,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for school district emergencies as certified by the superintendent of public instruction. 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.

(16) ((Amounts in this section include adjustments made by the superintendent of public instruction for the repayment of financial contingency funds allocated in fiscal year 2011, as specified in section 501 of the 2011 supplemental budget. For any amount allocated to a district in state fiscal year 2011, the superintendent of public instruction shall deduct in state fiscal year 2012 from the district's general apportionment the amount of the emergency contingency allocation and any earnings by the school district on the investment of a temporary cash surplus due to the emergency contingency allocation. Repayments or advances will be accomplished by a reduction in the school district's apportionment payments on or before June 30th of the school year following the distribution of the emergency contingency allocation. All disbursements, repayments, and outstanding allocations to be repaid of the emergency contingency pool shall be reported to the office of financial management and the appropriate fiscal committees of the legislature on July 1st and January 1st of each year.

(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))) (17) Beginning in the 2011-12 school year, 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. 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 higher education coordinating board, 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))) (18) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (12) 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 (12) of this section shall be reduced in increments of twenty percent per year.

 $((\frac{(20)}))$ (19)(a) Indirect cost charges by a school district to approved career and technical education middle and secondary programs shall not exceed 15 percent 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.

Sec. 503. 2011 1st sp.s. c 50 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 RCW 28A.150.280 and under section 503 of this act:

(a) 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; and

(b) 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.

(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 May 23, 2011, at 16:10 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 May 23, 2011, at 16:10 hours.

(3) Incremental fringe benefit factors are applied to salary adjustments at a rate of ((15.85)) <u>15.69</u> percent for school year 2011-12 and ((15.86)) <u>15.69</u> percent for school year 2012-13 for certificated instructional and certificated administrative staff and ((15.36)) <u>15.23</u> percent for school year 2011-12 and ((15.38)) <u>15.23</u> percent for the 2012-13 school year for classified staff.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedules for certificated instructional staff are established for basic education salary allocations:

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2011-12
Education Experience

Years of									MA+90 OR
Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
11				45,883	49,169	51,558	49,295	52,581	54,969
12				47,332	50,777	53,238	50,850	54,188	56,650
13					52,425	54,959	52,460	55,836	58,370
14					54,081	56,745	54,117	57,600	60,157
15					55,488	58,221	55,523	59,098	61,721
16 or n	nore				56,597	59,385	56,634	60,279	62,955

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2012-13 **Education Experience**

Years of									MA+90 OR
Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
11				45,883	49,169	51,558	49,295	52,581	54,969
12				47,332	50,777	53,238	50,850	54,188	56,650
13					52,425	54,959	52,460	55,836	58,370
14					54,081	56,745	54,117	57,600	60,157
15					55,488	58,221	55,523	59,098	61,721
16 or n	nore				56,597	59,385	56,634	60,279	62,955

(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 allocation schedules established in this section are for allocation purposes only except as provided in RCW 28A.400.200(2).

Sec. 504. 2011 1st sp.s. c 50 s 504 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS

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

(1)(a) Additional salary adjustments as necessary to fund the base salaries for certificated instructional staff as listed for each district in LEAP Document 2, defined in section 504(2)(b) of this act. Allocations for these salary adjustments shall be provided to all districts that are not grandfathered to receive salary allocations above the statewide salary allocation schedule, and to certain grandfathered districts to the extent necessary to ensure that salary allocations for districts that are currently grandfathered do not fall below the statewide salary allocation schedule.

(b) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for certificated administrative staff as listed for each district in LEAP Document 2, defined in section 504(2)(b) of this act.

(c) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for classified staff as listed for each district in LEAP Document 2, defined in section 504(2)(b) of this act.

(d) The appropriations in this subsection (1) include associated incremental fringe benefit allocations at ((15.85)) <u>15.69</u> percent for the 2011-12 school year and ((15.86)) <u>15.69</u> percent for the 2012-13 school year for certificated instructional and certificated administrative staff and ((15.36)) <u>15.23</u> percent for the 2011-12 school year and ((15.38)) <u>15.23</u> percent for the 2012-13 school year for classified staff.

(e) 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 allocation schedules and methodology in sections 503 and 504 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 503 and 504 of this act.

(f) The appropriations in this section include no salary adjustments for substitute teachers.

(2) The maintenance rate for insurance benefit allocations is \$768.00 per month for the 2011-12 and 2012-13 school years. The appropriations in this section reflect the incremental change in cost of allocating rates of \$768.00 per month for the 2011-12 school year and \$768.00 per month for the 2012-13 school year.

(3) The rates specified in this section are subject to revision each year by the legislature.

Sec. 505. 2011 1st sp.s. c 50 s 505 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION

General Fund—State Appropriation (FY 2012)	ワー
\$322,033,00	0
General Fund—State Appropriation (FY 2013)((\$326,054,000))
\$273,380,000	
TOTAL APPROPRIATION)
\$595,413,000	0

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 2011-12 and 2012-13 school years, the superintendent shall allocate funding to school district programs for the transportation of students as provided in RCW 28A.160.192.

(b) From July 1, 2011 to August 31, 2011, the superintendent shall allocate funding to school districts programs for the transportation of students as provided in section 505, chapter 564, Laws of 2009, as amended through section 1404 of this act.

(3) Any amounts appropriated for maintenance level funding for pupil transportation that exceed actual maintenance level expenditures as calculated under the funding formula that takes effect September 1, 2011, shall be distributed to districts according to RCW 28A.160.192(2)(b).

(4) A maximum of \$892,000 of this fiscal year 2012 appropriation and a maximum of \$892,000 of the fiscal year 2013 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 pre-sales 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) Starting with the 2012-13 school year, the office of the superintendent of public instruction shall disburse payments for bus depreciation in August.

Sec. 506. 2011 1st sp.s. c 50 s 506 (uncodified) is amended to read as follows:

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General Fund—State Appropriation (FY 2013)	\$7,111,000
General Fund—Federal Appropriation	.((\$437,988,000))
	<u>\$436,400,000</u>
TOTAL APPROPRIATION	.((\$452,210,000))
	\$450,622,000

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 2012 and \$7,111,000 of the general fund—state appropriation for fiscal year 2013 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.

The office of the superintendent of public instruction shall report annually to the fiscal committees of the legislature on annual expenditures in (a), (b), and (c) of this subsection.

Sec. 507. 2011 1st sp.s. c 50 s 507 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2012)	.((\$659,950,000))
	<u>\$653,904,000</u>
General Fund—State Appropriation (FY 2013)	
General Fund—Federal Appropriation	<u>\$694,237,000</u> ((\$601,706,000))
	\$486.936.000
Education Legacy Trust Account—State Appropriation	
TOTAL APPROPRIATION	
	<u>\$1,835,833,000</u>

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

(1) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment

allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(2)(a) The superintendent of public instruction shall 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.

(c) Beginning with the 2010-11 school year award cycle, the office of the superintendent of public instruction shall make award determinations for state safety net funding in August of each school year. Determinations on school district eligibility for state safety net awards shall be based on analysis of actual expenditure data from the current school year.

(3) Each fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4)(a) For the 2011-12 and 2012-13 school years, the superintendent shall allocate funding to school district programs for special education students as provided in RCW 28A.150.390.

(b) From July 1, 2011 to August 31, 2011, the superintendent shall allocate funding to school district programs for special education students as provided in section 507, chapter 564, Laws of 2009, as amended through section 1406 of this act.

(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 12.7 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) ((\$16,404,000)) \$8,914,000 of the general fund—state appropriation for fiscal year 2012, ((\$30,807,000)) \$34,200,000 of the general fund—state appropriation for fiscal year 2013, 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 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 2011-12 and 2012-13 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) From July 1, 2011 to August 31, 2011, the superintendent shall operate the safety net oversight committee and shall award safety net funds as provided in section 507, chapter 564, Laws of 2009, as amended through section 1406 of this act.

(8) A maximum of \$678,000 may be expended from the general fund—state appropriations to fund 5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center. This amount is in lieu of money provided through the home and hospital allocation and the special education program.

(9) The superintendent shall maintain the percentage of federal flowthrough 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) \$251,000 of the general fund—state appropriation for fiscal year 2012 and \$251,000 of the general fund—state appropriation for fiscal year 2013 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 2012, \$50,000 of the general fund—state appropriation for fiscal year 2013, and \$100,000 of the general fund—federal appropriation shall be expended to support a special education ombudsman program within the office of superintendent of public instruction.

Sec. 508. 2011 1st sp.s. c 50 s 508 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE DISTRICTS

General Fund—State Appropriation (FY 2012)	$\dots ((\$7, \$98, 000))$
	<u>\$7,889,000</u>
General Fund—State Appropriation (FY 2013)	((\$7,917,000))
	\$7,904,000
TOTAL APPROPRIATION	((\$15,815,000))
	\$15,793,000
	<u>\$15,795,000</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. 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.310.340, may receive and screen applications for school accreditation, conduct school accreditation site visits pursuant to state board of education rules, and submit to the state board of education post-site visit recommendations for school accreditation. The educational service districts may assess a cooperative service fee to recover actual plus reasonable indirect costs for the purposes of this subsection.

Sec. 509. 2011 1st sp.s. c 50 s 509 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE

General Fund—State Appropriation (FY 2012)	((\$303,337,000))
	<u>\$300,761,000</u>
General Fund—State Appropriation (FY 2013)	((\$308,445,000))
	<u>\$299,276,000</u>
TOTAL APPROPRIATION	((\$611,782,000))
	<u>\$600,037,000</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 3 percent from the 2010-11 school year to the 2011-12 school year and 5 percent from the 2011-12 school year to the 2012-13 school year.

Sec. 510. 2011 1st sp.s. c 50 s 510 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2012)	.((\$16,420,000))
	<u>\$17,507,000</u>
General Fund—State Appropriation (FY 2013)	. ((\$16,190,000))
	<u>\$16,969,000</u>
TOTAL APPROPRIATION	.((\$32,610,000))
	<u>\$34,476,000</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) $((\frac{5509,000}))$ $\frac{5669,000}{(509,000)}$ of the general fund—state appropriation for fiscal year 2012 and $((\frac{5509,000}))$ $\frac{5669,000}{(500,000)}$ of the general fund—state appropriation for fiscal year 2013 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. 511. 2011 1st sp.s. c 50 s 511 (uncodified) is amended to read as follows:

FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS

General Fund—State Appropriation (FY 2012)))
\$8,759,00	0
General Fund—State Appropriation (FY 2013)))
<u>\$8,842,00</u>	-
TOTAL APPROPRIATION	
\$17,601,00	0

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 2011-12 and 2012-13 school years, the superintendent shall allocate funding to school district programs for highly capable students as provided in RCW 28A.150.260(10)(c). 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 district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2011, to August 31, 2011, the superintendent shall allocate funding to school districts programs for highly capable students as provided in

section 511, chapter 564, Laws of 2009, as amended through section 1409 of this act.

(3) \$85,000 of the general fund—state appropriation for fiscal year 2012 and \$85,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the centrum program at Fort Worden state park.

Sec. 512. 2011 1st sp.s. c 50 s 512 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR MISCELLANEOUS—NO CHILD LEFT BEHIND ACT

Sec. 513. 2011 1st sp.s. c 50 s 513 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION— EDUCATION REFORM PROGRAMS

General Fund—State Appropriation (FY 2012) \$58,078,000
General Fund—State Appropriation (FY 2013)((\$98,491,000))
<u>\$98,309,000</u>
General Fund—Federal Appropriation
<u>\$219,161,000</u>
General Fund—Private/Local Appropriation \$4,000,000
Education Legacy Trust Account—State Appropriation \$1,598,000
TOTAL APPROPRIATION
\$381,146,000

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

(1) \$40,822,000 of the general fund—state appropriation for fiscal year 2012, \$41,613,000 of the general fund—state appropriation for fiscal year 2013, \$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, including: (a) Development and implementation of retake assessments for high school students who are not successful in one or more content areas and (b) development and implementation of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development and implementation of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student assessment results, on or around June 10th of each year. State funding shall be limited to one collection of evidence payment per student, per content-area assessment.

(2) \$356,000 of the general fund—state appropriation for fiscal year 2012 and \$356,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional partnership activities coordinated at the Pacific science center, including instructional material purchases, teacher and

principal professional development, and school and community engagement events.

(3) \$980,000 of the general fund—state appropriation for fiscal year 2012 and \$980,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for improving technology infrastructure, monitoring and reporting on school district technology development, promoting standards for school district technology, promoting statewide coordination and planning for technology development, and providing regional educational technology support centers, including state support activities, under chapter 28A.650 RCW.

(4) \$3,852,000 of the general fund—state appropriation for fiscal year 2012 and \$2,624,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for continued implementation of chapter 235, Laws of 2010 (education reform) including development of new performance-based evaluation systems for certificated educators.

(5)(a) ((\$40, \$63, 000)) \$40, 681, 000 of the general fund—state appropriation for fiscal year 2013 is 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 \$5,090 per teacher in the 2011-12 and 2012-13 school years, adjusted for inflation in each school year in which Initiative 732 cost of living adjustments are provided;

(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, 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 (a)(ii) of this subsection for less than one full school year receive bonuses in a prorated manner. Beginning in the 2011-12 school year, all bonuses in (a)(i) and (ii) of this subsection will be paid in July of each school year. Bonuses in (a)(i) and (ii) of 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 2011-12 and 2012-13 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 schedule 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.

(6) \$477,000 of the general fund—state appropriation for fiscal year 2012 and \$477,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(7) \$950,000 of the general fund—state appropriation for fiscal year 2012 and \$950,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to low-performing schools and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs.

(8) \$810,000 of the general fund—state appropriation for fiscal year 2012 and \$810,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the development of a leadership academy for school principals and administrators. The superintendent of public instruction shall contract with an independent organization to design, field test, and implement a state-of-the-art education leadership academy that will be accessible throughout the state. Initial development of the content of the academy activities shall be supported by private funds. Semiannually the independent organization shall report on amounts committed by foundations and others to support the development and implementation of this program. Leadership academy partners 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.

(9) \$3,234,000 of the general fund—state appropriation for fiscal year 2012 and \$3,234,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for grants to school districts to provide a continuum of care for children and families to help children become ready to learn. Grant proposals from school districts shall contain local plans designed collaboratively with community service providers. If a continuum of care program exists in the area in which the school district is located, the local plan shall provide for coordination with existing programs to the greatest extent possible.

(10) \$1,500,000 of the general fund—state appropriation for fiscal year 2012 and \$1,500,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the implementation of chapter 288, Laws of 2011 (actual student success program), including allocations to the opportunity internship program, the jobs for America's graduates program, the building bridges program, services provided by a college scholarship organization. Funding shall not be used in the 2011-2013 fiscal biennium to provide awards for schools and school districts.

(11) ((\$843,000)) \$859,000 of the general fund—state appropriation for fiscal year 2012, ((\$848,000)) \$846,000 of the general fund—state appropriation for fiscal year 2013, and ((\$247,000)) \$248,000 of the education legacy trust account—state appropriation are for administrative support of education reform programs.

(12) \$2,000,000 of the general fund—state appropriation for fiscal year 2012 and \$2,000,000 of the general fund—state appropriation for fiscal year 2013 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.

(13) \$977,000 of the general fund—state appropriation for fiscal year 2012 and \$977,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for secondary career and technical education grants pursuant to chapter 170, Laws of 2008. If equally matched by private donations, \$300,000 of the 2012 appropriation and \$300,000 of the 2013 appropriation shall be used to support FIRST robotics programs.

(14) \$125,000 of the general fund—state appropriation for fiscal year 2012 and \$125,000 of the general fund—state appropriation for fiscal year 2013 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.

(15) \$135,000 of the general fund—state appropriation for fiscal year 2012 and \$135,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for science, technology, engineering and mathematics lighthouse projects, consistent with chapter 238, Laws of 2010.

(16) \$1,000,000 of the general fund—state appropriation for fiscal year 2012 and \$1,000,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for a beginning educator support program. School districts and/or regional consortia may apply for grant funding. The superintendent shall implement this program in 5 to 15 school districts and/or regional consortia. 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. \$250,000 may be used to provide statewide professional development opportunities for mentors and beginning educators.

Sec. 514. 2011 1st sp.s. c 50 s 514 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL BILINGUAL PROGRAMS

General Fund—State Appropriation (FY 2012)	((\$83,959,000))
	<u>\$79,496,000</u>
General Fund—State Appropriation (FY 2013)	((\$88,580,000))
	<u>\$82,856,000</u>
General Fund—Federal Appropriation	\$71,001,000
TOTAL APPROPRIATION	$\dots ((\$243, 540, 000))$
	\$233.353.000

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 2011-12 and 2012-13 school years, the superintendent shall allocate funding to school districts for transitional bilingual programs as provided in RCW 28A.150.260(10)(b). 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; (ii) fifteen transitional bilingual program students per teacher; (iii) 36 instructional weeks per year; (iv) 900 instructional hours per teacher; and (v) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2011, to August 31, 2011, the superintendent shall allocate funding to school districts for transitional bilingual instruction programs as provided in section 514, chapter 564, Laws of 2009, as amended through section 1411 of this act.

(c) The allocations in this section reflect the implementation of a new funding formula for the transitional bilingual instructional program, effective September 1, 2011, as specified in RCW 28A.150.260(10)(b).

(3) The superintendent may withhold ((up to 3.0 percent of the school year)) 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: 2.79 percent for school year 2011-12 and 2.09 percent for school year 2012-13.

(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)(a) The office of the superintendent of public instruction shall implement a funding model for the transitional bilingual program, beginning in school year 2012-13, that is scaled to provide more support to students requiring most intensive intervention, (students with beginning levels of English language proficiency) and less support to students requiring less intervention. The funding model shall also provide up to two years of bonus funding upon successful exit from the bilingual program to facilitate successful transition to a standard program of education.

(b) It is expected that per-pupil funding for level 2 proficiency will be set at the same level as would have been provided statewide prior to establishing differential per-pupil amounts; level 1 will be 125 percent of level 2; level 3 through the level prior to exit will be 75 percent of level 2; and two bonus years upon successful demonstration of proficiency will be 100 percent of level 2. Prior to implementing in school year 2012-13, the office of the superintendent of public instruction shall provide to the senate and house of representatives ways and means committees recommended rates based on the results of proficiency test procurement, expressed as both per-pupil rates and hours of instruction as provided in RCW 28A.150.260(10)(b).

(c) Each bilingual student shall be tested for proficiency level and, therefore, eligibility for the transitional bilingual program each year. The bonus

payments for up to two school years following successful exit from the transitional bilingual program shall be allocated to the exiting school district. If the student graduates or transfers to another district prior to the district receiving both years' bonuses, the district shall receive the bonus for only the length of time the student remains enrolled in the exiting district.

(d) The quality education council shall examine the revised funding model developed under this subsection and provide a report to the education and fiscal committees of the legislature by December 1, 2011, that includes recommendations for:

(i) Changing the prototypical school funding formula for the transitional bilingual program to align with the revised model in an accurate and transparent manner;

(ii) Reconciling the revised model with statutory requirements for categorical funding of the transitional bilingual instructional program that is restricted to students eligible for and enrolled in that program;

(iii) Clarifying the elements of the transitional bilingual instructional program that fall under the definition of basic education and the impact of the revised model on them; and

(iv) The extent that the disparate financial impact of the revised model on different school districts should be addressed and options for addressing it.

(e) The office of the superintendent of public instruction shall report to the senate and house of representatives ways and means committees and education committees annually by December 31st of each year, through 2018, regarding any measurable changes in proficiency, time-in-program, and transition experience.

(6) \$35,000 of the general fund—state appropriation for fiscal year 2012 and \$35,000 of the general fund—state appropriation for fiscal year 2013 are provided solely to track current and former transitional bilingual program students.

Sec. 515. 2011 1st sp.s. c 50 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 2012) $\ldots \ldots \ldots \ldots ((\$102, 104, 000))$	9
<u>\$102,470,000</u>	0
General Fund—State Appropriation (FY 2013))
\$103,666,000	0
General Fund—Federal Appropriation)
\$492,207,000	0
Education Legacy Trust Account—State Appropriation \$47,980,000	0
TOTAL APPROPRIATION)
<u>\$746,323,000</u>	0

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 2011-12 and 2012-13 school years, the superintendent shall allocate funding to school districts for learning assistance programs as provided in RCW 28A.150.260(10)(a). In calculating the allocations, the superintendent shall assume the following averages: (A) Additional instruction of 1.51560 hours per week per funded learning assistance program student; (B) fifteen learning assistance program students per teacher; (C) 36 instructional weeks per year; (D) 900 instructional hours per teacher; and (E) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(ii) From July 1, 2011, to August 31, 2011, the superintendent shall allocate funding to school districts for learning assistance programs as provided in section 515, chapter 564, Laws of 2009, as amended through section 1412 of this act.

(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.

(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 no child left behind act of 2001.

(4) A school district may carry over from one year to the next up to 10 percent of the general fund-state or education legacy trust funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

(5) The office of the superintendent of public instruction shall research and recommend options for an adjustment factor for middle school and high school free and reduced price lunch eligibility reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report to the fiscal committees of the legislature by June 1, 2012. For the 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

PART VI

HIGHER EDUCATION

Sec. 601. 2011 1st sp.s. c 50 s 605 (uncodified) is amended to read as follows:

FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund—State Appropriation (FY 2012)	((\$533,355,000))
	<u>\$533,009,000</u>
General Fund—State Appropriation (FY 2013)	((\$525,998,000))
	\$525,644,000
Community/Technical College Capital Projects	
Account—State Appropriation	\$8,037,000
Education Legacy Trust Account—State Appropriation	

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

(1) \$28,761,000 of the general fund—state appropriation for fiscal year 2012 and \$28,761,000 of the general fund—state appropriation for fiscal year 2013 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 6,200 full-time equivalent students in fiscal year 2012 and at least 6,200 full-time equivalent students in fiscal year 2013.

(2) \$2,725,000 of the general fund—state appropriation for fiscal year 2012 and \$2,725,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to 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.

(((4))) (3) \$4,500,000 of the general fund—state appropriation for fiscal year 2012 and \$4,500,000 of the general fund—state appropriation for fiscal year 2013 is provided solely for worker retraining.

(((5))) (4) Of the amounts appropriated in this section, \$5,000,000 is provided solely for the student achievement initiative.

(((6))) (5) When implementing the appropriations in this section, the state board and the trustees of the individual community and technical colleges shall minimize impact on academic programs, maximize reductions in administration, and shall at least maintain, and endeavor to increase, enrollment opportunities and degree and certificate production in high employer-demand fields of study at their academic year 2008-09 levels.

(((7))) (6) 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.

(((8))) (<u>7</u>) Bellevue college is authorized to offer applied baccalaureate degrees in information technology, health care services and management, biotechnology, and preprofessional preparation for medical fields. These degrees shall be directed at high school graduates and transfer-oriented degree and professional and technical degree holders. In fiscal year 2012, Bellevue college will develop a two-year plan for offering these new degrees. The plan will assume funding for these new degrees shall come through redistribution of its current per full-time enrollment funding. The plan shall be delivered to the legislature by June 30, 2012.

(((9))) (8) The Seattle community college district is authorized to offer applied baccalaureate degree programs in business/international business and technology management, interactive and artistic digital media, sustainability, building science technology, and allied and global health. These degrees shall be directed at high school graduates and professional and technical degree holders.

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In fiscal year 2012, Seattle community colleges shall develop a two-year plan for offering these new degrees. The plan will assume that funding for these new degrees comes through redistribution of its current per full-time enrollment funding. The plan shall be delivered to the legislature by June 30, 2012.

Sec. 602. 2011 1st sp.s. c 50 s 606 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund—State Appropriation (FY 2012)
\$201,388,000
General Fund—State Appropriation (FY 2013)
<u>\$206,358,000</u>
Education Legacy Trust Account—State Appropriation \$18,579,000
((University of Washington Building Account—State
Appropriation
Appropriation\$239,000))
Appropriation\$239,000)) Biotoxin Account—State Appropriation\$450,000
Appropriation.\$239,000))Biotoxin Account—State Appropriation\$450,000Accident Account—State Appropriation\$6,699,000

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

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) \$150,000 of the general fund-state appropriation for fiscal year 2012 and \$150,000 of the general fund-state appropriation for fiscal year 2013 are provided solely for the development of integrated medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho (WWAMI) medical education program in Spokane and eastern Washington. Funding is contingent on appropriations being provided to Washington State University for WWAMI program expansion in Spokane and eastern Washington.

(3) \$52,000 of the general fund-state appropriation for fiscal year 2012 and \$52,000 of the general fund-state appropriation for fiscal year 2013 are provided solely for the center for international trade in forest products in the college of forest resources.

(4) \$88,000 of the general fund—state appropriation for fiscal year 2012 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5485 (state's natural resources). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(5) \$143,000 of the general fund—state appropriation for fiscal year 2012 and \$144,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the ongoing management of the Washington park arboretum.

Sec. 603. 2011 1st sp.s. c 50 s 607 (uncodified) is amended to read as follows:

FOR WASHINGTON STATE UNIVERSITY

General Fund—State Appropriation (FY 2012)
<u>\$134,512,000</u>
General Fund—State Appropriation (FY 2013)
<u>\$136,087,000</u>
((Washington State University Building Account—State
Appropriation
Education Legacy Trust Account—State Appropriation \$33,065,000
TOTAL APPROPRIATION
\$303,664,000

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

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) Within available funds, Washington State University shall serve an additional cohort of fifteen full-time equivalent students in the mechanical engineering program located at Olympic College.

(3) \$300,000 of the general fund—state appropriation for fiscal year 2012 and \$300,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the expansion of health sciences capacity through the Washington/Wyoming/Alaska/Montana/Idaho (WWAMI) medical education program in Spokane and eastern Washington. Funding is contingent on appropriations being provided to the University of Washington for integrated medical curriculum development for WWAMI.

Sec. 604. 2011 1st sp.s. c 50 s 608 (uncodified) is amended to read as follows:

FOR EASTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2012)	((\$26,281,000))
	\$26,257,000
General Fund—State Appropriation (FY 2013)	((\$26,589,000))
	\$26,541,000
Education Legacy Trust Account—State Appropriation	\$16,087,000
TOTAL APPROPRIATION	
	\$68,885,000

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

(1) In implementing the appropriations in this section, the president and governing board shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) At least \$200,000 of the general fund—state appropriation for fiscal year 2012 and at least \$200,000 of the general fund—state appropriation for fiscal year 2013 shall be expended on the Northwest autism center.

Sec. 605. 2011 1st sp.s. c 50 s 609 (uncodified) is amended to read as follows:

FOR CENTRAL WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2012)	((\$22,492,000))
	<u>\$22,468,000</u>
General Fund—State Appropriation (FY 2013)	
	<u>\$22,525,000</u>
Education Legacy Trust Account—State Appropriation	
TOTAL APPROPRIATION	
	<u>\$64,069,000</u>

The appropriations in this section are subject to the following conditions and limitations: In implementing the appropriations in this section, the president and governing board shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

Sec. 606. 2011 1st sp.s. c 50 s 610 (uncodified) is amended to read as follows:

FOR THE EVERGREEN STATE COLLEGE

General Fund—State Appropriation (FY 2012)	((\$15,698,000))
	<u>\$15,595,000</u>
General Fund—State Appropriation (FY 2013)	((\$15,366,000))
	\$15,339,000
Education Legacy Trust Account—State Appropriation	\$5,450,000
TOTAL APPROPRIATION	((\$36,514,000))
	\$36,384,000

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

(1) In implementing the appropriations in this section, the president and governing board shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) \$50,000 of the general fund—state appropriation for fiscal year 2012 and \$25,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the Washington state institute for public policy to conduct a detailed study of the commitment of sexually violent predators to the special commitment center pursuant to chapter 71.09 RCW and the subsequent release of those persons to less-restrictive alternatives.

(a) Specifically, the institute's study shall examine:

(i) The projected future demand for the special commitment center, including profiles and characteristics of persons referred and committed to the special commitment center since its inception, whether the profiles of those persons have changed over time, and, given current trends, the likelihood of the continuing rate of referral;

(ii) Residents' participation in treatment over time and the impact of treatment on eventual release to a less-restrictive alternative;

(iii) The annual review process and the process for a committed person to petition for conditional or unconditional release, specifically:

(A) The time frames for conducting mandatory reviews;

(B) The role of the special commitment center clinical team;

(C) Options and standards utilized by other jurisdictions or similar processes to conduct periodic reviews, including specialized courts, parole boards, independent review boards, and other commitment proceedings;

(iv) The capacity and future demand for appropriate less restrictive alternatives for moving residents out of the special commitment center, including:

(A) The capacity and demand for secure community transition facilities;

(B) Options for specialized populations such as the elderly or those with developmental disabilities and whether more cost-efficient options might be used to house those populations while keeping the public safe;

(C) Prospects for moving residents to noninstitutionalized settings beyond a secure community transition facility.

(b) The department of social and health services shall cooperate with the institute in conducting its examination and must provide the institute with requested data and records in a timely manner.

(c) The institute shall provide a status report to the governor and the legislature no later than November 1, 2011, with a final report due no later than November 1, 2012.

(((4))) (3) \$50,000 of the general fund—state appropriation for fiscal year 2012 and \$50,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for the institute for public policy to provide research support to the council on quality education.

(((5))) (4) To the extent federal or private funding is available for this purpose, the Washington state institute for public policy and the center for reinventing public education at the University of Washington shall examine the relationship between participation in pension systems and teacher quality and mobility patterns in the state. The department of retirement systems shall facilitate researchers' access to necessary individual-level data necessary to effectively conduct the study. The researchers shall ensure that no individually identifiable information will be disclosed at any time. An interim report on project findings shall be completed by November 15, 2010, and a final report shall be submitted to the governor and to the relevant committees of the legislature by October 15, 2011.

(((6))) (5) 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.

(((7))) (6) If, and to the extent that private funding is available for this purpose, the Washington state institute for public policy shall study and report on the child welfare and educational characteristics and outcomes for foster youth who are served by educational advocates. The department of social and health services and the office of the superintendent of public instruction shall facilitate researchers' access to data necessary to effectively complete the study. The institute shall submit an interim report with baseline characteristics of youth served by educational advocates by December 2011 and a final report by October 31, 2012, to the governor and to the appropriate committees of the legislature.

(((3))) (7) \$75,000 of the general fund—state appropriation for fiscal year 2012 is provided to the Washington state institute for public policy (WSIPP) to conduct a review of state investments in the family caregiver and support

program. Funding for this program is provided by assumed savings from diverting seniors from entering into long-term care medicaid placements by supporting informal caregivers. WSIPP shall work with the department of social and health services to establish and review outcome data for this investment. A preliminary report on the outcomes of the investment into this program is due to the appropriate legislative committees by December 15, 2011, and a final report is due to the appropriate legislative committees by August 30, 2012.

Sec. 607. 2011 1st sp.s. c 50 s 611 (uncodified) is amended to read as follows:

FOR WESTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2012)	((\$33,709,000))
	\$33,754,000
General Fund—State Appropriation (FY 2013)	((\$33,654,000))
	\$33,743,000
Education Legacy Trust Account—State Appropriation	\$13,266,000
TOTAL APPROPRIATION	((\$80,629,000))
	\$80,763,000

The appropriations in this section are subject to the following conditions and limitations: In implementing the appropriations in this section, the president and governing board shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

Sec. 608. 2011 1st sp.s. c 50 s 612 (uncodified) is amended to read as follows:

FOR THE HIGHER EDUCATION COORDINATING BOARD—POLICY COORDINATION AND ADMINISTRATION

General Fund—State Appropriation (FY 2012)	((\$1,041,000))
	<u>\$1,036,000</u>
General Fund—Federal Appropriation	\$1,976,000
TOTAL APPROPRIATION	((\$3,017,000))
	\$3.012.000

The appropriations in this section are subject to the following conditions and limitations: The higher education coordinating board is authorized to increase or establish fees for initial degree authorization, degree authorization renewal, degree authorization reapplication, new program applications, and new site applications pursuant to RCW 28B.85.060.

Sec. 609. 2011 1st sp.s. c 50 s 613 (uncodified) is amended to read as follows:

FOR THE HIGHER EDUCATION COORDINATING BOARD-
FINANCIAL AID AND GRANT PROGRAMS
General Fund—State Appropriation (FY 2012) \$217,939,000
General Fund—Federal Appropriation((\$6,570,000))
\$5,829,000
Opportunity Pathways Account—State Appropriation \$73,500,000
TOTAL APPROPRIATION
<u>\$297,268,000</u>

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

(1) $((\frac{196,214,000}))$ $(\frac{200,413,000}{200,413,000})$ of the general fund—state appropriation for fiscal year 2012((,)) and (373,500,000) of the opportunity pathways account—state appropriation((, and $(\frac{3740,000}{740,000}))$ of the general fund—federal appropriation)) are provided solely for student financial aid payments under the state need grant and the state work study program including up to a four percent administrative allowance for the state work study program.

(2)(((a))) Within the funds appropriated in this section, eligibility for the state need grant shall include 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. The higher education coordinating board shall report to the legislature by December 1, 2013, regarding the number of students enrolled in three to five credit-bearing guarter credits, or the equivalent semester credits, and their academic progress including degree completion. Awards for all students shall be adjusted by the estimated amount by which Pell grant increases exceed projected increases in the noninstructional costs of attendance. 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.

(3) For fiscal year 2012, the board shall defer loan or conditional scholarship repayments to the future teachers conditional scholarship and loan repayment program for up to one year for each participant if the participant has shown evidence of efforts to find a teaching job but has been unable to secure a teaching job per the requirements of the program.

(((5))) (4) \$500,000 of the general fund—state appropriation for fiscal year 2012 is provided solely for the leadership 1000 program.

(((6))) (5) \$2,436,000 of the general fund—state appropriation for fiscal year 2012 is provided solely for the passport to college program. The maximum scholarship award shall be \$5,000. The board 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 year 2012.

(((7))) (6) \$250,000 of the general fund—state appropriation for fiscal year 2012 is provided solely for implementation of the aerospace training scholarship and student loan program as specified in Engrossed Substitute House Bill No. 1846 (aerospace student loans). If this bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

Sec. 610. 2011 1st sp.s. c 50 s 614 (uncodified) is amended to read as follows:

FOR THE COUNCIL FOR HIGHER EDUCATION

 The appropriations in this section are subject to the following conditions and limitations: The council for higher education is authorized to increase or establish fees for initial degree authorization, degree authorization renewal, degree authorization reapplication, new program applications, and new site applications pursuant to RCW 28B.85.060.

Sec. 611. 2011 1st sp.s. c 50 s 615 (uncodified) is amended to read as follows:

FOR THE OFFICE OF STUDENT FINANCIAL ASSISTANCE		
General Fund—State Appropriation (FY 2013)		
<u>\$248,927,000</u>		
General Fund—Federal Appropriation		
<u>\$5,816,000</u>		
Washington Opportunity Pathways Account—State		
Appropriation		
TOTAL APPROPRIATION		
\$328,243,000		
Washington Opportunity Pathways Account—State Appropriation		

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

(1) $((\frac{230,889,000}))$ $\frac{237,018,000}{237,018,000}$ of the general fund—state appropriation for fiscal year 2013((,)) and $\frac{573,500,000}{7}$ of the opportunity pathways account—state appropriation((, and $\frac{5740,000}{7}$ of the general fund—federal appropriation)) are provided solely for student financial aid payments under the state need grant and the state work study program including up to a four percent administrative allowance for the state work study program.

(2) Within the funds appropriated in this section, eligibility for the state need grant shall include 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. The office of student financial assistance shall report to the legislature by December 1, 2013, regarding the number of students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits, and their academic progress including degree completion. Awards for all students shall be adjusted by the estimated amount by which Pell grant increases exceed projected increases in the noninstructional costs of attendance. 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.

(3) \$250,000 of the general fund—state appropriation for fiscal year 2013 is provided solely for implementation of the aerospace training scholarship and student loan program as specified in Engrossed Substitute House Bill No. 1846

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(aerospace student loans). If this bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(4) For fiscal year 2013, the board shall defer loan or conditional scholarship repayments to the future teachers conditional scholarship and loan repayment program for up to one year for each participant if the participant has shown evidence of efforts to find a teaching job but has been unable to secure a teaching job per the requirements of the program.

(5) \$1,000,000 of the education legacy trust account—state appropriation is provided solely for the gaining early awareness and readiness for undergraduate programs project.

(6) \$500,000 of the general fund—state appropriation for fiscal year 2013 is provided solely for the leadership 1000 program.

(7) \$2,436,000 of the general fund—state appropriation for fiscal year 2013 is provided solely for the passport to college program. The maximum scholarship award shall be \$5,000. The board 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 year 2013 for this purpose.

(8) In addition to the entities listed in RCW 28B.122.010, the aerospace student loan program may provide loans to students attending an aerospace training program at Renton technical college.

Sec. 612. 2011 1st sp.s. c 50 s 617 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF EARLY LEARNING

General Fund—State Appropriation (FY 2012)	.((\$27,570,000))
	<u>\$27,571,000</u>
General Fund—State Appropriation (FY 2013)	.((\$27,557,000))
	\$27,558,000
General Fund—Federal Appropriation	((\$253,530,000))
	\$261,753,000
Opportunity Pathways Account—State Appropriation	\$80,000,000
TOTAL APPROPRIATION	((\$388,657,000))
	<u>\$396,882,000</u>

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

(1) \$16,028,000 of the general fund—state appropriation for fiscal year 2012, \$16,028,000 of the general fund—state appropriation of fiscal year 2013, \$80,000,000 of the opportunity pathways account appropriation, and \$2,256,000 of the general fund—federal appropriation are provided solely for the early childhood education assistance program services. Of these amounts, \$10,284,000 is a portion of the biennial amount of state maintenance of effort dollars required to receive federal child care and development fund grant dollars.

(2) In accordance to RCW 43.215.255(2) and 43.135.055, the department is authorized to increase child care center and child care family home licensure fees in fiscal years 2012 and 2013 for costs to the department for the licensure activity, including costs of necessary inspection. These increases are necessary to support expenditures authorized in this section.

(3) \$638,000 of the general fund—state appropriation for fiscal year 2012 and \$638,000 of the general fund—state appropriation for fiscal year 2013 are provided solely for child care resource and referral network services.

(4) \$200,000 of the general fund—state appropriation for fiscal year 2012 and \$200,000 of the general fund—state appropriation for fiscal year 2013 are provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers.

(5) 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 of early learning.

(6) The appropriations in this section reflect reductions in the appropriations for the department's administrative expenses. It is the intent of the legislature that these reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or program.

(((8))) (7) \$934,000 of the general fund—state appropriation for fiscal year 2012, \$934,000 of the general fund—state appropriation for fiscal year 2013, and \$2,400,000 of the general fund—federal appropriation are provided solely for expenditure into the home visiting services account. This funding is intended to meet federal maintenance of effort requirements and to secure private matching funds.

 $((\frac{(9)}{)})$ (8) In addition to groups that were given prioritized access to the working connections child care program effective March 1, 2011, the department shall also give prioritized access into the program to 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.

(((10))) (9) Within available amounts, the department in consultation with the office of financial management and the department of social and health services shall report quarterly enrollments and active caseload for the working connections child care program to the legislative fiscal committees. The report shall also identify the number of cases participating in both temporary assistance for needy families and working connections child care.

(((12))) (10) \$2,522,000 of the general fund—state appropriation for fiscal year 2012, \$2,522,000 of the general fund—state appropriation for fiscal year 2013, and \$4,304,000 of the general fund—federal appropriation are provided solely for the medicaid treatment child care (MTCC) program. The department shall contract for MTCC services to provide therapeutic child care and other specialized treatment services to abused, neglected, at-risk, and/or drug-affected children. Priority for services shall be given to children referred from the department of social and health services children's administration. In addition to referrals made by children's administration, the department shall authorize services for children referred to the MTCC program, as long as the children meet the eligibility requirements as outlined in the Washington state plan for the MTCC program. Of the amounts appropriated in this subsection, \$60,000 per

fiscal year may be used by the department for administering the MTCC program, if needed.

Sec. 613. 2011 1st sp.s. c 50 s 618 (uncodified) is amended to read as follows:

FOR THE STATE SCHOOL FOR THE BLIND	
General Fund—State Appropriation (FY 2012)	((\$5,780,000))
	\$5,782,000
General Fund—State Appropriation (FY 2013)	((\$5,746,000))
	<u>\$5,749,000</u>
General Fund—Private/Local Appropriation	\$1,961,000
TOTAL APPROPRIATION	((\$13,487,000))
	<u>\$13,492,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$271,000 of the general fund—private/local appropriation is provided solely for the school for the blind to offer short course programs, allowing students the opportunity to leave their home schools for short periods and receive intensive training. The school for the blind shall provide this service to the extent that it is funded by contracts with school districts and educational services districts.

Sec. 614. 2011 1st sp.s. c 50 s 619 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS

Sec. 615. 2011 1st sp.s. c 50 s 620 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE ARTS COMMISSION

FOR THE WASHINGTON STATE ARTS COMMISSION
General Fund—Federal Appropriation
<u>\$2,065,000</u>
General Fund—Private/Local Appropriation \$1,056,000
Washington State Heritage Center Account—State
Appropriation \$2,213,000
TOTAL APPROPRIATION
<u>\$5,334,000</u>

Sec. 616. 2011 1st sp.s. c 50 s 621 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Washington State Heritage Center Account—State

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Sec. 617. 2011 1st sp.s. c 50 s 622 (uncodified) is amended to read as follows:

FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

Washington State Heritage Center Account—State

PART VII SPECIAL APPROPRIATIONS

Sec. 701. 2011 1st sp.s. c 50 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 2012)((\$924,047,000))
<u>\$919,198,000</u>
General Fund—State Appropriation (FY 2013)((\$981,486,000))
<u>\$967,749,000</u>
State Building Construction Account—State
Appropriation
\$3,866,000
Columbia River Basin Water Supply Development
Account—State Appropriation
<u>\$121,000</u>
Hood Canal Aquatic Rehabilitation Bond Account—State
Appropriation
\$4,000
State Taxable Building Construction Account—State
Appropriation
\$90,000
Gardner-Evans Higher Education Construction
Account—State Appropriation
\$13,000
Debt-Limit Reimbursable Bond Retire Account—State
Appropriation
TOTAL APPROPRIATION
\$1,893,341,000
<u>\$1,695,541,000</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. The entire general fund—state appropriation for fiscal year 2012 shall be expended into the debt-limit general fund bond retirement account by June 30, 2012.

Sec. 702. 2011 1st sp.s. c 50 s 703 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER

CHARGES:	FOR	GENERAL	OBLIGATION	DEBT	ТО	BE
REIMBURSEI) AS PRF	SCRIBED BY	STATUTE			
General Fund-	State App	ropriation (FY	2012)	\$	27,516	5,000
General Fund-	State App	propriation (FY	2013)	\$	30,758	3,000
Nondebt-Limit I	Reimbursa	able Bond Retir	rement			
Account-S	State App	opriation		((\$14(),417,()))
				<u>\$1</u>	40,128	<u>8,000</u>
TOTAI	_ APPRO	PRIATION		((\$19	8,691,()))
				\$1	98.402	2.000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for expenditure into the nondebt-limit general fund bond retirement account. The entire general fund state appropriation for fiscal year 2012 shall be expended into the nondebt-limit general fund bond retirement account by June 30, 2012.

Sec. 703. 2011 1st sp.s. c 50 s 704 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES
General Fund—State Appropriation (FY 2012) \$1,357,000
General Fund—State Appropriation (FY 2013) \$1,357,000
State Building Construction Account—State
Appropriation
\$356,000
Columbia River Basin Water Supply Development
Account—State Appropriation $\dots \dots \dots$
<u>\$21,000</u>
Hood Canal Aquatic Rehabilitation Bond Account—State
Appropriation\$1,000
State Taxable Building Construction Account—State
Appropriation
<u>\$25,000</u>
Gardner-Evans Higher Education Construction
Account—State Appropriation
<u>\$2,000</u>
TOTAL APPROPRIATION
<u>\$3,119,000</u>

Sec. 704. 2011 1st sp.s. c 50 s 713 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF RETIREMENT SYSTEMS— CONTRIBUTIONS TO RETIREMENT SYSTEMS

The appropriations in this section are subject to the following conditions and limitations: The appropriations for the law enforcement officers' and firefighters' retirement system shall be made on a monthly basis beginning July 1, 2011, 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.

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(1) There is appropriated for state contributions to the law enforcement officers' and firefighters' retirement system:

General Fund—State Appropriation (FY 2012)	\$54,547,000
General Fund—State Appropriation (FY 2013)	\$56,729,000
TOTAL APPROPRIATION	\$111,276,000

<u>NEW SECTION.</u> Sec. 705. A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—CENTRAL SERVICES EFFICIENCIES

From appropriations to state agencies for the 2011-2013 fiscal biennium, the office of financial management shall reduce general fund—state allotments by \$1,850,000 for fiscal year 2012 and \$3,792,000 for fiscal year 2013 to reflect reduced central service billings and related charges to client agencies for legal services, audits, and records management, pursuant to allotment schedules prepared by the office of financial management. The allotment reductions under this section shall be placed in unallotted status and remain unexpended.

<u>NEW SECTION.</u> Sec. 706. A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—AGENCY SELF-INSURANCE LIABILITY PREMIUMS

From appropriations to state agencies for the 2011-2013 fiscal biennium, the office of financial management shall reduce general fund—state allotments by \$1,664,000 for fiscal year 2012 and \$9,284,000 for fiscal year 2013 to reflect reduced billings and related charges to client agencies for self-insurance premiums for liability coverage under RCW 4.92.130, pursuant to allotment schedules prepared by the office of financial management. The allotment reductions under this section shall be placed in unallotted status and remain unexpended.

<u>NEW SECTION.</u> Sec. 707. A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—PERSONNEL SERVICES

From appropriations to state agencies for the 2011-2013 fiscal biennium, the office of financial management shall reduce general fund—state allotments by \$9,537,000 for fiscal year 2013 to reflect reduced billings and related charges to client agencies for central personnel services, pursuant to allotment schedules prepared by the office of financial management. The allotment reductions under this section shall be placed in unallotted status and remain unexpended.

<u>NEW SECTION.</u> Sec. 708. A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT— PROCUREMENT SERVICES

From appropriations to state agencies for the 2011-2013 fiscal biennium, the office of financial management shall reduce general fund—state allotments by \$394,000 for fiscal year 2012 and \$792,000 for fiscal year 2013 to reflect reduced billings and related charges to client agencies for central procurement of goods and services, pursuant to allotment schedules prepared by the office of financial management. The allotment reductions under this section shall be placed in unallotted status and remain unexpended.

<u>NEW SECTION.</u> Sec. 709. 2011 1st sp.s. c 50 s 722 (uncodified) is repealed.

<u>NEW SECTION.</u> Sec. 710. 2011 1st sp.s. c 50 s 725 (uncodified) is repealed.

PART VIII OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2011 1st sp.s. c 50 s 805 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—TRANSFERS

Data Processing Revolving Account: For transfer to the state general fund, \$5,960,000 for fiscal
year 2012
Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account
year 2013
and use tax account, \$24,846,000 for fiscal year 2012 and \$24,789,000 for fiscal year 2013 \$49,635,000 Public Works Assistance Account: For transfer to the
water pollution control revolving account, \$7,750,000 for fiscal year 2012 and \$7,750,000 for
fiscal year 2013 \$15,500,000 The Charitable, Educational, Penal, and Reformatory Institutions Account: For transfer to the state
general fund, \$4,500,000 for fiscal year 2012 and \$4,500,000 for fiscal year 2013 \$9,000,000
Thurston County Capital Facilities Account: For transfer to the state general fund, \$4,000,000 for fiscal year 2012 and \$4,000,000 for fiscal
year 2013
fiscal year 2012 and \$5,000,000 for fiscal year 2013 \$15,000,000
Liquor Control Board Construction and Maintenance Account: For transfer to the state general fund, \$500,000 for fiscal year 2012 and \$500,000 for
fiscal year 2013 \$1,000,000 Education Savings Account: For transfer to the state general fund, ((\$22,500,000)) <u>\$54,431,000</u> for fiscal
year 2012 and \$22,500,000 for fiscal year 2013
Department of Retirement Systems Expense Account: For transfer to the state general fund, \$250,000 for fiscal year 2012 and \$250,000 for fiscal year
2013\$500,000 Education Construction Account: For transfer to the state general fund, \$102,000,000 for fiscal year
2012 and \$102,000,000 for fiscal year 2013 \$204,000,000 Public Works Assistance Account: For transfer to the state general fund, \$25,000,000 for fiscal year 2012
and \$25,000,000 for fiscal year 2013 \$50,000,000 Foster Care Endowed Scholarship Trust Fund: For transfer to the state general fund, \$200,000 for fiscal year
2012 and \$200,000 for fiscal year 2013

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Affordable Housing For All Account: For transfer to the home security fund, \$1,000,000 for fiscal year 2012 and \$1,000,000 for fiscal year 2013 \$2,000,000
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
Tobacco Settlement Account: For transfer to the basic
health plan stabilization account from the amounts
deposited in the account that are attributable to the
annual strategic contribution payment received in
fiscal year 2012 \$22,000,000
Tobacco Settlement Account: For transfer to the basic
health plan stabilization account from the amounts
deposited in the account that are attributable to the
annual strategic contribution payment received in
fiscal year 2013
Tobacco Settlement Account: For transfer to the life
sciences discovery fund, in an amount not to exceed
the actual remaining amount of the annual strategic
contribution payment to the tobacco settlement account
for fiscal year 2012 \$6,000,000
Tobacco Settlement Account: For transfer to the life
sciences discovery fund, in an amount not to exceed
the actual remaining amount of the annual strategic
contribution payment to the tobacco settlement account
for fiscal year 2013 \$6,000,000

The transfer to the life sciences discovery fund is subject to the following conditions: (((+))) All new grants awarded during the 2011-2013 fiscal biennium shall support and accelerate the commercialization of an identifiable product((+)).

PART IX MISCELLANEOUS

Sec. 901. RCW 28B.50.837 and 2010 1st sp.s. c 37 s 914 are each amended to read as follows:

(1) The Washington community and technical college exceptional faculty awards program is established. The program shall be administered by the college board. The college faculty awards trust fund hereby created shall be administered by the state treasurer.

(2) Funds appropriated by the legislature for the community and technical college exceptional faculty awards program shall be deposited in the college faculty awards trust fund. At the request of the college board, the treasurer shall release the state matching funds to the local endowment fund of the college or its foundation. No appropriation is necessary for the expenditure of moneys from the fund. Expenditures from the fund may be used solely for the exceptional faculty awards program. During the ((2009-2011)) 2011-2013 fiscal biennium, the legislature may transfer from the college faculty awards trust fund to the

state general fund such amounts as reflect the excess fund balance in the account.

Sec. 902. RCW 28B.76.565 and 2010 1st sp.s. c 37 s 915 are each amended to read as follows:

Funds appropriated by the legislature for the distinguished professorship program shall be deposited in the distinguished professorship trust fund. At the request of the higher education coordinating board under RCW 28B.76.575, the treasurer shall release the state matching funds to the designated institution's local endowment fund. No appropriation is required for expenditures from the fund. During the ((2009 - 2011)) 2011 - 2013 fiscal biennium, the legislature may transfer from the distinguished professorship trust fund to the state general fund such amounts as reflect the excess fund balance in the account.

Sec. 903. RCW 28B.76.565 and 2011 1st sp.s. c 11 s 113 are each amended to read as follows:

Funds appropriated by the legislature for the distinguished professorship program shall be deposited in the distinguished professorship trust fund. At the request of the office under RCW 28B.76.575, the treasurer shall release the state matching funds to the designated institution's local endowment fund. No appropriation is required for expenditures from the fund. During the ((2009-2011)) 2011-2013 fiscal biennium, the legislature may transfer from the distinguished professorship trust fund to the state general fund such amounts as reflect the excess fund balance in the account.

Sec. 904. RCW 28B.76.605 and 1987 c 147 s 2 are each amended to read as follows:

The Washington graduate fellowship trust fund program is established. The program shall be administered by the higher education coordinating board. The trust fund shall be administered by the state treasurer. <u>During the 2011-2013</u> fiscal biennium, the legislature may transfer from the Washington graduate fellowship trust fund to the state general fund such amounts as reflect the excess fund balance in the account.

Sec. 905. RCW 28B.76.605 and 2011 1st sp.s. c 11 s 116 are each amended to read as follows:

The Washington graduate fellowship trust fund program is established. The program shall be administered by the office. The trust fund shall be administered by the state treasurer. During the 2011-2013 fiscal biennium, the legislature may transfer from the Washington graduate fellowship trust fund to the state general fund such amounts as reflect the excess fund balance in the account.

Sec. 906. RCW 43.19.791 and 2011 1st sp.s. c 43 s 601 and 2011 c 5 s 912 are each reenacted and amended to read as follows:

There is created a revolving fund to be known as the data processing revolving fund in the custody of the state treasurer. The revolving fund shall be used for the acquisition of equipment, software, supplies, and services and the payment of salaries, wages, and other costs incidental to the acquisition, development, operation, and administration of information services, telecommunications, systems, software, supplies and equipment, including the payment of principal and interest on bonds issued for capital projects, by the department, Washington State University's computer services center, the

department of enterprise services' personnel information systems group and financial systems management group, and other users as determined by the office of financial management. The revolving fund is subject to the allotment procedure provided under chapter 43.88 RCW. The chief information officer or the chief information officer's designee, with the approval of the technology services board, is authorized to expend up to one million dollars per fiscal biennium for the technology services board to conduct independent technical and financial analysis of proposed information technology projects, and such an expenditure does not require an appropriation. Disbursements from the revolving fund for the services component of the department are not subject to appropriation. Disbursements for the strategic planning and policy component of the department are subject to appropriation. All disbursements from the fund are subject to the allotment procedures provided under chapter 43.88 RCW. The department shall establish and implement a billing structure to assure all agencies pay an equitable share of the costs.

During the ((2009-2011)) 2011-2013 fiscal biennium, the legislature may transfer from the data processing revolving account to the state general fund such amounts as reflect the excess fund balance.

As used in this section, the word "supplies" shall not be interpreted to delegate or abrogate the division of purchasing's responsibilities and authority to purchase supplies as described in RCW 43.19.190 and 43.19.200.

Sec. 907. RCW 43.21A.660 and 2011 c 5 s 907 are each amended to read as follows:

Funds in the freshwater aquatic weeds account may be appropriated to the department of ecology to develop a freshwater aquatic weeds management program. Funds shall be expended as follows:

(1) No less than two-thirds of the appropriated funds shall be issued as grants to (a) cities, counties, tribes, special purpose districts, and state agencies to prevent, remove, reduce, or manage excessive freshwater aquatic weeds; (b) fund demonstration or pilot projects consistent with the purposes of this section; and (c) fund hydrilla eradication activities in waters of the state. Except for hydrilla eradication activities, such grants shall only be issued for lakes, rivers, or streams with a public boat launching ramp or which are designated by the department of fish and wildlife for fly-fishing. The department shall give preference to projects having matching funds or in-kind services;

(2) No more than one-third of the appropriated funds shall be expended to:

(a) Develop public education programs relating to preventing the propagation and spread of freshwater aquatic weeds; and

(b) Provide technical assistance to local governments and citizen groups; and

(3) During the 2009-2011 fiscal biennium, the legislature may transfer from the freshwater aquatic weeds account to the state general fund such amounts as reflect the excess fund balance of the account.

(4) During the 2011-2013 fiscal biennium, excess funds in the freshwater aquatic weeds account may be appropriated to the department of agriculture to support the invasive knotweed program.

Sec. 908. RCW 43.79.460 and 2011 c 5 s 909 are each amended to read as follows:

(1) The savings incentive account is created in the custody of the state treasurer. The account shall consist of all moneys appropriated to the account by the legislature. The account is subject to the allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures from the account.

(2) Within the savings incentive account, the state treasurer may create subaccounts to be credited with incentive savings attributable to individual state agencies, as determined by the office of financial management in consultation with the legislative fiscal committees. Moneys deposited in the subaccounts may be expended only on the authorization of the agency's executive head or designee and only for the purpose of one-time expenditures to improve the quality, efficiency, and effectiveness of services to customers of the state, such as one-time expenditures for employee training, employee incentives, technology improvements, new work processes, or performance measurement. Funds may not be expended from the account to establish new programs or services, expand existing programs or services, or incur ongoing costs that would require future expenditures.

(3) For purposes of this section, "incentive savings" means state general fund appropriations that are unspent as of June 30th of a fiscal year, excluding any amounts included in across-the-board reductions under RCW 43.88.110 and excluding unspent appropriations for:

(a) Caseload and enrollment in entitlement programs, except to the extent that an agency has clearly demonstrated that efficiencies have been achieved in the administration of the entitlement program. "Entitlement program," as used in this section, includes programs for which specific sums of money are appropriated for pass-through to third parties or other entities;

(b) Enrollments in state institutions of higher education;

(c) Except for fiscal year 2011, a specific amount contained in a condition or limitation to an appropriation in the biennial appropriations act, if the agency did not achieve the specific purpose or objective of the condition or limitation;

(d) Debt service on state obligations; and

(e) State retirement system obligations.

(4) The office of financial management, after consulting with the legislative fiscal committees, shall report the amount of savings incentives achieved.

(5) For fiscal year 2010, the legislature may transfer from the savings incentive account to the state general fund such amounts as reflect the fund balance of the account attributable to unspent state general fund appropriations for fiscal year 2009. For fiscal year 2011, the legislature may transfer from the savings incentive account to the state general fund such amounts as reflect the fund balance of the account attributable to unspent state general fund appropriations for fiscal year 2010. For fiscal year 2011, the legislature may transfer from the savings incentive account to the state general fund appropriations for fiscal year 2010. For fiscal year 2011, the legislature may transfer from the savings incentive account to the state general fund eight million dollars or as much as reflects the fund balance of the account attributable to unspent agency credits prior to fiscal year 2009. Credits for legislative and judicial agencies are not included in this action, with the exception and upon consent of the supreme court, court of appeals, office of public defense, and office of civil legal aid.

(6) For fiscal years 2012 and 2013, the legislature may transfer from the savings incentive account to the state general fund such amounts as reflect the

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fund balance of the account attributable to unspent general fund appropriations for fiscal years 2011 and 2012.

Sec. 909. RCW 43.320.110 and 2010 1st sp.s. c 37 s 934 are each amended to read as follows:

There is created 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 for the division of securities which shall deposit thirteen percent of all moneys received, except as provided in RCW 43.320.115, 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. The state treasurer shall be the custodian of the fund. 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.

During the ((2009-2011)) <u>2011-2013</u> 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.

Sec. 910. RCW 70.96A.350 and 2011 1st sp.s. c 40 s 34 are each 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 abuse treatment and treatment support services for offenders with an addiction or a substance abuse problem that, if not treated, would result in addiction, against whom charges are filed by a prosecuting attorney in Washington state; (b) the provision of drug and alcohol treatment services and treatment support services for nonviolent offenders within a drug court program; (c) the administrative and overhead costs associated with the operation of a drug court; and (d) during the ((2007-2009 biennium, operation of the integrated crisis response and intensive ease management pilots contracted with the department of social and health services division of alcohol and substance abuse)) 2011-2013 biennium, the legislature may appropriate up to three million dollars from the account in order to offset reductions in the state general fund for treatment services provided by counties. This amount is not subject to the requirements of subsections (5) through (9) of this section. 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 abuse treatment program, but does not include the following services: Housing other than that provided as part of an inpatient substance abuse treatment program, vocational training, and mental health counseling; and

(b) "Treatment support" means 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 biennium beginning July 1, 2003, the state treasurer shall transfer eight million nine hundred fifty thousand dollars from the general fund into the criminal justice treatment account, divided into eight equal quarterly payments. 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 division of alcohol and substance abuse for the purposes of subsection (5) of this section.

(5) Moneys appropriated to the division of alcohol and substance abuse from the criminal justice treatment account shall be distributed as specified in this subsection. The department shall serve as the fiscal agent for purposes of distribution. Until July 1, 2004, the department may not use moneys appropriated from the criminal justice treatment account for administrative expenses and shall distribute all amounts appropriated under subsection (4)(b) of this section in accordance with this subsection. Beginning in July 1, 2004, the department 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 division from the account shall be distributed to counties pursuant to the distribution formula adopted under this section. The division of alcohol and substance abuse, 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 abuse treatment providers, and any other person deemed by the division 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 division from the account shall be distributed as grants for purposes of treating offenders against whom charges are filed by a county prosecuting attorney. The division 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 criminal defense lawyers, the department of corrections, the Washington state association of drug court professionals, substance abuse treatment providers, and the division. 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 70.96A.090, treatment support services, and for the administrative and overhead costs associated with the operation of a drug court.

(a) 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 on the administrative and overhead costs associated with the operation of a drug court.

(b) 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 2.28.170(3)(b).

(10) The authority under this section to use funds from the criminal justice treatment account for the administrative and overhead costs associated with the operation of a drug court expires June 30, 2013.

Sec. 911. RCW 79.105.150 and 2011 1st sp.s. c 50 s 967 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 2009-2011 and 2011-2013 fiscal biennia, the aquatic lands enhancement account may also be used for scientific research as part of the adaptive management process and for developing a planning report for McNeil Island. During the 2009-2011 and 2011-2013 fiscal biennia, the legislature may transfer from the aquatic lands enhancement account to the state general fund such amounts as reflect excess fund balance of the account. During the 2011-2013 fiscal biennium, the aquatic lands enhancement account may be used to support the shellfish program, the ballast water program, and the Puget Sound toxic sampling program at the department of fish and wildlife, and the knotweed program at the department of agriculture.

(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) After January 1, 2010, 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.

<u>NEW SECTION.</u> Sec. 912. Section 902 of this act expires July 1, 2012.

<u>NEW SECTION.</u> Sec. 913. Section 903 of this act takes effect July 1, 2012.

<u>NEW SECTION.</u> Sec. 914. Section 904 of this act expires July 1, 2012.

<u>NEW SECTION.</u> Sec. 915. Section 905 of this act takes effect July 1, 2012.

<u>NEW SECTION.</u> Sec. 916. 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.

<u>NEW SECTION.</u> Sec. 917. Except for sections 903 and 905 of this act which take effect July 1, 2012, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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Passed by the House December 13, 2011.

Passed by the Senate December 14, 2011.

Approved by the Governor December 20, 2011, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State December 21, 2011.

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

"I commend you and your Senate colleagues for your early action 2011 supplemental operating budget. I fully recognize the difficult decisions that had to be made in a short period of time.

As I sign this appropriations bill, there are many issues of critical importance to our state that must still be addressed. I commit to working with you to craft a swift and responsible supplemental budget early in the 2012 legislative session.

I am returning, without my approval as to Section 203(9), Substitute House Bill 2058 entitled:

"AN ACT Relating to fiscal matters."

Section 203(9), page 38, Department of Social and Health Services, Juvenile Rehabilitation Program, Maintaining Maple Lane School

This proviso directs the Department of Social and Health Services to maintain the physical plant and protect state assets at the closed Maple Lane School. No additional funds were provided to perform these tasks. For this reason, I have vetoed Section 203(9). However, since the future use of the facility will be significantly affected by ceasing all maintenance, utilities, and security activities, I am directing the agency to temporarily provide minimum operating systems and security so the Legislature has the opportunity to discuss future uses for the facility. The agency will cease all support of the facility no later than April 1, 2012, unless additional legislative appropriation and direction are given.

With the exception of Section 203(9), Substitute House Bill 2058 is approved."

WASHINGTON LAWS

2012 SESSION

CHAPTER 1

[Initiative 1163]

LONG-TERM CARE SERVICES—TRAINING—BACKGROUND CHECKS

AN ACT Relating to restoring long-term care services for eligible elderly and persons with disabilities; adding new sections to chapter 74.39A RCW; adding new sections to chapter 18.88B RCW; creating new sections; repealing RCW 18.88B.020, 18.88B.030, 18.88B.040, 74.39A.009, 74.39A.050, 74.39A.055, 74.39A.073, 74.39A.075, 74.39A.085, 74.39A.260, 74.39A.310, 74.39A.330, 74.39A.340, and 74.39A.350; providing an effective date; and providing contingent effective dates.

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

<u>NEW SECTION.</u> Sec. 1. It is the intent of the people through this initiative to protect vulnerable elderly and people with disabilities by reinstating the requirement that all long-term care workers obtain criminal background checks and adequate training. The people of the state of Washington find as follows:

(1) The state legislature proposes to eliminate the requirement that longterm care workers obtain criminal background checks and adequate training, which would jeopardize the safety and quality care of vulnerable elderly and persons with disabilities. Should the legislature take this action, this initiative will reinstate these critical protections for vulnerable elderly and persons with disabilities; and

(2) Taxpayers' investment will be protected by requiring regular program audits, including fraud investigations, and capping administrative expenses.

PART I

PROTECTING VULNERABLE ELDERLY AND PERSONS WITH DISABILITIES BY REINSTATING CRIMINAL BACKGROUND CHECK AND TRAINING REQUIREMENTS FOR LONG-TERM CARE WORKERS

<u>NEW SECTION.</u> Sec. 101. A new section is added to chapter 74.39A RCW to read as follows:

(1) All long-term care workers for the elderly or persons with disabilities hired after January 1, 2012, shall be screened through state and federal background checks in a uniform and timely manner to ensure that they do not have a criminal history that would disqualify them from working with vulnerable persons. These background checks shall include checking against the federal bureau of investigation fingerprint identification records system and against the national sex offenders registry or their successor programs. The department shall require these long-term care workers to submit fingerprints for the purpose of investigating conviction records through both the Washington state patrol and the federal bureau of investigation.

(2) To allow the department of health to satisfy its certification responsibilities under chapter 18.88B RCW, the department shall share state and federal background check results with the department of health. Neither department may share the federal background check results with any other state agency or person.

(3) The department shall not pass on the cost of these criminal background checks to the workers or their employers.

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(4) The department shall adopt rules to implement the provisions of this section by August 1, 2010.

<u>NEW SECTION.</u> Sec. 102. A new section is added to chapter 74.39A RCW to read as follows:

The department must perform criminal background checks for individual providers and prospective individual providers and ensure that the authority has ready access to any long-term care abuse and neglect registry used by the department. Individual providers who are hired after January 1, 2012, are subject to background checks under RCW 74.39A.055.

<u>NEW SECTION.</u> Sec. 103. A new section is added to chapter 18.88B RCW to read as follows:

(1) Effective January 1, 2011, except as provided in RCW 18.88B.040, the department of health shall require that any person hired as a long-term care worker for the elderly or persons with disabilities must be certified as a home care aide within one hundred fifty days from the date of being hired.

(2) Except as provided in RCW 18.88B.040, certification as a home care aide requires both completion of seventy-five hours of training and successful completion of a certification examination pursuant to RCW 74.39A.073 and 18.88B.030.

(3) No person may practice or, by use of any title or description, represent himself or herself as a certified home care aide without being certified pursuant to this chapter.

(4) The department of health shall adopt rules by August 1, 2010, to implement this section.

<u>NEW SECTION.</u> Sec. 104. A new section is added to chapter 18.88B RCW to read as follows:

(1) Effective January 1, 2011, except as provided in RCW 18.88B.040, the department of health shall require that all long-term care workers successfully complete a certification examination. Any long-term care worker failing to make the required grade for the examination will not be certified as a home care aide.

(2) The department of health, in consultation with consumer and worker representatives, shall develop a home care aide certification examination to evaluate whether an applicant possesses the skills and knowledge necessary to practice competently. Unless excluded by RCW 18.88B.040 (1) and (2), only those who have completed the training requirements in RCW 74.39A.073 shall be eligible to sit for this examination.

(3) The examination shall include both a skills demonstration and a written or oral knowledge test. The examination papers, all grading of the papers, and records related to the grading of skills demonstration shall be preserved for a period of not less than one year. The department of health shall establish rules governing the number of times and under what circumstances individuals who have failed the examination may sit for the examination, including whether any intermediate remedial steps should be required.

(4) All examinations shall be conducted by fair and wholly impartial methods. The certification examination shall be administered and evaluated by the department of health or by a contractor to the department of health that is

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neither an employer of long-term care workers or private contractors providing training services under this chapter.

(5) The department of health has the authority to:

(a) Establish forms, procedures, and examinations necessary to certify home care aides pursuant to this chapter;

(b) Hire clerical, administrative, and investigative staff as needed to implement this section;

(c) Issue certification as a home care aide to any applicant who has successfully completed the home care aide examination;

(d) Maintain the official record of all applicants and persons with certificates;

(e) Exercise disciplinary authority as authorized in chapter 18.130 RCW; and

(f) Deny certification to applicants who do not meet training, competency examination, and conduct requirements for certification.

(6) The department of health shall adopt rules by August 1, 2010, that establish the procedures, including criteria for reviewing an applicant's state and federal background checks, and examinations necessary to carry this section into effect.

<u>NEW SECTION.</u> Sec. 105. A new section is added to chapter 18.88B RCW to read as follows:

The following long-term care workers are not required to become a certified home care aide pursuant to this chapter.

(1) Registered nurses, licensed practical nurses, certified nursing assistants or persons who are in an approved training program for certified nursing assistants under chapter 18.88A RCW, medicare-certified home health aides, or other persons who hold a similar health credential, as determined by the secretary of health, or persons with special education training and an endorsement granted by the superintendent of public instruction, as described in RCW 28A.300.010, if the secretary of health determines that the circumstances do not require certification. Individuals exempted by this subsection may obtain certification as a home care aide from the department of health without fulfilling the training requirements in RCW 74.39A.073 but must successfully complete a certification examination pursuant to RCW 18.88B.030.

(2) A person already employed as a long-term care worker prior to January 1, 2011, who completes all of his or her training requirements in effect as of the date he or she was hired, is not required to obtain certification. Individuals exempted by this subsection may obtain certification as a home care aide from the department of health without fulfilling the training requirements in RCW 74.39A.073 but must successfully complete a certification examination pursuant to RCW 18.88B.030.

(3) All long-term care workers employed by supported living providers are not required to obtain certification under this chapter.

(4) An individual provider caring only for his or her biological, step, or adoptive child or parent is not required to obtain certification under this chapter.

(5) Prior to June 30, 2014, a person hired as an individual provider who provides twenty hours or less of care for one person in any calendar month is not required to obtain certification under this chapter.

(6) A long-term care worker exempted by this section from the training requirements contained in RCW 74.39A.073 may not be prohibited from enrolling in training pursuant to that section.

(7) The department of health shall adopt rules by August 1, 2010, to implement this section.

<u>NEW SECTION.</u> Sec. 106. A new section is added to chapter 74.39A RCW to read as follows:

The department's system of quality improvement for long-term care services shall use the following principles, consistent with applicable federal laws and regulations:

(1) The system shall be client-centered and promote privacy, independence, dignity, choice, and a home or home-like environment for consumers consistent with chapter 392, Laws of 1997.

(2) The goal of the system is continuous quality improvement with the focus on consumer satisfaction and outcomes for consumers. This includes that when conducting licensing or contract inspections, the department shall interview an appropriate percentage of residents, family members, resident case managers, and advocates in addition to interviewing providers and staff.

(3) Providers should be supported in their efforts to improve quality and address identified problems initially through training, consultation, technical assistance, and case management.

(4) The emphasis should be on problem prevention both in monitoring and in screening potential providers of service.

(5) Monitoring should be outcome based and responsive to consumer complaints and based on a clear set of health, quality of care, and safety standards that are easily understandable and have been made available to providers, residents, and other interested parties.

(6) Prompt and specific enforcement remedies shall also be implemented without delay, pursuant to RCW 74.39A.080, RCW 70.128.160, chapter 18.51 RCW, or chapter 74.42 RCW, for providers found to have delivered care or failed to deliver care resulting in problems that are serious, recurring, or uncorrected, or that create a hazard that is causing or likely to cause death or serious harm to one or more residents. These enforcement remedies may also include, when appropriate, reasonable conditions on a contract or license. In the selection of remedies, the safety, health, and well-being of residents shall be of paramount importance.

(7) All long-term care workers shall be screened through background checks in a uniform and timely manner to ensure that they do not have a criminal history that would disqualify them from working with vulnerable persons. Long-term care workers who are hired after January 1, 2012, are subject to background checks under RCW 74.39A.055. This information will be shared with the department of health in accordance with RCW 74.39A.055 to advance the purposes of chapter 2, Laws of 2009.

(8) No provider, or its staff, or long-term care worker, or prospective provider or long-term care worker, with a stipulated finding of fact, conclusion of law, an agreed order, or finding of fact, conclusion of law, or final order issued by a disciplining authority, a court of law, or entered into a state registry finding him or her guilty of abuse, neglect, exploitation, or abandonment of a minor or a

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vulnerable adult as defined in chapter 74.34 RCW shall be employed in the care of and have unsupervised access to vulnerable adults.

(9) The department shall establish, by rule, a state registry which contains identifying information about long-term care workers identified under this chapter who have substantiated findings of abuse, neglect, financial exploitation, or abandonment of a vulnerable adult as defined in RCW 74.34.020. The rule must include disclosure, disposition of findings, notification, findings of fact, appeal rights, and fair hearing requirements. The department shall disclose, upon request, substantiated findings of abuse, neglect, financial exploitation, or abandonment to any person so requesting this information. This information will also be shared with the department of health to advance the purposes of chapter 2, Laws of 2009.

(10) Until December 31, 2010, individual providers and home care agency providers must satisfactorily complete department-approved orientation, basic training, and continuing education within the time period specified by the department in rule. The department shall adopt rules by March 1, 2002, for the implementation of this section. The department shall deny payment to an individual provider or a home care provider who does not complete the training requirements within the time limit specified by the department by rule.

(11) Until December 31, 2010, in an effort to improve access to training and education and reduce costs, especially for rural communities, the coordinated system of long-term care training and education must include the use of innovative types of learning strategies such as internet resources, videotapes, and distance learning using satellite technology coordinated through community colleges or other entities, as defined by the department.

(12) The department shall create an approval system by March 1, 2002, for those seeking to conduct department-approved training.

(13) The department shall establish, by rule, background checks and other quality assurance requirements for long-term care workers who provide in-home services funded by medicaid personal care as described in RCW 74.09.520, community options program entry system waiver services as described in RCW 74.39A.030, or chore services as described in RCW 74.39A.110 that are equivalent to requirements for individual providers. Long-term care workers who are hired after January 1, 2012, are subject to background checks under RCW 74.39A.055.

(14) Under existing funds the department shall establish internally a quality improvement standards committee to monitor the development of standards and to suggest modifications.

(15) Within existing funds, the department shall design, develop, and implement a long-term care training program that is flexible, relevant, and qualifies towards the requirements for a nursing assistant certificate as established under chapter 18.88A RCW. This subsection does not require completion of the nursing assistant certificate training program by providers or their staff. The long-term care teaching curriculum must consist of a fundamental module, or modules, and a range of other available relevant training modules that provide the caregiver with appropriate options that assist in meeting the resident's care needs. Some of the training modules may include, but are not limited to, specific training on the special care needs of persons with developmental disabilities, dementia, mental illness, and the care needs of the

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elderly. No less than one training module must be dedicated to workplace violence prevention. The nursing care quality assurance commission shall work together with the department to develop the curriculum modules. The nursing care quality assurance commission shall direct the nursing assistant training programs to accept some or all of the skills and competencies from the curriculum modules towards meeting the requirements for a nursing assistant certificate as defined in chapter 18.88A RCW. A process may be developed to test persons completing modules from a caregiver's class to verify that they have the transferable skills and competencies for entry into a nursing assistant training program. The department may review whether facilities can develop their own related long-term care training programs. The department may develop a review process for determining what previous experience and training may be used to waive some or all of the mandatory training. The department of social and health services and the nursing care quality assurance commission shall work together to develop an implementation plan by December 12, 1998.

<u>NEW SECTION.</u> Sec. 107. A new section is added to chapter 74.39A RCW to read as follows:

(1) Effective January 1, 2011, except as provided in RCW 18.88B.040, all persons employed as long-term care workers for the elderly or persons with disabilities must meet the minimum training requirements in this section within one hundred twenty calendar days of employment.

(2) All persons employed as long-term care workers must obtain seventy-five hours of entry-level training approved by the department. A longterm care worker must accomplish five of these seventy-five hours before becoming eligible to provide care.

(3) Training required by subsection (4)(c) of this section will be applied towards training required under RCW 18.20.270 or 70.128.230 as well as any statutory or regulatory training requirements for long-term care workers employed by supportive living providers.

(4) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The seventy-five hours of entry-level training required shall be as follows:

(a) Before a long-term care worker is eligible to provide care, he or she must complete two hours of orientation training regarding his or her role as caregiver and the applicable terms of employment;

(b) Before a long-term care worker is eligible to provide care, he or she must complete three hours of safety training, including basic safety precautions, emergency procedures, and infection control; and

(c) All long-term care workers must complete seventy hours of long-term care basic training, including training related to core competencies and population specific competencies.

(5) The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors on the competencies and training topics in this section.

(6) Individual providers under RCW 74.39A.270 shall be compensated for training time required by this section.

(7) The department of health shall adopt rules by August 1, 2010, to implement subsections (1), (2), and (3) of this section.

(8) The department shall adopt rules by August 1, 2010, to implement subsections (4) and (5) of this section.

<u>NEW SECTION.</u> Sec. 108. A new section is added to chapter 74.39A RCW to read as follows:

(1) Effective January 1, 2011, a biological, step, or adoptive parent who is the individual provider only for his or her developmentally disabled son or daughter must receive twelve hours of training relevant to the needs of adults with developmental disabilities within the first one hundred twenty days of becoming an individual provider.

(2) Effective January 1, 2011, individual providers identified in (a) and (b) of this subsection must complete thirty-five hours of training within the first one hundred twenty days of becoming an individual provider. Five of the thirty-five hours must be completed before becoming eligible to provide care. Two of these five hours shall be devoted to an orientation training regarding an individual provider's role as caregiver and the applicable terms of employment, and three hours shall be devoted to safety training, including basic safety precautions, emergency procedures, and infection control. Individual providers subject to this requirement include:

(a) An individual provider caring only for his or her biological, step, or adoptive child or parent unless covered by subsection (1) of this section; and

(b) Before January 1, 2014, a person hired as an individual provider who provides twenty hours or less of care for one person in any calendar month.

(3) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors.

(4) The department shall adopt rules by August 1, 2010, to implement this section.

<u>NEW SECTION.</u> Sec. 109. A new section is added to chapter 74.39A RCW to read as follows:

(1) The department shall deny payment to any individual provider of home care services who has not been certified by the department of health as a home care aide as required under chapter 2, Laws of 2009 or, if exempted from certification by RCW 18.88B.040, has not completed his or her required training pursuant to chapter 2, Laws of 2009.

(2) The department may terminate the contract of any individual provider of home care services, or take any other enforcement measure deemed appropriate by the department if the individual provider's certification is revoked under chapter 2, Laws of 2009 or, if exempted from certification by RCW 18.88B.040, has not completed his or her required training pursuant to chapter 2, Laws of 2009.

(3) The department shall take appropriate enforcement action related to the contract of a private agency or facility licensed by the state, to provide personal care services, other than an individual provider, who knowingly employs a long-

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term care worker who is not a certified home care aide as required under chapter 2, Laws of 2009 or, if exempted from certification by RCW 18.88B.040, has not completed his or her required training pursuant to chapter 2, Laws of 2009.

(4) Chapter 34.05 RCW shall govern actions by the department under this section.

(5) The department shall adopt rules by August 1, 2010, to implement this section.

<u>NEW SECTION.</u> Sec. 110. A new section is added to chapter 74.39A RCW to read as follows:

(1) The department shall create a formula that converts the cost of the increase in wages and benefits negotiated and funded in the contract for individual providers of home care services pursuant to RCW 74.39A.270 and 74.39A.300, into a per-hour amount, excluding those benefits defined in subsection (2) of this section. That per-hour amount shall be added to the statewide home care agency vendor rate and shall be used exclusively for improving the wages and benefits of home care agency workers who provide direct care. The formula shall account for:

(a) All types of wages, benefits, and compensation negotiated and funded each biennium, including but not limited to:

(i) Regular wages;

(ii) Benefit pay, such as vacation, sick, and holiday pay;

(iii) Taxes on wages/benefit pay;

(iv) Mileage; and

(v) Contributions to a training partnership; and

(b) The increase in the average cost of worker's compensation for home care agencies and application of the increases identified in (a) of this subsection to all hours required to be paid, including travel time, of direct service workers under the wage and hour laws and associated employer taxes.

(2) The contribution rate for health care benefits, including but not limited to medical, dental, and vision benefits, for eligible agency home care workers shall be paid by the department to home care agencies at the same rate as negotiated and funded in the collective bargaining agreement for individual providers of home care services.

<u>NEW SECTION.</u> Sec. 111. A new section is added to chapter 74.39A RCW to read as follows:

Long-term care workers shall be offered on-the-job training or peer mentorship for at least one hour per week in the first ninety days of work from a long-term care worker who has completed at least twelve hours of mentor training and is mentoring no more than ten other workers at any given time. This requirement applies to long-term care workers who begin work on or after July 1, 2011.

<u>NEW SECTION.</u> Sec. 112. A new section is added to chapter 74.39A RCW to read as follows:

(1) The department of health shall ensure that all long-term care workers shall complete twelve hours of continuing education training in advanced training topics each year. This requirement applies beginning on July 1, 2011.

(2) Completion of continuing education as required in this section is a prerequisite to maintaining home care aide certification under chapter 2, Laws of 2009.

(3) Unless voluntarily certified as a home care aide under chapter 2, Laws of 2009, subsection (1) of this section does not apply to:

(a) An individual provider caring only for his or her biological, step, or adoptive child; and

(b) Before June 30, 2014, a person hired as an individual provider who provides twenty hours or less of care for one person in any calendar month.

(4) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors.

(5) Individual providers under RCW 74.39A.270 shall be compensated for training time required by this section.

(6) The department of health shall adopt rules by August 1, 2010, to implement subsections (1), (2), and (3) of this section.

(7) The department shall adopt rules by August 1, 2010, to implement subsection (4) of this section.

<u>NEW SECTION.</u> Sec. 113. A new section is added to chapter 74.39A RCW to read as follows:

The department shall offer, directly or through contract, training opportunities sufficient for a long-term care worker to accumulate seventy hours of training within a reasonable time period. For individual providers represented by an exclusive bargaining representative under RCW 74.39A.270, the training opportunities shall be offered through the training partnership established under RCW 74.39A.360. Training topics shall include, but are not limited to: Client rights; personal care; mental illness; dementia; developmental disabilities; depression; medication assistance; advanced communication skills; positive client behavior support; developing or improving client-centered activities; dealing with wandering or aggressive client behaviors; medical conditions; nurse delegation core training; peer mentor training; and advocacy for quality care training. The department may not require long-term care workers to obtain the training described in this section. This requirement to offer advanced training applies beginning January 1, 2012.

<u>NEW SECTION.</u> Sec. 114. A new section is added to chapter 74.39A RCW to read as follows:

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

(1) "Adult family home" means a home licensed under chapter 70.128 RCW.

(2) "Adult residential care" means services provided by a boarding home that is licensed under chapter 18.20 RCW and that has a contract with the department under RCW 74.39A.020 to provide personal care services.

(3) "Assisted living services" means services provided by a boarding home that has a contract with the department under RCW 74.39A.010 to provide

personal care services, intermittent nursing services, and medication administration services, and the resident is housed in a private apartment-like unit.

(4) "Boarding home" means a facility licensed under chapter 18.20 RCW.

(5) "Core competencies" means basic training topics, including but not limited to, communication skills, worker self-care, problem solving, maintaining dignity, consumer directed care, cultural sensitivity, body mechanics, fall prevention, skin and body care, long-term care worker roles and boundaries, supporting activities of daily living, and food preparation and handling.

(6) "Cost-effective care" means care provided in a setting of an individual's choice that is necessary to promote the most appropriate level of physical, mental, and psychosocial well-being consistent with client choice, in an environment that is appropriate to the care and safety needs of the individual, and such care cannot be provided at a lower cost in any other setting. But this in no way precludes an individual from choosing a different residential setting to achieve his or her desired quality of life.

(7) "Department" means the department of social and health services.

(8) "Developmental disability" has the same meaning as defined in RCW 71A.10.020.

(9) "Direct care worker" means a paid caregiver who provides direct, hands-on personal care services to persons with disabilities or the elderly requiring long-term care.

(10) "Enhanced adult residential care" means services provided by a boarding home that is licensed under chapter 18.20 RCW and that has a contract with the department under RCW 74.39A.010 to provide personal care services, intermittent nursing services, and medication administration services.

(11) "Functionally disabled person" or "person who is functionally disabled" is synonymous with chronic functionally disabled and means a person who because of a recognized chronic physical or mental condition or disease, or developmental disability, including chemical dependency, is impaired to the extent of being dependent upon others for direct care, support, supervision, or monitoring to perform activities of daily living. "Activities of daily living", in this context, means self-care abilities related to personal care such as bathing, eating, using the toilet, dressing, and transfer. Instrumental activities of daily living may also be used to assess a person's functional abilities as they are related to the mental capacity to perform activities in the home and the community such as cooking, shopping, house cleaning, doing laundry, working, and managing personal finances.

(12) "Home and community services" means adult family homes, in-home services, and other services administered or provided by contract by the department directly or through contract with area agencies on aging or similar services provided by facilities and agencies licensed by the department.

(13) "Home care aide" means a long-term care worker who has obtained certification as a home care aide by the department of health.

(14) "Individual provider" is defined according to RCW 74.39A.240.

(15) "Long-term care" is synonymous with chronic care and means care and supports delivered indefinitely, intermittently, or over a sustained time to persons of any age disabled by chronic mental or physical illness, disease, chemical dependency, or a medical condition that is permanent, not reversible or curable, or is long-lasting and severely limits their mental or physical capacity for selfcare. The use of this definition is not intended to expand the scope of services, care, or assistance by any individuals, groups, residential care settings, or professions unless otherwise expressed by law.

(16)(a) "Long-term care workers for the elderly or persons with disabilities" or "long-term care workers" includes all persons who are long-term care workers for the elderly or persons with disabilities, including but not limited to individual providers of home care services, direct care employees of home care agencies, providers of home care services to persons with developmental disabilities under Title 71 RCW, all direct care workers in state-licensed boarding homes, assisted living facilities, and adult family homes, respite care providers, community residential services to the elderly or persons with functional disabilities or developmental disabilities.

(b) "Long-term care workers" do not include: (i) Persons employed by the following facilities or agencies: Nursing homes subject to chapter 18.51 RCW, hospitals or other acute care settings, residential habilitation centers under chapter 71A.20 RCW, facilities certified under 42 C.F.R., Part 483, hospice agencies subject to chapter 70.127 RCW, adult day care centers, and adult day health care centers; or (ii) persons who are not paid by the state or by a private agency or facility licensed by the state to provide personal care services.

(17) "Nursing home" means a facility licensed under chapter 18.51 RCW.

(18) "Personal care services" means physical or verbal assistance with activities of daily living and instrumental activities of daily living provided because of a person's functional disability.

(19) "Population specific competencies" means basic training topics unique to the care needs of the population the long-term care worker is serving, including but not limited to, mental health, dementia, developmental disabilities, young adults with physical disabilities, and older adults.

(20) "Qualified instructor" means a registered nurse or other person with specific knowledge, training, and work experience in the provision of direct, hands-on personal care and other assistance services to the elderly or persons with disabilities requiring long-term care.

(21) "Secretary" means the secretary of social and health services.

(22) "Secretary of health" means the secretary of health or the secretary's designee.

(23) "Training partnership" means a joint partnership or trust that includes the office of the governor and the exclusive bargaining representative of individual providers under RCW 74.39A.270 with the capacity to provide training, peer mentoring, and workforce development, or other services to individual providers.

(24) "Tribally licensed boarding home" means a boarding home licensed by a federally recognized Indian tribe which home provides services similar to boarding homes licensed under chapter 18.20 RCW.

<u>NEW SECTION.</u> Sec. 115. The following acts or parts of acts are each repealed:

(1) RCW 18.88B.020 (Certification requirements) and 2011 c ... s ..., 2009 c 580 s 18, & 2009 c 2 s 4;

(2) RCW 18.88B.030 (Certification examinations) and 2011 c ... s ..., 2009 c 580 s 4, & 2009 c 2 s 6;

(3) RCW 18.88B.040 (Exemptions from training requirements) and 2011 c ... s ..., 2010 c 169 s 11, 2009 c 580 s 15, & 2009 c 2 s 7;

(4) RCW 74.39A.009 (Definitions) and 2011 c ... s ..., 2009 c 580 s 1, 2009 c 2 s 2, 2007 c 361 s 2, 2004 c 142 s 14, & 1997 c 392 s 103;

(5) RCW 74.39A.050 (Quality improvement principles) and 2011 c ... s ..., 2009 c 580 s 7, 2009 c 2 s 14, 2004 c 140 s 6, 2000 c 121 s 10, 1999 c 336 s 5, 1998 c 85 s 1, 1997 c 392 s 209, & 1995 1st sp.s. c 18 s 12;

(6) RCW 74.39A.055 (Criminal history checks on long-term care workers) and 2011 c ... s ..., 2009 c 580 s 2, & 2009 c 2 s 3;

(7) RCW 74.39A.073 (Training requirements for long-term care workers) and 2011 c \dots s \dots , 2009 c 580 s 10, & 2009 c 2 s 5;

(8) RCW 74.39A.075 (Training requirements for individual providers caring for family members) and 2011 c ... s ..., 2009 c 580 s 11, & 2009 c 2 s 8;

(9) RCW 74.39A.085 (Enforcement actions against persons not certified as home care aides and their employers) and 2011 c ... s ..., 2009 c 580 s 14, & 2009 c 2 s 12;

(10) RCW 74.39A.260 (Department duties—Criminal background checks on individual providers) and 2011 c ... s ..., 2009 c 580 s 9, & 2002 c 3 s 5;

(11) RCW 74.39A.310 (Contract for individual home care services providers—Cost of increase in wages and benefits funded—Formula) and 2011 c ... s ..., 2007 c 361 s 8, & 2006 c 9 s 1;

(12) RCW 74.39A.330 (Peer mentoring) and 2011 c ... s ..., 2009 c 478 s 1, & 2007 c 361 s 3;

(13) RCW 74.39A.340 (Continuing education requirements for long-term care workers) and 2011 c ... s ..., 2009 c 580 s 12, 2009 c 2 s 9, & 2007 c 361 s 4; and

(14) RCW 74.39A.350 (Advanced training) and 2011 c ... s ..., 2009 c 580 s 13, 2009 c 2 s 10, & 2007 c 361 s 5.

PART II

PROTECTING TAXPAYERS BY REQUIRING ANNUAL INDEPENDENT AUDITS, INCREASING FRAUD INVESTIGATION, AND CAPPING ADMINISTRATIVE EXPENSES

<u>NEW SECTION.</u> Sec. 201. The state auditor shall conduct performance audits of the long-term in-home care program. The first audit must be completed within twelve months after the effective date of this section, and must be completed on a biannual basis thereafter. As part of this auditing process, the state shall hire five additional fraud investigators to ensure that clients receiving services at taxpayers' expense are medically and financially qualified to receive the services and are actually receiving the services.

<u>NEW SECTION</u>. Sec. 202. The people hereby establish limits on the percentage of tax revenues that can be used for administrative expenses in the long-term in-home care program. Within one hundred eighty days of the effective date of this section, the state shall prepare a plan to cap administrative expenses so that at least ninety percent of taxpayer spending must be devoted to

direct care. This limitation must be achieved within two years from the effective date of this section.

PART III MISCELLANEOUS

<u>NEW SECTION.</u> Sec. 301. (1) Sections 101 and 115(6) of this act only take effect if RCW 74.39A.055 is amended or repealed by the legislature in 2011.

(2) Sections 102 and 115(10) of this act only take effect if RCW 74.39A.260 is amended or repealed by the legislature in 2011.

(3) Sections 103 and 115(1) of this act only take effect if RCW 18.88B.020 is amended or repealed by the legislature in 2011.

(4) Sections 104 and 115(2) of this act only take effect if RCW 18.88B.030 is amended or repealed by the legislature in 2011.

(5) Sections 105 and 115(3) of this act only take effect if RCW 18.88B.040 is amended or repealed by the legislature in 2011.

(6) Sections 106 and 115(5) of this act only take effect if RCW 74.39A.050 is amended or repealed by the legislature in 2011.

(7) Sections 107 and 115(7) of this act only take effect if RCW 74.39A.073 is amended or repealed by the legislature in 2011.

(8) Sections 108 and 115(8) of this act only take effect if RCW 74.39A.075 is amended or repealed by the legislature in 2011.

(9) Sections 109 and 115(9) of this act only take effect if RCW 74.39A.085 is amended or repealed by the legislature in 2011.

(10) Sections 110 and 115(11) of this act only take effect if RCW 74.39A.310 is amended or repealed by the legislature in 2011.

(11) Sections 111 and 115(12) of this act only take effect if RCW 74.39A.330 is amended or repealed by the legislature in 2011.

(12) Sections 112 and 115(13) of this act only take effect if RCW 74.39A.340 is amended or repealed by the legislature in 2011.

(13) Sections 113 and 115(14) of this act only take effect if RCW 74.39A.350 is amended or repealed by the legislature in 2011.

(14) Sections 114 and 115(4) of this act only take effect if RCW 74.39A.009 is amended or repealed by the legislature in 2011.

(15) Section 303 of this act takes effect only if one or more other sections of this act take effect pursuant to paragraphs (1) through (14) of this section.

<u>NEW SECTION.</u> Sec. 302. The code reviser is directed to note in the Revised Code of Washington that sections 101 through 114 of this act are versions of statutes existing prior to the 2011 regular legislative session as follows:

(1) Section 101 of this act is the same language as RCW 74.39A.055 and 2009 c 580 s 2;

(2) Section 102 of this act is the same language as RCW 74.39A.260 and 2009 c 580 s 9;

(3) Section 103 of this act is the same language as RCW 18.88B.020 and 2009 c 580 s 18;

(4) Section 104 of this act is the same language as RCW 18.88B.030 and 2009 c 580 s 4;

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(5) Section 105 of this act is the same language as RCW 18.88B.040 and 2010 c 169 s 11;

(6) Section 106 of this act is the same language as RCW 74.39A.050 and 2009 c 580 s 7;

(7) Section 107 of this act is the same language as RCW 74.39A.073 and 2009 c 580 s 10;

(8) Section 108 of this act is the same language as RCW 74.39A.075 and 2009 c 580 s 11;

(9) Section 109 of this act is the same language as RCW 74.39A.085 and 2009 c 580 s 14;

(10) Section 110 of this act is the same language as RCW 74.39A.310 and 2007 c 361 s 8;

(11) Section 111 of this act is the same language as RCW 74.39A.330 and 2009 c 478 s 1;

(12) Section 112 of this act is the same language as RCW 74.39A.340 and 2009 c 580 s 12;

(13) Section 113 of this act is the same language as RCW 74.39A.350 and 2009 c 580 s 13; and

(14) Section 114 of this act is the same language as RCW 74.39A.009 and 2009 c 580 s 1.

If any of sections 101 through 114 of this act take effect, the code reviser is directed to codify such sections in the revised code of washington under the same statute number as previously used for such statute, as set forth in this section.

<u>NEW SECTION.</u> Sec. 303. Notwithstanding any action of the legislature during 2011, all long-term care workers as defined under RCW 74.39A.009(16), as it existed on April 1, 2011, are covered by sections 101 through 113 of this act or by the corresponding original versions of the statutes, as referenced in section 302 (1) through (13) on the schedules set forth in those sections, except that long-term care workers employed as community residential service providers are covered by sections 101 through 113 of this act beginning January 1, 2016.

<u>NEW SECTION.</u> Sec. 304. A new section is added to chapter 74.39A RCW to read as follows:

(1) If any provision of this act triggers changes to an agreement reached under RCW 74.39A.300, the changes must go into effect immediately without need for legislative approval.

(2) The requirements contained in RCW 74.39A.300 and this act constitute ministerial, mandatory, and nondiscretionary duties. Failure to fully perform such duties constitutes a violation of this act. Any person may bring an action to require the governor or other responsible persons to perform such duties. Such action may be brought in the superior court, at the petitioner's option, for (a) Thurston county, or (b) the county of the petitioner's residence or principal place of business, or such action may be filed directly with the supreme court, which is hereby given original jurisdiction over such action.

<u>NEW SECTION.</u> Sec. 305. The provisions of this act are to be liberally construed to effectuate the intent, policies, and purposes of this act.

<u>NEW SECTION.</u> Sec. 306. 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.

<u>NEW SECTION.</u> Sec. 307. This act takes effect sixty days from its enactment by the people.

<u>NEW SECTION.</u> Sec. 308. This act may be known and cited as the restoring quality home care initiative.

Originally filed in Office of Secretary of State April 21, 2011.

Approved by the People of the State of Washington in the General Election on November 8, 2011.

CHAPTER 2

[Initiative 1183]

LIQUOR SALES-PRIVATIZATION

AN ACT Relating to liquor; amending RCW 66.24.360, 82.08.150, 66.08.050, 66.08.060, 66.20.010, 66.20.160, 66.24.310, 66.24.380, 66.28.030, 66.24.540, 66.24.590, 66.28.060, 66.28.070, 66.28.170, 66.28.180, 66.28.190, 66.28.280, 66.04.010, 43.19.19054, 66.08.020, 66.08.026, 66.08.030, 66.24.145, 66.24.160, 66.32.010, 66.44.120, 66.44.150, 66.44.340, 19.126.010, and 19.126.040; reenacting and amending RCW 66.28.040 and 19.126.020; adding new sections to chapter 66.24 RCW; adding new sections to chapter 66.28 RCW; creating new sections; repealing RCW 66.08.070, 66.08.075, 66.08.165, 66.08.165, 66.08.167, 66.08.220, 66.08.235, 66.16.010, 66.16.041, 66.16.050, 66.16.060, 66.16.070, 66.16.100, 66.16.110, 66.16.120, and 66.28.045; contingently repealing ESSB 5942, 2011 1st sp.s. c ... ss 1 through 10; and providing an effective date.

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

PART I LICENSED SALE OF SPIRITS

<u>NEW SECTION.</u> Sec. 101. (1) The people of the state of Washington, in enacting this initiative measure, find that the state government monopoly on liquor distribution and liquor stores in Washington and the state government regulations that arbitrarily restrict the wholesale distribution and pricing of wine are outdated, inefficient, and costly to local taxpayers, consumers, distributors, and retailers. Therefore, the people wish to privatize and modernize both wholesale distribution and retail sales of liquor and remove outdated restrictions on the wholesale distribution of wine by enacting this initiative.

(2) This initiative will:

(a) Privatize and modernize wholesale distribution and retail sales of liquor in Washington state in a manner that will reduce state government costs and provide increased funding for state and local government services, while continuing to strictly regulate the distribution and sale of liquor;

(b) Get the state government out of the commercial business of distributing, selling, and promoting the sale of liquor, allowing the state to focus on the more appropriate government role of enforcing liquor laws and protecting public health and safety concerning all alcoholic beverages;

(c) Authorize the state to auction off its existing state liquor distribution and state liquor store facilities and equipment;

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(d) Allow a private distributor of alcohol to get a license to distribute liquor if that distributor meets the requirements set by the Washington state liquor control board and is approved for a license by the board and create provisions to promote investments by private distributors;

(e) Require private distributors who get licenses to distribute liquor to pay ten percent of their gross spirits revenues to the state during the first two years and five percent of their gross spirits revenues to the state after the first two years;

(f) Allow for a limited number of retail stores to sell liquor if they meet public safety requirements set by this initiative and the liquor control board;

(g) Require that a retail store must have ten thousand square feet or more of fully enclosed retail space within a single structure in order to get a license to sell liquor, with limited exceptions;

(h) Require a retail store to demonstrate to state regulators that it can effectively prevent sales of alcohol to minors in order to get a license to sell liquor;

(i) Ensure that local communities have input before a liquor license can be issued to a local retailer or distributor and maintain all local zoning requirements and authority related to the location of liquor stores;

(j) Require private retailers who get licenses to sell liquor to pay seventeen percent of their gross spirits revenues to the state;

(k) Maintain the current distribution of liquor revenues to local governments and dedicate a portion of the new revenues raised from liquor license fees to increase funding for local public safety programs, including police, fire, and emergency services in communities throughout the state;

(1) Make the standard fines and license suspension penalties for selling liquor to minors twice as strong as the existing fines and penalties for selling beer or wine to minors;

(m) Make requirements for training and supervision of employees selling spirits at retail more stringent than what is now required for sales of beer and wine;

(n) Update the current law on wine distribution to allow wine distributors and wineries to give volume discounts on the wholesale price of wine to retail stores and restaurants; and

(o) Allow retailers and restaurants to distribute wine to their own stores from a central warehouse.

<u>NEW SECTION.</u> Sec. 102. A new section is added to chapter 66.24 RCW to read as follows:

(1) The holder of a spirits distributor license or spirits retail license issued under this title may commence sale of spirits upon issuance thereof, but in no event earlier than March 1, 2012, for distributors, or June 1, 2012, for retailers. The board must complete application processing by those dates of all complete applications for spirits licenses on file with the board on or before sixty days from the effective date of this section.

(2) The board must effect orderly closure of all state liquor stores no later than June 1, 2012, and must thereafter refrain from purchase, sale, or distribution of liquor, except for asset sales authorized by this act.

(3) The board must devote sufficient resources to planning and preparation for sale of all assets of state liquor stores and distribution centers, and all other

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assets of the state over which the board has power of disposition, including without limitation goodwill and location value associated with state liquor stores, with the objective of depleting all inventory of liquor by May 31, 2012, and closing all other asset sales no later than June 1, 2013. The board, in furtherance of this subsection, may sell liquor to spirits licensees.

(4)(a) Disposition of any state liquor store or distribution center assets remaining after June 1, 2013, must be managed by the department of revenue.

(b) The board must obtain the maximum reasonable value for all asset sales made under this section.

(c) The board must sell by auction open to the public the right at each stateowned store location of a spirits retail licensee to operate a liquor store upon the premises. Such right must be freely alienable and subject to all state and local zoning and land use requirements applicable to the property. Acquisition of the operating rights must be a precondition to, but does not establish eligibility for, a spirits retail license at the location of a state store and does not confer any privilege conferred by a spirits retail license. Holding the rights does not require the holder of the right to operate a liquor-licensed business or apply for a liquor license.

(5) All sales proceeds under this section, net of direct sales expenses and other transition costs authorized by this section, must be deposited into the liquor revolving fund.

(6)(a) The board must complete the orderly transition from the current statecontrolled system to the private licensee system of spirits retailing and distribution as required under this chapter by June 1, 2012.

(b) The transition must include, without limitation, a provision for applying operating and asset sale revenues of the board to just and reasonable measures to avert harm to interests of tribes, military buyers, and nonemployee liquor store operators under then existing contracts for supply by the board of distilled spirits, taking into account present value of issuance of a spirits retail license to the holder of such interest. The provision may extend beyond the time for completion of transition to a spirits licensee system.

(c) Purchases by the federal government from any licensee of the board of spirits for resale through commissaries at military installations are exempt from sales tax based on selling price levied by RCW 82.08.150.

<u>NEW SECTION.</u> Sec. 103. A new section is added to chapter 66.24 RCW to read as follows:

(1) There is a spirits retail license to: Sell spirits in original containers to consumers for consumption off the licensed premises and to permit holders; sell spirits in original containers to retailers licensed to sell spirits for consumption on the premises, for resale at their licensed premises according to the terms of their licenses, although no single sale may exceed twenty-four liters, unless the sale is by a licensee that was a contract liquor store manager of a contract liquor store at the location of its spirits retail licensed premises from which it makes such sales; and export spirits.

(2) For the purposes of this title, a spirits retail license is a retail license, and a sale by a spirits retailer is a retail sale only if not for resale. Nothing in this title authorizes sales by on-sale licensees to other retail licensees. The board must establish by rule an obligation of on-sale spirits retailers to: (a) Maintain a schedule by stock-keeping unit of all their purchases of spirits from spirits retail licensees, indicating the identity of the seller and the quantities purchased; and

(b) Provide, not more frequently than quarterly, a report for each scheduled item containing the identity of the purchasing on-premise licensee and the quantities of that scheduled item purchased since any preceding report to:

(i) A distributor authorized by the distiller to distribute a scheduled item in the on-sale licensee's geographic area; or

(ii) A distiller acting as distributor of the scheduled item in the area.

(3)(a) Except as otherwise provided in subsection (c) of this section, the board may issue spirits retail licenses only for premises comprising at least ten thousand square feet of fully enclosed retail space within a single structure, including storerooms and other interior auxiliary areas but excluding covered or fenced exterior areas, whether or not attached to the structure, and only to applicants that the board determines will maintain systems for inventory management, employee training, employee supervision, and physical security of the product substantially as effective as those of stores currently operated by the board with respect to preventing sales to or pilferage by underage or inebriated persons.

(b) License issuances and renewals are subject to RCW 66.24.010 and the regulations promulgated thereunder, including without limitation rights of cities, towns, county legislative authorities, the public, churches, schools, and public institutions to object to or prevent issuance of local liquor licenses. However, existing grocery premises licensed to sell beer and/or wine are deemed to be premises "now licensed" under RCW 66.24.010(9)(a) for the purpose of processing applications for spirits retail licenses.

(c) The board may not deny a spirits retail license to an otherwise qualified contract liquor store at its contract location or to the holder of former state liquor store operating rights sold at auction under section 102 of this act on the grounds of location, nature, or size of the premises to be licensed. The board shall not deny a spirits retail license to applicants that are not contract liquor stores or operating rights holders on the grounds of the size of the premises to be licensed, if such applicant is otherwise qualified and the board determines that:

(i) There is no retail spirits license holder in the trade area that the applicant proposes to serve;

(ii) The applicant meets, or upon licensure will meet, the operational requirements established by the board by rule; and

(iii) The licensee has not committed more than one public safety violation within the three years preceding application.

(d) A retailer authorized to sell spirits for consumption on or off the licensed premises may accept delivery of spirits at its licensed premises or at one or more warehouse facilities registered with the board, which facilities may also warehouse and distribute nonliquor items, and from which the retailer may deliver to its own licensed premises and, pursuant to sales permitted under subsection (1) of this section:

(i) To other retailer premises licensed to sell spirits for consumption on the licensed premises;

(ii) To other registered facilities; or

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(iii) To lawful purchasers outside the state. The facilities may be registered and utilized by associations, cooperatives, or comparable groups of retailers, including at least one retailer licensed to sell spirits.

(4) Each spirits retail licensee must pay to the board, for deposit into the liquor revolving fund, a license issuance fee equivalent to seventeen percent of all spirits sales revenues under the license, exclusive of taxes collected by the licensee and of sales of items on which a license fee payable under this section has otherwise been incurred. The board must establish rules setting forth the timing of such payments and reporting of sales dollar volume by the licensee, with payments required quarterly in arrears. The first payment is due October 1, 2012.

(5) In addition to the payment required under subsection (4) of this section, each licensee must pay an annual license renewal fee of one hundred sixty-six dollars. The board must periodically review and adjust the renewal fee as may be required to maintain it as comparable to annual license renewal fees for licenses to sell beer and wine not for consumption on the licensed premises. If required by law at the time, any increase of the annual renewal fee becomes effective only upon ratification by the legislature.

(6) As a condition to receiving and renewing a retail spirits license the licensee must provide training as prescribed by the board by rule for individuals who sell spirits or who manage others who sell spirits regarding compliance with laws and regulations regarding sale of spirits, including without limitation the prohibitions against sale of spirits to individuals who are underage or visibly intoxicated. The training must be provided before the individual first engages in the sale of spirits and must be renewed at least every five years. The licensee must maintain records documenting the nature and frequency of the training provided. An employee training program is presumptively sufficient if it incorporates a "responsible vendor program" promulgated by the board.

(7) The maximum penalties prescribed by the board in WAC 314-29-020 through 314-29-040 relating to fines and suspensions are doubled for violations relating to the sale of spirits by retail spirits licensees.

(8)(a) The board must promulgate regulations concerning the adoption and administration of a compliance training program for spirits retail licensees, to be known as a "responsible vendor program," to reduce underage drinking, encourage licensees to adopt specific best practices to prevent sales to minors, and provide licensees with an incentive to give their employees on-going training in responsible alcohol sales and service.

(b) Licensees who join the responsible vendor program under this section and maintain all of the program's requirements are not subject to the doubling of penalties provided in this section for a single violation in any period of twelve calendar months.

(c) The responsible vendor program must be free, voluntary, and self-monitoring.

(d) To participate in the responsible vendor program, licensees must submit an application form to the board. If the application establishes that the licensee meets the qualifications to join the program, the board must send the licensee a membership certificate.

(e) A licensee participating in the responsible vendor program must at a minimum:

(i) Provide on-going training to employees;

(ii) Accept only certain forms of identification for alcohol sales;

(iii) Adopt policies on alcohol sales and checking identification;

(iv) Post specific signs in the business; and

(v) Keep records verifying compliance with the program's requirements.

Sec. 104. RCW 66.24.360 and 2011 c 119 s 203 are each amended to read as follows:

(1) There ((shall be)) is a ((beer and/or wine retailer's license to be designated as a)) grocery store license to sell wine and/or beer, including without limitation strong beer((, and/or wine)) at retail in ((bottles, cans, and)) original containers, not to be consumed upon the premises where sold((, at any store other than the state liquor stores)).

(((+))) (2) There is a wine retailer reseller endorsement of a grocery store license, to sell wine at retail in original containers to retailers licensed to sell wine for consumption on the premises, for resale at their licensed premises according to the terms of the license. However, no single sale may exceed twenty-four liters, unless the sale is made by a licensee that was a contract liquor store manager of a contract-operated liquor store at the location from which such sales are made. For the purposes of this title, a grocery store license is a retail license, and a sale by a grocery store licensee with a reseller endorsement is a retail sale only if not for resale.

(3) Licensees obtaining a written endorsement from the board may also sell malt liquor in kegs or other containers capable of holding less than five and one-half gallons of liquid.

 $((\frac{2}{2}))$ (4) The annual fee for the grocery store license is one hundred fifty dollars for each store.

(((3))) (5) The annual fee for the wine retailer reseller endorsement is one hundred sixty-six dollars for each store.

(6) The board ((shall)) <u>must</u> issue a restricted grocery store license authorizing the licensee to sell beer and only table wine, if the board finds upon issuance or renewal of the license that the sale of strong beer or fortified wine would be against the public interest. In determining the public interest, the board ((shall)) <u>must</u> consider at least the following factors:

(a) The likelihood that the applicant will sell strong beer or fortified wine to persons who are intoxicated;

(b) Law enforcement problems in the vicinity of the applicant's establishment that may arise from persons purchasing strong beer or fortified wine at the establishment; and

(c) Whether the sale of strong beer or fortified wine would be detrimental to or inconsistent with a government-operated or funded alcohol treatment or detoxification program in the area.

If the board receives no evidence or objection that the sale of strong beer or fortified wine would be against the public interest, it ((shall)) <u>must</u> issue or renew the license without restriction, as applicable. The burden of establishing that the sale of strong beer or fortified wine by the licensee would be against the public interest is on those persons objecting.

(((4))) (7) Licensees holding a grocery store license must maintain a minimum three thousand dollar inventory of food products for human consumption, not including pop, beer, strong beer, or wine.

(((5))) (8) A grocery store licensee with a wine retailer reseller endorsement may accept delivery of wine at its licensed premises or at one or more warehouse facilities registered with the board, which facilities may also warehouse and distribute nonliquor items, and from which it may deliver to its own licensed premises and, pursuant to sales permitted by this title, to other licensed premises, to other registered facilities, or to lawful purchasers outside the state. Facilities may be registered and utilized by associations, cooperatives, or comparable groups of grocery store licensees.

(9) Upon approval by the board, the grocery store licensee may also receive an endorsement to permit the international export of beer, strong beer, and wine.

(a) Any beer, strong beer, or wine sold under this endorsement must have been purchased from a licensed beer or wine distributor licensed to do business within the state of Washington.

(b) Any beer, strong beer, and wine sold under this endorsement must be intended for consumption outside the state of Washington and the United States and appropriate records must be maintained by the licensee.

(c) Any beer, strong beer, or wine sold under this ((license)) endorsement must be sold at a price no less than the acquisition price paid by the holder of the license.

(d) The annual cost of this endorsement is five hundred dollars and is in addition to the license fees paid by the licensee for a grocery store license.

 $((\frac{(6)}{10}))$ A grocery store licensee holding a snack bar license under RCW 66.24.350 may receive an endorsement to allow the sale of confections containing more than one percent but not more than ten percent alcohol by weight to persons twenty-one years of age or older.

<u>NEW SECTION.</u> Sec. 105. A new section is added to chapter 66.24 RCW to read as follows:

(1) There is a license for spirits distributors to (a) sell spirits purchased from manufacturers, distillers, or suppliers including, without limitation, licensed Washington distilleries, licensed spirits importers, other Washington spirits distributors, or suppliers of foreign spirits located outside of the United States, to spirits retailers including, without limitation, spirits retail licensees, special occasion license holders, interstate common carrier license holders, restaurant spirits retailer license holders, spirits, beer, and wine private club license holders, hotel license holders, sports entertainment facility license holders, and spirits, beer, and wine nightclub license holders, and to other spirits distributors; and (b) export the same from the state.

(2) By January 1, 2012, the board must issue spirits distributor licenses to all applicants who, upon the effective date of this section, have the right to purchase spirits from a spirits manufacturer, spirits distiller, or other spirits supplier for resale in the state, or are agents of such supplier authorized to sell to licensees in the state, unless the board determines that issuance of a license to such applicant is not in the public interest.

(3)(a) As limited by (b) of this subsection and subject to (c) of this subsection, each spirits distributor licensee must pay to the board for deposit into the liquor revolving fund, a license issuance fee calculated as follows:

(i) In each of the first two years of licensure, ten percent of the total revenue from all the licensee's sales of spirits made during the year for which the fee is due, respectively; and (ii) In the third year of licensure and each year thereafter, five percent of the total revenue from all the licensee's sales of spirits made during the year for which the fee is due, respectively.

(b) The fee required under this subsection (3) is calculated only on sales of items which the licensee was the first spirits distributor in the state to have received:

(i) In the case of spirits manufactured in the state, from the distiller; or

(ii) In the case of spirits manufactured outside the state, from an authorized out-of-state supplier.

(c) By March 31, 2013, all persons holding spirits distributor licenses on or before March 31, 2013, must have paid collectively one hundred fifty million dollars or more in spirits distributor license fees. If the collective payment through March 31, 2013, totals less than one hundred fifty million dollars, the board must, according to rules adopted by the board for the purpose, collect by May 31, 2013, as additional spirits distributor license fees the difference between one hundred fifty million dollars and the actual receipts, allocated among persons holding spirits distributor licenses at any time on or before March 31, 2013, ratably according to their spirits sales made during calendar year 2012. Any amount by which such payments exceed one hundred fifty million dollars by March 31, 2013, must be credited to future license issuance fee obligations of spirits distributor licensees according to rules adopted by the board.

(d) A retail licensee selling for resale must pay a distributor license fee under the terms and conditions in this section on resales of spirits the licensee has purchased on which no other distributor license fee has been paid. The board must establish rules setting forth the frequency and timing of such payments and reporting of sales dollar volume by the licensee, with payments due quarterly in arrears.

(e) No spirits inventory may be subject to calculation of more than a single spirits distributor license issuance fee.

(4) In addition to the payment set forth in subsection (3) of this section, each spirits distributor licensee renewing its annual license must pay an annual license renewal fee of one thousand three hundred twenty dollars for each licensed location.

(5) There is no minimum facility size or capacity for spirits distributor licenses, and no limit on the number of such licenses issued to qualified applicants. License applicants must provide physical security of the product that is substantially as effective as the physical security of the distribution facilities currently operated by the board with respect to preventing pilferage. License issuances and renewals are subject to RCW 66.24.010 and the regulations promulgated thereunder, including without limitation rights of cities, towns, county legislative authorities, the public, churches, schools, and public institutions to object to or prevent issuance of local liquor licenses. However, existing distributor premises licensed to sell beer and/or wine are deemed to be premises "now licensed" under RCW 66.24.010(9)(a) for the purpose of processing applications for spirits distributor licenses.

Sec. 106. RCW 82.08.150 and 2009 c 479 s 65 are each amended to read as follows:

(1) There is levied and ((shall be)) collected a tax upon each retail sale of spirits in the original package at the rate of fifteen percent of the selling price((. The tax imposed in this subsection shall apply to all such sales including sales by the Washington state liquor stores and agencies, but excluding sales to spirits, beer, and wine restaurant licensees)).

(2) There is levied and ((shall be)) collected a tax upon each sale of spirits in the original package at the rate of ten percent of the selling price on sales by ((Washington state liquor stores and agencies to spirits, beer, and wine restaurant licensees)) a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to restaurant spirits retailers.

(3) There is levied and ((shall be)) collected an additional tax upon each ((retail)) sale of spirits in the original package by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to a restaurant spirits retailer and upon each retail sale of spirits in the original package by a licensee of the board at the rate of one dollar and seventy-two cents per liter. ((The additional tax imposed in this subsection shall apply to all such sales including sales by Washington state liquor stores and agencies, and including sales to spirits, beer, and wine restaurant licensees.))

(4) An additional tax is imposed equal to fourteen percent multiplied by the taxes payable under subsections (1), (2), and (3) of this section.

(5) An additional tax is imposed upon each ((retail)) sale of spirits in the original package by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to a restaurant spirits retailer and upon each retail sale of spirits in the original package by a licensee of the board at the rate of seven cents per liter. ((The additional tax imposed in this subsection shall apply to all such sales including sales by Washington state liquor stores and agencies, and including sales to spirits, beer, and wine restaurant licensees.)) All revenues collected during any month from this additional tax ((shall)) must be deposited in the state general fund by the twenty-fifth day of the following month.

(6)(a) An additional tax is imposed upon retail sale of spirits in the original package at the rate of ((one and seven-tenths percent of the selling price through June 30, 1995, two and six-tenths percent of the selling price for the period July 1, 1995, through June 30, 1997, and)) three and four-tenths <u>percent</u> of the selling price ((thereafter. This additional tax applies to all such sales including sales by Washington state liquor stores and agencies, but excluding sales to spirits, beer, and wine restaurant licensees)).

(b) An additional tax is imposed upon retail sale of spirits in the original package to a restaurant spirits retailer at the rate of ((one and one-tenth percent of the selling price through June 30, 1995, one and seven-tenths percent of the selling price for the period July 1, 1995, through June 30, 1997, and)) two and three-tenths percent of the selling price ((thereafter. This additional tax applies to all such sales to spirits, beer, and wine restaurant licensees)).

(c) An additional tax is imposed upon each ((retail)) sale of spirits in the original package by a spirits distributor licensee or other licensee acting as a spirits distributor pursuant to Title 66 RCW to a restaurant spirits retailer and upon each retail sale of spirits in the original package by a licensee of the board at the rate of ((twenty cents per liter through June 30, 1995, thirty cents per liter for the period July 1, 1995, through June 30, 1997, and)) forty-one cents per liter

((thereafter. This additional tax applies to all such sales including sales by Washington state liquor stores and agencies, and including sales to spirits, beer, and wine restaurant licensees)).

(d) All revenues collected during any month from additional taxes under this subsection ((shall)) <u>must</u> be deposited in the state general fund by the twenty-fifth day of the following month.

(7)(a) An additional tax is imposed upon each retail sale of spirits in the original package at the rate of one dollar and thirty-three cents per liter. ((This additional tax applies to all such sales including sales by Washington state liquor stores and agencies, but excluding sales to spirits, beer, and wine restaurant licensees.))

(b) All revenues collected during any month from additional taxes under this subsection ((shall)) <u>must</u> be deposited by the twenty-fifth day of the following month into the general fund.

(8) The tax imposed in RCW 82.08.020 ((shall)) does not apply to sales of spirits in the original package.

(9) The taxes imposed in this section ((shall)) <u>must</u> be paid by the buyer to the seller, and each seller ((shall)) <u>must</u> collect from the buyer the full amount of the tax payable in respect to each taxable sale under this section. The taxes required by this section to be collected by the seller ((shall)) <u>must</u> be stated separately from the selling price, and for purposes of determining the tax due from the buyer to the seller, it ((shall be)) is conclusively presumed that the selling price quoted in any price list does not include the taxes imposed by this section. Sellers must report and return all taxes imposed in this section in accordance with rules adopted by the department.

(10) As used in this section, the terms, "spirits" and "package" ((shall)) have the same meaning ((ascribed to them)) as provided in chapter 66.04 RCW.

Sec. 107. RCW 66.08.050 and 2011 c 186 s 2 are each amended to read as follows:

The board, subject to the provisions of this title and the rules, ((shall)) must:

(1) ((Determine the localities within which state liquor stores shall be established throughout the state, and the number and situation of the stores within each locality;

(2) Appoint in cities and towns and other communities, in which no state liquor store is located, contract liquor stores. In addition, the board may appoint, in its discretion, a manufacturer that also manufactures liquor products other than wine under a license under this title, as a contract liquor store for the purpose of sale of liquor products of its own manufacture on the licensed premises only. Such contract liquor stores shall be authorized to sell liquor under the guidelines provided by law, rule, or contract, and such contract liquor stores shall be subject to such additional rules and regulations consistent with this title as the board may require. Sampling on contract store premises is permitted under this act;

(3) Establish all necessary warehouses for the storing and bottling, diluting and rectifying of stocks of liquors for the purposes of this title;

(4) Provide for the leasing for periods not to exceed ten years of all premises required for the conduct of the business; and for remodeling the same, and the procuring of their furnishings, fixtures, and supplies; and for obtaining options

of renewal of such leases by the lessee. The terms of such leases in all other respects shall be subject to the direction of the board;

(5))) Determine the nature, form and capacity of all packages to be used for containing liquor kept for sale under this title;

(((6))) (2) Execute or cause to be executed, all contracts, papers, and documents in the name of the board, under such regulations as the board may fix;

(((7))) (3) Pay all customs, duties, excises, charges and obligations whatsoever relating to the business of the board;

(((3))) (4) Require bonds from all employees in the discretion of the board, and to determine the amount of fidelity bond of each such employee;

(((9))) (5) Perform services for the state lottery commission to such extent, and for such compensation, as may be mutually agreed upon between the board and the commission;

(((10))) (6) Accept and deposit into the general fund-local account and disburse, subject to appropriation, federal grants or other funds or donations from any source for the purpose of improving public awareness of the health risks associated with alcohol consumption by youth and the abuse of alcohol by adults in Washington state. The board's alcohol awareness program ((shall)) <u>must</u> cooperate with federal and state agencies, interested organizations, and individuals to effect an active public beverage alcohol awareness program;

(((11))) (7) Perform all other matters and things, whether similar to the foregoing or not, to carry out the provisions of this title, and ((shall have)) has full power to do each and every act necessary to the conduct of its ((business, including all buying, selling, preparation and approval of forms, and every other function of the business whatsoever, subject only to audit by the state auditor: PROVIDED, That the board shall have)) regulatory functions, including all supplies procurement, preparation and approval of forms, and every other undertaking necessary to perform its regulatory functions whatsoever, subject only to audit by the state auditor. However, the board has no authority to regulate the content of spoken language on licensed premises where wine and other liquors are served and where there is not a clear and present danger of disorderly conduct being provoked by such language <u>or to restrict advertising of lawful prices</u>.

Sec. 108. RCW 66.08.060 and 2005 c 231 s 3 are each amended to read as follows:

(((1) The board shall not advertise liquor in any form or through any medium whatsoever.

(2) In-store liquor merchandising is not advertising for the purposes of this section.

(3))) The board ((shall have)) has power to adopt any and all reasonable rules as to the kind, character, and location of advertising of liquor.

Sec. 109. RCW 66.20.010 and 2011 c 119 s 213 are each amended to read as follows:

Upon application in the prescribed form being made to any employee authorized by the board to issue permits, accompanied by payment of the prescribed fee, and upon the employee being satisfied that the applicant should be granted a permit under this title, the employee ((shall)) <u>must</u> issue to the

applicant under such regulations and at such fee as may be prescribed by the board a permit of the class applied for, as follows:

(1) Where the application is for a special permit by a physician or dentist, or by any person in charge of an institution regularly conducted as a hospital or sanitorium for the care of persons in ill health, or as a home devoted exclusively to the care of aged people, a special liquor purchase permit, except that the governor may waive the requirement for a special liquor purchase permit under this subsection pursuant to an order issued under RCW 43.06.220(2);

(2) Where the application is for a special permit by a person engaged within the state in mechanical or manufacturing business or in scientific pursuits requiring alcohol for use therein, or by any private individual, a special permit to purchase alcohol for the purpose named in the permit, except that the governor may waive the requirement for a special liquor purchase permit under this subsection pursuant to an order issued under RCW 43.06.220(2);

(3) Where the application is for a special permit to consume liquor at a banquet, at a specified date and place, a special permit to purchase liquor for consumption at such banquet, to such applicants as may be fixed by the board;

(4) Where the application is for a special permit to consume liquor on the premises of a business not licensed under this title, a special permit to purchase liquor for consumption thereon for such periods of time and to such applicants as may be fixed by the board;

(5) Where the application is for a special permit by a manufacturer to import or purchase within the state alcohol, malt, and other materials containing alcohol to be used in the manufacture of liquor, or other products, a special permit;

(6) Where the application is for a special permit by a person operating a drug store to purchase liquor at retail prices only, to be thereafter sold by such person on the prescription of a physician, a special liquor purchase permit, except that the governor may waive the requirement for a special liquor purchase permit under this subsection pursuant to an order issued under RCW 43.06.220(2);

(7) Where the application is for a special permit by an authorized representative of a military installation operated by or for any of the armed forces within the geographical boundaries of the state of Washington, a special permit to purchase liquor for use on such military installation ((at prices to be fixed by the board));

(8) Where the application is for a special permit by a vendor that manufactures or sells a product which cannot be effectively presented to potential buyers without serving it with liquor or by a manufacturer, importer, or distributor, or representative thereof, to serve liquor without charge to delegates and guests at a convention of a trade association composed of licensees of the board, when the said liquor is served in a hospitality room or from a booth in a board-approved suppliers' display room at the convention, and when the liquor so served is for consumption in the said hospitality room or display room during the convention, anything in this title ((66 - RCW)) to the contrary notwithstanding. Any such spirituous liquor ((shall)) must be purchased from ((the board or a spirits, beer, and wine restaurant licensee)) a spirits retailer or distributor, and any such ((beer and wine shall be)) liquor is subject to the taxes imposed by RCW 66.24.290 and 66.24.210;

(9) Where the application is for a special permit by a manufacturer, importer, or distributor, or representative thereof, to donate liquor for a reception, breakfast, luncheon, or dinner for delegates and guests at a convention of a trade association composed of licensees of the board, when the liquor so donated is for consumption at the said reception, breakfast, luncheon, or dinner during the convention, anything in this title ((66 RCW)) to the contrary notwithstanding. Any such spirituous liquor ((shall)) must be purchased from ((the board or a spirits, beer, and wine restaurant licensee)) a spirits retailer or distributor, and any such ((beer and wine shall be)) liquor is subject to the taxes imposed by RCW 66.24.290 and 66.24.210;

(10) Where the application is for a special permit by a manufacturer, importer, or distributor, or representative thereof, to donate and/or serve liquor without charge to delegates and guests at an international trade fair, show, or exposition held under the auspices of a federal, state, or local governmental entity or organized and promoted by a nonprofit organization, anything in <u>this</u> <u>title ((66 RCW)) to the contrary notwithstanding. Any such spirituous liquor ((shall)) must</u> be purchased from ((the board)) a liquor spirits retailer or <u>distributor</u>, and any such ((beer or wine shall be)) liquor is subject to the taxes imposed by RCW 66.24.290 and 66.24.210;

(11) Where the application is for an annual special permit by a person operating a bed and breakfast lodging facility to donate or serve wine or beer without charge to overnight guests of the facility if the wine or beer is for consumption on the premises of the facility. "Bed and breakfast lodging facility," as used in this subsection, means a facility offering from one to eight lodging units and breakfast to travelers and guests.

Sec. 110. RCW 66.20.160 and 2005 c 151 s 8 are each amended to read as follows:

 $((Words and phrases)) \underline{A}s$ used in RCW 66.20.160 ((to)) <u>through</u> 66.20.210, inclusive, ((shall have the following meaning:

"Card of identification" means any one of those cards described in RCW 66.16.040.))

"<u>l</u>icensee" means the holder of a retail liquor license issued by the board, and includes any employee or agent of the licensee.

(("Store employee" means a person employed in a state liquor store to sell liquor.))

Sec. 111. RCW 66.24.310 and 2011 c 119 s 301 are each amended to read as follows:

(1)(a) Except as provided in (b) of this subsection, no person ((shall)) may canvass for, solicit, receive, or take orders for the purchase or sale of liquor, nor contact any licensees of the board in goodwill activities, unless ((such person shall be the accredited representative of a person, firm, or corporation holding a certificate of approval issued pursuant to RCW 66.24.270 or 66.24.206, a beer distributor's license, a microbrewer's license, a domestic brewer's license, a beer importer's license, a domestic winery license, a wine importer's license, or a wine distributor's license within the state of Washington, or the accredited representative of a distiller, manufacturer, importer, or distributor of spirituous liquor, or foreign produced beer or wine, and shall have)) the person is the representative of a licensee or certificate holder authorized by this title to sell

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<u>liquor for resale in the state and has</u> applied for and received a representative's license.

(b) (a) of this subsection ((shall)) <u>does</u> not apply to: (i) Drivers who deliver <u>spirits</u>, beer, or wine; or (ii) domestic wineries or their employees.

(2) Every representative's license issued under this title ((shall be)) is subject to all conditions and restrictions imposed by this title or by the rules and regulations of the board; the board, for the purpose of maintaining an orderly market, may limit the number of representative's licenses issued for representation of specific classes of eligible employers.

(3) Every application for a representative's license must be approved by a holder of a certificate of approval ((issued pursuant to RCW 66.24.270 or 66.24.206)), a licensed beer distributor, a licensed domestic brewer, a licensed beer importer, a licensed microbrewer, a licensed domestic winery, a licensed wine importer, a licensed wine distributor, or by a distiller, manufacturer, importer, or distributor of ((spirituous liquor)) spirits, or of foreign-produced beer or wine, as required by the rules and regulations of the board ((shall require)).

(4) The fee for a representative's license ((shall be)) is twenty-five dollars per year.

(((5) An accredited representative of a distiller, manufacturer, importer, or distributor of spirituous liquor may, after he or she has applied for and received a representative's license, contact retail licensees of the board only in goodwill activities pertaining to spirituous liquor products.))

Sec. 112. RCW 66.24.380 and 2005 c 151 s 10 are each amended to read as follows:

There ((shall be)) is a retailer's license to be designated as a special occasion license to be issued to a not-for-profit society or organization to sell spirits, beer, and wine by the individual serving for on-premises consumption at a specified event, such as at picnics or other special occasions, at a specified date and place; fee sixty dollars per day.

(1) The not-for-profit society or organization is limited to sales of no more than twelve calendar days per year. For the purposes of this subsection, special occasion licensees that are "agricultural area fairs" or "agricultural county, district, and area fairs," as defined by RCW 15.76.120, that receive a special occasion license may, once per calendar year, count as one event fairs that last multiple days, so long as alcohol sales are at set dates, times, and locations, and the board receives prior notification of the dates, times, and locations. The special occasion license applicant will pay the sixty dollars per day for this event.

(2) The licensee may sell <u>spirits</u>, beer, and/or wine in original, unopened containers for off-premises consumption if permission is obtained from the board prior to the event.

(3) Sale, service, and consumption of spirits, beer, and wine is to be confined to specified premises or designated areas only.

(4) (($\frac{\text{Spirituous}}{\text{Spirituous}}$)) <u>L</u>iquor sold under this special occasion license must be purchased ((at a state liquor store or contract liquor store without discount at retail prices, including all taxes)) from a licensee of the board.

(5) Any violation of this section is a class 1 civil infraction having a maximum penalty of two hundred fifty dollars as provided for in chapter 7.80 RCW.

Sec. 113. RCW 66.28.030 and 2004 c 160 s 10 are each amended to read as follows:

Every domestic distillery, brewery, and microbrewery, domestic winery, certificate of approval holder, licensed liquor importer, licensed wine importer, and licensed beer importer ((shall be)) is responsible for the conduct of any licensed spirits, beer, or wine distributor in selling, or contracting to sell, to retail licensees, spirits, beer, or wine manufactured by such domestic distillery, brewery, microbrewery, domestic winery, manufacturer holding a certificate of approval, sold by an authorized representative holding a certificate of approval, or imported by such liquor, beer, or wine importer. Where the board finds that any licensed spirits, beer, or wine distributor has violated any of the provisions of this title or of the regulations of the board in selling or contracting to sell spirits, beer, or wine to retail licensees, the board may, in addition to any punishment inflicted or imposed upon such distributor, prohibit the sale of the brand or brands of spirits, beer, or wine involved in such violation to any or all retail licensees within the trade territory usually served by such distributor for such period of time as the board may fix, irrespective of whether the distiller manufacturing such spirits or the liquor importer importing such spirits, brewer manufacturing such beer or the beer importer importing such beer, or the domestic winery manufacturing such wine or the wine importer importing such wine or the certificate of approval holder manufacturing such spirits, beer, or wine or acting as authorized representative actually participated in such violation.

Sec. 114. RCW 66.24.540 and 1999 c 129 s 1 are each amended to read as follows:

(1) There ((shall be)) is a retailer's license to be designated as a motel license. The motel license may be issued to a motel regardless of whether it holds any other class of license under this title. No license may be issued to a motel offering rooms to its guests on an hourly basis. The license authorizes the licensee to:

(((1))) (a) Sell, at retail, in locked honor bars, spirits in individual bottles not to exceed fifty milliliters, beer in individual cans or bottles not to exceed twelve ounces, and wine in individual bottles not to exceed one hundred eighty-seven milliliters, to registered guests of the motel for consumption in guest rooms.

 $((\frac{a}))$ (i) Each honor bar must also contain snack foods. No more than one-half of the guest rooms may have honor bars.

(((b))) (ii) All spirits to be sold under the license must be purchased from <u>a</u> spirits retailer or a spirits distributor licensee of the board.

(((e))) (iii) The licensee ((shall)) must require proof of age from the guest renting a guest room and requesting the use of an honor bar. The guest ((shall)) must also execute an affidavit verifying that no one under twenty-one years of age ((shall have)) has access to the spirits, beer, and wine in the honor bar.

 $(((\frac{2})))$ (b) Provide without additional charge, to overnight guests of the motel, <u>spirits</u>, beer, and wine by the individual serving for on-premises consumption at a specified regular date, time, and place as may be fixed by the

board. Self-service by attendees is prohibited. All <u>spirits</u>, beer, and wine service must be done by an alcohol server as defined in RCW 66.20.300 and comply with RCW 66.20.310.

(2) The annual fee for a motel license is five hundred dollars.

(3) For the purposes of this section, "motel" ((as used in this section)) means a transient accommodation licensed under chapter 70.62 RCW.

((As used in this section, "spirits," "beer," and "wine" have the meanings defined in RCW 66.04.010.))

Sec. 115. RCW 66.24.590 and 2011 c 119 s 403 are each amended to read as follows:

(1) There (($\frac{\text{shall be}}{\text{be}}$)) is a retailer's license to be designated as a hotel license. No license may be issued to a hotel offering rooms to its guests on an hourly basis. Food service provided for room service, banquets or conferences, or restaurant operation under this license (($\frac{\text{shall}}{\text{shall}}$)) must meet the requirements of rules adopted by the board.

(2) The hotel license authorizes the licensee to:

(a) Sell spirituous liquor, beer, and wine, by the individual glass, at retail, for consumption on the premises, including mixed drinks and cocktails compounded and mixed on the premises;

(b) Sell, at retail, from locked honor bars, in individual units, spirits not to exceed fifty milliliters, beer in individual units not to exceed twelve ounces, and wine in individual bottles not to exceed three hundred eighty-five milliliters, to registered guests of the hotel for consumption in guest rooms. The licensee ((shall)) <u>must</u> require proof of age from the guest renting a guest room and requesting the use of an honor bar. The guest ((shall)) <u>must</u> also execute an affidavit verifying that no one under twenty-one years of age ((shall)) <u>will</u> have access to the spirits, beer, and wine in the honor bar;

(c) Provide without additional charge, to overnight guests, spirits, beer, and wine by the individual serving for on-premises consumption at a specified regular date, time, and place as may be fixed by the board. Self-service by attendees is prohibited;

(d) Sell beer, including strong beer, wine, or spirits, in the manufacturer's sealed container or by the individual drink to guests through room service, or through service to occupants of private residential units which are part of the buildings or complex of buildings that include the hotel;

(e) Sell beer, including strong beer, <u>spirits</u>, or wine, in the manufacturer's sealed container at retail sales locations within the hotel premises;

(f) Sell beer to a purchaser in a sanitary container brought to the premises by the purchaser or furnished by the licensee and filled at the tap in the restaurant area by the licensee at the time of sale;

(g) Sell for on or off-premises consumption, including through room service and service to occupants of private residential units managed by the hotel, wine carrying a label exclusive to the hotel license holder;

(h) Place in guest rooms at check-in, a complimentary bottle of ((beer, including strong beer, or wine)) liquor in a manufacturer-sealed container, and make a reference to this service in promotional material.

(3) If all or any facilities for alcoholic beverage service and the preparation, cooking, and serving of food are operated under contract or joint venture agreement, the operator may hold a license separate from the license held by the

operator of the hotel. Food and beverage inventory used in separate licensed operations at the hotel may not be shared and ((shall)) <u>must</u> be separately owned and stored by the separate licensees.

(4) All spirits to be sold under this license must be purchased from <u>a spirits</u> retailer or spirits distributor licensee of the board.

(5) All on-premise alcoholic beverage service must be done by an alcohol server as defined in RCW 66.20.300 and must comply with RCW 66.20.310.

(6)(a) The hotel license allows the licensee to remove from the liquor stocks at the licensed premises, liquor for sale and service at event locations at a specified date and place not currently licensed by the board. If the event is open to the public, it must be sponsored by a society or organization as defined by RCW 66.24.375. If attendance at the event is limited to members or invited guests of the sponsoring individual, society, or organization, the requirement that the sponsor must be a society or organization as defined by RCW 66.24.375 is waived.

(b) The holder of this license ((shall)) <u>must</u>, if requested by the board, notify the board or its designee of the date, time, place, and location of any event. Upon request, the licensee ((shall)) <u>must</u> provide to the board all necessary or requested information concerning the society or organization that will be holding the function at which the endorsed license will be utilized.

(c) Licensees may cater events on a domestic winery, brewery, or distillery premises.

(7) The holder of this license or its manager may furnish spirits, beer, or wine to the licensee's employees who are twenty-one years of age or older free of charge as may be required for use in connection with instruction on spirits, beer, and wine. The instruction may include the history, nature, values, and characteristics of spirits, beer, or wine, the use of wine lists, and the methods of presenting, serving, storing, and handling spirits, beer, or wine. The licensee must use the ((beer or wine)) liquor it obtains under its license for the sampling as part of the instruction. The instruction must be given on the premises of the licensee.

(8) Minors may be allowed in all areas of the hotel where ((alcohol)) <u>liquor</u> may be consumed; however, the consumption must be incidental to the primary use of the area. These areas include, but are not limited to, tennis courts, hotel lobbies, and swimming pool areas. If an area is not a mixed use area, and is primarily used for alcohol service, the area must be designated and restricted to access by ((minors)) persons of lawful age to purchase liquor.

(9) The annual fee for this license is two thousand dollars.

(10) As used in this section, "hotel," "spirits," "beer," and "wine" have the meanings defined in RCW 66.24.410 and 66.04.010.

Sec. 116. RCW 66.28.040 and 2011 c 186 s 4, 2011 c 119 s 207, and 2011 c 62 s 4 are each reenacted and amended to read as follows:

Except as permitted by the board under RCW 66.20.010, no domestic brewery, microbrewery, distributor, distiller, domestic winery, importer, rectifier, certificate of approval holder, or other manufacturer of liquor ((shall)) may, within the state of Washington, give to any person any liquor; but nothing in this section nor in RCW 66.28.305 prevents a domestic brewery, microbrewery, distributor, domestic winery, distiller, certificate of approval holder, or importer from furnishing samples of beer, wine, or spirituous liquor to authorized

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licensees for the purpose of negotiating a sale, in accordance with regulations adopted by the liquor control board, provided that the samples are subject to taxes imposed by RCW 66.24.290 and 66.24.210((, and in the case of spirituous liquor, any product used for samples must be purchased at retail from the board; nothing in this section shall prevent the furnishing of samples of liquor to the board for the purpose of negotiating the sale of liquor to the state liquor control board)); nothing in this section ((shall)) prevents a domestic brewery, microbrewery, domestic winery, distillery, certificate of approval holder, or distributor from furnishing beer, wine, or spirituous liquor for instructional purposes under RCW 66.28.150; nothing in this section ((shall)) prevents a domestic winery, certificate of approval holder, or distributor from furnishing wine without charge, subject to the taxes imposed by RCW 66.24.210, to a notfor-profit group organized and operated solely for the purpose of enology or the study of viticulture which has been in existence for at least six months and that uses wine so furnished solely for such educational purposes or a domestic winery, or an out-of-state certificate of approval holder, from furnishing wine without charge or a domestic brewery, or an out-of-state certificate of approval holder, from furnishing beer without charge, subject to the taxes imposed by RCW 66.24.210 or 66.24.290, or a domestic distiller licensed under RCW 66.24.140 or an accredited representative of a distiller, manufacturer, importer, or distributor of spirituous liquor licensed under RCW 66.24.310, from furnishing spirits without charge, to a nonprofit charitable corporation or association exempt from taxation under ((section)) 26 U.S.C. Sec. 501(c)(3) or (6) of the internal revenue code of 1986 (((26 U.S.C. Sec. 501(c)(3) or (6)))) for use consistent with the purpose or purposes entitling it to such exemption; nothing in this section ((shall)) prevents a domestic brewery or microbrewery from serving beer without charge, on the brewery premises; nothing in this section ((shall)) prevents donations of wine for the purposes of RCW 66.12.180; nothing in this section ((shall)) prevents a domestic winery from serving wine without charge, on the winery premises; nothing in this section ((shall)) prevents a craft distillery from serving spirits without charge, on the distillery premises subject to RCW 66.24.145; nothing in this section prohibits spirits sampling under chapter 186, Laws of 2011; and nothing in this section ((shall)) prevents a winery or microbrewery from serving samples at a farmers market under section 1, chapter 62, Laws of 2011.

Sec. 117. RCW 66.28.060 and 2008 c 94 s 7 are each amended to read as follows:

Every distillery licensed under this title (($\frac{\text{shall}}{\text{shall}}$)) <u>must</u> make monthly reports to the board pursuant to the regulations. ((No such distillery shall make any sale of spirits within the state of Washington except to the board and as provided in RCW 66.24.145.))

Sec. 118. RCW 66.28.070 and 2006 c 302 s 8 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, it ((shall be)) is unlawful for any retail <u>spirits</u>, beer, or wine licensee to purchase <u>spirits</u>, beer, or wine, except from a duly licensed distributor, domestic winery, domestic brewer, <u>or</u> certificate of approval holder with a direct shipment endorsement((, or the board)).

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(2)(a) A <u>spirits</u>, beer, or wine retailer ((licensee)) may purchase <u>spirits</u>, beer, or wine:

(i) From a government agency ((which)) that has lawfully seized ((beer or wine from)) liquor possessed by a licensed ((beer)) distributor or ((wine)) retailer((, or)):

(ii) From a board-authorized ((retailer)) manufacturer or certificate holder authorized by this title to act as a distributor of liquor((, or));

(iii) From a licensed retailer which has discontinued business if the distributor has refused to accept <u>spirits</u>, beer, or wine from that retailer for return and refund((. Beer and wine));

(iv) From a retailer whose license or license endorsement permits resale to a retailer of wine and/or spirits for consumption on the premises, if the purchasing retailer is authorized to sell such wine and/or spirits.

(b) Goods purchased under this subsection ((shall)) (2) must meet the quality standards set by ((its)) the manufacturer of the goods.

(3) Special occasion licensees holding a special occasion license may only purchase <u>spirits</u>, beer, or wine from a <u>spirits</u>, beer, or wine retailer duly licensed to sell <u>spirits</u>, beer, or wine for off-premises consumption, ((the board,)) or from a duly licensed <u>spirits</u>, beer, or wine distributor.

Sec. 119. RCW 66.28.170 and 2004 c 160 s 17 are each amended to read as follows:

It is unlawful for a manufacturer of <u>spirits</u>, wine, or malt beverages holding a certificate of approval ((issued under RCW 66.24.270 or 66.24.206)) or the manufacturer's authorized representative, a <u>distillery</u>, brewery, or a domestic winery to discriminate in price in selling to any purchaser for resale in the state of Washington. <u>Price differentials for sales of spirits or wine based upon</u> <u>competitive conditions</u>, costs of servicing a purchaser's account, efficiencies in handling goods, or other bona fide business factors, to the extent the differentials are not unlawful under trade regulation laws applicable to goods of all kinds, do not violate this section.

<u>NEW SECTION</u>. Sec. 120. A new section is added to chapter 66.28 RCW to read as follows:

(1) No price for spirits sold in the state by a distributor or other licensee acting as a distributor pursuant to this title may be below acquisition cost unless the item sold below acquisition cost has been stocked by the seller for a period of at least six months. The seller may not restock the item for a period of one year following the first effective date of such below cost price.

(2) Spirits sold to retailers for resale for consumption on or off the licensed premises may be delivered to the retailer's licensed premises, to a location specified by the retailer and approved for deliveries by the board, or to a carrier engaged by either party to the transaction.

(3) In selling spirits to another retailer, to the extent consistent with the purposes of this act, a spirits retail licensee must comply with all provisions of and regulations under this title applicable to wholesale distributors selling spirits to retailers.

(4) A distiller holding a license or certificate of compliance as a distiller under this title may act as distributor in the state of spirits of its own production or of foreign-produced spirits it is entitled to import. The distiller must, to the extent consistent with the purposes of this act, comply with all provisions of and regulations under this title applicable to wholesale distributors selling spirits to retailers.

(5) With respect to any alleged violation of this title by sale of spirits at a discounted price, all defenses under applicable trade regulation laws are available, including without limitation good faith meeting of a competitor's lawful price and absence of harm to competition.

(6) Notwithstanding any other provision of law, no licensee may import, purchase, distribute, or accept delivery of any wine that is produced outside of the United States or any distilled spirits without the written consent of the brand owner or its authorized agent.

Sec. 121. RCW 66.28.180 and 2009 c 506 s 10 are each amended to read as follows:

(1) Beer and/<u>or</u> wine distributors.

(a) Every beer ((or wine)) distributor ((shall)) <u>must</u> maintain at its liquorlicensed location a price list showing the wholesale prices at which any and all brands of beer ((and wine)) sold by ((such beer and/or wine)) the distributor ((shall be)) are sold to retailers within the state.

(b) Each price list ((shall)) <u>must</u> set forth:

(i) All brands, types, packages, and containers of beer ((or wine)) offered for sale by ((such beer and/or wine)) <u>the</u> distributor; and

(ii) The wholesale prices thereof to retail licensees, including allowances, if any, for returned empty containers.

(c) No beer ((and/or wine)) distributor may sell or offer to sell any package or container of beer ((or wine)) to any retail licensee at a price differing from the price for such package or container as shown in the price list, according to rules adopted by the board.

(d) Quantity discounts <u>of sales prices of beer</u> are prohibited. No <u>distributor's sale price of beer</u> may be below <u>the distributor's</u> acquisition cost.

(e) Distributor prices <u>below acquisition cost</u> on a "close-out" item ((shall be)) <u>are</u> allowed if the item to be discontinued has been listed for a period of at least six months, and upon the further condition that the distributor who offers such a close-out price ((shall)) <u>may</u> not restock the item for a period of one year following the first effective date of such close-out price.

(f) Any beer ((and/or wine)) distributor ((or employee authorized by the distributor-employer)) may sell beer ((and/or wine)) at the distributor's listed prices to any annual or special occasion retail licensee upon presentation to the distributor ((or employee)) at the time of purchase or delivery of an original or facsimile license or a special permit issued by the board to such licensee.

(g) Every annual or special occasion retail licensee, upon purchasing any beer ((and/or wine)) from a distributor, ((shall)) <u>must</u> immediately cause such beer ((or wine)) to be delivered to the licensed premises, and the licensee ((shall)) <u>may</u> not thereafter permit such beer to be disposed of in any manner except as authorized by the license.

(h) Beer ((and wine)) sold as provided in this section ((shall)) <u>must</u> be delivered by the distributor or an authorized employee either to the retailer's licensed premises or directly to the retailer at the distributor's licensed premises. When a ((domestic winery,)) brewery, microbrewery, or certificate of approval holder with a direct shipping endorsement is acting as a distributor of <u>beer of</u> its

own production, a licensed retailer may contract with a common carrier to obtain the ((product)) <u>beer</u> directly from the ((domestic winery,)) brewery, microbrewery, or certificate of approval holder with a direct shipping endorsement. A distributor's prices to retail licensees ((shall)) for beer must be the same at both such places of delivery. <u>Wine sold to retailers must be delivered</u> to the retailer's licensed premises, to a location specified by the retailer and approved for deliveries by the board, or to a carrier engaged by either party to the transaction.

(2) Beer ((and wine)) suppliers' contracts and memoranda.

(a) Every domestic brewery, microbrewery, ((domestic winery,)) certificate of approval holder, and beer and/or wine importer offering beer ((and/or wine)) for sale to distributors within the state and any beer ((and/or wine)) distributor who sells to other beer ((and/or wine)) distributors ((shall)) <u>must</u> maintain at its liquor_licensed location a <u>beer</u> price list and a copy of every written contract and a memorandum of every oral agreement which such brewery ((or winery)) may have with any beer ((or wine)) distributor <u>for the supply of beer</u>, which contracts or memoranda ((shall)) <u>must</u> contain:

(i) All advertising, sales and trade allowances, and incentive programs; and

(ii) All commissions, bonuses or gifts, and any and all other discounts or allowances.

(b) Whenever changed or modified, such revised contracts or memoranda ((shall)) <u>must</u> also be maintained at its liquor licensed location.

(c) Each price list ((shall)) <u>must</u> set forth all brands, types, packages, and containers of beer ((or wine)) offered for sale by such ((licensed brewery or winery)) <u>supplier</u>.

(d) Prices of a domestic brewery, microbrewery, $((\frac{\text{domestic winery}}))$ or certificate of approval holder $((\frac{\text{shall}}))$ for beer must be uniform prices to all distributors or retailers on a statewide basis less bona fide allowances for freight differentials. Quantity discounts of suppliers' prices for beer are prohibited. No price $((\frac{\text{shall}}))$ may be below the supplier's acquisition((4)) or production cost.

(e) A domestic brewery, microbrewery, ((domestic winery,)) certificate of approval holder, ((beer or wine)) importer, or ((beer or wine)) distributor acting as a supplier to another distributor must file ((a distributor appointment)) with the board <u>a list of all distributor licensees of the board to which it sells or offers to sell beer</u>.

(f) No domestic brewery, microbrewery, ((domestic winery,)) or certificate of approval holder may sell or offer to sell any package or container of beer ((or wine)) to any distributor at a price differing from the price list for such package or container as shown in the price list of the domestic brewery, microbrewery, ((domestic winery,)) or certificate of approval holder and then in effect, according to rules adopted by the board.

(3) In selling wine to another retailer, to the extent consistent with the purposes of this act, a grocery store licensee with a reseller endorsement must comply with all provisions of and regulations under this title applicable to wholesale distributors selling wine to retailers.

(4) With respect to any alleged violation of this title by sale of wine at a discounted price, all defenses under applicable trade regulation laws are available including, without limitation, good faith meeting of a competitor's lawful price and absence of harm to competition.

Sec. 122. RCW 66.28.190 and 2003 c 168 s 305 are each amended to read as follows:

((RCW 66.28.010)) (1) Any other provision of this title notwithstanding, persons licensed under ((RCW 66.24.200 as wine distributors and persons licensed under RCW 66.24.250 as beer distributors)) this title to sell liquor for resale may sell at wholesale nonliquor food and food ingredients on thirty-day credit terms to persons licensed as retailers under this title, but complete and separate accounting records ((shall)) must be maintained on all sales of nonliquor food and food ingredients to ensure that such persons are in compliance with ((RCW 66.28.010)) this title.

(2) For the purpose of this section, "nonliquor food and food ingredients" includes, without limitation, all food and food ingredients for human consumption as defined in RCW 82.08.0293 as it ((exists)) existed on July 1, 2004.

<u>NEW SECTION.</u> Sec. 123. A new section is added to chapter 66.28 RCW to read as follows:

A retailer authorized to sell wine may accept delivery of wine at its licensed premises or at one or more warehouse facilities registered with the board, which facilities may also warehouse and distribute nonliquor items, and from which it may deliver to its own licensed premises and, pursuant to sales permitted by this title, to other licensed retailers, to other registered facilities, or to lawful purchasers outside the state; such facilities may be registered and utilized by associations, cooperatives, or comparable groups of retailers including at least one retailer licensed to sell wine. A restaurant retailer authorized to sell spirits may accept delivery of spirits at its licensed premises or at one or more warehouse facilities registered with the board, which facilities may also warehouse and distribute nonliquor items, from which it may deliver to its own licensed premises and, pursuant to sales permitted by this title, to other licensed retailers, to other registered facilities, or to lawful purchasers outside the state; such facilities may be registered and utilized by associations, cooperatives, or comparable groups of retailers including at least one restaurant retailer licensed to sell spirits. Nothing in this section authorizes sales of spirits or wine by a retailer holding only an on-sale privilege to another retailer.

Sec. 124. RCW 66.28.280 and 2009 c 506 s 1 are each amended to read as follows:

((The legislature recognizes that Washington's current three-tier system, where the functions of manufacturing, distributing, and retailing are distinct and the financial relationships and business transactions between entities in these tiers are regulated, is a valuable system for the distribution of beer and wine.)) The legislature ((further)) recognizes that the historical total prohibition on ownership of an interest in one tier by a person with an ownership interest in another tier, as well as the historical restriction on financial incentives and business relationships between tiers, is unduly restrictive. The legislature finds the ((modifications contained in chapter 506, Laws of 2009 are appropriate, because the modifications)) provisions of RCW 66.28.285 through 66.28.320 appropriate for all varieties of liquor, because they do not impermissibly interfere with ((the goals of orderly marketing of alcohol in the state, encouraging moderation in consumption of alcohol by the citizens of the state,))

protecting the public interest and advancing public safety by preventing the use and consumption of alcohol by minors and other abusive consumption, and promoting the efficient collection of taxes by the state.

<u>NEW SECTION.</u> Sec. 125. A new section is added to chapter 66.04 RCW to read as follows:

In this title, unless the context otherwise requires:

(1) "Retailer" except as expressly defined by RCW 66.28.285(5) with respect to its use in RCW 6.28280 through 66.28.315, means the holder of a license or permit issued by the board authorizing sale of liquor to consumers for consumption on and/or off the premises. With respect to retailer licenses, "on-sale" refers to the license privilege of selling for consumption upon the licensed premises.

(2) "Spirits distributor" means a person, other than a person who holds only a retail license, who buys spirits from a domestic distiller, manufacturer, supplier, spirits distributor, or spirits importer, or who acquires foreign-produced spirits from a source outside of the United States, for the purpose of reselling the same not in violation of this title, or who represents such distiller as agent.

(3) "Spirits importer" means a person who buys distilled spirits from a distiller outside the state of Washington and imports such spirits into the state for sale or export.

PART II

LIQUOR CONTROL BOARD—DISCONTINUING RETAIL SALES— TECHNICAL CHANGES

Sec. 201. RCW 43.19.19054 and 1975-'76 2nd ex.s. c 21 s 7 are each amended to read as follows:

The provisions of RCW 43.19.1905 ((shall)) <u>do</u> not apply to materials, supplies, and equipment purchased for resale to other than public agencies by state agencies, including educational institutions. ((In addition, RCW 43.19.1905 shall not apply to liquor purchased by the state for resale under the provisions of Title 66 RCW.))

Sec. 202. RCW 66.08.020 and 1933 ex.s. c 62 s 5 are each amended to read as follows:

The administration of this title((, including the general control, management and supervision of all liquor stores, shall be)) is vested in the liquor control board, constituted under this title.

Sec. 203. RCW 66.08.026 and 2008 c 67 s 1 are each amended to read as follows:

Administrative expenses of the board ((shall)) <u>must</u> be appropriated and paid from the liquor revolving fund. These administrative expenses ((shall)) include, but not be limited to: The salaries and expenses of the board and its employees, ((the cost of opening additional state liquor stores and warehouses,)) legal services, pilot projects, annual or other audits, and other general costs of conducting the business of the board. The administrative expenses ((shall)) <u>do</u> not include ((costs of liquor and lottery tickets purchased, the cost of transportation and delivery to the point of distribution, the cost of operating, maintaining, relocating, and leasing state liquor stores and warehouses, other WASHINGTON LAWS, 2012

eosts pertaining to the acquisition and receipt of liquor and lottery tickets, agency commissions for contract liquor stores, transaction fees associated with eredit or debit card purchases for liquor in state liquor stores and in contract liquor stores pursuant to RCW 66.16.040 and 66.16.041, sales tax, and)) those amounts distributed pursuant to RCW 66.08.180, 66.08.190, 66.08.200, or 66.08.210 ((and 66.08.220)). Agency commissions for contract liquor stores ((shall)) must be established by the liquor control board after consultation with and approval by the director of the office of financial management. All expenditures and payment of obligations authorized by this section are subject to the allotment requirements of chapter 43.88 RCW.

Sec. 204. RCW 66.08.030 and 2002 c 119 s 2 are each amended to read as follows:

(((1) For the purpose of carrying into effect the provisions of this title according to their true intent or of supplying any deficiency therein, the board may make such regulations not inconsistent with the spirit of this title as are deemed necessary or advisable. All regulations so made shall be a public record and shall be filed in the office of the code reviser, and thereupon shall have the same force and effect as if incorporated in this title. Such regulations, together with a copy of this title, shall be published in pamphlets and shall be distributed as directed by the board.

(2) Without thereby limiting the generality of the provisions contained in subsection (1), it is declared that)) The power of the board to make regulations ((in the manner set out in that subsection shall)) under chapter 34.05 RCW extends to

(((a) regulating the equipment and management of stores and warehouses in which state liquor is sold or kept, and prescribing the books and records to be kept therein and the reports to be made thereon to the board;

(b)))<u>:</u>

(1) Prescribing the duties of the employees of the board, and regulating their conduct in the discharge of their duties;

(((c) governing the purchase of liquor by the state and the furnishing of liquor to stores established under this title;

(d) determining the classes, varieties, and brands of liquor to be kept for sale at any store;

(e) prescribing, subject to RCW 66.16.080, the hours during which the state liquor stores shall be kept open for the sale of liquor;

(f) providing for the issuing and distributing of price lists showing the price to be paid by purchasers for each variety of liquor kept for sale under this title;

(g))) (2) Prescribing an official seal and official labels and stamps and determining the manner in which they ((shall)) <u>must</u> be attached to every package of liquor sold or sealed under this title, including the prescribing of different official seals or different official labels for different classes of liquor;

(((h) providing for the payment by the board in whole or in part of the earrying charges on liquor shipped by freight or express;

(i)) (3) Prescribing forms to be used for purposes of this title or the regulations, and the terms and conditions to be contained in permits and licenses issued under this title, and the qualifications for receiving a permit or license issued under this title, including a criminal history record information check. The board may submit the criminal history record information check to the

Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The board ((shall)) <u>must</u> require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation;

 $(((\frac{1}{2})))$ (4) <u>Prescribing</u> the fees payable in respect of permits and licenses issued under this title for which no fees are prescribed in this title, and prescribing the fees for anything done or permitted to be done under the regulations;

(((k))) (5) Prescribing the kinds and quantities of liquor which may be kept on hand by the holder of a special permit for the purposes named in the permit, regulating the manner in which the same ((shall be)) is kept and disposed of, and providing for the inspection of the same at any time at the instance of the board;

(((1))) (6) <u>Regulating the sale of liquor kept by the holders of licenses which</u> entitle the holder to purchase and keep liquor for sale;

(((m))) (7) Prescribing the records of purchases or sales of liquor kept by the holders of licenses, and the reports to be made thereon to the board, and providing for inspection of the records so kept;

(((n))) (8) Prescribing the kinds and quantities of liquor for which a prescription may be given, and the number of prescriptions which may be given to the same patient within a stated period;

 $(((\overline{o})))$ (9) Prescribing the manner of giving and serving notices required by this title or the regulations, where not otherwise provided for in this title;

 $(((\frac{10}{2})))$ (10) Regulating premises in which liquor is kept for export from the state, or from which liquor is exported, prescribing the books and records to be kept therein and the reports to be made thereon to the board, and providing for the inspection of the premises and the books, records and the liquor so kept;

(((q))) (<u>11)</u> Prescribing the conditions and qualifications requisite for the obtaining of club licenses and the books and records to be kept and the returns to be made by clubs, prescribing the manner of licensing clubs in any municipality or other locality, and providing for the inspection of clubs;

(((r))) (<u>12)</u> Prescribing the conditions, accommodations, and qualifications requisite for the obtaining of licenses to sell beer ((and)), wines, and spirits, and regulating the sale of beer ((and)), wines, and spirits thereunder;

(((s))) (13) Specifying and regulating the time and periods when, and the manner, methods and means by which manufacturers ((shall)) must deliver liquor within the state; and the time and periods when, and the manner, methods and means by which liquor may lawfully be conveyed or carried within the state;

((((+))) (<u>14</u>) Providing for the making of returns by brewers of their sales of beer shipped within the state, or from the state, showing the gross amount of such sales and providing for the inspection of brewers' books and records, and for the checking of the accuracy of any such returns;

(((u))) (15) Providing for the making of returns by the wholesalers of beer whose breweries are located beyond the boundaries of the state;

 $(((\mathbf{v})))$ (16) Providing for the making of returns by any other liquor manufacturers, showing the gross amount of liquor produced or purchased, the amount sold within and exported from the state, and to whom so sold or

exported, and providing for the inspection of the premises of any such liquor manufacturers, their books and records, and for the checking of any such return;

(((w))) (<u>17) P</u>roviding for the giving of fidelity bonds by any or all of the employees of the board((: <u>PROVIDED</u>, That)). However, the premiums therefor ((shall)) <u>must</u> be paid by the board;

(((x))) (18) Providing for the shipment ((by mail or common carrier)) of liquor to any person holding a permit and residing in any unit which has, by election pursuant to this title, prohibited the sale of liquor therein;

 $((\frac{y}))$ (19) Prescribing methods of manufacture, conditions of sanitation, standards of ingredients, quality and identity of alcoholic beverages manufactured, sold, bottled, or handled by licensees and the board; and conducting from time to time, in the interest of the public health and general welfare, scientific studies and research relating to alcoholic beverages and the use and effect thereof;

(((z))) (20) Seizing, confiscating and destroying all alcoholic beverages manufactured, sold or offered for sale within this state which do not conform in all respects to the standards prescribed by this title or the regulations of the board((: PROVIDED;)). However, nothing herein contained ((shall)) may be construed as authorizing the liquor board to prescribe, alter, limit or in any way change the present law as to the quantity or percentage of alcohol used in the manufacturing of wine or other alcoholic beverages.

Sec. 205. RCW 66.24.145 and 2010 c 290 s 2 are each amended to read as follows:

(1) Any craft distillery may sell spirits of its own production for consumption off the premises, up to two liters per person per day. ((Spirits sold under this subsection must be purchased from the board and sold at the retail price established by the board.)) A craft distillery selling spirits under this subsection must comply with the applicable laws and rules relating to retailers.

(2) Any craft distillery may contract distill spirits for, and sell contract distilled spirits to, holders of distillers' or manufacturers' licenses, including licenses issued under RCW 66.24.520, or for export.

(3) Any craft distillery licensed under this section may provide, free of charge, one-half ounce or less samples of spirits of its own production to persons on the premises of the distillery. The maximum total per person per day is two ounces. Every person who participates in any manner in the service of samples must obtain a class 12 alcohol server permit. ((Spirits used for samples must be purchased from the board.))

(4) The board ((shall)) <u>must</u> adopt rules to implement the alcohol server permit requirement and may adopt additional rules to implement this section.

(5) Distilling is an agricultural practice.

<u>NEW SECTION.</u> Sec. 206. A new section is added to chapter 66.24 RCW to read as follows:

Any distiller licensed under this title may act as a retailer and/or distributor to retailers selling for consumption on or off the licensed premises of spirits of its own production, and any manufacturer, importer, or bottler of spirits holding a certificate of approval may act as a distributor of spirits it is entitled to import into the state under such certificate. The board must by rule provide for issuance of certificates of approval to spirits suppliers. An industry member operating as a distributor and/or retailer under this section must comply with the applicable laws and rules relating to distributors and/or retailers, except that an industry member operating as a distributor under this section may maintain a warehouse off the distillery premises for the distribution of spirits of its own production to spirits retailers within the state, if the warehouse is within the United States and has been approved by the board.

Sec. 207. RCW 66.24.160 and 1981 1st ex.s. c 5 s 30 are each amended to read as follows:

A ((liquor)) <u>spirits</u> importer's license may be issued to any qualified person, firm or corporation, entitling the holder thereof to import into the state any liquor other than beer or wine; to store the same within the state, and to sell and export the same from the state; fee six hundred dollars per annum. Such ((liquor)) <u>spirits</u> importer's license ((shall be)) <u>is</u> subject to all conditions and restrictions imposed by this title or by the rules and regulations of the board, and ((shall be)) <u>is</u> issued only upon such terms and conditions as may be imposed by the board. ((No liquor importer's license shall be required in sales to the Washington state liquor control board.))

Sec. 208. RCW 66.32.010 and 1955 c 39 s 3 are each amended to read as follows:

((Except as permitted by)) The board may, ((no liquor shall be kept or had by any person within this state unless the package in which the liquor was contained had, while containing that liquor, been)) to the extent required to control unlawful diversion of liquor from authorized channels of distribution, require that packages of liquor transported within the state be sealed with ((the)) such official seal as may be adopted by the board, except in the case of:

(1) ((Liquor imported by the board; or

(2))) Liquor manufactured in the state ((for sale to the board or for export)); or

(((3) Beer,)) (2) Liquor purchased within the state or for shipment to a consumer within the state in accordance with the provisions of law; or

(((4))) (3) Wine or beer exempted in RCW 66.12.010.

Sec. 209. RCW 66.44.120 and 2011 c 96 s 46 are each amended to read as follows:

(1) No person other than an employee of the board ((shall)) may keep or have in his or her possession any official seal ((prescribed)) adopted by the board under this title, unless the same is attached to a package ((which has been purchased from a liquor store or contract liquor store)) in accordance with the law; nor ((shall)) may any person keep or have in his or her possession any design in imitation of any official seal prescribed under this title, or calculated to deceive by its resemblance thereto, or any paper upon which any design in imitation thereof, or calculated to deceive as aforesaid, is stamped, engraved, lithographed, printed, or otherwise marked.

(2)(a) Except as provided in (b) of this subsection, every person who willfully violates this section is guilty of a gross misdemeanor and $((\frac{\text{shall be}}))$ is liable on conviction thereof for a first offense to imprisonment in the county jail for a period of not less than three months nor more than six months, without the option of the payment of a fine, and for a second offense, to imprisonment in the

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county jail for not less than six months nor more than three hundred sixty-four days, without the option of the payment of a fine.

(b) A third or subsequent offense is a class C felony, punishable by imprisonment in a state correctional facility for not less than one year nor more than two years.

Sec. 210. RCW 66.44.150 and 1955 c 289 s 5 are each amended to read as follows:

If any person in this state buys alcoholic beverages from any person other than ((the board, a state liquor store, or some)) <u>a</u> person authorized by the board to sell ((them, he shall be)) <u>alcoholic beverages</u>, he or she is guilty of a misdemeanor.

Sec. 211. RCW 66.44.340 and 1999 c 281 s 11 are each amended to read as follows:

(1) Employers holding grocery store or beer and/or wine specialty shop licenses exclusively are permitted to allow their employees, between the ages of eighteen and twenty-one years, to sell, stock, and handle ((beer or wine)) liquor in, on or about any establishment holding a ((grocery store or beer and/or wine specialty shop)) license ((exclusively: PROVIDED, That)) to sell such liquor, if:

(a) <u>There is an adult twenty-one years of age or older on duty supervising</u> the sale of liquor at the licensed premises((: <u>PROVIDED</u>, <u>That</u>)); and

(b) In the case of spirits, there are at least two adults twenty-one years of age or older on duty supervising the sale of spirits at the licensed premises.

(2) Employees under twenty-one years of age may make deliveries of beer and/or wine purchased from licensees holding grocery store or beer and/or wine specialty shop licenses exclusively, when delivery is made to cars of customers adjacent to such licensed premises but only, however, when the underage employee is accompanied by the purchaser.

Sec. 212. RCW 19.126.010 and 2003 c 59 s 1 are each amended to read as follows:

(1) The legislature recognizes that both suppliers and wholesale distributors of malt beverages <u>and spirits</u> are interested in the goal of best serving the public interest through the fair, efficient, and competitive distribution of such beverages. The legislature encourages them to achieve this goal by:

(a) Assuring the wholesale distributor's freedom to manage the business enterprise, including the wholesale distributor's right to independently establish its selling prices; and

(b) Assuring the supplier and the public of service from wholesale distributors who will devote their best competitive efforts and resources to sales and distribution of the supplier's products which the wholesale distributor has been granted the right to sell and distribute.

(2) This chapter governs the relationship between suppliers of malt beverages <u>and spirits</u> and their wholesale distributors to the full extent consistent with the Constitution and laws of this state and of the United States.

Sec. 213. RCW 19.126.020 and 2009 c 155 s 1 are each reenacted and amended to read as follows:

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

(1) "Agreement of distributorship" means any contract, agreement, commercial relationship, license, association, or any other arrangement, for a definite or indefinite period, between a supplier and distributor.

(2) "Authorized representative" has the same meaning as "authorized representative" as defined in RCW 66.04.010.

(3) "Brand" means any word, name, group of letters, symbol, or combination thereof, including the name of the <u>distiller or</u> brewer if the <u>distiller's</u> <u>or</u> brewer's name is also a significant part of the product name, adopted and used by a supplier to identify ((a)) specific <u>spirits or a specific</u> malt beverage product and to distinguish that product from other <u>spirits or</u> malt beverages produced by that supplier or other suppliers.

(4) "Distributor" means any person, including but not limited to a component of a supplier's distribution system constituted as an independent business, importing or causing to be imported into this state, or purchasing or causing to be purchased within this state, any <u>spirits or</u> malt beverages for sale or resale to retailers licensed under the laws of this state, regardless of whether the business of such person is conducted under the terms of any agreement with a <u>distiller or</u> malt beverage manufacturer.

(5) "Importer" means any distributor importing <u>spirits or</u> beer into this state for sale to retailer accounts or for sale to other distributors designated as "subjobbers" for resale.

(6) "Malt beverage manufacturer" means every brewer, fermenter, processor, bottler, or packager of malt beverages located within or outside this state, or any other person, whether located within or outside this state, who enters into an agreement of distributorship for the resale of malt beverages in this state with any wholesale distributor doing business in the state of Washington.

(7) "Person" means any natural person, corporation, partnership, trust, agency, or other entity, as well as any individual officers, directors, or other persons in active control of the activities of such entity.

(8) <u>"Spirits manufacturer" means every distiller, processor, bottler, or</u> packager of spirits located within or outside this state, or any other person, whether located within or outside this state, who enters into an agreement of distributorship for the resale of spirits in this state with any wholesale distributor doing business in the state of Washington.

(9) "Successor distributor" means any distributor who enters into an agreement, whether oral or written, to distribute a brand of <u>spirits or</u> malt beverages after the supplier with whom such agreement is made or the person from whom that supplier acquired the right to manufacture or distribute the brand has terminated, canceled, or failed to renew an agreement of distributorship, whether oral or written, with another distributor to distribute that same brand of <u>spirits or</u> malt beverages.

(((9))) (<u>10</u>) "Supplier" means any <u>spirits or</u> malt beverage manufacturer or importer who enters into or is a party to any agreement of distributorship with a wholesale distributor. "Supplier" does not include: (a) Any ((domestic)) <u>distiller licensed under RCW 66.24.140 or 66.24.145 and producing less than</u> <u>sixty thousand proof gallons of spirits annually or any</u> brewery or microbrewery licensed under RCW 66.24.240 and producing less than two hundred thousand barrels of malt liquor annually; (b) any brewer or manufacturer of malt liquor producing less than two hundred thousand barrels of malt liquor annually and holding a certificate of approval issued under RCW 66.24.270; or (c) any authorized representative of <u>distillers or</u> malt liquor manufacturers who holds an appointment from one or more <u>distillers or</u> malt liquor manufacturers which, in the aggregate, produce less than two hundred thousand barrels of malt liquor <u>or</u> sixty thousand proof gallons of spirits.

(((10))) (11) "Terminated distribution rights" means distribution rights with respect to a brand of malt beverages which are lost by a terminated distributor as a result of termination, cancellation, or nonrenewal of an agreement of distributorship for that brand.

(((11))) (12) "Terminated distributor" means a distributor whose agreement of distributorship with respect to a brand of <u>spirits or</u> malt beverages, whether oral or written, has been terminated, canceled, or not renewed.

Sec. 214. RCW 19.126.040 and 2009 c 155 s 3 are each amended to read as follows:

Wholesale distributors are entitled to the following protections which are deemed to be incorporated into every agreement of distributorship:

(1) Agreements between wholesale distributors and suppliers ((shall)) <u>must</u> be in writing;

(2) A supplier ((shall)) <u>must</u> give the wholesale distributor at least sixty days prior written notice of the supplier's intent to cancel or otherwise terminate the agreement, unless such termination is based on a reason set forth in RCW 19.126.030(5) or results from a supplier acquiring the right to manufacture or distribute a particular brand and electing to have that brand handled by a different distributor. The notice ((shall)) <u>must</u> state all the reasons for the intended termination or cancellation. Upon receipt of notice, the wholesale distributor ((shall have)) <u>has</u> sixty days in which to rectify any claimed deficiency. If the deficiency is rectified within this sixty-day period, the proposed termination or cancellation is null and void and without legal effect;

(3) The wholesale distributor may sell or transfer its business, or any portion thereof, including the agreement, to successors in interest upon prior approval of the transfer by the supplier. No supplier may unreasonably withhold or delay its approval of any transfer, including wholesaler's rights and obligations under the terms of the agreement, if the person or persons to be substituted meet reasonable standards imposed by the supplier;

(4) If an agreement of distributorship is terminated, canceled, or not renewed for any reason other than for cause, failure to live up to the terms and conditions of the agreement, or a reason set forth in RCW 19.126.030(5), the wholesale distributor is entitled to compensation from the successor distributor for the laid-in cost of inventory and for the fair market value of the terminated distribution rights. For purposes of this section, termination, cancellation, or nonrenewal of a distributor's right to distribute a particular brand constitutes termination, cancellation, or nonrenewal of an agreement of distributorship whether or not the distributor retains the right to continue distribution of other brands for the supplier. In the case of terminated distribute a particular brand and electing to have that brand handled by a different distributor, the affected distribution rights will not transfer until such time as the compensation to be

paid to the terminated distributor has been finally determined by agreement or arbitration;

(5) When a terminated distributor is entitled to compensation under subsection (4) of this section, a successor distributor must compensate the terminated distributor for the fair market value of the terminated distributor's rights to distribute the brand, less any amount paid to the terminated distributor by a supplier or other person with respect to the terminated distribution rights for the brand. If the terminated distributor's distribution rights to a brand of spirits or malt beverages are divided among two or more successor distributors, each successor distributor must compensate the terminated distributor for the fair market value of the distribution rights assumed by that successor distributor, less any amount paid to the terminated distributor by a supplier or other person with respect to the terminated distribution rights assumed by the successor distributor. A terminated distributor may not receive total compensation under this subsection that exceeds the fair market value of the terminated distributor's distribution rights with respect to the affected brand. Nothing in this section ((shall)) may be construed to require any supplier or other third person to make any payment to a terminated distributor;

(6) For purposes of this section, the "fair market value" of distribution rights as to a particular brand means the amount that a willing buyer would pay and a willing seller would accept for such distribution rights when neither is acting under compulsion and both have knowledge of all facts material to the transaction. "Fair market value" is determined as of the date on which the distribution rights are to be transferred in accordance with subsection (4) of this section;

(7) In the event the terminated distributor and the successor distributor do not agree on the fair market value of the affected distribution rights within thirty days after the terminated distributor is given notice of termination, the matter must be submitted to binding arbitration. Unless the parties agree otherwise, such arbitration must be conducted in accordance with the American arbitration association commercial arbitration rules with each party to bear its own costs and attorneys' fees;

(8) Unless the parties otherwise agree, or the arbitrator for good cause shown orders otherwise, an arbitration conducted pursuant to subsection (7) of this section must proceed as follows: (a) The notice of intent to arbitrate must be served within forty days after the terminated distributor receives notice of terminated distribution rights; (b) the arbitration must be conducted within ninety days after service of the notice of intent to arbitrate; and (c) the arbitrator or arbitrators must issue an order within thirty days after completion of the arbitration;

(9) In the event of a material change in the terms of an agreement of distribution, the revised agreement must be considered a new agreement for purposes of determining the law applicable to the agreement after the date of the material change, whether or not the agreement of distribution is or purports to be a continuing agreement and without regard to the process by which the material change is effected.

<u>NEW SECTION.</u> Sec. 215. The following acts or parts of acts are each repealed:

(1) RCW 66.08.070 (Purchase of liquor by board—Consignment not prohibited—Warranty or affirmation not required for wine or malt purchases) and 1985 c 226 s 2, 1973 1st ex.s. c 209 s 1, & 1933 ex.s. c 62 s 67;

(2) RCW 66.08.075 (Officer, employee not to represent manufacturer, wholesaler in sale to board) and 1937 c 217 s 5;

(3) RCW 66.08.160 (Acquisition of warehouse authorized) and 1947 c 134 s 1;

(4) RCW 66.08.165 (Strategies to improve operational efficiency and revenue) and 2005 c 231 s 1;

(5) RCW 66.08.166 (Sunday sales authorized—Store selection and other requirements) and 2005 c 231 s 2;

(6) RCW 66.08.167 (Sunday sales—Store selection) and 2005 c 231 s 4;

(7) RCW 66.08.220 (Liquor revolving fund—Separate account— Distribution) and 2011 c 325 s 8, 2009 c 271 s 4, 2007 c 370 s 15, 1999 c 281 s 2, & 1949 c 5 s 11;

(8) RCW 66.08.235 (Liquor control board construction and maintenance account) and 2011 c 5 s 918, 2005 c 151 s 4, 2002 c 371 s 918, & 1997 c 75 s 1;

(9) RCW 66.16.010 (Board may establish—Price standards—Prices in special instances) and 2005 c 518 s 935, 2003 1st sp.s. c 25 s 928, 1939 c 172 s 10, 1937 c 62 s 1, & 1933 ex.s. c 62 s 4;

(10) RCW 66.16.040 (Sales of liquor by employees—Identification cards— Permit holders—Sales for cash—Exception) and 2005 c 206 s 1, 2005 c 151 s 5, 2005 c 102 s 1, 2004 c 61 s 1, 1996 c 291 s 1, 1995 c 16 s 1, 1981 1st ex.s. c 5 s 8, 1979 c 158 s 217, 1973 1st ex.s. c 209 s 3, 1971 ex.s. c 15 s 1, 1959 c 111 s 1, & 1933 ex.s. c 62 s 7;

(11) RCW 66.16.041 (Credit and debit card purchases—Rules—Provision, installation, maintenance of equipment by board—Consideration of offsetting liquor revolving fund balance reduction) and 2011 1st sp.s. c ... (ESSB 5921) s 16, 2005 c 151 s 6, 2004 c 63 s 2, 1998 c 265 s 3, 1997 c 148 s 2, & 1996 c 291 s 2;

(12) RCW 66.16.050 (Sale of beer and wine to person licensed to sell) and 1933 ex.s. c 62 s 8;

(13) RCW 66.16.060 (Sealed packages may be required, exception) and 1943 c 216 s 1 & 1933 ex.s. c 62 s 9;

(14) RCW 66.16.070 (Liquor cannot be opened or consumed on store premises) and 2011 c 186 s 3 & 1933 ex.s. c 62 s 10;

(15) RCW 66.16.100 (Fortified wine sales) and 1997 c 321 s 42 & 1987 c 386 s 5;

(16) RCW 66.16.110 (Birth defects from alcohol—Warning required) and 1993 c 422 s 2;

(17) RCW 66.16.120 (Employees working on Sabbath) and 2005 c 231 s 5; and

(18) RCW 66.28.045 (Furnishing samples to board—Standards for accountability—Regulations) and 1975 1st ex.s. c 173 s 9.

<u>NEW SECTION.</u> Sec. 216. The following acts or parts of acts are each repealed:

(1) ESSB 5942 ss 1 through 6, as later assigned a session law number and/or codified;

(2) ESSB 5942 ss 7 through 10, as later assigned a session law number; and

(3) Any act or part of act relating to the warehousing and distribution of liquor, including the lease of the state's liquor warehousing and distribution facilities, adopted subsequent to May 25, 2011 in any 2011 special session.

PART III MISCELLANEOUS PROVISIONS

<u>NEW SECTION.</u> Sec. 301. This act does not increase any tax, create any new tax, or eliminate any tax. Section 106 of this act applies to spirits licensees upon the effective date of this section, but all taxes presently imposed by RCW 82.08.150 on sales of spirits by or on behalf of the liquor control board continue to apply so long as the liquor control board makes any such sales.

<u>NEW SECTION.</u> Sec. 302. A new section is added to chapter 66.24 RCW to read as follows:

The distribution of spirits license fees under sections 103 and 105 of this act through the liquor revolving fund to border areas, counties, cities, towns, and the municipal research center must be made in a manner that provides that each category of recipients receive, in the aggregate, no less than it received from the liquor revolving fund during comparable periods prior to the effective date of this section. An additional distribution of ten million dollars per year from the spirits license fees must be provided to border areas, counties, cities, and towns through the liquor revolving fund for the purpose of enhancing public safety programs.

<u>NEW SECTION</u>. Sec. 303. The department of revenue must develop rules and procedures to address claims that this act unconstitutionally impairs any contract with the state and to provide a means for reasonable compensation of claims it finds valid, funded first from revenues based on spirits licensing and sale under this act.

<u>NEW SECTION.</u> Sec. 304. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of this act or the application of the provision to other persons or circumstances is not affected.

<u>NEW SECTION.</u> Sec. 305. This act takes effect upon approval by the voters. Section 216, subsections (1) and (2) of this act take effect if Engrossed Substitute House Bill No. 5942 is enacted by the legislature in 2011 and the bill, or any portion of it, becomes law. Section 216, subsection (3) of this act takes effect if any act or part of an act relating to the warehousing and distribution of liquor, including the lease of the state's liquor warehousing and distribution facilities, is adopted subsequent to May 25, 2011 in any 2011 special session.

Originally filed in Office of Secretary of State May 26, 2011.

Approved by the People of the State of Washington in the General Election on November 8, 2011.

CHAPTER 3

[Engrossed Substitute Senate Bill 6239] SAME SEX MARRIAGE

AN ACT Relating to providing equal protection for all families in Washington by creating equality in civil marriage and changing the domestic partnership laws, while protecting religious freedom; amending RCW 26.04.010, 26.04.020, 26.04.050, 26.04.060, 26.04.070, 26.60.010,

26.60.030, 26.60.090, and 1.12.080; adding new sections to chapter 26.04 RCW; adding a new section to chapter 26.60 RCW; adding a new section to chapter 26.33 RCW; adding a new section to chapter 74.13 RCW; adding a new section to chapter 74.15 RCW; creating new sections; and providing a contingent effective date.

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

Sec. 1. RCW 26.04.010 and 1998 c 1 s 3 are each amended to read as follows:

(1) Marriage is a civil contract between ((a male and a female)) two persons who have each attained the age of eighteen years, and who are otherwise capable.

(2) Every marriage entered into in which either ((the husband or the wife)) <u>person</u> has not attained the age of seventeen years is void except where this section has been waived by a superior court judge of the county in which one of the parties resides on a showing of necessity.

(3) Where necessary to implement the rights and responsibilities of spouses under the law, gender specific terms such as husband and wife used in any statute, rule, or other law must be construed to be gender neutral and applicable to spouses of the same sex.

(4) No regularly licensed or ordained minister or any priest, imam, rabbi, or similar official of any religious organization is required to solemnize or recognize any marriage. A regularly licensed or ordained minister or priest, imam, rabbi, or similar official of any religious organization shall be immune from any civil claim or cause of action based on a refusal to solemnize or recognize any marriage under this section. No state agency or local government may base a decision to penalize, withhold benefits from, or refuse to contract with any religious organization on the refusal of a person associated with such religious organization to solemnize or recognize a marriage under this section.

(5) No religious organization is required to provide accommodations, facilities, advantages, privileges, services, or goods related to the solemnization or celebration of a marriage.

(6) A religious organization shall be immune from any civil claim or cause of action, including a claim pursuant to chapter 49.60 RCW, based on its refusal to provide accommodations, facilities, advantages, privileges, services, or goods related to the solemnization or celebration of a marriage.

(7) For purposes of this section:

(a) "Recognize" means to provide religious-based services that:

(i) Are delivered by a religious organization, or by an individual who is managed, supervised, or directed by a religious organization; and

(ii) Are designed for married couples or couples engaged to marry and are directly related to solemnizing, celebrating, strengthening, or promoting a marriage, such as religious counseling programs, courses, retreats, and workshops; and

(b) "Religious organization" includes, but is not limited to, churches, mosques, synagogues, temples, nondenominational ministries, interdenominational and ecumenical organizations, mission organizations, faithbased social agencies, and other entities whose principal purpose is the study, practice, or advancement of religion.

Sec. 2. RCW 26.04.020 and 1998 c 1 s 4 are each amended to read as follows:

(1) Marriages in the following cases are prohibited:

(a) When either party thereto has a ((wife or husband)) <u>spouse or registered</u> <u>domestic partner</u> living at the time of such marriage, <u>unless the registered</u> <u>domestic partner is the other party to the marriage; or</u>

(b) When the ((husband and wife)) spouses are nearer of kin to each other than second cousins, whether of the whole or half blood computing by the rules of the civil law((; or

(c) When the parties are persons other than a male and a female)).

(2) It is unlawful for any ((man to marry his father's sister, mother's sister, daughter, sister, son's daughter, daughter's daughter, brother's daughter or sister's daughter; it is unlawful for any woman to marry her father's brother, mother's brother, son, brother, son's son, daughter's son, brother's son or sister's son)) person to marry his or her sibling, child, grandchild, aunt, uncle, niece, or nephew.

(3) A marriage between two persons that is recognized as valid in another jurisdiction is valid in this state only if the marriage is not prohibited or made unlawful under subsection $(1)(a)((\frac{1}{2}))$ or (2) of this section.

(4) A legal union, other than a marriage, between two individuals that was validly formed in another state or jurisdiction and that provides substantially the same rights, benefits, and responsibilities as a marriage, does not prohibit those same two individuals from obtaining a marriage license in Washington.

(5) No state agency or local government may base a decision to penalize, withhold benefits from, license, or refuse to contract with any religious organization based on the opposition to or refusal to provide accommodations, facilities, advantages, privileges, service, or goods related to the solemnization or celebration of a marriage.

(6) No religiously affiliated educational institution shall be required to provide accommodations, facilities, advantages, privileges, service, or goods related to the solemnization or celebration of a marriage, including a use of any campus chapel or church. A religiously affiliated educational institution shall be immune from a civil claim or cause of action, including a claim pursuant to chapter 49.60 RCW, based on its refusal to provide accommodations, facilities, advantages, privileges, service, or goods related to the solemnization or celebration of a marriage under this subsection shall be immune for civil claim or cause of action, including a claim pursuant to chapter 49.60 RCW.

<u>NEW SECTION.</u> Sec. 3. "Religious organization" as defined in this chapter must be interpreted liberally to include faith-based social service organizations involved in social services directed at the larger community.

Sec. 4. RCW 26.04.050 and 2007 c 29 s 1 are each amended to read as follows:

The following named officers and persons, active or retired, are hereby authorized to solemnize marriages, to wit: Justices of the supreme court, judges of the court of appeals, judges of the superior courts, supreme court commissioners, court of appeals commissioners, superior court commissioners, any regularly licensed or ordained minister or any priest, imam, rabbi, or similar <u>official</u> of any ((church or)) religious ((denomination)) <u>organization</u>, and judges of courts of limited jurisdiction as defined in RCW 3.02.010.

Sec. 5. RCW 26.04.060 and 1975-'76 2nd ex.s. c 42 s 25 are each amended to read as follows:

A marriage solemnized before any person professing to be a minister or a priest ((of any)), <u>imam</u>, <u>rabbi</u>, <u>or similar official of any</u> religious ((denomination))) <u>organization</u> in this state or professing to be an authorized officer thereof, is not void, nor shall the validity thereof be in any way affected on account of any want of power or authority in such person, if such marriage be consummated with a belief on the part of the persons so married, or either of them, that they have been lawfully joined in marriage.

Sec. 6. RCW 26.04.070 and Code 1881 s 2383 are each amended to read as follows:

In the solemnization of marriage no particular form is required, except that the parties thereto shall assent or declare in the presence of the minister, priest, <u>imam, rabbi, or similar official of any religious organization</u>, or judicial officer solemnizing the same, and in the presence of at least two attending witnesses, that they take each other to be ((husband and wife)) <u>spouses</u>.

<u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 26.04 RCW to read as follows:

For purposes of this chapter, "religious organization" includes, but is not limited to, churches, mosques, synagogues, temples, nondenominational ministries, interdenominational and ecumenical organizations, mission organizations, faith-based social agencies, and other entities whose principal purpose is the study, practice, or advancement of religion.

Sec. 8. RCW 26.60.010 and 2007 c 156 s 1 are each amended to read as follows:

Many Washingtonians are in intimate, committed, and exclusive relationships with another person to whom they are not legally married. These relationships are important to the individuals involved and their families; they also benefit the public by providing a private source of mutual support for the financial, physical, and emotional health of those individuals and their families. The public has an interest in providing a legal framework for such mutually supportive relationships, whether the partners are of the same or different sexes, and irrespective of their sexual orientation.

((The legislature finds that same sex couples, because they cannot marry in this state, do not automatically have the same access that married couples have to certain rights and benefits, such as those associated with hospital visitation, health care decision-making, organ donation decisions, and other issues related to illness, incapacity, and death. Although many of these rights and benefits may be secured by private agreement, doing so often is costly and complex.))

The legislature ((also)) finds that the public interest would be served by extending rights and benefits to ((different sex)) couples in which either or both of the partners ((is)) are at least sixty-two years of age. While these couples are entitled to marry under the state's marriage statutes, some social security and pension laws nevertheless make it impractical for these couples to marry. For this reason, chapter 156, Laws of 2007 specifically allows couples to enter into a state registered domestic partnership if one of the persons is at least sixty-two years of age, the age at which many people choose to retire and are eligible to begin collecting social security and pension benefits.

The rights granted to state registered domestic partners in chapter 156, Laws of 2007 will further Washington's interest in promoting family relationships and protecting family members during life crises. Chapter 156, Laws of 2007 does not affect marriage or any other ways in which legal rights and responsibilities between two adults may be created, recognized, or given effect in Washington.

Sec. 9. RCW 26.60.030 and 2007 c 156 s 4 are each amended to read as follows:

To enter into a state registered domestic partnership the two persons involved must meet the following requirements:

(1) Both persons share a common residence;

(2) Both persons are at least eighteen years of age and at least one of the persons is sixty-two years of age or older;

(3) Neither person is married to someone other than the party to the domestic partnership and neither person is in a state registered domestic partnership with another person;

(4) Both persons are capable of consenting to the domestic partnership; and

(5) Both of the following are true:

(a) The persons are not nearer of kin to each other than second cousins, whether of the whole or half blood computing by the rules of the civil law; and

(b) Neither person is a sibling, child, grandchild, aunt, uncle, niece, or nephew to the other person((; and

(6) Either (a) both persons are members of the same sex; or (b) at least one of the persons is sixty-two years of age or older)).

<u>NEW SECTION.</u> Sec. 10. A new section is added to chapter 26.60 RCW to read as follows:

(1) Partners in a state registered domestic partnership may apply and receive a marriage license and have such marriage solemnized pursuant to chapter 26.04 RCW, so long as the parties are otherwise eligible to marry, and the parties to the marriage are the same as the parties to the state registered domestic partnership.

(2) A state registered domestic partnership is dissolved by operation of law by any marriage of the same parties to each other, as of the date of the marriage stated in the certificate.

(3)(a) Except as provided in (b) of this subsection, any state registered domestic partnership in which the parties are the same sex, and neither party is sixty-two years of age or older, that has not been dissolved or converted into a marriage by the parties by June 30, 2014, is automatically merged into a marriage and is deemed a marriage as of June 30, 2014.

(b) If the parties to a state registered domestic partnership have proceedings for dissolution, annulment, or legal separation pending as of June 30, 2014, the parties' state registered domestic partnership is not automatically merged into a marriage and the dissolution, annulment, or legal separation of the state registered domestic partnership is governed by the provisions of the statutes applicable to state registered domestic partnerships in effect before June 30, 2014. If such proceedings are finalized without dissolution, annulment, or legal separation, the state registered domestic partnership is automatically merged into a marriage and is deemed a marriage as of June 30, 2014.

(4) For purposes of determining the legal rights and responsibilities involving individuals who had previously had a state registered domestic

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partnership and have been issued a marriage license or are deemed married under the provisions of this section, the date of the original state registered domestic partnership is the legal date of the marriage. Nothing in this subsection prohibits a different date from being included on the marriage license.

<u>NEW SECTION.</u> Sec. 11. A new section is added to chapter 26.04 RCW to read as follows:

If two persons in Washington have a legal union, other than a marriage, that:

(1) Was validly formed in another state or jurisdiction;

(2) Provides substantially the same rights, benefits, and responsibilities as a marriage; and

(3) Does not meet the definition of domestic partnership in RCW 26.60.030, then they shall be treated as having the same rights and responsibilities as married spouses in this state, unless:

(a) Such relationship is prohibited by RCW 26.04.020 (1)(a) or (2); or

(b) They become permanent residents of Washington state and do not enter into a marriage within one year after becoming permanent residents.

Sec. 12. RCW 26.60.090 and 2011 c 9 s 1 are each amended to read as follows:

A legal union, other than a marriage, of two persons ((of the same sex)) that was validly formed in another jurisdiction, and that is substantially equivalent to a domestic partnership under this chapter, shall be recognized as a valid domestic partnership in this state and shall be treated the same as a domestic partnership registered in this state regardless of whether it bears the name domestic partnership.

Sec. 13. RCW 1.12.080 and 2011 c 9 s 2 are each amended to read as follows:

For the purposes of this code and any legislation hereafter enacted by the legislature or by the people, with the exception of chapter 26.04 RCW, the terms spouse, marriage, marital, husband, wife, widow, widower, next of kin, and family shall be interpreted as applying equally to state registered domestic partnerships or individuals in state registered domestic partnerships as well as to marital relationships and married persons, and references to dissolution of marriage shall apply equally to state registered domestic partnerships that have been terminated, dissolved, or invalidated, unless the legislation expressly states otherwise and to the extent that such interpretation does not conflict with federal law. Where necessary to implement chapter 521, Laws of 2009 and this act, gender-specific terms such as husband and wife used in any statute, rule, or other law shall be construed to be gender neutral, and applicable to individuals in state registered domestic partnerships and spouses of the same sex.

<u>NEW SECTION.</u> Sec. 14. A new section is added to chapter 26.33 RCW to read as follows:

Nothing contained in chapter . . ., Laws of 2012 (this act) shall be construed to alter or affect existing law regarding the manner in which a religious or nonprofit organization may be licensed to and provide adoption, foster care, or other child-placing services under this chapter or chapter 74.15 or 74.13 RCW.

<u>NEW SECTION.</u> Sec. 15. A new section is added to chapter 74.13 RCW to read as follows:

Nothing contained in chapter . . ., Laws of 2012 (this act) shall be construed to alter or affect existing law regarding the manner in which a religious or nonprofit organization may be licensed to and provide adoption, foster care, or other child-placing services under this chapter or chapter 74.15 or 26.33 RCW.

<u>NEW SECTION.</u> Sec. 16. A new section is added to chapter 74.15 RCW to read as follows:

Nothing contained in chapter . . ., Laws of 2012 (this act) shall be construed to alter or affect existing law regarding the manner in which a religious or nonprofit organization may be licensed to and provide adoption, foster care, or other child-placing services under this chapter or chapter 74.13 or 26.33 RCW.

<u>NEW SECTION.</u> Sec. 17. (1) Within sixty days after the effective date of this section, the secretary of state shall send a letter to the mailing address on file of each same-sex domestic partner registered under chapter 26.60 RCW notifying the person that Washington's law on the rights and responsibilities of state registered domestic partners will change in relation to certain same-sex registered domestic partners.

(2) The notice must provide a brief summary of the new law and must clearly state that provisions related to certain same-sex registered domestic partnerships will change as of the effective dates of this act, and that those same-sex registered domestic partnerships that are not dissolved prior to June 30, 2014, will be converted to marriage as an act of law.

(3) The secretary of state shall send a second similar notice to the mailing address on file of each domestic partner registered under chapter 26.60 RCW by May 1, 2014.

<u>NEW SECTION.</u> Sec. 18. Sections 8 and 9 of this act take effect June 30, 2014, but only if all other provisions of this act are implemented.

Passed by the Senate February 1, 2012. Passed by the House February 8, 2012. Approved by the Governor February 13, 2012. Filed in Office of Secretary of State February 13, 2012.

CHAPTER 4

[Substitute Senate Bill 5984]

LOCAL GOVERNMENTS-FINANCIAL SOUNDNESS

AN ACT Relating to local government financial soundness; amending RCW 82.14.048; adding new sections to chapter 35.57 RCW; adding new sections to chapter 36.100 RCW; creating a new section; and declaring an emergency.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 35.57 RCW to read as follows:

(1) An independent financial feasibility review under this section is required to be performed prior to any of the following events:

(a) The formation of a public facilities district under this chapter;

(b) The issuance of any indebtedness, excluding the issuance of obligations to refund or replace such indebtedness, by a public facilities district under this chapter; or (c) The long-term lease, purchase, or development of a facility under RCW 35.57.020.

(2) The independent financial feasibility review required by this section must be conducted by the department of commerce through the municipal research and services center under RCW 43.110.030 or under a contract with another entity under the authority of RCW 43.110.080. The review must examine the potential costs to be incurred by the public facility district and the adequacy of revenues or expected revenues to meet those costs. The cost of the independent financial feasibility review must be borne by the public facility district.

(3) The independent financial feasibility review, upon completion, must be a public document and must be submitted to the governor, the state treasurer, the state auditor, the public facility district and participating local political subdivisions, and appropriate committees of the legislature.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 36.100 RCW to read as follows:

(1) An independent financial feasibility review under this section is required to be performed prior to any of the following events:

(a) The formation of a public facilities district under this chapter;

(b) The issuance of any indebtedness, excluding the issuance of obligations to refund or replace such indebtedness, by a public facilities district under this chapter; or

(c) The long-term lease, purchase, or development of a facility under this chapter.

(2) The independent financial feasibility review required by this section must be conducted by the department of commerce through the municipal research and services center under RCW 43.110.030 or under a contract with another entity under the authority of RCW 43.110.080. The review must examine the potential costs to be incurred by the public facility district and the adequacy of revenues or expected revenues to meet those costs. The cost of the independent financial feasibility review must be borne by the public facility district.

(3) The independent financial feasibility review, upon completion, must be a public document and must be submitted to the governor, the state treasurer, the state auditor, the public facility district and participating local political subdivisions, and appropriate committees of the legislature.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 35.57 RCW to read as follows:

After the effective date of this section, the statutorily authorized taxing authority of a public facility district may not be restricted in any manner by the forming jurisdiction or jurisdictions or by any action of the public facility district.

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 36.100 RCW to read as follows:

After the effective date of this section, the statutorily authorized taxing authority of a public facility district may not be restricted in any manner by the forming jurisdiction or jurisdictions or by any action of the public facility district.

<u>NEW SECTION.</u> Sec. 5. In enacting section 6 of this act, the legislature finds that providing local tools to enable solutions for public facilities districts that are in default on bond anticipation notes or bonds is in the best interest of the state, its municipalities, and its citizens as a whole. The legislature further finds it is necessary to act swiftly to provide the tools necessary to address any defaults on debt issued by public facilities districts.

Sec. 6. RCW 82.14.048 and 2009 c 533 s 3 are each amended to read as follows:

(1) The following definitions apply throughout this section unless the context clearly requires otherwise.

(a) "Distressed public facilities district" means a public facilities district that has defaulted on bond anticipation notes or bonds in excess of forty million dollars on or before April 1, 2012; and

(b) "Anchor jurisdiction" means a city that has entered into an agreement to form a public facilities district under RCW 35.57.010(1)(c) that constitutes a distressed public facilities district under this chapter and in which the largest asset of such public facilities district is located.

(2)(a) The governing board of a public facilities district under chapter 36.100 or 35.57 RCW may submit an authorizing proposition to the voters of the district, and if the proposition is approved by a majority of persons voting, impose a sales and use tax in accordance with the terms of this chapter.

(((2))) (b) In addition to the tax authorized pursuant to (a) of this subsection and in addition to any other authority conferred by law, the legislative authority of an anchor jurisdiction may impose a sales and use tax within the geographical boundaries of the anchor jurisdiction in accordance with the terms of this chapter without submitting an authorizing proposition to the voters of the anchor jurisdiction or the distressed public facilities district.

(3) The tax authorized in this section ((shall be)) is in addition to any other taxes authorized by law and ((shall)) must be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the public facilities district. The rate of tax ((shall)) may not exceed two-tenths of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax. A public facilities district formed under RCW 35.57.010(1)(e) may not impose the tax authorized under this ((subsection)) section at a rate that exceeds two-tenths of one percent minus the rate of the highest tax authorized by this ((subsection)) section that is imposed by any other public facilities district within its boundaries. An anchor jurisdiction may impose the tax authorized by subsection (2)(b) of this section at a rate not to exceed two-tenths of one percent, regardless of whether any other public facilities district (including a distressed public facilities district) within its boundaries imposes the tax authorized by this section or the rate of such tax imposed by the public facilities district. If a public facilities district formed under RCW 35.57.010(1)(e) has imposed a tax under this ((subsection)) section and issued or incurred obligations pledging that tax, so long as those obligations are outstanding no other public facilities district within its boundaries may thereafter impose a tax under this ((subsection)) section at a rate that would reduce the rate of the tax that was pledged to the repayment of those obligations. A public facilities district that imposes a tax under this ((subsection)) section is responsible for the payment of any costs incurred for the purpose of administering the provisions of this ((subsection)) section, RCW 35.57.010(1)(e), and 35.57.020(1)(b), including any administrative costs associated with the imposition of (($\frac{1}{2}$)) the tax under this ((subsection)) section incurred by either the department of revenue or local government, or both.

(((3))) (4)(a) Moneys received by a public facilities district from any tax imposed by the public facilities district under the authority of this section ((shall)) must be used for the purpose of providing funds for the costs associated with the financing, refinancing, design, acquisition, construction, equipping, operating, maintaining, remodeling, repairing, and reequipping of its public facilities.

(b) Moneys received by an anchor jurisdiction from any tax imposed by the anchor jurisdiction under the authority of this section must be used for the purpose of providing funds for the costs associated with the financing, refinancing, design, acquisition, construction, equipping, operating, maintaining, remodeling, repairing, and reequipping of the public facilities of the distressed public facilities district, and for all litigation, investigation, and related costs and expenses incurred by the anchor jurisdiction toward resolving matters related to the defaults of the distressed public facilities district owes money to an anchor jurisdiction, the anchor jurisdiction may apply money from the sales tax imposed under this section to any such obligations. Any sales tax imposed by an anchor jurisdiction under this section must terminate no later than thirty years after it is first imposed.

<u>NEW SECTION.</u> Sec. 7. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

<u>NEW SECTION.</u> Sec. 8. Sections 5 and 6 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately.

Passed by the Senate February 9, 2012. Passed by the House February 29, 2012. Approved by the Governor March 1, 2012.

Filed in Office of Secretary of State March 1, 2012.

CHAPTER 5

[Substitute House Bill 1073] DISPOSITION OF REMAINS—MILITARY PERSONNEL

AN ACT Relating to the disposition of remains of persons who died while serving on active duty in any branch of the United States armed forces, United States reserve forces, or national guard; and amending RCW 68.50.160.

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

Sec. 1. RCW 68.50.160 and 2011 c 265 s 2 are each amended to read as follows:

(1) A person has the right to control the disposition of his or her own remains without the predeath or postdeath consent of another person. A valid written document expressing the decedent's wishes regarding the place or method of disposition of his or her remains, signed by the decedent in the presence of a witness, is sufficient legal authorization for the procedures to be accomplished.

(2) Prearrangements that are prepaid, or filed with a licensed funeral establishment or cemetery authority, under RCW 18.39.280 through 18.39.345 and chapter 68.46 RCW are not subject to cancellation or substantial revision by survivors. Absent actual knowledge of contrary legal authorization under this section, a licensed funeral establishment or cemetery authority shall not be held criminally nor civilly liable for acting upon such prearrangements.

(3) If the decedent has not made a prearrangement as set forth in subsection (2) of this section or the costs of executing the decedent's wishes regarding the disposition of the decedent's remains exceeds a reasonable amount or directions have not been given by the decedent, the right to control the disposition of the remains of a deceased person vests in, and the duty of disposition and the liability for the reasonable cost of preparation, care, and disposition of such remains devolves upon the following in the order named:

(a) The person designated by the decedent as authorized to direct disposition as listed on the decedent's United States department of defense record of emergency data, DD form 93, or its successor form, if the decedent died while serving in military service as described in 10 U.S.C. Sec. 1481(a) (1)-(8) in any branch of the United States armed forces, United States reserve forces, or national guard;

(b) The designated agent of the decedent as directed through a written document signed and dated by the decedent in the presence of a witness. The direction of the designated agent is sufficient to direct the type, place, and method of disposition((-)):

(((b))) (c) The surviving spouse or state registered domestic partner((-));

(((-))) (d) The majority of the surviving adult children of the decedent((-)):

(((d))) (e) The surviving parents of the decedent((-)):

((((c)))) (<u>f</u>) The majority of the surviving siblings of the decedent((-));

(((f))) (g) A court-appointed guardian for the person at the time of the person's death.

(4) If any person to whom the right of control has vested pursuant to subsection (3) of this section has been arrested or charged with first or second degree murder or first degree manslaughter in connection with the decedent's death, the right of control is relinquished and passed on in accordance with subsection (3) of this section.

(5) If a cemetery authority as defined in RCW 68.04.190 or a funeral establishment licensed under chapter 18.39 RCW has made a good faith effort to locate the person cited in subsection (3)(a) through (((f))) (g) of this section or the legal representative of the decedent's estate, the cemetery authority or funeral establishment shall have the right to rely on an authority to bury or cremate the human remains, executed by the most responsible party available, and the cemetery authority or funeral establishment may not be held criminally or civilly liable for burying or cremating the human remains. In the event any government agency or charitable organization provides the funds for the disposition of any human remains, the cemetery authority or funeral establishment may not be held criminally or civilly liable for cremating the human remains.

(6) The liability for the reasonable cost of preparation, care, and disposition devolves jointly and severally upon all kin of the decedent in the same degree of

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kindred, in the order listed in subsection (3) of this section, and upon the estate of the decedent.

Passed by the House January 30, 2012. Passed by the Senate February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

Ch. 5

CHAPTER 6

[Substitute House Bill 1194] BAIL—FELONY OFFENSES

AN ACT Relating to bail for felony offenses; amending 2010 c 254 s 2 (uncodified); and adding a new section to chapter 10.19 RCW.

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

Sec. 1. 2010 c 254 s 2 (uncodified) is amended to read as follows:

(((1))) Bail for the release of a person arrested and detained for a <u>class A or</u> <u>B</u> felony offense must be determined on an individualized basis by a judicial officer.

(((2) This section expires August 1, 2011.))

<u>NEW SECTION.</u> Sec. 2. Section 1 of this act is added to chapter 10.19 RCW.

Passed by the House January 30, 2012. Passed by the Senate February 28, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 7

[House Bill 1381]

NONUSE OF WATER—SUFFICIENT CAUSE

AN ACT Relating to sufficient cause for the nonuse of water; amending RCW 90.14.140; reenacting and amending RCW 90.14.140; providing an effective date; and providing an expiration date.

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

Sec. 1. RCW 90.14.140 and 2009 c 183 s 14 are each amended to read as follows:

(1) For the purposes of RCW 90.14.130 through 90.14.180, "sufficient cause" shall be defined as the nonuse of all or a portion of the water by the owner of a water right for a period of five or more consecutive years where such nonuse occurs as a result of:

(a) Drought, or other unavailability of water;

(b) Active service in the armed forces of the United States during military crisis;

(c) Nonvoluntary service in the armed forces of the United States;

(d) The operation of legal proceedings;

(e) Federal or state agency leases of or options to purchase lands or water rights which preclude or reduce the use of the right by the owner of the water right; (f) Federal laws imposing land or water use restrictions either directly or through the voluntary enrollment of a landowner in a federal program implementing those laws, or acreage limitations, or production quotas;

(g) Temporarily reduced water need for irrigation use where such reduction is due to varying weather conditions, including but not limited to precipitation and temperature, that warranted the reduction in water use, so long as the water user's diversion and delivery facilities are maintained in good operating condition consistent with beneficial use of the full amount of the water right;

(h) Temporarily reduced diversions or withdrawals of irrigation water directly resulting from the provisions of a contract or similar agreement in which a supplier of electricity buys back electricity from the water right holder and the electricity is needed for the diversion or withdrawal or for the use of the water diverted or withdrawn for irrigation purposes;

(i) Water conservation measures implemented under the Yakima river basin water enhancement project, so long as the conserved water is reallocated in accordance with the provisions of P.L. 103-434;

(j) Reliance by an irrigation water user on the transitory presence of return flows in lieu of diversion or withdrawal of water from the primary source of supply, if such return flows are measured or reliably estimated using a scientific methodology generally accepted as reliable within the scientific community; ((or))

(k) The reduced use of irrigation water resulting from crop rotation. For purposes of this subsection, crop rotation means the temporary change in the type of crops grown resulting from the exercise of generally recognized sound farming practices. Unused water resulting from crop rotation will not be relinquished if the remaining portion of the water continues to be beneficially used; or

(1) Waiting for a final determination from the department of ecology on a change application filed under RCW 90.03.250, 90.03.380, or 90.44.100.

(2) Notwithstanding any other provisions of RCW 90.14.130 through 90.14.180, there shall be no relinquishment of any water right:

(a) If such right is claimed for power development purposes under chapter 90.16 RCW and annual license fees are paid in accordance with chapter 90.16 RCW;

(b) If such right is used for a standby or reserve water supply to be used in time of drought or other low flow period so long as withdrawal or diversion facilities are maintained in good operating condition for the use of such reserve or standby water supply;

(c) If such right is claimed for a determined future development to take place either within fifteen years of July 1, 1967, or the most recent beneficial use of the water right, whichever date is later;

(d) If such right is claimed for municipal water supply purposes under chapter 90.03 RCW;

(e) If such waters are not subject to appropriation under the applicable provisions of RCW 90.40.030;

(f) If such right or portion of the right is leased to another person for use on land other than the land to which the right is appurtenant as long as the lessee makes beneficial use of the right in accordance with this chapter and a transfer or change of the right has been approved by the department in accordance with RCW 90.03.380, 90.03.383, 90.03.390, or 90.44.100;

(g) If such a right or portion of the right is authorized for a purpose that is satisfied by the use of agricultural industrial process water as authorized under RCW 90.46.150;

(h) If such right is a trust water right under chapter 90.38 or 90.42 RCW;

(i) If such a right is involved in an approved local water plan created under RCW 90.92.090, provided the right is subject to an agreement not to divert under RCW 90.92.050, or provided the right is banked under RCW 90.92.070.

(3) In adding provisions to this section by chapter 237, Laws of 2001, the legislature does not intend to imply legislative approval or disapproval of any existing administrative policy regarding, or any existing administrative or judicial interpretation of, the provisions of this section not expressly added or revised.

Sec. 2. RCW 90.14.140 and 2001 c 240 s 1, 2001 c 237 s 27, and 2001 c 69 s 5 are each reenacted and amended to read as follows:

(1) For the purposes of RCW 90.14.130 through 90.14.180, "sufficient cause" shall be defined as the nonuse of all or a portion of the water by the owner of a water right for a period of five or more consecutive years where such nonuse occurs as a result of:

(a) Drought, or other unavailability of water;

(b) Active service in the armed forces of the United States during military crisis;

(c) Nonvoluntary service in the armed forces of the United States;

(d) The operation of legal proceedings;

(e) Federal or state agency leases of or options to purchase lands or water rights which preclude or reduce the use of the right by the owner of the water right;

(f) Federal laws imposing land or water use restrictions either directly or through the voluntary enrollment of a landowner in a federal program implementing those laws, or acreage limitations, or production quotas;

(g) Temporarily reduced water need for irrigation use where such reduction is due to varying weather conditions, including but not limited to precipitation and temperature, that warranted the reduction in water use, so long as the water user's diversion and delivery facilities are maintained in good operating condition consistent with beneficial use of the full amount of the water right;

(h) Temporarily reduced diversions or withdrawals of irrigation water directly resulting from the provisions of a contract or similar agreement in which a supplier of electricity buys back electricity from the water right holder and the electricity is needed for the diversion or withdrawal or for the use of the water diverted or withdrawn for irrigation purposes;

(i) Water conservation measures implemented under the Yakima river basin water enhancement project, so long as the conserved water is reallocated in accordance with the provisions of P.L. 103-434;

(j) Reliance by an irrigation water user on the transitory presence of return flows in lieu of diversion or withdrawal of water from the primary source of supply, if such return flows are measured or reliably estimated using a scientific methodology generally accepted as reliable within the scientific community; $((\mathbf{or}))$

(k) The reduced use of irrigation water resulting from crop rotation. For purposes of this subsection, crop rotation means the temporary change in the type of crops grown resulting from the exercise of generally recognized sound farming practices. Unused water resulting from crop rotation will not be relinquished if the remaining portion of the water continues to be beneficially used; or

(1) Waiting for a final determination from the department of ecology on a change application filed under RCW 90.03.250, 90.03.380, or 90.44.100.

(2) Notwithstanding any other provisions of RCW 90.14.130 through 90.14.180, there shall be no relinquishment of any water right:

(a) If such right is claimed for power development purposes under chapter 90.16 RCW and annual license fees are paid in accordance with chapter 90.16 RCW;

(b) If such right is used for a standby or reserve water supply to be used in time of drought or other low flow period so long as withdrawal or diversion facilities are maintained in good operating condition for the use of such reserve or standby water supply;

(c) If such right is claimed for a determined future development to take place either within fifteen years of July 1, 1967, or the most recent beneficial use of the water right, whichever date is later;

(d) If such right is claimed for municipal water supply purposes under chapter 90.03 RCW;

(e) If such waters are not subject to appropriation under the applicable provisions of RCW 90.40.030;

(f) If such right or portion of the right is leased to another person for use on land other than the land to which the right is appurtenant as long as the lessee makes beneficial use of the right in accordance with this chapter and a transfer or change of the right has been approved by the department in accordance with RCW 90.03.380, 90.03.383, 90.03.390, or 90.44.100;

(g) If such a right or portion of the right is authorized for a purpose that is satisfied by the use of agricultural industrial process water as authorized under RCW 90.46.150; or

(h) If such right is a trust water right under chapter 90.38 or 90.42 RCW.

(3) In adding provisions to this section by chapter 237, Laws of 2001, the legislature does not intend to imply legislative approval or disapproval of any existing administrative policy regarding, or any existing administrative or judicial interpretation of, the provisions of this section not expressly added or revised.

NEW SECTION. Sec. 3. Section 1 of this act expires June 30, 2019.

NEW SECTION. Sec. 4. Section 2 of this act takes effect June 30, 2019.

Passed by the House January 16, 2012.

Passed by the Senate February 28, 2012.

Approved by the Governor March 7, 2012.

Filed in Office of Secretary of State March 7, 2012.

CHAPTER 8

[House Bill 1486]

PRESCRIPTION AUTHORITY—OUT-OF-STATE PRACTITIONERS

AN ACT Relating to authorizing Washington pharmacies to fill prescriptions written by advanced registered nurse practitioners in other states; and amending RCW 69.50.101.

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

Sec. 1. RCW 69.50.101 and 2010 c 177 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, definitions of terms shall be as indicated where used in this chapter:

(a) "Administer" means to apply a controlled substance, whether by injection, inhalation, ingestion, or any other means, directly to the body of a patient or research subject by:

(1) a practitioner authorized to prescribe (or, by the practitioner's authorized agent); or

(2) the patient or research subject at the direction and in the presence of the practitioner.

(b) "Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor, or dispenser. It does not include a common or contract carrier, public warehouseperson, or employee of the carrier or warehouseperson.

(c) "Board" means the state board of pharmacy.

(d) "Controlled substance" means a drug, substance, or immediate precursor included in Schedules I through V as set forth in federal or state laws, or federal or board rules.

(e)(1) "Controlled substance analog" means a substance the chemical structure of which is substantially similar to the chemical structure of a controlled substance in Schedule I or II and:

(i) that has a stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to the stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance included in Schedule I or II; or

(ii) with respect to a particular individual, that the individual represents or intends to have a stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to the stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance included in Schedule I or II.

(2) The term does not include:

(i) a controlled substance;

(ii) a substance for which there is an approved new drug application;

(iii) a substance with respect to which an exemption is in effect for investigational use by a particular person under Section 505 of the federal Food, Drug and Cosmetic Act, 21 U.S.C. Sec. 355, to the extent conduct with respect to the substance is pursuant to the exemption; or

(iv) any substance to the extent not intended for human consumption before an exemption takes effect with respect to the substance. (f) "Deliver" or "delivery," means the actual or constructive transfer from one person to another of a substance, whether or not there is an agency relationship.

(g) "Department" means the department of health.

(h) "Dispense" means the interpretation of a prescription or order for a controlled substance and, pursuant to that prescription or order, the proper selection, measuring, compounding, labeling, or packaging necessary to prepare that prescription or order for delivery.

(i) "Dispenser" means a practitioner who dispenses.

(j) "Distribute" means to deliver other than by administering or dispensing a controlled substance.

(k) "Distributor" means a person who distributes.

(1) "Drug" means (1) a controlled substance recognized as a drug in the official United States pharmacopoeia/national formulary or the official homeopathic pharmacopoeia of the United States, or any supplement to them; (2) controlled substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in individuals or animals; (3) controlled substances (other than food) intended to affect the structure or any function of the body of individuals or animals; and (4) controlled substances intended for use as a component of any article specified in (1), (2), or (3) of this subsection. The term does not include devices or their components, parts, or accessories.

(m) "Drug enforcement administration" means the drug enforcement administration in the United States Department of Justice, or its successor agency.

(n) "Immediate precursor" means a substance:

(1) that the state board of pharmacy has found to be and by rule designates as being the principal compound commonly used, or produced primarily for use, in the manufacture of a controlled substance;

(2) that is an immediate chemical intermediary used or likely to be used in the manufacture of a controlled substance; and

(3) the control of which is necessary to prevent, curtail, or limit the manufacture of the controlled substance.

(o) "Isomer" means an optical isomer, but in RCW 69.50.101(r)(5), 69.50.204(a) (12) and (34), and 69.50.206(b)(4), the term includes any geometrical isomer; in RCW 69.50.204(a) (8) and (42), and 69.50.210(c) the term includes any positional isomer; and in RCW 69.50.204(a)(35), 69.50.204(c), and 69.50.208(a) the term includes any positional or geometric isomer.

(p) "Manufacture" means the production, preparation, propagation, compounding, conversion, or processing of a controlled substance, either directly or indirectly or by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container. The term does not include the preparation, compounding, packaging, repackaging, labeling, or relabeling of a controlled substance:

(1) by a practitioner as an incident to the practitioner's administering or dispensing of a controlled substance in the course of the practitioner's professional practice; or (2) by a practitioner, or by the practitioner's authorized agent under the practitioner's supervision, for the purpose of, or as an incident to, research, teaching, or chemical analysis and not for sale.

(q) "Marijuana" or "marihuana" means all parts of the plant Cannabis, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. The term does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.

(r) "Narcotic drug" means any of the following, whether produced directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:

(1) Opium, opium derivative, and any derivative of opium or opium derivative, including their salts, isomers, and salts of isomers, whenever the existence of the salts, isomers, and salts of isomers is possible within the specific chemical designation. The term does not include the isoquinoline alkaloids of opium.

(2) Synthetic opiate and any derivative of synthetic opiate, including their isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, whenever the existence of the isomers, esters, ethers, and salts is possible within the specific chemical designation.

(3) Poppy straw and concentrate of poppy straw.

(4) Coca leaves, except coca leaves and extracts of coca leaves from which cocaine, ecgonine, and derivatives or ecgonine or their salts have been removed.

(5) Cocaine, or any salt, isomer, or salt of isomer thereof.

(6) Cocaine base.

(7) Ecgonine, or any derivative, salt, isomer, or salt of isomer thereof.

(8) Any compound, mixture, or preparation containing any quantity of any substance referred to in subparagraphs (1) through (7).

(s) "Opiate" means any substance having an addiction-forming or addictionsustaining liability similar to morphine or being capable of conversion into a drug having addiction-forming or addiction-sustaining liability. The term includes opium, substances derived from opium (opium derivatives), and synthetic opiates. The term does not include, unless specifically designated as controlled under RCW 69.50.201, the dextrorotatory isomer of 3-methoxy-nmethylmorphinan and its salts (dextromethorphan). The term includes the racemic and levorotatory forms of dextromethorphan.

(t) "Opium poppy" means the plant of the species Papaver somniferum L., except its seeds.

(u) "Person" means individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or any other legal or commercial entity.

(v) "Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing.

(w) "Practitioner" means:

(1) A physician under chapter 18.71 RCW; a physician assistant under chapter 18.71A RCW; an osteopathic physician and surgeon under chapter 18.57 RCW; an osteopathic physician assistant under chapter 18.57A RCW who is licensed under RCW 18.57A.020 subject to any limitations in RCW 18.57A.040; an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under RCW 18.53.010 subject to any limitations in RCW 18.53.010; a dentist under chapter 18.32 RCW; a podiatric physician and surgeon under chapter 18.22 RCW; a veterinarian under chapter 18.92 RCW; a registered nurse, advanced registered nurse practitioner, or licensed practical nurse under chapter 18.79 RCW; a naturopathic physician under chapter 18.36A RCW who is licensed under RCW 18.36A.030 subject to any limitations in RCW 18.36A.040; a pharmacist under chapter 18.64 RCW or a scientific investigator under this chapter, licensed, registered or otherwise permitted insofar as is consistent with those licensing laws to distribute, dispense, conduct research with respect to or administer a controlled substance in the course of their professional practice or research in this state.

(2) A pharmacy, hospital or other institution licensed, registered, or otherwise permitted to distribute, dispense, conduct research with respect to or to administer a controlled substance in the course of professional practice or research in this state.

(3) A physician licensed to practice medicine and surgery, a physician licensed to practice osteopathic medicine and surgery, a dentist licensed to practice dentistry, a podiatric physician and surgeon licensed to practice podiatric medicine and surgery, <u>an advanced registered nurse practitioner licensed to practice substances</u>, or a veterinarian licensed to practice veterinary medicine in any state of the United States.

(x) "Prescription" means an order for controlled substances issued by a practitioner duly authorized by law or rule in the state of Washington to prescribe controlled substances within the scope of his or her professional practice for a legitimate medical purpose.

(y) "Production" includes the manufacturing, planting, cultivating, growing, or harvesting of a controlled substance.

(z) "Secretary" means the secretary of health or the secretary's designee.

(aa) "State," unless the context otherwise requires, means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or insular possession subject to the jurisdiction of the United States.

(bb) "Ultimate user" means an individual who lawfully possesses a controlled substance for the individual's own use or for the use of a member of the individual's household or for administering to an animal owned by the individual or by a member of the individual's household.

(cc) "Electronic communication of prescription information" means the communication of prescription information by computer, or the transmission of an exact visual image of a prescription by facsimile, or other electronic means for original prescription information or prescription refill information for a Schedule III-V controlled substance between an authorized practitioner and a pharmacy or the transfer of prescription information for a controlled substance from one pharmacy to another pharmacy.

Passed by the House January 16, 2012. Passed by the Senate February 24, 2012.

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Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 9

[Second Substitute House Bill 1652] ELECTRONIC IMPERSONATION

AN ACT Relating to electronic impersonation; adding a new section to chapter 4.24 RCW; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that although social networking web sites and online bulletin boards provide valuable opportunities for networking, there are also opportunities for conduct that can cause harm to other persons. There are civil and criminal remedies for certain types of fraud, impersonation, and appropriation of a person's personality for commercial purposes. However, how these traditional legal remedies extend to wrongful impersonation over the internet to mislead, deceive, harass, threaten, or intimidate is relatively new and unclear. Courts have recognized the tort of invasion of privacy, and one of the four categories of an invasion of privacy claim is the misappropriation of another person's name or likeness. It is the intent of the legislature to specify that the tort of invasion of privacy may include the misappropriation of a person's name or likeness through social networking web sites and online bulletin boards with the intent to mislead, deceive, harass, threaten, or intimidate.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 4.24 RCW to read as follows:

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

(a) "Actual person" means a living individual.

(b) "Blog" means a web site that is created primarily for the writer to maintain an online personal journal with reflections, comments, or hyperlinks provided by the writer.

(c) "Impersonates" or "impersonation" means using an actual person's name or likeness to create an impersonation that another person would reasonably believe or did reasonably believe was or is the actual person being impersonated.

(d) "Interactive computer service" means any information service, system, or access software provider that provides or enables computer access by multiple users to a computer server, including specifically a service or system that provides access to the internet and such systems operated or services offered by libraries or educational institutions.

(e) "Online bulletin board" means a web site that is designed specifically for internet users to post and respond to online classified advertisements that are viewable by other internet users.

(f) "Social networking web site" means a web site that allows a user to create an account or profile for the user for the purposes of, among other things, connecting the user's account or profile to other users' accounts or profiles. A blog is not a social networking web site.

(2) A person may be liable in a civil action based on a claim of invasion of privacy when:

(a) The person impersonates another actual person on a social networking web site or online bulletin board;

(b) The impersonation was intentional and without the actual person's consent;

(c) The person intended to deceive or mislead for the purpose of harassing, threatening, intimidating, humiliating, or defrauding another; and

(d) The impersonation proximately caused injury to the actual person. Injury may include injury to reputation or humiliation, injury to professional or financial standing, or physical harm.

(3)(a) The actual person who suffered injury by an impersonation in violation of this section may bring an action to recover actual damages, injunctive relief, and declaratory relief. The court may award actual damages, injunctive relief, and declaratory relief as necessary.

(b) The court may award the prevailing party costs and reasonable attorneys' fees.

(4) This section does not apply when the impersonation was:

(a) For a use set forth in RCW 63.60.070, including for matters of cultural, historical, political, religious, educational, newsworthy, or public interest including, but not limited to, use in works of art, commentary, satire, and parody;

(b) For a use that would violate chapter 63.60 RCW;

(c) Insignificant, de minimis, or incidental use; or

(d) Performed by a law enforcement agency as part of a lawful criminal investigation.

(5) A court of this state may exercise jurisdiction in a suit brought by a Washington resident or against a defendant who is a Washington resident. Jurisdiction over any person who is not a Washington resident may be exercised in a manner consistent with the laws and Constitution of the state of Washington, including RCW 4.28.185, and the Constitution of the United States.

(6)(a) This section may not be construed to impose any liability on a social networking web site, online bulletin board, internet service provider, interactive computer service, computer hardware or software provider, or web site operator or administrator or its employees, unless the provider, operator, administrator, or employee is the person impersonating an actual person. Nothing in this section is intended to preclude other common law causes of action against these entities.

(b) This section may not be construed to limit any other civil cause of action available to a person under statute or common law or any criminal prosecution.

(7) For the purposes of this section, parental liability is limited pursuant to RCW 4.24.190.

Passed by the House January 23, 2012. Passed by the Senate February 28, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

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CHAPTER 10

[Substitute House Bill 2056] ASSISTED LIVING FACILITIES

AN ACT Relating to assisted living facilities; amending RCW 18.20.30, 18.20.050, 18.20.090, 18.20.110, 18.20.115, 18.20.130, 18.20.140, 18.20.150, 18.20.160, 18.20.170, 18.20.190, 18.20.220, 18.20.330, 18.20.270, 18.20.280, 18.20.290, 18.20.300, 18.20.310, 18.20.320, 18.20.340, 18.20.350, 18.20.370, 18.20.380, 18.20.390, 18.20.400, 18.20.410, 18.20.420, 18.20.430, 18.20.440, 18.20.900, 18.51.010, 18.52C.020, 18.79.260, 18.100.140, 35.21.766, 35A.70.020, 43.43.832, 46.19.020, 48.43.125, 69.41.010, 69.41.085, 69.50.308, 70.79.090, 70.87.305, 70.97.060, 70.97.090, 70.122.020, 70.127.040, 70.128.030, 70.128.210, 70.129.005, 71.29.160, 71.24.025, 74.09.120, 74.15.020, 74.39A.009, 74.39A.010, 74.39A.020, 74.39A.030, 74.39A.320, 74.41.040, 74.42.055, 82.04.2908, 82.04.4264, 82.04.4337, 84.36.381, and 84.36.383; reenacting and amending RCW 18.20.010, 18.20.020, 70.38.105, 70.38.111, and 74.34.020; and creating a new section.

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

Sec. 1. RCW 18.20.010 and 2000 c 171 s 3 and 2000 c 121 s 1 are each reenacted and amended to read as follows:

The purpose of this chapter is to provide for the development, establishment, and enforcement of standards for the maintenance and operation of ((boarding homes)) assisted living facilities, which, in the light of advancing knowledge, will promote safe and adequate care of the individuals therein. It is further the intent of the legislature that ((boarding homes)) assisted living facilities be available to meet the needs of those for whom they care by recognizing the capabilities of individuals to direct their self-medication or to use supervised self-medication techniques when ordered and approved by a physician licensed under chapter 18.57 or 18.71 RCW or a podiatric physician and surgeon licensed under chapter 18.22 RCW.

The legislature finds that many residents of community-based long-term care facilities are vulnerable and their health and well-being are dependent on their caregivers. The quality, skills, and knowledge of their caregivers are often the key to good care. The legislature finds that the need for well-trained caregivers is growing as the state's population ages and residents' needs increase. The legislature intends that current training standards be enhanced.

Sec. 2. RCW 18.20.020 and 2011 c 366 s 2 are each reenacted and amended to read as follows:

((As used in this chapter:)) <u>The definitions in this section apply throughout</u> this chapter unless the context clearly requires otherwise.

(1) "Adult day services" means care and services provided to a nonresident individual by the ((boarding home)) assisted living facility on the ((boarding home)) assisted living facility premises, for a period of time not to exceed ten continuous hours, and does not involve an overnight stay.

(2) "Basic services" means housekeeping services, meals, nutritious snacks, laundry, and activities.

(3) "((Boarding home)) <u>Assisted living facility</u>" means any home or other institution, however named, which is advertised, announced, or maintained for the express or implied purpose of providing housing, basic services, and assuming general responsibility for the safety and well-being of the residents, and may also provide domiciliary care, consistent with chapter 142, Laws of 2004, to seven or more residents after July 1, 2000. However, ((a boarding home)) an assisted living facility that is licensed for three to six residents prior to

or on July 1, 2000, may maintain its ((boarding home)) assisted living facility license as long as it is continually licensed as ((a boarding home)) an assisted living facility. "((Boarding home)) Assisted living facility" shall not include facilities certified as group training homes pursuant to RCW 71A.22.040, nor any home, institution or section thereof which is otherwise licensed and regulated under the provisions of state law providing specifically for the licensing and regulation of such home, institution or section thereof. Nor shall it include any independent senior housing, independent living units in continuing care retirement communities, or other similar living situations including those subsidized by the department of housing and urban development.

(4) "Department" means the state department of social and health services.

(5) "Domiciliary care" means: Assistance with activities of daily living provided by the ((boarding home)) assisted living facility either directly or indirectly; or health support services, if provided directly or indirectly by the ((boarding home)) assisted living facility; or intermittent nursing services, if provided directly or indirectly by the ((boarding home)) assisted living facility.

(6) "General responsibility for the safety and well-being of the resident" means the provision of the following: Prescribed general low sodium diets; prescribed general diabetic diets; prescribed mechanical soft foods; emergency assistance; monitoring of the resident; arranging health care appointments with outside health care providers and reminding residents of such appointments as necessary; coordinating health care services with outside health care providers consistent with RCW 18.20.380; assisting the resident to obtain and maintain glasses, hearing aids, dentures, canes, crutches, walkers, wheelchairs, and assistive communication devices; observation of the resident for changes in overall functioning; blood pressure checks as scheduled; responding appropriately when there are observable or reported changes in the resident's physical, mental, or emotional functioning; or medication assistance as permitted under RCW 69.41.085 and as defined in RCW 69.41.010.

(7) "Legal representative" means a person or persons identified in RCW 7.70.065 who may act on behalf of the resident pursuant to the scope of their legal authority. The legal representative shall not be affiliated with the licensee, ((boarding home)) assisted living facility, or management company, unless the affiliated person is a family member of the resident.

(8) "Nonresident individual" means a person who resides in independent senior housing, independent living units in continuing care retirement communities, or in other similar living environments or in an unlicensed room located within ((a boarding home)) an assisted living facility. Nothing in this chapter prohibits nonresidents from receiving one or more of the services listed in RCW 18.20.030(5) or requires licensure as ((a boarding home)) an assisted living facility when one or more of the services listed in RCW 18.20.030(5) are provided to nonresidents. A nonresident individual may not receive domiciliary care, as defined in this chapter, directly or indirectly by the ((boarding home)) assisted living facility and may not receive the items and services listed in subsection (6) of this section, except during the time the person is receiving adult day services as defined in this section.

(9) "Person" means any individual, firm, partnership, corporation, company, association, or joint stock association, and the legal successor thereof.

(10) "Resident" means an individual who is not related by blood or marriage to the operator of the ((boarding home)) assisted living facility, and by reason of age or disability, chooses to reside in the ((boarding home)) assisted living facility and receives basic services and one or more of the services listed under general responsibility for the safety and well-being of the resident and may receive domiciliary care or respite care provided directly or indirectly by the ((boarding home)) assisted living facility and shall be permitted to receive hospice care through an outside service provider when arranged by the resident or the resident's legal representative under RCW 18.20.380.

(11) "Resident applicant" means an individual who is seeking admission to a licensed ((boarding home)) assisted living facility and who has completed and signed an application for admission, or such application for admission has been completed and signed in their behalf by their legal representative if any, and if not, then the designated representative if any.

(12) "Resident's representative" means a person designated voluntarily by a competent resident, in writing, to act in the resident's behalf concerning the care and services provided by the ((boarding home)) assisted living facility and to receive information from the ((boarding home)) assisted living facility, if there is no legal representative. The resident's competence shall be determined using the criteria in RCW 11.88.010(1)(e). The resident's representative may not be affiliated with the licensee, ((boarding home)) assisted living facility, or management company, unless the affiliated person is a family member of the resident. The resident's representative shall not have authority to act on behalf of the resident once the resident is no longer competent.

(13) "Secretary" means the secretary of social and health services.

Sec. 3. RCW 18.20.030 and 2011 c 366 s 3 are each amended to read as follows:

(1) After January 1, 1958, no person shall operate or maintain ((a boarding home)) <u>an assisted living facility</u> as defined in this chapter within this state without a license under this chapter.

(2) ((A boarding home)) An assisted living facility license is not required for the housing, or services, that are customarily provided under landlord tenant agreements governed by the residential landlord-tenant act, chapter 59.18 RCW, or when housing nonresident individuals who chose to participate in programs or services under subsection (5) of this section, when offered by the ((boarding home)) assisted living facility licensee or the licensee's contractor. This subsection does not prohibit the licensee from furnishing written information concerning available community resources to the nonresident individual or the individual's family members or legal representatives. The licensee may not require the use of any particular service provider.

(3) Residents receiving domiciliary care, directly or indirectly by the ((boarding home)) assisted living facility, are not considered nonresident individuals for the purposes of this section.

(4) ((A boarding home)) <u>An assisted living facility</u> license is required when any person other than an outside service provider, under RCW 18.20.380, or family member:

(a) Assumes general responsibility for the safety and well-being of a resident;

(b) Provides assistance with activities of daily living, either directly or indirectly;

(c) Provides health support services, either directly or indirectly; or

(d) Provides intermittent nursing services, either directly or indirectly.

(5) ((A boarding home)) An assisted living facility license is not required for one or more of the following services that may, upon the request of the nonresident, be provided to a nonresident individual: (a) Emergency assistance provided on an intermittent or nonroutine basis; (b) systems, including technology-based monitoring devices, employed by independent senior housing, or independent living units in continuing care retirement communities, to respond to the potential need for emergency services; (c) scheduled and nonscheduled blood pressure checks; (d) nursing assessment services to determine whether referral to an outside health care provider is recommended; (e) making and reminding the nonresident of health care appointments; (f) preadmission assessment for the purposes of transitioning to a licensed care setting; (g) medication assistance which may include reminding or coaching the nonresident, opening the nonresident's medication container, using an enabler, and handing prefilled insulin syringes to the nonresident; (h) falls risk assessment; (i) nutrition management and education services; (j) dental services; (k) wellness programs; (l) prefilling insulin syringes when performed by a nurse licensed under chapter 18.79 RCW; or (m) services customarily provided under landlord tenant agreements governed by the residential landlord-tenant act, chapter 59.18 RCW.

Sec. 4. RCW 18.20.050 and 2011 1st sp.s. c 3 s 402 are each amended to read as follows:

(1)(a) Upon receipt of an application for license, if the applicant and the ((boarding home's)) facilities of the assisted living facility meet the requirements established under this chapter, the department may issue a license. If there is a failure to comply with the provisions of this chapter or the rules adopted under this chapter, the department may in its discretion issue a provisional license to an applicant for a license or for the renewal of a license. A provisional license permits the operation of the ((boarding home)) assisted living facility for a period to be determined by the department, but not to exceed twelve months and is not subject to renewal. The department may also place conditions on the license under RCW 18.20.190.

(b) At the time of the application for or renewal of a license or provisional license, the licensee shall pay a license fee. Beginning July 1, 2011, and thereafter, the per bed license fee must be established in the omnibus appropriations act and any amendment or additions made to that act. The license fees established in the omnibus appropriations act and any amendment or additions made to that act may not exceed the department's annual licensing and oversight activity costs and must include the department's cost of paying providers for the amount of the license fee attributed to medicaid clients.

(c) A license issued under this chapter may not exceed twelve months in duration and expires on a date set by the department. ((A boarding home)) An assisted living facility license must be issued only to the person that applied for the license. All applications for renewal of a license shall be made not later than thirty days prior to the date of expiration of the license. Each license shall be issued only for the premises and persons named in the application, and no

license shall be transferable or assignable. Licenses shall be posted in a conspicuous place on the licensed premises.

(2) A licensee who receives notification of the department's initiation of a denial, suspension, nonrenewal, or revocation of ((a boarding home)) an assisted living facility license may, in lieu of appealing the department's action, surrender or relinquish the license. The department shall not issue a new license to or contract with the licensee, for the purposes of providing care to vulnerable adults or children, for a period of twenty years following the surrendering or relinquishment of the former license. The licensing record shall indicate that the licensee relinquished or surrendered the license, without admitting the violations, after receiving notice of the department's initiation of a denial, suspension, nonrenewal, or revocation of a license.

(3) The department shall establish, by rule, the circumstances requiring a change in licensee, which include, but are not limited to, a change in ownership or control of the ((boarding home)) assisted living facility or licensee, a change in the licensee's form of legal organization, such as from sole proprietorship to partnership or corporation, and a dissolution or merger of the licensed entity with another legal organization. The new licensee is subject to the provisions of this chapter, the rules adopted under this chapter, and other applicable law. In order to ensure that the safety of residents is not compromised by a change in licensee, the new licensee is responsible for correction of all violations that may exist at the time of the new license.

(4) The department may deny, suspend, modify, revoke, or refuse to renew a license when the department finds that the applicant or licensee or any partner, officer, director, managerial employee, or majority owner of the applicant or licensee:

(a) Operated ((a boarding home)) an assisted living facility without a license or under a revoked or suspended license; or

(b) Knowingly or with reason to know made a false statement of a material fact (i) in an application for license or any data attached to the application, or (ii) in any matter under investigation by the department; or

(c) Refused to allow representatives or agents of the department to inspect (i) the books, records, and files required to be maintained, or (ii) any portion of the premises of the ((boarding home)) assisted living facility; or

(d) Willfully prevented, interfered with, or attempted to impede in any way (i) the work of any authorized representative of the department, or (ii) the lawful enforcement of any provision of this chapter; or

(e) Has a history of significant noncompliance with federal or state regulations in providing care or services to vulnerable adults or children. In deciding whether to deny, suspend, modify, revoke, or refuse to renew a license under this section, the factors the department considers shall include the gravity and frequency of the noncompliance.

(5) The department shall serve upon the applicant a copy of the decision granting or denying an application for a license. An applicant shall have the right to contest denial of his or her application for a license as provided in chapter 34.05 RCW by requesting a hearing in writing within twenty-eight days after receipt of the notice of denial.

Sec. 5. RCW 18.20.090 and 1985 c 213 s 6 are each amended to read as follows:

The department shall adopt, amend, and promulgate such rules, regulations, and standards with respect to all ((boarding homes)) assisted living facilities and operators thereof to be licensed hereunder as may be designed to further the accomplishment of the purposes of this chapter in promoting safe and adequate care of individuals in ((boarding homes)) assisted living facilities and the sanitary, hygienic and safe conditions of the ((boarding home)) assisted living facilities facility in the interest of public health, safety, and welfare.

Sec. 6. RCW 18.20.110 and 2004 c 144 s 3 are each amended to read as follows:

The department shall make or cause to be made, at least every eighteen months with an annual average of fifteen months, an inspection and investigation of all ((boarding homes)) assisted living facilities. However, the department may delay an inspection to twenty-four months if the ((boarding home)) assisted living facility has had three consecutive inspections with no written notice of violations and has received no written notice of violations resulting from complaint investigation during that same time period. The department may at anytime make an unannounced inspection of a licensed ((home)) facility to assure that the licensee is in compliance with this chapter and the rules adopted under this chapter. Every inspection shall focus primarily on actual or potential resident outcomes, and may include an inspection of every part of the premises and an examination of all records, methods of administration, the general and special dietary, and the stores and methods of supply; however, the department shall not have access to financial records or to other records or reports described in RCW 18.20.390. Financial records of the ((boarding home)) assisted living facility may be examined when the department has reasonable cause to believe that a financial obligation related to resident care or services will not be met, such as a complaint that staff wages or utility costs have not been paid, or when necessary for the department to investigate alleged financial exploitation of a resident. Following such an inspection or inspections, written notice of any violation of this law or the rules adopted hereunder shall be given to the applicant or licensee and the department. The department may prescribe by rule that any licensee or applicant desiring to make specified types of alterations or additions to its facilities or to construct new facilities shall, before commencing such alteration, addition, or new construction, submit plans and specifications therefor to the agencies responsible for plan reviews for preliminary inspection and approval or recommendations with respect to compliance with the rules and standards herein authorized.

Sec. 7. RCW 18.20.115 and 2001 c 85 s 1 are each amended to read as follows:

The department shall, within available funding for this purpose, develop and make available to ((boarding homes)) assisted living facilities a quality improvement consultation program using the following principles:

(1) The system shall be resident-centered and promote privacy, independence, dignity, choice, and a home or home-like environment for residents consistent with chapter 70.129 RCW.

(2) The goal of the system is continuous quality improvement with the focus on resident satisfaction and outcomes for residents. The quality improvement consultation program shall be offered to ((boarding homes)) assisted living <u>facilities</u> on a voluntary basis. Based on requests for the services of the quality improvement consultation program, the department may establish a process for prioritizing service availability.

(3) ((Boarding homes)) <u>Assisted living facilities</u> should be supported in their efforts to improve quality and address problems, as identified by the licensee, initially through training, consultation, and technical assistance. At a minimum, the department may, within available funding, at the request of the ((boarding home)) assisted living facility, conduct on-site visits and telephone consultations.

(4) To facilitate collaboration and trust between the ((boarding homes)) assisted living facilities and the department's quality improvement consultation program staff, the consultation program staff shall not simultaneously serve as department licensors, complaint investigators, or participate in any enforcement-related decisions, within the region in which they perform consultation activities; except such staff may investigate on an emergency basis, complaints anywhere in the state when the complaint indicates high risk to resident health or safety. Any records or information gained as a result of their work under the quality improvement consultation program shall not be disclosed to or shared with nonmanagerial department licensing or complaint investigation staff, unless necessary to carry out duties described under chapter 74.34 RCW. The emphasis should be on problem prevention. Nothing in this section shall limit or interfere with the consultant's mandated reporting duties under chapter 74.34 RCW.

(5) The department shall promote the development of a training system that is practical and relevant to the needs of residents and staff. To improve access to training, especially for rural communities, the training system may include, but is not limited to, the use of satellite technology distance learning that is coordinated through community colleges or other appropriate organizations.

Sec. 8. RCW 18.20.130 and 2000 c 47 s 6 are each amended to read as follows:

Standards for fire protection and the enforcement thereof, with respect to all ((boarding homes)) assisted living facilities to be licensed hereunder, shall be the responsibility of the chief of the Washington state patrol, through the director of fire protection, who shall adopt such recognized standards as may be applicable to ((boarding homes)) assisted living facilities for the protection of life against the cause and spread of fire and fire hazards. The department, upon receipt of an application for a license, shall submit to the chief of the Washington state patrol, through the director of fire protection, in writing, a request for an inspection, giving the applicant's name and the location of the premises to be licensed. Upon receipt of such a request, the chief of the Washington state patrol, through the director of fire protection, or his or her deputy, shall make an inspection of the ((boarding home)) assisted living facility to be licensed, and if it is found that the premises do not comply with the required safety standards and fire rules as adopted by the chief of the Washington state patrol, through the director of fire protection, he or she shall promptly make a written report to the ((boarding home)) assisted living facility and the department as to the manner and time allowed in which the premises must qualify for a license and set forth the conditions to be remedied with respect to fire rules. The department, applicant, or licensee shall notify the chief of the Washington state patrol, through the director of fire protection, upon completion of any requirements made by him or

her, and the chief of the Washington state patrol, through the director of fire protection, or his or her deputy, shall make a reinspection of such premises. Whenever the ((boarding home)) assisted living facility to be licensed meets with the approval of the chief of the Washington state patrol, through the director of fire protection, he or she shall submit to the department a written report approving same with respect to fire protection before a full license can be issued. The chief of the Washington state patrol, through the director of fire protection, shall make or cause to be made inspections of such ((homes)) facilities at least annually.

In cities which have in force a comprehensive building code, the provisions of which are determined by the chief of the Washington state patrol, through the director of fire protection, to be equal to the minimum standards of the code for ((boarding homes)) assisted living facilities adopted by the chief of the Washington state patrol, through the director of fire protection, the chief of the fire department, provided the latter is a paid chief of a paid fire department, shall make the inspection with the chief of the Washington state patrol, through the director of fire protection, through the director of fire protection, the chief of the protection with the chief of the Washington state patrol, through the director of fire protection, or his or her deputy, and they shall jointly approve the premises before a full license can be issued.

Sec. 9. RCW 18.20.140 and 1957 c 253 s 14 are each amended to read as follows:

Any person operating or maintaining any ((boarding home)) assisted living facility without a license under this chapter shall be guilty of a misdemeanor and each day of a continuing violation shall be considered a separate offense.

Sec. 10. RCW 18.20.150 and 1957 c 253 s 15 are each amended to read as follows:

Notwithstanding the existence or use of any other remedy, the department, may, in the manner provided by law, upon the advice of the attorney general who shall represent the department in the proceedings, maintain an action in the name of the state for an injunction or other process against any person to restrain or prevent the operation or maintenance of ((a boarding home)) an assisted living facility without a license under this chapter.

Sec. 11. RCW 18.20.160 and 2004 c 142 s 12 are each amended to read as follows:

No person operating ((a boarding home)) an assisted living facility licensed under this chapter shall admit to or retain in the ((boarding home)) assisted living facility any aged person requiring nursing or medical care of a type provided by institutions licensed under chapters 18.51, 70.41 or 71.12 RCW, except that when registered nurses are available, and upon a doctor's order that a supervised medication service is needed, it may be provided. Supervised medication services, as defined by the department and consistent with chapters 69.41 and 18.79 RCW, may include an approved program of self-medication or self-directed medication. Such medication service shall be provided only to residents who otherwise meet all requirements for residency in ((a boarding home)) an assisted living facility. No ((boarding home)) assisted living facility shall admit or retain a person who requires the frequent presence and frequent evaluation of a registered nurse, excluding persons who are receiving hospice care or persons who have a short-term illness that is expected to be resolved within fourteen days. Sec. 12. RCW 18.20.170 and 1957 c 253 s 17 are each amended to read as follows:

Nothing in this chapter or the rules and regulations adopted pursuant thereto shall be construed as authorizing the supervision, regulation, or control of the remedial care or treatment of residents in any ((boarding home)) assisted living facility conducted for those who rely upon treatment by prayer or spiritual means in accordance with the creed or tenets of any well-recognized church or religious denomination.

Sec. 13. RCW 18.20.190 and 2003 c 231 s 6 are each amended to read as follows:

(1) The department of social and health services is authorized to take one or more of the actions listed in subsection (2) of this section in any case in which the department finds that ((a boarding home)) an assisted living facility provider has:

(a) Failed or refused to comply with the requirements of this chapter or the rules adopted under this chapter;

(b) Operated ((a boarding home)) an assisted living facility without a license or under a revoked license;

(c) Knowingly, or with reason to know, made a false statement of material fact on his or her application for license or any data attached thereto, or in any matter under investigation by the department; or

(d) Willfully prevented or interfered with any inspection or investigation by the department.

(2) When authorized by subsection (1) of this section, the department may take one or more of the following actions:

(a) Refuse to issue a license;

(b) Impose reasonable conditions on a license, such as correction within a specified time, training, and limits on the type of clients the provider may admit or serve;

(c) Impose civil penalties of not more than one hundred dollars per day per violation;

(d) Suspend, revoke, or refuse to renew a license;

(e) Suspend admissions to the ((boarding home)) assisted living facility by imposing stop placement; or

(f) Suspend admission of a specific category or categories of residents as related to the violation by imposing a limited stop placement.

(3) When the department orders stop placement or a limited stop placement, the facility shall not admit any new resident until the stop placement or limited stop placement order is terminated. The department may approve readmission of a resident to the facility from a hospital or nursing home during the stop placement or limited stop placement. The department shall terminate the stop placement or limited stop placement when: (a) The violations necessitating the stop placement or limited stop placement have been corrected; and (b) the provider exhibits the capacity to maintain correction of the violations previously found deficient. However, if upon the revisit the department finds new violations that the department reasonably believes will result in a new stop placement or new limited stop placement, the previous stop placement or limited stop placement is imposed.

(4) After a department finding of a violation for which a stop placement or limited stop placement has been imposed, the department shall make an on-site revisit of the provider within fifteen working days from the request for revisit, to ensure correction of the violation. For violations that are serious or recurring or uncorrected following a previous citation, and create actual or threatened harm to one or more residents' well-being, including violations of residents' rights, the department shall make an on-site revisit as soon as appropriate to ensure correction of the violation. Verification of correction of all other violations may be made by either a department on-site revisit or by written or photographic documentation found by the department to be credible. This subsection does not prevent the department from enforcing license suspensions or revocations. Nothing in this subsection shall interfere with or diminish the department's authority and duty to ensure that the provider adequately cares for residents, including to make departmental on-site revisits as needed to ensure that the provider protects residents, and to enforce compliance with this chapter.

(5) RCW 43.20A.205 governs notice of a license denial, revocation, suspension, or modification. Chapter 34.05 RCW applies to department actions under this section, except that orders of the department imposing license suspension, stop placement, limited stop placement, or conditions for continuation of a license are effective immediately upon notice and shall continue pending any hearing.

(6) For the purposes of this section, "limited stop placement" means the ability to suspend admission of a specific category or categories of residents.

Sec. 14. RCW 18.20.220 and 1997 c 164 s 1 are each amended to read as follows:

For the purpose of encouraging a nursing home licensed under chapter 18.51 RCW to convert a portion or all of its licensed bed capacity to provide enhanced adult residential care contracted services under chapter 74.39A RCW, the department shall:

(1) Find the nursing home to be in satisfactory compliance with RCW 18.20.110 and 18.20.130, upon application for ((boarding home)) assisted living facility licensure and the production of copies of its most recent nursing home inspection reports demonstrating compliance with the safety standards and fire regulations, as required by RCW 18.51.140, and the state building code, as required by RCW 18.51.145, including any waivers that may have been granted. However, ((boarding home)) assisted living facility licensure requirements pertaining to resident to bathing fixture/toilet ratio, corridor call system, resident room door closures, and resident room windows may require modification, unless determined to be functionally equivalent, based upon a prelicensure survey inspection.

(2) Allow residents receiving enhanced adult residential care services to make arrangements for on-site health care services, consistent with Title 18 RCW regulating health care professions, to the extent that such services can be provided while maintaining the resident's right to privacy and safety in treatment, but this in no way means that such services may only be provided in a private room. The provision of on-site health care services must otherwise be consistent with RCW 18.20.160 and the rules adopted under RCW 18.20.160.

Sec. 15. RCW 18.20.230 and 1999 c 372 s 3 are each amended to read as follows:

(1) The department of social and health services shall review, in coordination with the department of health, the nursing care quality assurance commission, adult family home providers, ((boarding home)) assisted living facility providers, in-home personal care providers, and long-term care consumers and advocates, training standards for administrators and resident caregiving staff. Any proposed enhancements shall be consistent with this section, shall take into account and not duplicate other training requirements applicable to ((boarding homes)) assisted living facilities and staff, and shall be developed with the input of ((boarding home)) assisted living facility and resident representatives, health care professionals, and other vested interest groups. Training standards and the delivery system shall be relevant to the needs of residents served by the ((boarding home)) assisted living facility and recipients of long-term in-home personal care services and shall be sufficient to ensure that administrators and caregiving staff have the skills and knowledge necessary to provide high quality, appropriate care.

(2) The recommendations on training standards and the delivery system developed under subsection (1) of this section shall be based on a review and consideration of the following: Quality of care; availability of training; affordability, including the training costs incurred by the department of social and health services and private providers; portability of existing training requirements; competency testing; practical and clinical course work; methods of delivery of training; standards for management and caregiving staff training; and necessary enhancements for special needs populations and resident rights training. Residents with special needs include, but are not limited to, residents with a diagnosis of mental illness, dementia, or developmental disability.

Sec. 16. RCW 18.20.270 and 2002 c 233 s 1 are each amended to read as follows:

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

(a) "Caregiver" includes any person who provides residents with hands-on personal care on behalf of ((a boarding home)) an assisted living facility, except volunteers who are directly supervised.

(b) "Direct supervision" means oversight by a person who has demonstrated competency in the core areas or has been fully exempted from the training requirements pursuant to this section, is on the premises, and is quickly and easily available to the caregiver.

(2) Training must have the following components: Orientation, basic training, specialty training as appropriate, and continuing education. All ((boarding home)) assisted living facility employees or volunteers who routinely interact with residents shall complete orientation. ((Boarding home)) Assisted living facility administrators, or their designees, and caregivers shall complete orientation, basic training, specialty training as appropriate, and continuing education.

(3) Orientation consists of introductory information on residents' rights, communication skills, fire and life safety, and universal precautions. Orientation must be provided at the facility by appropriate ((boarding home)) assisted living

<u>facility</u> staff to all ((boarding home)) assisted living facility employees before the employees have routine interaction with residents.

(4) Basic training consists of modules on the core knowledge and skills that caregivers need to learn and understand to effectively and safely provide care to residents. Basic training must be outcome-based, and the effectiveness of the basic training must be measured by demonstrated competency in the core areas through the use of a competency test. Basic training must be completed by caregivers within one hundred twenty days of the date on which they begin to provide hands-on care or within one hundred twenty days of September 1, 2002, whichever is later. Until competency in the core areas has been demonstrated, caregivers shall not provide hands-on personal care to residents without direct supervision. ((Boarding home)) Assisted living facility administrators, or their designees, must complete basic training and demonstrate competency within one hundred twenty days of September 1, 2002, whichever is later.

(5) For ((boarding homes)) assisted living facilities that serve residents with special needs such as dementia, developmental disabilities, or mental illness, specialty training is required of administrators, or designees, and caregivers. Specialty training consists of modules on the core knowledge and skills that caregivers need to effectively and safely provide care to residents with special needs. Specialty training should be integrated into basic training wherever appropriate. Specialty training must be outcome-based, and the effectiveness of the specialty training measured by demonstrated competency in the core specialty areas through the use of a competency test. Specialty training must be completed by caregivers within one hundred twenty days of the date on which they begin to provide hands-on care to a resident having special needs or within one hundred twenty days of September 1, 2002, whichever is later. However, if specialty training is not integrated with basic training, the specialty training must be completed within ninety days of completion of basic training. Until competency in the core specialty areas has been demonstrated, caregivers shall not provide hands-on personal care to residents with special needs without direct supervision. ((Boarding home)) Assisted living facility administrators, or their designees, must complete specialty training and demonstrate competency within one hundred twenty days of September 1, 2002, or one hundred twenty days from the date on which the administrator or his or her designee is hired, whichever is later, if the ((boarding home)) assisted living facility serves one or more residents with special needs.

(6) Continuing education consists of ongoing delivery of information to caregivers on various topics relevant to the care setting and care needs of residents. Competency testing is not required for continuing education. Continuing education is not required in the same calendar year in which basic or modified basic training is successfully completed. Continuing education is required in each calendar year thereafter. If specialty training is completed, the specialty training applies toward any continuing education requirement for up to two years following the completion of the specialty training.

(7) Persons who successfully challenge the competency test for basic training are fully exempt from the basic training requirements of this section. Persons who successfully challenge the specialty training competency test are fully exempt from the specialty training requirements of this section.

(8) Licensed persons who perform the tasks for which they are licensed are fully or partially exempt from the training requirements of this section, as specified by the department in rule.

(9) In an effort to improve access to training and education and reduce costs, especially for rural communities, the coordinated system of long-term care training and education must include the use of innovative types of learning strategies such as internet resources, videotapes, and distance learning using satellite technology coordinated through community colleges or other entities, as defined by the department.

(10) The department shall develop criteria for the approval of orientation, basic training, and specialty training programs.

(11) ((Boarding homes)) assisted living facilities that desire to deliver facility-based training with facility designated trainers, or ((boarding homes))) assisted living facilities that desire to pool their resources to create shared training systems, must be encouraged by the department in their efforts. The department shall develop criteria for reviewing and approving trainers and training materials that are substantially similar to or better than the materials developed by the department. The department may approve a curriculum based upon attestation by ((a boarding home)) an assisted living facility administrator that the ((boarding home's)) assisted living facility's training curriculum addresses basic and specialty training competencies identified by the department, and shall review a curriculum to verify that it meets these requirements. The department may conduct the review as part of the next regularly scheduled yearly inspection and investigation required under RCW 18.20.110. The department shall rescind approval of any curriculum if it determines that the curriculum does not meet these requirements.

(12) The department shall adopt rules by September 1, 2002, for the implementation of this section.

(13) The orientation, basic training, specialty training, and continuing education requirements of this section commence September 1, 2002, or one hundred twenty days from the date of employment, whichever is later, and shall be applied to (a) employees hired subsequent to September 1, 2002; and (b) existing employees that on September 1, 2002, have not successfully completed the training requirements under RCW 74.39A.010 or 74.39A.020 and this section. Existing employees who have not successfully completed the training requirements under RCW 74.39A.010 or 74.39A.020 shall be subject to all applicable requirements of this section. However, prior to September 1, 2002, nothing in this section affects the current training requirements under RCW 74.39A.010.

Sec. 17. RCW 18.20.280 and 2003 c 231 s 7 are each amended to read as follows:

(1) The ((boarding home)) assisted living facility must assume general responsibility for each resident and must promote each resident's health, safety, and well-being consistent with the resident negotiated care plan.

(2) The ((boarding home)) assisted living facility is not required to supervise the activities of a person providing care or services to a resident when the resident, or legal representative, has independently arranged for or contracted with the person and the person is not directly or indirectly controlled or paid by the ((boarding home)) assisted living facility. However, the ((boarding home))

<u>assisted living facility</u> is required to coordinate services with such person to the extent allowed by the resident, or legal representative, and consistent with the resident's negotiated care plan. Further, the ((boarding home)) assisted living facility is required to observe the resident and respond appropriately to any changes in the resident's overall functioning consistent with chapter 70.129 RCW, this chapter, and rules adopted under this chapter.

Sec. 18. RCW 18.20.290 and 2006 c 64 s 1 are each amended to read as follows:

(1) When ((a boarding home)) an assisted living facility contracts with the department to provide adult residential care services, enhanced adult residential care services, or assisted living services under chapter 74.39A RCW, the ((boarding home)) assisted living facility must hold a medicaid eligible resident's room or unit when short-term care is needed in a nursing home or hospital, the resident is likely to return to the ((boarding home)) assisted living facility, and payment is made under subsection (2) of this section.

(2) The medicaid resident's bed or unit shall be held for up to twenty days. The per day bed or unit hold compensation amount shall be seventy percent of the daily rate paid for the first seven days the bed or unit is held for the resident who needs short-term nursing home care or hospitalization. The rate for the eighth through the twentieth day a bed is held shall be established in rule, but shall be no lower than ten dollars per day the bed or unit is held.

(3) The ((boarding home)) assisted living facility may seek third-party payment to hold a bed or unit for twenty-one days or longer. The third-party payment shall not exceed the medicaid daily rate paid to the facility for the resident. If third-party payment is not available, the medicaid resident may return to the first available and appropriate bed or unit, if the resident continues to meet the admission criteria under this chapter.

Sec. 19. RCW 18.20.300 and 2004 c 142 s 2 are each amended to read as follows:

(1) ((A boarding home)) <u>An assisted living facility</u>, licensed under this chapter, may provide domiciliary care services, as defined in this chapter, and shall disclose the scope of care and services that it chooses to provide.

(2) The ((boarding home)) assisted living facility licensee shall disclose to the residents, the residents' legal representative if any, and if not, the residents' representative if any, and to interested consumers upon request, the scope of care and services offered, using the form developed and provided by the department, in addition to any supplemental information that may be provided by the licensee. The form that the department develops shall be standardized, reasonable in length, and easy to read. The ((boarding home's)) assisted living facility's disclosure statement shall indicate the scope of domiciliary care assistance provided and shall indicate that it permits the resident or the resident's legal representative to independently arrange for outside services under RCW 18.20.380.

(3)(a) If the ((boarding home)) assisted living facility licensee decreases the scope of services that it provides due to circumstances beyond the licensee's control, the licensee shall provide a minimum of thirty days' written notice to the residents, the residents' legal representative if any, and if not, the residents'

representative if any, before the effective date of the decrease in the scope of care or services provided.

(b) If the licensee voluntarily decreases the scope of services, and any such decrease in the scope of services provided will result in the discharge of one or more residents, then ninety days' written notice shall be provided prior to the effective date of the decrease. Notice shall be provided to the affected residents, the residents' legal representative if any, and if not, the residents' representative if any.

(c) If the ((boarding home)) assisted living facility licensee increases the scope of services that it chooses to provide, the licensee shall promptly provide written notice to the residents, the residents' legal representative if any, and if not, the residents' representative if any, and shall indicate the date on which the increase in the scope of care or services is effective.

(4) When the care needs of a resident exceed the disclosed scope of care or services that ((a boarding home)) an assisted living facility licensee provides, the licensee may exceed the care or services disclosed consistent with RCW 70.129.030(3) and 70.129.110(3)(a). Providing care or services to a resident that exceed the care and services disclosed may or may not mean that the provider is capable of or required to provide the same care or services to other residents.

(5) Even though the ((boarding home)) assisted living facility licensee may disclose that it can provide certain care or services to resident applicants or to their legal representative if any, and if not, to the resident applicants' representative if any, the licensee may deny admission to a resident applicant when the licensee determines that the needs of the resident applicant cannot be met, as long as the provider operates in compliance with state and federal law, including RCW 70.129.030(3).

(6) The disclosure form is intended to assist consumers in selecting ((boarding home)) assisted living facility services and, therefore, shall not be construed as an implied or express contract between the ((boarding home)) assisted living facility licensee and the resident.

Sec. 20. RCW 18.20.310 and 2004 c 142 s 3 are each amended to read as follows:

(1) ((Boarding homes)) <u>Assisted living facilities</u> are not required to provide assistance with one or more activities of daily living.

(2) If ((a boarding home)) an assisted living facility licensee chooses to provide assistance with activities of daily living, the licensee shall provide at least the minimal level of assistance for all activities of daily living consistent with subsection (3) of this section and consistent with the reasonable accommodation requirements in state or federal laws. Activities of daily living are limited to and include the following:

- (a) Bathing;
- (b) Dressing;
- (c) Eating;
- (d) Personal hygiene;
- (e) Transferring;
- (f) Toileting; and
- (g) Ambulation and mobility.

(3) The department shall, in rule, define the minimum level of assistance that will be provided for all activities of daily living, however, such rules shall

not require more than occasional stand-by assistance or more than occasional physical assistance.

(4) The licensee shall clarify, through the disclosure form, the assistance with activities of daily living that may be provided, and any limitations or conditions that may apply. The licensee shall also clarify through the disclosure form any additional services that may be provided.

(5) In providing assistance with activities of daily living, the ((boarding home)) assisted living facility shall observe the resident for changes in overall functioning and respond appropriately when there are observable or reported changes in the resident's physical, mental, or emotional functioning.

Sec. 21. RCW 18.20.320 and 2004 c 142 s 4 are each amended to read as follows:

(1) The ((boarding home)) assisted living facility licensee may choose to provide any of the following health support services, however, the facility may or may not need to provide additional health support services to comply with the reasonable accommodation requirements in federal or state law:

(a) Blood glucose testing;

(b) Puree diets;

(c) Calorie controlled diabetic diets;

(d) Dementia care;

(e) Mental health care; and

(f) Developmental disabilities care.

(2) The licensee shall clarify on the disclosure form any limitations, additional services, or conditions that may apply.

(3) In providing health support services, the ((boarding home)) assisted living facility shall observe the resident for changes in overall functioning and respond appropriately when there are observable or reported changes in the resident's physical, mental, or emotional functioning.

Sec. 22. RCW 18.20.330 and 2004 c 142 s 5 are each amended to read as follows:

(1) ((Boarding homes)) <u>Assisted living facilities</u> are not required to provide intermittent nursing services. The ((boarding home)) <u>assisted living facility</u> licensee may choose to provide any of the following intermittent nursing services through appropriately licensed and credentialed staff, however, the facility may or may not need to provide additional intermittent nursing services to comply with the reasonable accommodation requirements in federal or state law:

(a) Medication administration;

(b) Administration of health care treatments;

(c) Diabetic management;

(d) Nonroutine ostomy care;

(e) Tube feeding; and

(f) Nurse delegation consistent with chapter 18.79 RCW.

(2) The licensee shall clarify on the disclosure form any limitations, additional services, or conditions that may apply under this section.

(3) In providing intermittent nursing services, the ((boarding home)) assisted living facility shall observe the resident for changes in overall

functioning and respond appropriately when there are observable or reported changes in the resident's physical, mental, or emotional functioning.

(4) The ((boarding home)) assisted living facility may provide intermittent nursing services to the extent permitted by RCW 18.20.160.

Sec. 23. RCW 18.20.340 and 2004 c 142 s 6 are each amended to read as follows:

(1) ((A boarding home)) An assisted living facility licensee may permit a resident's family member to administer medications or treatments or to provide medication or treatment assistance to the resident. The licensee shall disclose to the department, residents, the residents' legal representative if any, and if not, the residents' representative if any, and to interested consumers upon request, information describing whether the licensee permits such family administration or assistance and, if so, the extent of limitations or conditions thereof.

(2) If ((a boarding home)) an assisted living facility licensee permits a resident's family member to administer medications or treatments or to provide medication or treatment assistance, the licensee shall request that the family member submit to the licensee a written medication or treatment plan. At a minimum, the written medication or treatment plan shall identify:

(a) By name, the family member who will administer the medication or treatment or provide assistance therewith;

(b) The medication or treatment administration or assistance that the family member will provide consistent with subsection (1) of this section. This will be referred to as the primary plan;

(c) An alternate plan that will meet the resident's medication or treatment needs if the family member is unable to fulfill his or her duties as specified in the primary plan; and

(d) An emergency contact person and telephone number if the ((boarding home)) assisted living facility licensee observes changes in the resident's overall functioning or condition that may relate to the medication or treatment plan.

(3) The ((boarding home)) <u>assisted living facility</u> licensee may require that the primary or alternate medication or treatment plan include other information in addition to that specified in subsection (2) of this section.

(4) The medication or treatment plan shall be signed and dated by:

(a) The resident, if able;

(b) The resident's legal representative, if any, and, if not, the resident's representative, if any;

(c) The resident's family member; and

(d) The ((boarding home)) assisted living facility licensee.

(5) The ((boarding home)) assisted living facility may through policy or procedure require the resident's family member to immediately notify the ((boarding home)) assisted living facility licensee of any change in the primary or alternate medication or treatment plan.

(6) When ((a boarding home)) an assisted living facility licensee permits residents' family members to assist with or administer medications or treatments, the licensee's duty of care, and any negligence that may be attributed thereto, shall be limited to: Observation of the resident for changes in overall functioning consistent with RCW 18.20.280; notification to the person or persons identified in RCW 70.129.030 when there are observed changes in the resident's overall functioning or condition, or when the ((boarding home))

assisted living facility is aware that both the primary and alternate plan are not implemented; and appropriately responding to obtain needed assistance when there are observable or reported changes in the resident's physical or mental functioning.

Sec. 24. RCW 18.20.350 and 2008 c 146 s 3 are each amended to read as follows:

(1) The ((boarding home)) assisted living facility licensee shall conduct a preadmission assessment for each resident applicant. The preadmission assessment shall include the following information, unless unavailable despite the best efforts of the licensee:

(a) Medical history;

(b) Necessary and contraindicated medications;

(c) A licensed medical or health professional's diagnosis, unless the individual objects for religious reasons;

(d) Significant known behaviors or symptoms that may cause concern or require special care;

(e) Mental illness diagnosis, except where protected by confidentiality laws;

(f) Level of personal care needs;

(g) Activities and service preferences; and

(h) Preferences regarding other issues important to the resident applicant, such as food and daily routine.

(2) The ((boarding home)) assisted living facility licensee shall complete the preadmission assessment before admission unless there is an emergency. If there is an emergency admission, the preadmission assessment shall be completed within five days of the date of admission. For purposes of this section, "emergency" includes, but is not limited to: Evening, weekend, or Friday afternoon admissions if the resident applicant would otherwise need to remain in an unsafe setting or be without adequate and safe housing.

(3) The ((boarding home)) assisted living facility licensee shall complete an initial resident service plan upon move-in to identify the resident's immediate needs and to provide direction to staff and caregivers relating to the resident's immediate needs. The initial resident service plan shall include as much information as can be obtained, under subsection (1) of this section.

(4) When a facility provides respite care, before or at the time of admission, the facility must obtain sufficient information to meet the individual's anticipated needs. At a minimum, such information must include:

(a) The name, address, and telephone number of the individual's attending physician, and alternate physician if any;

(b) Medical and social history, which may be obtained from a respite care assessment and service plan performed by a case manager designated by an area agency on aging under contract with the department, and mental and physical assessment data;

(c) Physician's orders for diet, medication, and routine care consistent with the individual's status on admission;

(d) Ensure the individuals have assessments performed, where needed, and where the assessment of the individual reveals symptoms of tuberculosis, follow required tuberculosis testing requirements; and (e) With the participation of the individual and, where appropriate, their representative, develop a plan of care to maintain or improve their health and functional status during their stay in the facility.

Sec. 25. RCW 18.20.360 and 2004 c 142 s 8 are each amended to read as follows:

(1) The ((boarding home)) assisted living facility licensee shall within fourteen days of the resident's date of move-in, unless extended by the department for good cause, and thereafter at least annually, complete a full reassessment addressing the following:

(a) The individual's recent medical history, including, but not limited to: A health professional's diagnosis, unless the resident objects for religious reasons; chronic, current, and potential skin conditions; known allergies to foods or medications; or other considerations for providing care or services;

(b) Current necessary and contraindicated medications and treatments for the individual, including:

(i) Any prescribed medications and over-the-counter medications that are commonly taken by the individual, and that the individual is able to independently self-administer or safely and accurately direct others to administer to him or her;

(ii) Any prescribed medications and over-the-counter medications that are commonly taken by the individual and that the individual is able to selfadminister when he or she has the assistance of a resident-care staff person; and

(iii) Any prescribed medications and over-the-counter medications that are commonly taken by the individual and that the individual is not able to selfadminister;

(c) The individual's nursing needs when the individual requires the services of a nurse on the ((boarding home)) assisted living facility premises;

(d) The individual's sensory abilities, including vision and hearing;

(e) The individual's communication abilities, including modes of expression, ability to make himself or herself understood, and ability to understand others;

(f) Significant known behaviors or symptoms of the individual causing concern or requiring special care, including: History of substance abuse; history of harming self, others, or property, or other conditions that may require behavioral intervention strategies; the individual's ability to leave the ((boarding home)) assisted living facility unsupervised; and other safety considerations that may pose a danger to the individual or others, such as use of medical devices or the individual's ability to smoke unsupervised, if smoking is permitted in the ((boarding home)) assisted living facility;

(g) The individual's special needs, by evaluating available information, or selecting and using an appropriate tool to determine the presence of symptoms consistent with, and implications for care and services of: Mental illness, or needs for psychological or mental health services, except where protected by confidentiality laws; developmental disability; dementia; or other conditions affecting cognition, such as traumatic brain injury;

(h) The individual's level of personal care needs, including: Ability to perform activities of daily living; medication management ability, including the individual's ability to obtain and appropriately use over-the-counter medications;

and how the individual will obtain prescribed medications for use in the ((boarding home)) assisted living facility;

(i) The individual's activities, typical daily routines, habits, and service preferences;

(j) The individual's personal identity and lifestyle, to the extent the individual is willing to share the information, and the manner in which they are expressed, including preferences regarding food, community contacts, hobbies, spiritual preferences, or other sources of pleasure and comfort; and

(k) Who has decision-making authority for the individual, including: The presence of any advance directive, or other legal document that will establish a substitute decision maker in the future; the presence of any legal document that establishes a current substitute decision maker; and the scope of decision-making authority of any substitute decision maker.

(2) <u>The assisted living facility shall complete a limited assessment of a</u> resident's change of condition when the resident's negotiated service agreement no longer addresses the resident's current needs.

Sec. 26. RCW 18.20.370 and 2004 c 142 s 9 are each amended to read as follows:

(1) The ((boarding home)) assisted living facility licensee shall complete a negotiated service agreement using the preadmission assessment, initial resident service plan, and full reassessment information obtained under RCW 18.20.350 and 18.20.360. The licensee shall include the resident and the resident's legal representative if any, or the resident's representative if any, in the development of the negotiated service agreement. If the resident is a medicaid client, the department's case manager shall also be involved.

(2) The negotiated service agreement shall be completed or updated:

(a) Within thirty days of the date of move-in;

(b) As necessary following the annual full assessment of the resident; and

(c) Whenever the resident's negotiated service agreement no longer adequately addresses the resident's current needs and preferences.

Sec. 27. RCW 18.20.380 and 2004 c 142 s 10 are each amended to read as follows:

(1) The ((boarding home)) assisted living facility licensee shall permit the resident, or the resident's legal representative if any, to independently arrange for or contract with a practitioner licensed under Title 18 RCW regulating health care professions, or a home health, hospice, or home care agency licensed under chapter 70.127 RCW, to provide on-site care and services to the resident, consistent with RCW 18.20.160 and chapter 70.129 RCW. The ((boarding home)) licensee may permit the resident, or the resident's legal representative if any, to independently arrange for other persons to provide on-site care and services to the resident.

(2) The ((boarding home)) assisted living facility licensee may establish policies and procedures that describe limitations, conditions, or requirements that must be met prior to an outside service provider being allowed on-site.

(3) When the resident or the resident's legal representative independently arranges for outside services under subsection (1) of this section, the licensee's duty of care, and any negligence that may be attributed thereto, shall be limited to: The responsibilities described under subsection (4) of this section, excluding

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supervising the activities of the outside service provider; observation of the resident for changes in overall functioning, consistent with RCW 18.20.280; notification to the person or persons identified in RCW 70.129.030 when there are observed changes in the resident's overall functioning or condition; and appropriately responding to obtain needed assistance when there are observable or reported changes in the resident's physical or mental functioning.

(4) Consistent with RCW 18.20.280, the ((boarding home)) assisted living facility licensee shall not be responsible for supervising the activities of the outside service provider. When information sharing is authorized by the resident or the resident's legal representative, the licensee shall request such information and integrate relevant information from the outside service provider into the resident's negotiated service agreement, only to the extent that such information is actually shared with the licensee.

Sec. 28. RCW 18.20.390 and 2006 c 209 s 3 are each amended to read as follows:

(1) To ensure the proper delivery of services and the maintenance and improvement in quality of care through self-review, any ((boarding home)) assisted living facility licensed under this chapter may maintain a quality assurance committee that, at a minimum, includes:

(a) A licensed registered nurse under chapter 18.79 RCW;

(b) The administrator; and

(c) Three other members from the staff of the ((boarding home)) assisted living facility.

(2) When established, the quality assurance committee shall meet at least quarterly to identify issues that may adversely affect quality of care and services to residents and to develop and implement plans of action to correct identified quality concerns or deficiencies in the quality of care provided to residents.

(3) To promote quality of care through self-review without the fear of reprisal, and to enhance the objectivity of the review process, the department shall not require, and the long-term care ombudsman program shall not request, disclosure of any quality assurance committee records or reports, unless the disclosure is related to the committee's compliance with this section, if:

(a) The records or reports are not maintained pursuant to statutory or regulatory mandate; and

(b) The records or reports are created for and collected and maintained by the committee.

(4) If the ((boarding home)) assisted living facility refuses to release records or reports that would otherwise be protected under this section, the department may then request only that information that is necessary to determine whether the ((boarding home)) assisted living facility has a quality assurance committee and to determine that it is operating in compliance with this section. However, if the ((boarding home)) assisted living facility offers the department documents generated by, or for, the quality assurance committee as evidence of compliance with ((boarding home)) assisted living facility requirements, the documents are protected as quality assurance committee documents under subsections (6) and (8) of this section when in the possession of the department. The department is not liable for an inadvertent disclosure, a disclosure related to a required federal or state audit, or disclosure of documents incorrectly marked as quality assurance committee documents incorrectly marked as quality assurance committee documents incorrectly marked as quality (5) Good faith attempts by the committee to identify and correct quality deficiencies shall not be used as a basis for sanctions.

(6) Information and documents, including the analysis of complaints and incident reports, created specifically for, and collected and maintained by, a quality assurance committee are not subject to discovery or introduction into evidence in any civil action, and no person who was in attendance at a meeting of such committee or who participated in the creation, collection, or maintenance of information or documents specifically for the committee shall be permitted or required to testify as to the content of such proceedings or the documents and information prepared specifically for the committee. This subsection does not preclude:

(a) In any civil action, the discovery of the identity of persons involved in the care that is the basis of the civil action whose involvement was independent of any quality improvement committee activity;

(b) In any civil action, the testimony of any person concerning the facts which form the basis for the institution of such proceedings of which the person had personal knowledge acquired independently of their participation in the quality assurance committee activities.

(7) A quality assurance committee under subsection (1) of this section, RCW 70.41.200, 74.42.640, 4.24.250, or 43.70.510 may share information and documents, including the analysis of complaints and incident reports, created specifically for, and collected and maintained by, the committee, with one or more other quality assurance committees created under subsection (1) of this section, RCW 70.41.200, 74.42.640, 4.24.250, or 43.70.510 for the improvement of the quality of care and services rendered to ((boarding home)) assisted living facility residents. Information and documents disclosed by one quality assurance committee to another quality assurance committee and any information and documents created or maintained as a result of the sharing of information and documents shall not be subject to the discovery process and confidentiality shall be respected as required by subsections (6) and (8) of this section, RCW 43.70.510(4), 70.41.200(3), 4.24.250(1), and 74.42.640 (7) and (9). The privacy protections of chapter 70.02 RCW and the federal health insurance portability and accountability act of 1996 and its implementing regulations apply to the sharing of individually identifiable patient information held by a coordinated quality improvement program. Any rules necessary to implement this section shall meet the requirements of applicable federal and state privacy laws.

(8) Information and documents, including the analysis of complaints and incident reports, created specifically for, and collected and maintained by, a quality assurance committee are exempt from disclosure under chapter 42.56 RCW.

(9) Notwithstanding any records created for the quality assurance committee, the facility shall fully set forth in the resident's records, available to the resident, the department, and others as permitted by law, the facts concerning any incident of injury or loss to the resident, the steps taken by the facility to address the resident's needs, and the resident outcome.

Sec. 29. RCW 18.20.400 and 2004 c 144 s 4 are each amended to read as follows:

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If during an inspection, reinspection, or complaint investigation by the department, ((a boarding home)) an assisted living facility corrects a violation or deficiency that the department discovers, the department shall record and consider such violation or deficiency for purposes of the facility's compliance history, however the licensor or complaint investigator shall not include in the facility report the violation or deficiency if the violation or deficiency:

(1) Is corrected to the satisfaction of the department prior to the exit conference;

(2) Is not recurring; and

(3) Did not pose a significant risk of harm or actual harm to a resident.

For the purposes of this section, "recurring" means that the violation or deficiency was found under the same regulation or statute in one of the two most recent preceding inspections, reinspections, or complaint investigations.

Sec. 30. RCW 18.20.410 and 2005 c 505 s 1 are each amended to read as follows:

The department of health, the department, and the building code council shall develop standards for small ((boarding homes)) assisted living facilities between seven and sixteen beds that address at least the following issues:

(1) Domestic food refrigeration and freezer storage;

(2) Sinks and sink placement;

(3) Dishwashers;

(4) Use of heat supplements for water temperature in clothes washers;

(5) Yard shrubbery;

(6) Number of janitorial rooms in a facility;

(7) Number and cross-purpose of dirty rooms;

(8) Instant hot water faucets;

(9) Medication refrigeration; and

(10) Walled and gated facilities.

Based on the standards developed under this section, the department of health and the building code council shall study the risks and benefits of modifying and simplifying construction and equipment standards for ((boarding homes)) assisted living facilities with a capacity of seven to sixteen persons. The study shall include coordination with the department. The department of health shall report its findings and recommendations to appropriate committees of the legislature no later than December 1, 2005.

Sec. 31. RCW 18.20.420 and 2007 c 162 s 1 are each amended to read as follows:

(1) If the department determines that the health, safety, or welfare of residents is immediately jeopardized by ((a boarding home's)) an assisted living facility's failure or refusal to comply with the requirements of this chapter or the rules adopted under this chapter, and the department summarily suspends the ((boarding home)) assisted living facility license, the department may appoint a temporary manager of the ((boarding home)) assisted living facility, or the licensee may, subject to the department's approval, voluntarily participate in the temporary management program.

The purposes of the temporary management program are as follows:

(a) To mitigate dislocation and transfer trauma of residents while the department and licensee may pursue dispute resolution or appeal of a summary suspension of license;

(b) To facilitate the continuity of safe and appropriate resident care and services;

(c) To protect the health, safety, and welfare of residents, by providing time for an orderly closure of the ((boarding home)) assisted living facility, or for the deficiencies that necessitated temporary management to be corrected; and

(d) To preserve a residential option that meets a specialized service need or is in a geographical area that has a lack of available providers.

(2) The department may recruit, approve, and appoint qualified individuals, partnerships, corporations, and other entities interested in serving as a temporary manager of ((a boarding home)) an assisted living facility. These individuals and entities shall satisfy the criteria established under this chapter or by the department for approving licensees. The department shall not approve or appoint any person, including partnerships and other entities, if that person is affiliated with the ((boarding home)) assisted living facility subject to the temporary management, or has owned or operated ((a boarding home)) an assisted living facility ordered into temporary management or receivership in any state. When approving or appointing a temporary manager, the department shall consider the temporary manager's past experience in long-term care, the quality of care provided, the temporary manager's availability, and the person's familiarity with applicable state and federal laws. Subject to the provisions of this section and RCW 18.20.430, the department's authority to approve or appoint a temporary manager is discretionary and not subject to the administrative procedure act, chapter 34.05 RCW.

(3) When the department appoints a temporary manager, the department shall enter into a contract with the temporary manager and shall order the licensee to cease operating the ((boarding home)) assisted living facility and immediately turn over to the temporary manager possession and control of the ((boarding home)) assisted living facility, including but not limited to all resident care records, financial records, and other records necessary for operation of the facility while temporary manager and the licensee elects to participate in the temporary manager, subject to the department's approval, and enter into a contract with the temporary manager, consistent with this section. The department has the discretion to approve or revoke any temporary management arrangements made by the licensee.

(4) When the department appoints a temporary manager, the costs associated with the temporary management may be paid for through the ((boarding home)) assisted living facility temporary management account established by RCW 18.20.430, or from other departmental funds, or a combination thereof. All funds must be administered according to department procedures. The department may enter into an agreement with the licensee allowing the licensee to pay for some of the costs associated with a temporary manager appointed by the department. If the department has not appointed a temporary manager and the licensee is responsible for all costs related to

administering the temporary management program at the ((boarding home)) <u>assisted living facility</u> and contracting with the temporary manager.

(5) The temporary manager shall assume full responsibility for the daily operations of the ((boarding home)) assisted living facility and is responsible for correcting cited deficiencies and ensuring that all minimum licensing requirements are met. The temporary manager must comply with all state and federal laws and regulations applicable to ((boarding homes)) assisted living facilities. The temporary manager shall protect the health, safety, and welfare of the residents for the duration of the temporary management and shall perform all acts reasonably necessary to ensure residents' needs are met. The temporary manager to pay past due debts. The temporary manager's specific responsibilities may include, but are not limited to:

(a) Receiving and expending in a prudent and business-like manner all current revenues of the ((boarding home)) assisted living facility, provided that priority is given to debts and expenditures directly related to providing care and meeting residents' needs;

(b) Hiring and managing all consultants and employees and firing them for good cause;

(c) Making necessary purchases, repairs, and replacements, provided that such expenditures in excess of five thousand dollars by a temporary manager appointed by the department must be approved by the department;

(d) Entering into contracts necessary for the operation of the ((boarding home)) assisted living facility;

(e) Preserving resident trust funds and resident records; and

(f) Preparing all department-required reports, including a detailed monthly accounting of all expenditures and liabilities, which shall be sent to the department and the licensee.

(6) The licensee and department shall provide written notification immediately to all residents, resident representatives, interested family members, and the state long-term care ombudsman program of the temporary management and the reasons for it. This notification shall include notice that residents may move from the ((boarding home)) assisted living facility without notifying the licensee or temporary manager in advance, and without incurring any charges, fees, or costs otherwise available for insufficient advance notice, during the temporary management period. The notification shall also inform residents and their families or representatives that the temporary management team will provide residents help with relocation and appropriate discharge planning and coordination if desired. The department shall provide assistance with relocation to residents who are department clients and may provide such assistance to other residents. The temporary manager shall meet regularly with staff, residents, residents' representatives, and families to inform them of the plans for and progress achieved in the correction of deficiencies, and of the plans for facility closure or continued operation.

(7) The department shall terminate temporary management:

(a) After sixty days unless good cause is shown to continue the temporary management. Good cause for continuing the temporary management exists when returning the ((boarding home)) assisted living facility to its former licensee would subject residents to a threat to health, safety, or welfare;

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(b) When all residents are transferred and the ((boarding home)) assisted living facility is closed;

(c) When deficiencies threatening residents' health, safety, or welfare are eliminated and the former licensee agrees to department-specified conditions regarding the continued facility operation; or

(d) When a new licensee assumes control of the ((boarding home)) assisted living facility.

Nothing in this section precludes the department from revoking its approval of the temporary management or exercising its licensing enforcement authority under this chapter. The department's decision whether to approve or to revoke a temporary management arrangement is not subject to the administrative procedure act, chapter 34.05 RCW.

(8) The department shall indemnify, defend, and hold harmless any temporary manager appointed or approved under this section against claims made against the temporary manager for any actions by the temporary manager or its agents that do not amount to intentional torts or criminal behavior.

(9) The department may adopt rules implementing this section. In the development of rules or policies implementing this section, the department shall consult with residents and their representatives, resident advocates, financial professionals, ((boarding home)) assisted living facility providers, and organizations representing ((boarding homes)) assisted living facilities.

Sec. 32. RCW 18.20.430 and 2007 c 162 s 2 are each amended to read as follows:

The ((boarding home)) assisted living facility temporary management account is created in the custody of the state treasurer. All receipts from civil penalties imposed under this chapter must be deposited into the account. Only the director or the director'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. Expenditures from the account may be used only for the protection of the health, safety, welfare, or property of residents of ((boarding homes)) assisted living facilities found to be deficient. Uses of the account include, but are not limited to:

(1) Payment for the costs of relocation of residents to other facilities;

(2) Payment to maintain operation of ((a boarding home)) an assisted living facility pending correction of deficiencies or closure, including payment of costs associated with temporary management authorized under this chapter; and

(3) Reimbursement of residents for personal funds or property lost or stolen when the resident's personal funds or property cannot be recovered from the ((boarding home)) assisted living facility or third-party insurer.

Sec. 33. RCW 18.20.440 and 2008 c 251 s 1 are each amended to read as follows:

(1) If ((a boarding home)) an assisted living facility voluntarily withdraws from participation in a state medicaid program for residential care and services under chapter 74.39A RCW, but continues to provide services of the type provided by ((boarding homes)) assisted living facilities, the facility's voluntary withdrawal from participation is not an acceptable basis for the transfer or discharge of residents of the facility (a) who were receiving medicaid on the day before the effective date of the withdrawal; or (b) who have been paying the

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facility privately for at least two years and who become eligible for medicaid within one hundred eighty days of the date of withdrawal.

(2) ((A boarding home)) An assisted living facility that has withdrawn from the state medicaid program for residential care and services under chapter 74.39A RCW must provide the following oral and written notices to prospective residents. The written notice must be prominent and must be written on a page that is separate from the other admission documents. The notice shall provide that:

(a) The facility will not participate in the medicaid program with respect to that resident; and

(b) The facility may transfer or discharge the resident from the facility for nonpayment, even if the resident becomes eligible for medicaid.

(3) Notwithstanding any other provision of this section, the medicaid contract under chapter 74.39A RCW that exists on the day the facility withdraws from medicaid participation is deemed to continue in effect as to the persons described in subsection (1) of this section for the purposes of:

(a) Department payments for the residential care and services provided to such persons;

(b) Maintaining compliance with all requirements of the medicaid contract between the department and the facility; and

(c) Ongoing inspection, contracting, and enforcement authority under the medicaid contract, regulations, and law.

(4) Except as provided in subsection (1) of this section, this section shall not apply to a person who begins residence in a facility on or after the effective date of the facility's withdrawal from participation in the medicaid program for residential care and services.

(5) ((A boarding home)) An assisted living facility that is providing residential care and services under chapter 74.39A RCW shall give the department and its residents sixty days' advance notice of the facility's intent to withdraw from participation in the medicaid program.

(6) Prior to admission to the facility, ((a boarding home)) an assisted living facility participating in the state medicaid program for residential care and services under chapter 74.39A RCW must provide the following oral and written notices to prospective residents. The written notice must be prominent and must be written on a page that is separate from the other admission documents, and must provide that:

(a) In the future, the facility may choose to withdraw from participating in the medicaid program;

(b) If the facility withdraws from the medicaid program, it will continue to provide services to residents (i) who were receiving medicaid on the day before the effective date of the withdrawal; or (ii) who have been paying the facility privately for at least two years and who will become eligible for medicaid within one hundred eighty days of the date of withdrawal;

(c) After a facility withdraws from the medicaid program, it may transfer or discharge residents who do not meet the criteria described in this section for nonpayment, even if the resident becomes eligible for medicaid.

Sec. 34. RCW 18.20.900 and 1957 c 253 s 20 are each amended to read as follows:

If any part, or parts, of this chapter shall be held unconstitutional, the remaining provisions shall be given full force and effect, as completely as if the part held unconstitutional had not been included herein, if any such remaining part can then be administered for the purpose of establishing and maintaining standards for ((boarding homes)) assisted living facilities.

Sec. 35. RCW 18.51.010 and 1983 c 236 s 1 are each amended to read as follows:

(1) "Nursing home" means any home, place or institution which operates or maintains facilities providing convalescent or chronic care, or both, for a period in excess of twenty-four consecutive hours for three or more patients not related by blood or marriage to the operator, who by reason of illness or infirmity, are unable properly to care for themselves. Convalescent and chronic care may include but not be limited to any or all procedures commonly employed in waiting on the sick, such as administration of medicines, preparation of special diets, giving of bedside nursing care, application of dressings and bandages, and carrying out of treatment prescribed by a duly licensed practitioner of the healing arts. It may also include care of mentally incompetent persons. It may also include community-based care. Nothing in this definition shall be construed to include general hospitals or other places which provide care and treatment for the acutely ill and maintain and operate facilities for major surgery or obstetrics, or both. Nothing in this definition shall be construed to include any ((boarding home)) assisted living facility, guest home, hotel or related institution which is held forth to the public as providing, and which is operated to give only board, room and laundry to persons not in need of medical or nursing treatment or supervision except in the case of temporary acute illness. The mere designation by the operator of any place or institution as a hospital, sanitarium, or any other similar name, which does not provide care for the acutely ill and maintain and operate facilities for major surgery or obstetrics, or both, shall not exclude such place or institution from the provisions of this chapter: PROVIDED, That any nursing home providing psychiatric treatment shall, with respect to patients receiving such treatment, comply with the provisions of RCW 71.12.560 and 71.12.570.

(2) "Person" means any individual, firm, partnership, corporation, company, association, or joint stock association, and the legal successor thereof.

(3) "Secretary" means the secretary of the department of social and health services.

(4) "Department" means the state department of social and health services.

(5) "Community-based care" means but is not limited to the following:

(a) Home delivered nursing services;

(b) Personal care;

(c) Day care;

(d) Nutritional services, both in-home and in a communal dining setting;

(e) Habilitation care; and

(f) Respite care.

Sec. 36. RCW 18.52C.020 and 2001 c 319 s 3 are each amended to read as follows:

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

(1) "Secretary" means the secretary of the department of health.

(2) "Health care facility" means a nursing home, hospital, hospice care facility, home health care agency, hospice agency, ((boarding home)) assisted living facility, group home, or other entity for the delivery of health care or long-term care services, including chore services provided under chapter 74.39A RCW.

(3) "Nursing home" means any nursing home facility licensed pursuant to chapter 18.52 RCW.

(4) "Nursing pool" means any person engaged in the business of providing, procuring, or referring health care or long-term care personnel for temporary employment in health care facilities, such as licensed nurses or practical nurses, nursing assistants, and chore service providers. "Nursing pool" does not include an individual who only engages in providing his or her own services.

(5) "Person" includes an individual, firm, corporation, partnership, or association.

(6) "Adult family home" means a residential home licensed pursuant to chapter 70.128 RCW.

Sec. 37. RCW 18.79.260 and 2009 c 203 s 1 are each amended to read as follows:

(1) A registered nurse under his or her license may perform for compensation nursing care, as that term is usually understood, to individuals with illnesses, injuries, or disabilities.

(2) A registered nurse may, at or under the general direction of a licensed physician and surgeon, dentist, osteopathic physician and surgeon, naturopathic physician, optometrist, podiatric physician and surgeon, physician assistant, osteopathic physician assistant, or advanced registered nurse practitioner acting within the scope of his or her license, administer medications, treatments, tests, and inoculations, whether or not the severing or penetrating of tissues is involved and whether or not a degree of independent judgment and skill is required. Such direction must be for acts which are within the scope of registered nursing practice.

(3) A registered nurse may delegate tasks of nursing care to other individuals where the registered nurse determines that it is in the best interest of the patient.

(a) The delegating nurse shall:

(i) Determine the competency of the individual to perform the tasks;

(ii) Evaluate the appropriateness of the delegation;

(iii) Supervise the actions of the person performing the delegated task; and

(iv) Delegate only those tasks that are within the registered nurse's scope of practice.

(b) A registered nurse, working for a home health or hospice agency regulated under chapter 70.127 RCW, may delegate the application, instillation, or insertion of medications to a registered or certified nursing assistant under a plan of care.

(c) Except as authorized in (b) or (e) of this subsection, a registered nurse may not delegate the administration of medications. Except as authorized in (e) of this subsection, a registered nurse may not delegate acts requiring substantial skill, and may not delegate piercing or severing of tissues. Acts that require nursing judgment shall not be delegated. (d) No person may coerce a nurse into compromising patient safety by requiring the nurse to delegate if the nurse determines that it is inappropriate to do so. Nurses shall not be subject to any employer reprisal or disciplinary action by the nursing care quality assurance commission for refusing to delegate tasks or refusing to provide the required training for delegation if the nurse determines delegation may compromise patient safety.

(e) For delegation in community-based care settings or in-home care settings, a registered nurse may delegate nursing care tasks only to registered or certified nursing assistants. Simple care tasks such as blood pressure monitoring, personal care service, diabetic insulin device set up, verbal verification of insulin dosage for sight-impaired individuals, or other tasks as defined by the nursing care quality assurance commission are exempted from this requirement.

(i) "Community-based care settings" includes: Community residential programs for people with developmental disabilities, certified by the department of social and health services under chapter 71A.12 RCW; adult family homes licensed under chapter 70.128 RCW; and ((boarding homes)) assisted living facilities licensed under chapter 18.20 RCW. Community-based care settings do not include acute care or skilled nursing facilities.

(ii) "In-home care settings" include an individual's place of temporary or permanent residence, but does not include acute care or skilled nursing facilities, and does not include community-based care settings as defined in (e)(i) of this subsection.

(iii) Delegation of nursing care tasks in community-based care settings and in-home care settings is only allowed for individuals who have a stable and predictable condition. "Stable and predictable condition" means a situation in which the individual's clinical and behavioral status is known and does not require the frequent presence and evaluation of a registered nurse.

(iv) The determination of the appropriateness of delegation of a nursing task is at the discretion of the registered nurse. Other than delegation of the administration of insulin by injection for the purpose of caring for individuals with diabetes, the administration of medications by injection, sterile procedures, and central line maintenance may never be delegated.

(v) When delegating insulin injections under this section, the registered nurse delegator must instruct the individual regarding proper injection procedures and the use of insulin, demonstrate proper injection procedures, and must supervise and evaluate the individual performing the delegated task weekly during the first four weeks of delegation of insulin injections. If the registered nurse delegator determines that the individual is competent to perform the injection properly and safely, supervision and evaluation shall occur at least every ninety days thereafter.

(vi) The registered nurse shall verify that the nursing assistant has completed the required core nurse delegation training required in chapter 18.88A RCW prior to authorizing delegation.

(vii) The nurse is accountable for his or her own individual actions in the delegation process. Nurses acting within the protocols of their delegation authority are immune from liability for any action performed in the course of their delegation duties.

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(viii) Nursing task delegation protocols are not intended to regulate the settings in which delegation may occur, but are intended to ensure that nursing care services have a consistent standard of practice upon which the public and the profession may rely, and to safeguard the authority of the nurse to make independent professional decisions regarding the delegation of a task.

(f) The nursing care quality assurance commission may adopt rules to implement this section.

(4) Only a person licensed as a registered nurse may instruct nurses in technical subjects pertaining to nursing.

(5) Only a person licensed as a registered nurse may hold herself or himself out to the public or designate herself or himself as a registered nurse.

Sec. 38. RCW 18.100.140 and 2011 c 336 s 503 are each amended to read as follows:

Nothing in this chapter shall authorize a director, officer, shareholder, agent, or employee of a corporation organized under this chapter, or a corporation itself organized under this chapter, to do or perform any act which would be illegal, unethical, or unauthorized conduct under the provisions of the following acts: (1) Physicians and surgeons, chapter 18.71 RCW; (2) anti-rebating act, chapter 19.68 RCW; (3) state bar act, chapter 2.48 RCW; (4) professional accounting act, chapter 18.04 RCW; (5) professional architects act, chapter 18.08 RCW; (6) professional auctioneers act, chapter 18.11 RCW; (7) cosmetologists, barbers, and manicurists, chapter 18.16 RCW; (8) ((boarding homes)) assisted living facilities act, chapter 18.20 RCW; (9) podiatric medicine and surgery, chapter 18.22 RCW; (10) chiropractic act, chapter 18.25 RCW; (11) registration of contractors, chapter 18.27 RCW; (12) debt adjusting act, chapter 18.28 RCW; (13) dental hygienist act, chapter 18.29 RCW; (14) dentistry, chapter 18.32 RCW; (15) dispensing opticians, chapter 18.34 RCW; (16) naturopathic physicians, chapter 18.36A RCW; (17) embalmers and funeral directors, chapter 18.39 RCW; (18) engineers and land surveyors, chapter 18.43 RCW; (19) escrow agents registration act, chapter 18.44 RCW; (20) birthing centers, chapter 18.46 RCW; (21) midwifery, chapter 18.50 RCW; (22) nursing homes, chapter 18.51 RCW; (23) optometry, chapter 18.53 RCW; (24) osteopathic physicians and surgeons, chapter 18.57 RCW; (25) pharmacists, chapter 18.64 RCW; (26) physical therapy, chapter 18.74 RCW; (27) registered nurses, advanced registered nurse practitioners, and practical nurses, chapter 18.79 RCW; (28) psychologists, chapter 18.83 RCW; (29) real estate brokers and salespersons, chapter 18.85 RCW; (30) veterinarians, chapter 18.92 RCW.

Sec. 39. RCW 35.21.766 and 2011 c 139 s 1 are each amended to read as follows:

(1) Whenever a regional fire protection service authority determines that the fire protection jurisdictions that are members of the authority are not adequately served by existing private ambulance service, the governing board of the authority may by resolution provide for the establishment of a system of ambulance service to be operated by the authority as a public utility or operated by contract after a call for bids.

(2) The legislative authority of any city or town may establish an ambulance service to be operated as a public utility. However, the legislative authority of the city or town shall not provide for the establishment of an ambulance service

utility that would compete with any existing private ambulance service, unless the legislative authority of the city or town determines that the city or town, or a substantial portion of the city or town, is not adequately served by an existing private ambulance service. In determining the adequacy of an existing private ambulance service, the legislative authority of the city or town shall take into consideration objective generally accepted medical standards and reasonable levels of service which shall be published by the city or town legislative authority. The decision of the city council or legislative body shall be a discretionary, legislative act. When it is preliminarily concluded that the private ambulance service is inadequate, before issuing a call for bids or before the city or town establishes an ambulance service utility, the legislative authority of the city or town shall allow a minimum of sixty days for the private ambulance service to meet the generally accepted medical standards and reasonable levels of service. In the event of a second preliminary conclusion of inadequacy within a twenty-four month period, the legislative authority of the city or town may immediately issue a call for bids or establish an ambulance service utility and is not required to afford the private ambulance service another sixty-day period to meet the generally accepted medical standards and reasonable levels of service. Nothing in chapter 482, Laws of 2005 is intended to supersede requirements and standards adopted by the department of health. A private ambulance service which is not licensed by the department of health or whose license is denied, suspended, or revoked shall not be entitled to a sixty-day period within which to demonstrate adequacy and the legislative authority may immediately issue a call for bids or establish an ambulance service utility.

(3) The city or town legislative authority is authorized to set and collect rates and charges in an amount sufficient to regulate, operate, and maintain an ambulance utility. Prior to setting such rates and charges, the legislative authority must determine, through a cost-of-service study, the total cost necessary to regulate, operate, and maintain the ambulance utility. Total costs shall not include capital cost for the construction, major renovation, or major repair of the physical plant. Once the legislative authority determines the total costs, the legislative authority shall then identify that portion of the total costs that are attributable to the availability of the ambulance service and that portion of the total costs that are attributable to the demand placed on the ambulance utility.

(a) Availability costs are those costs attributable to the basic infrastructure needed to respond to a single call for service within the utility's response criteria. Availability costs may include costs for dispatch, labor, training of personnel, equipment, patient care supplies, and maintenance of equipment.

(b) Demand costs are those costs that are attributable to the burden placed on the ambulance service by individual calls for ambulance service. Demand costs shall include costs related to frequency of calls, distances from hospitals, and other factors identified in the cost-of-service study conducted to assess burdens imposed on the ambulance utility.

(4) A city or town legislative authority is authorized to set and collect rates and charges as follows:

(a) The rate attributable to costs for availability described under subsection (3)(a) of this section shall be uniformly applied across user classifications within the utility;

(b) The rate attributable to costs for demand described under subsection (3)(b) of this section shall be established and billed to each utility user classification based on each user classification's burden on the utility;

(c) The fee charged by the utility shall reflect a combination of the availability cost and the demand cost;

(d)(i) Except as provided in (d)(ii) of this subsection, the combined rates charged shall reflect an exemption for persons who are medicaid eligible and who reside in a nursing facility, ((boarding home)) assisted living facility, adult family home, or receive in-home services. The combined rates charged may reflect an exemption or reduction for designated classes consistent with Article VIII, section 7 of the state Constitution. The amounts of exemption or reduction shall be a general expense of the utility, and designated as an availability cost, to be spread uniformly across the utility user classifications.

(ii) For cities with a population less than two thousand five hundred that established an ambulance utility before May 6, 2004, the combined rates charged may reflect an exemption or reduction for persons who are medicaid eligible, and for designated classes consistent with Article VIII, section 7 of the state Constitution;

(e)(i) Except as provided in (e)(ii) of this subsection (4), the legislative authority must continue to allocate at least seventy percent of the total amount of general fund revenues expended, as of May 5, 2004, toward the total costs necessary to regulate, operate, and maintain the ambulance service utility. However, cities or towns that operated an ambulance service before May 6, 2004, and commingled general fund dollars and ambulance service dollars, may reasonably estimate that portion of general fund dollars that were, as of May 5, 2004, applied toward the operation of the ambulance service, and at least seventy percent of such estimated amount must then continue to be applied toward the total cost necessary to regulate, operate, and maintain the ambulance utility. Cities and towns which first established an ambulance service utility after May 6, 2004, must allocate, from the general fund or emergency medical service levy funds, or a combination of both, at least an amount equal to seventy percent of the total costs necessary to regulate, operate, and maintain the ambulance service utility as of May 5, 2004, or the date that the utility is established.

(ii) After January 1, 2012, the legislative authority may allocate general fund revenues toward the total costs necessary to regulate, operate, and maintain the ambulance service utility in an amount less than required by (e)(i) of this subsection (4). However, before making any reduction to the general fund allocation, the legislative authority must hold a public hearing, preceded by at least thirty days' notice provided in each ratepayer's utility bill, at which the legislative authority must allow for public comment and present:

(A) The utility's most recent cost of service study;

(B) A summary of the utility's current revenue sources;

(C) A proposed budget reflecting the reduced allocation of general fund revenues;

(D) Any proposed change to utility rates; and

(E) Any anticipated impact to the utility's level of service;

(f) The legislative authority must allocate available emergency medical service levy funds, in an amount proportionate to the percentage of the

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ambulance service costs to the total combined operating costs for emergency medical services and ambulance services, towards the total costs necessary to regulate, operate, and maintain the ambulance utility;

(g) The legislative authority must allocate all revenues received through direct billing to the individual user of the ambulance service to the demand-related costs under subsection (3)(b) of this section;

(h) The total revenue generated by the rates and charges shall not exceed the total costs necessary to regulate, operate, and maintain an ambulance utility; and

(i) Revenues generated by the rates and charges must be deposited in a separate fund or funds and be used only for the purpose of paying for the cost of regulating, maintaining, and operating the ambulance utility.

(5) Ambulance service rates charged pursuant to this section do not constitute taxes or charges under RCW 82.02.050 through 82.02.090, or 35.21.768, or charges otherwise prohibited by law.

Sec. 40. RCW 35A.70.020 and 1967 ex.s. c 119 s 35A.70.020 are each amended to read as follows:

A code city may exercise the powers relating to enforcement of regulations for ((boarding homes as authorized by RCW 18.20.100, in accordance with the procedures therein prescribed and subject to any limitations therein provided)) assisted living facilities.

Sec. 41. RCW 43.43.832 and 2011 c 253 s 6 are each amended to read as follows:

(1) The legislature finds that businesses and organizations providing services to children, developmentally disabled persons, and vulnerable adults need adequate information to determine which employees or licensees to hire or engage. The legislature further finds that many developmentally disabled individuals and vulnerable adults desire to hire their own employees directly and also need adequate information to determine which employees or licensees to hire or engage. Therefore, the Washington state patrol identification and criminal history section shall disclose, upon the request of a business or organization as defined in RCW 43.43.830, a developmentally disabled person, or a vulnerable adult as defined in RCW 43.43.830 or his or her guardian, an applicant's conviction record as defined in chapter 10.97 RCW.

(2) The legislature also finds that the Washington professional educator standards board may request of the Washington state patrol criminal identification system information regarding a certificate applicant's conviction record under subsection (1) of this section.

(3) The legislature also finds that law enforcement agencies, the office of the attorney general, prosecuting authorities, and the department of social and health services may request this same information to aid in the investigation and prosecution of child, developmentally disabled person, and vulnerable adult abuse cases and to protect children and adults from further incidents of abuse.

(4) The legislature further finds that the secretary of the department of social and health services must establish rules and set standards to require specific action when considering the information listed in subsection (1) of this section, and when considering additional information including but not limited to civil adjudication proceedings as defined in RCW 43.43.830 and any out-of-state equivalent, in the following circumstances:

(a) When considering persons for state employment in positions directly responsible for the supervision, care, or treatment of children, vulnerable adults, or individuals with mental illness or developmental disabilities;

(b) When considering persons for state positions involving unsupervised access to vulnerable adults to conduct comprehensive assessments, financial eligibility determinations, licensing and certification activities, investigations, surveys, or case management; or for state positions otherwise required by federal law to meet employment standards;

(c) When licensing agencies or facilities with individuals in positions directly responsible for the care, supervision, or treatment of children, developmentally disabled persons, or vulnerable adults, including but not limited to agencies or facilities licensed under chapter 74.15 or 18.51 RCW;

(d) When contracting with individuals or businesses or organizations for the care, supervision, case management, or treatment, including peer counseling, of children, developmentally disabled persons, or vulnerable adults, including but not limited to services contracted for under chapter 18.20, 70.127, 70.128, 72.36, or 74.39A RCW or Title 71A RCW;

(e) When individual providers are paid by the state or providers are paid by home care agencies to provide in-home services involving unsupervised access to persons with physical, mental, or developmental disabilities or mental illness, or to vulnerable adults as defined in chapter 74.34 RCW, including but not limited to services provided under chapter 74.39 or 74.39A RCW.

(5) The director of the department of early learning shall investigate the conviction records, pending charges, and other information including civil adjudication proceeding records of current employees and of any person actively being considered for any position with the department who will or may have unsupervised access to children, or for state positions otherwise required by federal law to meet employment standards. "Considered for any position" includes decisions about (a) initial hiring, layoffs, reallocations, transfers, promotions, or demotions, or (b) other decisions that result in an individual being in a position that will or may have unsupervised access to children as an employee, an intern, or a volunteer.

(6) The director of the department of early learning shall adopt rules and investigate conviction records, pending charges, and other information including civil adjudication proceeding records, in the following circumstances:

(a) When licensing or certifying agencies with individuals in positions that will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood education services, including but not limited to licensees, agency staff, interns, volunteers, contracted providers, and persons living on the premises who are sixteen years of age or older;

(b) When authorizing individuals who will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood learning education services in licensed or certified agencies, including but not limited to licensees, agency staff, interns, volunteers, contracted providers, and persons living on the premises who are sixteen years of age or older;

(c) When contracting with any business or organization for activities that will or may have unsupervised access to children who are in child day care, in

early learning programs, or receiving early childhood learning education services;

(d) When establishing the eligibility criteria for individual providers to receive state paid subsidies to provide child day care or early learning services that will or may involve unsupervised access to children.

(7) Whenever a state conviction record check is required by state law, persons may be employed or engaged as volunteers or independent contractors on a conditional basis pending completion of the state background investigation. Whenever a national criminal record check through the federal bureau of investigation is required by state law, a person may be employed or engaged as a volunteer or independent contractor on a conditional basis pending completion of the national check. The Washington personnel resources board shall adopt rules to accomplish the purposes of this subsection as it applies to state employees.

(8)(a) For purposes of facilitating timely access to criminal background information and to reasonably minimize the number of requests made under this section, recognizing that certain health care providers change employment frequently, health care facilities may, upon request from another health care facility, share copies of completed criminal background inquiry information.

(b) Completed criminal background inquiry information may be shared by a willing health care facility only if the following conditions are satisfied: The licensed health care facility sharing the criminal background inquiry information is reasonably known to be the person's most recent employer, no more than twelve months has elapsed from the date the person was last employed at a licensed health care facility to the date of their current employment application, and the criminal background information is no more than two years old.

(c) If criminal background inquiry information is shared, the health care facility employing the subject of the inquiry must require the applicant to sign a disclosure statement indicating that there has been no conviction or finding as described in RCW 43.43.842 since the completion date of the most recent criminal background inquiry.

(d) Any health care facility that knows or has reason to believe that an applicant has or may have a disqualifying conviction or finding as described in RCW 43.43.842, subsequent to the completion date of their most recent criminal background inquiry, shall be prohibited from relying on the applicant's previous employer's criminal background inquiry information. A new criminal background inquiry shall be requested pursuant to RCW 43.43.830 through 43.43.842.

(e) Health care facilities that share criminal background inquiry information shall be immune from any claim of defamation, invasion of privacy, negligence, or any other claim in connection with any dissemination of this information in accordance with this subsection.

(f) Health care facilities shall transmit and receive the criminal background inquiry information in a manner that reasonably protects the subject's rights to privacy and confidentiality.

(g) For the purposes of this subsection, "health care facility" means a nursing home licensed under chapter 18.51 RCW, ((a boarding home)) an assisted living facility licensed under chapter 18.20 RCW, or an adult family home licensed under chapter 70.128 RCW.

Sec. 42. RCW 46.19.020 and 2010 c 161 s 702 are each amended to read as follows:

(1) The following organizations may apply for special parking privileges:

(a) Public transportation authorities;

(b) Nursing homes licensed under chapter 18.51 RCW;

(c) ((Boarding homes)) <u>Assisted living facilities</u> licensed under chapter 18.20 RCW;

(d) Senior citizen centers;

(e) Private nonprofit corporations, as defined in RCW 24.03.005; and

(f) Cabulance companies that regularly transport persons with disabilities who have been determined eligible for special parking privileges under this section and who are registered with the department under chapter 46.72 RCW.

(2) An organization that qualifies for special parking privileges may receive, upon application, parking license plates or placards, or both, for persons with disabilities as defined by the department.

(3) Public transportation authorities, nursing homes, ((boarding homes)) assisted living facilities, senior citizen centers, private nonprofit corporations, and cabulance services are responsible for ensuring that the special placards and license plates are not used improperly and are responsible for all fines and penalties for improper use.

(4) The department shall adopt rules to determine organization eligibility.

Sec. 43. RCW 48.43.125 and 1999 c 312 s 2 are each amended to read as follows:

(1) A carrier that provides coverage for a person at a long-term care facility following the person's hospitalization shall, upon the request of the person or his or her legal representative as authorized in RCW 7.70.065, provide such coverage at the facility in which the person resided immediately prior to the hospitalization if:

(a) The person's primary care physician determines that the medical care needs of the person can be met at the requested facility;

(b) The requested facility has all applicable licenses and certifications, and is not under a stop placement order that prevents the person's readmission;

(c) The requested facility agrees to accept payment from the carrier for covered services at the rate paid to similar facilities that otherwise contract with the carrier to provide such services; and

(d) The requested facility, with regard to the following, agrees to abide by the standards, terms, and conditions required by the carrier of similar facilities with which the carrier otherwise contracts: (i) Utilization review, quality assurance, and peer review; and (ii) management and administrative procedures, including data and financial reporting that may be required by the carrier.

(2) For purposes of this section, "long-term care facility" or "facility" means a nursing facility licensed under chapter 18.51 RCW, continuing care retirement community defined under RCW 70.38.025, ((boarding home)) or assisted living facility licensed under chapter 18.20 RCW((, or assisted living facility)).

Sec. 44. RCW 69.41.010 and 2009 c 549 s 1024 are each amended to read as follows:

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

(1) "Administer" means the direct application of a legend drug whether by injection, inhalation, ingestion, or any other means, to the body of a patient or research subject by:

(a) A practitioner; or

(b) The patient or research subject at the direction of the practitioner.

(2) "Community-based care settings" include: Community residential programs for the developmentally disabled, certified by the department of social and health services under chapter 71A.12 RCW; adult family homes licensed under chapter 70.128 RCW; and ((boarding homes)) assisted living facilities licensed under chapter 18.20 RCW. Community-based care settings do not include acute care or skilled nursing facilities.

(3) "Deliver" or "delivery" means the actual, constructive, or attempted transfer from one person to another of a legend drug, whether or not there is an agency relationship.

(4) "Department" means the department of health.

(5) "Dispense" means the interpretation of a prescription or order for a legend drug and, pursuant to that prescription or order, the proper selection, measuring, compounding, labeling, or packaging necessary to prepare that prescription or order for delivery.

(6) "Dispenser" means a practitioner who dispenses.

(7) "Distribute" means to deliver other than by administering or dispensing a legend drug.

(8) "Distributor" means a person who distributes.

(9) "Drug" means:

(a) Substances recognized as drugs in the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, or official national formulary, or any supplement to any of them;

(b) Substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in human beings or animals;

(c) Substances (other than food, minerals or vitamins) intended to affect the structure or any function of the body of human beings or animals; and

(d) Substances intended for use as a component of any article specified in (a), (b), or (c) of this subsection. It does not include devices or their components, parts, or accessories.

(10) "Electronic communication of prescription information" means the communication of prescription information by computer, or the transmission of an exact visual image of a prescription by facsimile, or other electronic means for original prescription information or prescription refill information for a legend drug between an authorized practitioner and a pharmacy or the transfer of prescription information for a legend drug from one pharmacy to another pharmacy.

(11) "In-home care settings" include an individual's place of temporary and permanent residence, but does not include acute care or skilled nursing facilities, and does not include community-based care settings.

(12) "Legend drugs" means any drugs which are required by state law or regulation of the state board of pharmacy to be dispensed on prescription only or are restricted to use by practitioners only.

(13) "Legible prescription" means a prescription or medication order issued by a practitioner that is capable of being read and understood by the pharmacist filling the prescription or the nurse or other practitioner implementing the medication order. A prescription must be hand printed, typewritten, or electronically generated.

(14) "Medication assistance" means assistance rendered by a nonpractitioner to an individual residing in a community-based care setting or in-home care setting to facilitate the individual's self-administration of a legend drug or controlled substance. It includes reminding or coaching the individual, handing the medication container to the individual, opening the individual's medication container, using an enabler, or placing the medication in the individual's hand, and such other means of medication assistance as defined by rule adopted by the department. A nonpractitioner may help in the preparation of legend drugs or controlled substances for self-administration where a practitioner has determined and communicated orally or by written direction that such medication preparation assistance is necessary and appropriate. Medication assistance shall not include assistance with intravenous medications or injectable medications, except prefilled insulin syringes.

(15) "Person" means individual, corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, or any other legal entity.

(16) "Practitioner" means:

(a) A physician under chapter 18.71 RCW, an osteopathic physician or an osteopathic physician and surgeon under chapter 18.57 RCW, a dentist under chapter 18.32 RCW, a podiatric physician and surgeon under chapter 18.22 RCW, a veterinarian under chapter 18.92 RCW, a registered nurse, advanced registered nurse practitioner, or licensed practical nurse under chapter 18.79 RCW, an optometrist under chapter 18.53 RCW who is certified by the optometry board under RCW 18.53.010, an osteopathic physician assistant under chapter 18.57A RCW, a physician assistant under chapter 18.57A RCW, a physician assistant under chapter 18.64 RCW, or, when acting under the required supervision of a dentist licensed under chapter 18.32 RCW, a dental hygienist licensed under chapter 18.29 RCW;

(b) A pharmacy, hospital, or other institution licensed, registered, or otherwise permitted to distribute, dispense, conduct research with respect to, or to administer a legend drug in the course of professional practice or research in this state; and

(c) A physician licensed to practice medicine and surgery or a physician licensed to practice osteopathic medicine and surgery in any state, or province of Canada, which shares a common border with the state of Washington.

(17) "Secretary" means the secretary of health or the secretary's designee.

Sec. 45. RCW 69.41.085 and 2003 c 140 s 12 are each amended to read as follows:

Individuals residing in community-based care settings, such as adult family homes, ((boarding homes)) assisted living facilities, and residential care settings for ((the developmentally disabled)) individuals with developmental disabilities, including an individual's home, may receive medication assistance. Nothing in this chapter affects the right of an individual to refuse medication or requirements relating to informed consent.

Sec. 46. RCW 69.50.308 and 2001 c 248 s 1 are each amended to read as follows:

(a) A controlled substance may be dispensed only as provided in this section.

(b) Except when dispensed directly by a practitioner authorized to prescribe or administer a controlled substance, other than a pharmacy, to an ultimate user, a substance included in Schedule II may not be dispensed without the written prescription of a practitioner.

(1) Schedule II narcotic substances may be dispensed by a pharmacy pursuant to a facsimile prescription under the following circumstances:

(i) The facsimile prescription is transmitted by a practitioner to the pharmacy; and

(ii) The facsimile prescription is for a patient in a long-term care facility. "Long-term care facility" means nursing homes licensed under chapter 18.51 RCW, ((boarding homes)) assisted living facilities licensed under chapter 18.20 RCW, and adult family homes licensed under chapter 70.128 RCW; or

(iii) The facsimile prescription is for a patient of a hospice program certified or paid for by medicare under Title XVIII; or

(iv) The facsimile prescription is for a patient of a hospice program licensed by the state; and

(v) The practitioner or the practitioner's agent notes on the facsimile prescription that the patient is a long-term care or hospice patient.

(2) Injectable Schedule II narcotic substances that are to be compounded for patient use may be dispensed by a pharmacy pursuant to a facsimile prescription if the facsimile prescription is transmitted by a practitioner to the pharmacy.

(3) Under (1) and (2) of this subsection the facsimile prescription shall serve as the original prescription and shall be maintained as other Schedule II narcotic substances prescriptions.

(c) In emergency situations, as defined by rule of the state board of pharmacy, a substance included in Schedule II may be dispensed upon oral prescription of a practitioner, reduced promptly to writing and filed by the pharmacy. Prescriptions shall be retained in conformity with the requirements of RCW 69.50.306. A prescription for a substance included in Schedule II may not be refilled.

(d) Except when dispensed directly by a practitioner authorized to prescribe or administer a controlled substance, other than a pharmacy, to an ultimate user, a substance included in Schedule III or IV, which is a prescription drug as determined under RCW 69.04.560, may not be dispensed without a written or oral prescription of a practitioner. Any oral prescription must be promptly reduced to writing. The prescription shall not be filled or refilled more than six months after the date thereof or be refilled more than five times, unless renewed by the practitioner.

(e) A valid prescription or lawful order of a practitioner, in order to be effective in legalizing the possession of controlled substances, must be issued in good faith for a legitimate medical purpose by one authorized to prescribe the use of such controlled substance. An order purporting to be a prescription not in the course of professional treatment is not a valid prescription or lawful order of a practitioner within the meaning and intent of this chapter; and the person who Ch. 10

knows or should know that the person is filling such an order, as well as the person issuing it, can be charged with a violation of this chapter.

(f) A substance included in Schedule V must be distributed or dispensed only for a medical purpose.

(g) A practitioner may dispense or deliver a controlled substance to or for an individual or animal only for medical treatment or authorized research in the ordinary course of that practitioner's profession. Medical treatment includes dispensing or administering a narcotic drug for pain, including intractable pain.

(h) No administrative sanction, or civil or criminal liability, authorized or created by this chapter may be imposed on a pharmacist for action taken in reliance on a reasonable belief that an order purporting to be a prescription was issued by a practitioner in the usual course of professional treatment or in authorized research.

(i) An individual practitioner may not dispense a substance included in Schedule II, III, or IV for that individual practitioner's personal use.

Sec. 47. RCW 70.38.105 and 2009 c 315 s 1 and 2009 c 242 s 3 are each reenacted and amended to read as follows:

(1) The department is authorized and directed to implement the certificate of need program in this state pursuant to the provisions of this chapter.

(2) There shall be a state certificate of need program which is administered consistent with the requirements of federal law as necessary to the receipt of federal funds by the state.

(3) No person shall engage in any undertaking which is subject to certificate of need review under subsection (4) of this section without first having received from the department either a certificate of need or an exception granted in accordance with this chapter.

(4) The following shall be subject to certificate of need review under this chapter:

(a) The construction, development, or other establishment of a new health care facility including, but not limited to, a hospital constructed, developed, or established by a health maintenance organization or by a combination of health maintenance organizations except as provided in subsection (7)(a) of this section;

(b) The sale, purchase, or lease of part or all of any existing hospital as defined in RCW 70.38.025 including, but not limited to, a hospital sold, purchased, or leased by a health maintenance organization or by a combination of health maintenance organizations except as provided in subsection (7)(b) of this section;

(c) Any capital expenditure for the construction, renovation, or alteration of a nursing home which substantially changes the services of the facility after January 1, 1981, provided that the substantial changes in services are specified by the department in rule;

(d) Any capital expenditure for the construction, renovation, or alteration of a nursing home which exceeds the expenditure minimum as defined by RCW 70.38.025. However, a capital expenditure which is not subject to certificate of need review under (a), (b), (c), or (e) of this subsection and which is solely for any one or more of the following is not subject to certificate of need review:

(i) Communications and parking facilities;

(ii) Mechanical, electrical, ventilation, heating, and air conditioning systems;

(iii) Energy conservation systems;

(iv) Repairs to, or the correction of, deficiencies in existing physical plant facilities which are necessary to maintain state licensure, however, other additional repairs, remodeling, or replacement projects that are not related to one or more deficiency citations and are not necessary to maintain state licensure are not exempt from certificate of need review except as otherwise permitted by (d)(vi) of this subsection or RCW 70.38.115(13);

(v) Acquisition of equipment, including data processing equipment, which is not or will not be used in the direct provision of health services;

(vi) Construction or renovation at an existing nursing home which involves physical plant facilities, including administrative, dining areas, kitchen, laundry, therapy areas, and support facilities, by an existing licensee who has operated the beds for at least one year;

(vii) Acquisition of land; and

(viii) Refinancing of existing debt;

(e) A change in bed capacity of a health care facility which increases the total number of licensed beds or redistributes beds among acute care, nursing home care, and ((boarding home)) assisted living facility care if the bed redistribution is to be effective for a period in excess of six months, or a change in bed capacity of a rural health care facility licensed under RCW 70.175.100 that increases the total number of nursing home beds or redistributes beds from acute care or ((boarding home)) assisted living facility care to nursing home care if the bed redistribution is to be effective for a period in excess of six months. A health care facility certified as a critical access hospital under 42 U.S.C. 1395i-4 may increase its total number of licensed beds to the total number of beds permitted under 42 U.S.C. 1395i-4 for acute care and may redistribute beds permitted under 42 U.S.C. 1395i-4 among acute care and nursing home care without being subject to certificate of need review. If there is a nursing home licensed under chapter 18.51 RCW within twenty-seven miles of the critical access hospital, the critical access hospital is subject to certificate of need review except for:

(i) Critical access hospitals which had designated beds to provide nursing home care, in excess of five swing beds, prior to December 31, 2003;

(ii) Up to five swing beds; or

(iii) Up to twenty-five swing beds for critical access hospitals which do not have a nursing home licensed under chapter 18.51 RCW within the same city or town limits. Up to one-half of the additional beds designated for swing bed services under this subsection (4)(e)(iii) may be so designated before July 1, 2010, with the balance designated on or after July 1, 2010.

Critical access hospital beds not subject to certificate of need review under this subsection (4)(e) will not be counted as either acute care or nursing home care for certificate of need review purposes. If a health care facility ceases to be certified as a critical access hospital under 42 U.S.C. 1395i-4, the hospital may revert back to the type and number of licensed hospital beds as it had when it requested critical access hospital designation;

(f) Any new tertiary health services which are offered in or through a health care facility or rural health care facility licensed under RCW 70.175.100, and

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which were not offered on a regular basis by, in, or through such health care facility or rural health care facility within the twelve-month period prior to the time such services would be offered;

(g) Any expenditure for the construction, renovation, or alteration of a nursing home or change in nursing home services in excess of the expenditure minimum made in preparation for any undertaking under <u>this</u> subsection (4) of this section and any arrangement or commitment made for financing such undertaking. Expenditures of preparation shall include expenditures for architectural designs, plans, working drawings, and specifications. The department may issue certificates of need permitting predevelopment expenditures, only, without authorizing any subsequent undertaking with respect to which such predevelopment expenditures are made; and

(h) Any increase in the number of dialysis stations in a kidney disease center.

(5) The department is authorized to charge fees for the review of certificate of need applications and requests for exemptions from certificate of need review. The fees shall be sufficient to cover the full cost of review and exemption, which may include the development of standards, criteria, and policies.

(6) No person may divide a project in order to avoid review requirements under any of the thresholds specified in this section.

(7)(a) The requirement that a health maintenance organization obtain a certificate of need under subsection (4)(a) of this section for the construction, development, or other establishment of a hospital does not apply to a health maintenance organization operating a group practice that has been continuously licensed as a health maintenance organization since January 1, 2009;

(b) The requirement that a health maintenance organization obtain a certificate of need under subsection (4)(b) of this section to sell, purchase, or lease a hospital does not apply to a health maintenance organization operating a group practice that has been continuously licensed as a health maintenance organization since January 1, 2009.

Sec. 48. RCW 70.38.111 and 2009 c 315 s 2 and 2009 c 89 s 1 are each reenacted and amended to read as follows:

(1) The department shall not require a certificate of need for the offering of an inpatient tertiary health service by:

(a) A health maintenance organization or a combination of health maintenance organizations if (i) the organization or combination of organizations has, in the service area of the organization or the service areas of the organizations in the combination, an enrollment of at least fifty thousand individuals, (ii) the facility in which the service will be provided is or will be geographically located so that the service will be reasonably accessible to such enrolled individuals, and (iii) at least seventy-five percent of the patients who can reasonably be expected to receive the tertiary health service will be individuals enrolled with such organization or organizations in the combination;

(b) A health care facility if (i) the facility primarily provides or will provide inpatient health services, (ii) the facility is or will be controlled, directly or indirectly, by a health maintenance organization or a combination of health maintenance organizations which has, in the service area of the organization or service areas of the organizations in the combination, an enrollment of at least fifty thousand individuals, (iii) the facility is or will be geographically located so that the service will be reasonably accessible to such enrolled individuals, and (iv) at least seventy-five percent of the patients who can reasonably be expected to receive the tertiary health service will be individuals enrolled with such organization or organizations in the combination; or

(c) A health care facility (or portion thereof) if (i) the facility is or will be leased by a health maintenance organization or combination of health maintenance organizations which has, in the service area of the organization or the service areas of the organizations in the combination, an enrollment of at least fifty thousand individuals and, on the date the application is submitted under subsection (2) of this section, at least fifteen years remain in the term of the lease, (ii) the facility is or will be geographically located so that the service will be reasonably accessible to such enrolled individuals, and (iii) at least seventy-five percent of the patients who can reasonably be expected to receive the tertiary health service will be individuals enrolled with such organization;

if, with respect to such offering or obligation by a nursing home, the department has, upon application under subsection (2) of this section, granted an exemption from such requirement to the organization, combination of organizations, or facility.

(2) A health maintenance organization, combination of health maintenance organizations, or health care facility shall not be exempt under subsection (1) of this section from obtaining a certificate of need before offering a tertiary health service unless:

(a) It has submitted at least thirty days prior to the offering of services reviewable under RCW 70.38.105(4)(d) an application for such exemption; and

(b) The application contains such information respecting the organization, combination, or facility and the proposed offering or obligation by a nursing home as the department may require to determine if the organization or combination meets the requirements of subsection (1) of this section or the facility meets or will meet such requirements; and

(c) The department approves such application. The department shall approve or disapprove an application for exemption within thirty days of receipt of a completed application. In the case of a proposed health care facility (or portion thereof) which has not begun to provide tertiary health services on the date an application is submitted under this subsection with respect to such facility (or portion), the facility (or portion) shall meet the applicable requirements of subsection (1) of this section when the facility first provides such services. The department shall approve an application submitted under this subsection if it determines that the applicable requirements of subsection (1) of this section are met.

(3) A health care facility (or any part thereof) with respect to which an exemption was granted under subsection (1) of this section may not be sold or leased and a controlling interest in such facility or in a lease of such facility may not be acquired and a health care facility described in (1)(c) which was granted an exemption under subsection (1) of this section may not be used by any person other than the lessee described in (1)(c) unless:

(a) The department issues a certificate of need approving the sale, lease, acquisition, or use; or

(b) The department determines, upon application, that (i) the entity to which the facility is proposed to be sold or leased, which intends to acquire the WASHINGTON LAWS, 2012

controlling interest, or which intends to use the facility is a health maintenance organization or a combination of health maintenance organizations which meets the requirements of (1)(a)(i), and (ii) with respect to such facility, meets the requirements of (1)(a)(i) or (iii) or the requirements of (1)(b)(i) and (ii).

(4) In the case of a health maintenance organization, an ambulatory care facility, or a health care facility, which ambulatory or health care facility is controlled, directly or indirectly, by a health maintenance organization or a combination of health maintenance organizations, the department may under the program apply its certificate of need requirements to the offering of inpatient tertiary health services to the extent that such offering is not exempt under the provisions of this section or RCW 70.38.105(7).

(5)(a) The department shall not require a certificate of need for the construction, development, or other establishment of a nursing home, or the addition of beds to an existing nursing home, that is owned and operated by a continuing care retirement community that:

(i) Offers services only to contractual members;

(ii) Provides its members a contractually guaranteed range of services from independent living through skilled nursing, including some assistance with daily living activities;

(iii) Contractually assumes responsibility for the cost of services exceeding the member's financial responsibility under the contract, so that no third party, with the exception of insurance purchased by the retirement community or its members, but including the medicaid program, is liable for costs of care even if the member depletes his or her personal resources;

(iv) Has offered continuing care contracts and operated a nursing home continuously since January 1, 1988, or has obtained a certificate of need to establish a nursing home;

(v) Maintains a binding agreement with the state assuring that financial liability for services to members, including nursing home services, will not fall upon the state;

(vi) Does not operate, and has not undertaken a project that would result in a number of nursing home beds in excess of one for every four living units operated by the continuing care retirement community, exclusive of nursing home beds; and

(vii) Has obtained a professional review of pricing and long-term solvency within the prior five years which was fully disclosed to members.

(b) A continuing care retirement community shall not be exempt under this subsection from obtaining a certificate of need unless:

(i) It has submitted an application for exemption at least thirty days prior to commencing construction of, is submitting an application for the licensure of, or is commencing operation of a nursing home, whichever comes first; and

(ii) The application documents to the department that the continuing care retirement community qualifies for exemption.

(c) The sale, lease, acquisition, or use of part or all of a continuing care retirement community nursing home that qualifies for exemption under this subsection shall require prior certificate of need approval to qualify for licensure as a nursing home unless the department determines such sale, lease, acquisition, or use is by a continuing care retirement community that meets the conditions of (a) of this subsection. (6) A rural hospital, as defined by the department, reducing the number of licensed beds to become a rural primary care hospital under the provisions of Part A Title XVIII of the Social Security Act Section 1820, 42 U.S.C., 1395c et seq. may, within three years of the reduction of beds licensed under chapter 70.41 RCW, increase the number of licensed beds to no more than the previously licensed number without being subject to the provisions of this chapter.

(7) A rural health care facility licensed under RCW 70.175.100 formerly licensed as a hospital under chapter 70.41 RCW may, within three years of the effective date of the rural health care facility license, apply to the department for a hospital license and not be subject to the requirements of RCW 70.38.105(4)(a) as the construction, development, or other establishment of a new hospital, provided there is no increase in the number of beds previously licensed under chapter 70.41 RCW and there is no redistribution in the number of beds used for acute care or long-term care, the rural health care facility has been in continuous operation, and the rural health care facility has not been purchased or leased.

(8)(a) A nursing home that voluntarily reduces the number of its licensed beds to provide assisted living, licensed ((boarding home)) assisted living facility care, adult day care, adult day health, respite care, hospice, outpatient therapy services, congregate meals, home health, or senior wellness clinic, or to reduce to one or two the number of beds per room or to otherwise enhance the quality of life for residents in the nursing home, may convert the original facility or portion of the facility back, and thereby increase the number of nursing home beds to no more than the previously licensed number of nursing home beds without obtaining a certificate of need under this chapter, provided the facility has been in continuous operation and has not been purchased or leased. Any conversion to the original licensed bed capacity, or to any portion thereof, shall comply with the same life and safety code requirements as existed at the time the nursing home voluntarily reduced its licensed beds; unless waivers from such requirements were issued, in which case the converted beds shall reflect the conditions or standards that then existed pursuant to the approved waivers.

(b) To convert beds back to nursing home beds under this subsection, the nursing home must:

(i) Give notice of its intent to preserve conversion options to the department of health no later than thirty days after the effective date of the license reduction; and

(ii) Give notice to the department of health and to the department of social and health services of the intent to convert beds back. If construction is required for the conversion of beds back, the notice of intent to convert beds back must be given, at a minimum, one year prior to the effective date of license modification reflecting the restored beds; otherwise, the notice must be given a minimum of ninety days prior to the effective date of license modification reflecting the restored beds. Prior to any license modification to convert beds back to nursing home beds under this section, the licensee must demonstrate that the nursing home meets the certificate of need exemption requirements of this section.

The term "construction," as used in (b)(ii) of this subsection, is limited to those projects that are expected to equal or exceed the expenditure minimum amount, as determined under this chapter.

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(c) Conversion of beds back under this subsection must be completed no later than four years after the effective date of the license reduction. However, for good cause shown, the four-year period for conversion may be extended by the department of health for one additional four-year period.

(d) Nursing home beds that have been voluntarily reduced under this section shall be counted as available nursing home beds for the purpose of evaluating need under RCW 70.38.115(2) (a) and (k) so long as the facility retains the ability to convert them back to nursing home use under the terms of this section.

(e) When a building owner has secured an interest in the nursing home beds, which are intended to be voluntarily reduced by the licensee under (a) of this subsection, the applicant shall provide the department with a written statement indicating the building owner's approval of the bed reduction.

(9)(a) The department shall not require a certificate of need for a hospice agency if:

(i) The hospice agency is designed to serve the unique religious or cultural needs of a religious group or an ethnic minority and commits to furnishing hospice services in a manner specifically aimed at meeting the unique religious or cultural needs of the religious group or ethnic minority;

(ii) The hospice agency is operated by an organization that:

(A) Operates a facility, or group of facilities, that offers a comprehensive continuum of long-term care services, including, at a minimum, a licensed, medicare-certified nursing home, assisted living, independent living, day health, and various community-based support services, designed to meet the unique social, cultural, and religious needs of a specific cultural and ethnic minority group;

(B) Has operated the facility or group of facilities for at least ten continuous years prior to the establishment of the hospice agency;

(iii) The hospice agency commits to coordinating with existing hospice programs in its community when appropriate;

(iv) The hospice agency has a census of no more than forty patients;

(v) The hospice agency commits to obtaining and maintaining medicare certification;

(vi) The hospice agency only serves patients located in the same county as the majority of the long-term care services offered by the organization that operates the agency; and

(vii) The hospice agency is not sold or transferred to another agency.

(b) The department shall include the patient census for an agency exempted under this subsection (9) in its calculations for future certificate of need applications.

Sec. 49. RCW 70.79.090 and 2009 c 90 s 4 are each amended to read as follows:

The following boilers and unfired pressure vessels shall be exempt from the requirements of RCW 70.79.220 and 70.79.240 through 70.79.330:

(1) Boilers or unfired pressure vessels located on farms and used solely for agricultural purposes;

(2) Unfired pressure vessels that are part of fertilizer applicator rigs designed and used exclusively for fertilization in the conduct of agricultural operations;

(3) Steam boilers used exclusively for heating purposes carrying a pressure of not more than fifteen pounds per square inch gauge and which are located in private residences or in apartment houses of less than six families;

(4) Hot water heating boilers carrying a pressure of not more than thirty pounds per square inch and which are located in private residences or in apartment houses of less than six families;

(5) Approved pressure vessels (hot water heaters, hot water storage tanks, hot water supply boilers, and hot water heating boilers listed by a nationally recognized testing agency), with approved safety devices including a pressure relief valve, with a nominal water containing capacity of one hundred twenty gallons or less having a heat input of two hundred thousand b.t.u.'s per hour or less, at pressure of one hundred sixty pounds per square inch or less, and at temperatures of two hundred ten degrees Fahrenheit or less: PROVIDED, HOWEVER, That such pressure vessels are not installed in schools, child care centers, public and private hospitals, nursing ((and boarding)) homes, assisted living facilities, churches, public buildings owned or leased and maintained by the state or any political subdivision thereof, and assembly halls;

(6) Unfired pressure vessels containing only water under pressure for domestic supply purposes, including those containing air, the compression of which serves only as a cushion or airlift pumping systems, when located in private residences or in apartment houses of less than six families, or in public water systems as defined in RCW 70.119.020;

(7) Unfired pressure vessels containing liquified petroleum gases.

Sec. 50. RCW 70.87.305 and 2004 c 66 s 3 are each amended to read as follows:

(1) The department shall, by rule, establish licensing requirements for conveyance work performed on private residence conveyances. These rules shall include an exemption from licensing for maintenance work on private residence conveyances performed by an owner or at the direction of the owner, provided the owner resides in the residence at which the conveyance is located and the conveyance is not accessible to the general public. However, maintenance work performed on private residence conveyances located in or at adult family homes licensed under chapter 70.128 RCW, ((boarding homes))) assisted living facilities licensed under chapter 18.20 RCW, or similarly licensed caregiving facilities must comply with the licensing requirements of this chapter.

(2) The rules adopted under this section take effect July 1, 2004.

Sec. 51. RCW 70.97.060 and 2005 c 504 s 408 are each amended to read as follows:

(1)(a) The department shall not license an enhanced services facility that serves any residents under sixty-five years of age for a capacity to exceed sixteen residents.

(b) The department may contract for services for the operation of enhanced services facilities only to the extent that funds are specifically provided for that purpose.

(2) The facility shall provide an appropriate level of security for the characteristics, behaviors, and legal status of the residents.

(3) An enhanced services facility may hold only one license but, to the extent permitted under state and federal law and medicaid requirements, a

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facility may be located in the same building as another licensed facility, provided that:

(a) The enhanced services facility is in a location that is totally separate and discrete from the other licensed facility; and

(b) The two facilities maintain separate staffing, unless an exception to this is permitted by the department in rule.

(4) Nursing homes under chapter 18.51 RCW, ((boarding homes)) assisted living facilities under chapter 18.20 RCW, or adult family homes under chapter 70.128 RCW, that become licensed as facilities under this chapter shall be deemed to meet the applicable state and local rules, regulations, permits, and code requirements. All other facilities are required to meet all applicable state and local rules, regulations, permits, and code requirements.

Sec. 52. RCW 70.97.090 and 2005 c 504 s 411 are each amended to read as follows:

This chapter does not apply to the following residential facilities:

(1) Nursing homes licensed under chapter 18.51 RCW;

(2) ((Boarding homes)) <u>Assisted living facilities</u> licensed under chapter 18.20 RCW;

(3) Adult family homes licensed under chapter 70.128 RCW;

(4) Facilities approved and certified under chapter 71A.22 RCW;

(5) Residential treatment facilities licensed under chapter 71.12 RCW; and

(6) Hospitals licensed under chapter 70.41 RCW.

Sec. 53. RCW 70.122.020 and 1992 c 98 s 2 are each amended to read as follows:

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

(1) "Adult person" means a person who has attained the age of majority as defined in RCW 26.28.010 and 26.28.015, and who has the capacity to make health care decisions.

(2) "Attending physician" means the physician selected by, or assigned to, the patient who has primary responsibility for the treatment and care of the patient.

(3) "Directive" means a written document voluntarily executed by the declarer generally consistent with the guidelines of RCW 70.122.030.

(4) "Health facility" means a hospital as defined in RCW 70.41.020(((2))) (<u>4</u>) or a nursing home as defined in RCW 18.51.010, a home health agency or hospice agency as defined in RCW 70.126.010, or ((<u>a boarding home</u>)) an assisted living facility as defined in RCW 18.20.020.

(5) "Life-sustaining treatment" means any medical or surgical intervention that uses mechanical or other artificial means, including artificially provided nutrition and hydration, to sustain, restore, or replace a vital function, which, when applied to a qualified patient, would serve only to prolong the process of dying. "Life-sustaining treatment" shall not include the administration of medication or the performance of any medical or surgical intervention deemed necessary solely to alleviate pain.

(6) "Permanent unconscious condition" means an incurable and irreversible condition in which the patient is medically assessed within reasonable medical

judgment as having no reasonable probability of recovery from an irreversible coma or a persistent vegetative state.

(7) "Physician" means a person licensed under chapters 18.71 or 18.57 RCW.

(8) "Qualified patient" means an adult person who is a patient diagnosed in writing to have a terminal condition by the patient's attending physician, who has personally examined the patient, or a patient who is diagnosed in writing to be in a permanent unconscious condition in accordance with accepted medical standards by two physicians, one of whom is the patient's attending physician, and both of whom have personally examined the patient.

(9) "Terminal condition" means an incurable and irreversible condition caused by injury, disease, or illness, that, within reasonable medical judgment, will cause death within a reasonable period of time in accordance with accepted medical standards, and where the application of life-sustaining treatment serves only to prolong the process of dying.

Sec. 54. RCW 70.127.040 and 2011 c 366 s 6 are each amended to read as follows:

The following are not subject to regulation for the purposes of this chapter:

(1) A family member providing home health, hospice, or home care services;

(2) A person who provides only meal services in an individual's permanent or temporary residence;

(3) An individual providing home care through a direct agreement with a recipient of care in an individual's permanent or temporary residence;

(4) A person furnishing or delivering home medical supplies or equipment that does not involve the provision of services beyond those necessary to deliver, set up, and monitor the proper functioning of the equipment and educate the user on its proper use;

(5) A person who provides services through a contract with a licensed agency;

(6) An employee or volunteer of a licensed agency who provides services only as an employee or volunteer;

(7) Facilities and institutions, including but not limited to nursing homes under chapter 18.51 RCW, hospitals under chapter 70.41 RCW, adult family homes under chapter 70.128 RCW, ((boarding homes)) assisted living facilities under chapter 18.20 RCW, developmental disability residential programs under chapter 71A.12 RCW, other entities licensed under chapter 71.12 RCW, or other licensed facilities and institutions, only when providing services to persons residing within the facility or institution;

(8) Local and combined city-county health departments providing services under chapters 70.05 and 70.08 RCW;

(9) An individual providing care to ill individuals, individuals with disabilities, or vulnerable individuals through a contract with the department of social and health services;

(10) Nursing homes, hospitals, or other institutions, agencies, organizations, or persons that contract with licensed home health, hospice, or home care agencies for the delivery of services;

(11) In-home assessments of an ill individual, an individual with a disability, or a vulnerable individual that does not result in regular ongoing care at home;

(12) Services conducted by and for the adherents of a church or religious denomination that rely upon spiritual means alone through prayer for healing in accordance with the tenets and practices of such church or religious denomination and the bona fide religious beliefs genuinely held by such adherents;

(13) A medicare-approved dialysis center operating a medicare-approved home dialysis program;

(14) A person providing case management services. For the purposes of this subsection, "case management" means the assessment, coordination, authorization, planning, training, and monitoring of home health, hospice, and home care, and does not include the direct provision of care to an individual;

(15) Pharmacies licensed under RCW 18.64.043 that deliver prescription drugs and durable medical equipment that does not involve the use of professional services beyond those authorized to be performed by licensed pharmacists pursuant to chapter 18.64 RCW and those necessary to set up and monitor the proper functioning of the equipment and educate the person on its proper use;

(16) A volunteer hospice complying with the requirements of RCW 70.127.050;

(17) A person who provides home care services without compensation; and

(18) Nursing homes that provide telephone or web-based transitional care management services.

Sec. 55. RCW 70.128.030 and 1989 c 427 s 17 are each amended to read as follows:

The following residential facilities shall be exempt from the operation of this chapter:

(1) Nursing homes licensed under chapter 18.51 RCW;

(2) ((Boarding homes)) <u>Assisted living facilities</u> licensed under chapter 18.20 RCW;

(3) Facilities approved and certified under chapter 71A.22 RCW;

(4) Residential treatment centers for ((the mentally ill)) individuals with mental illness licensed under chapter 71.24 RCW;

(5) Hospitals licensed under chapter 70.41 RCW;

(6) Homes for ((the developmentally disabled)) individuals with developmental disabilities licensed under chapter 74.15 RCW.

Sec. 56. RCW 70.128.210 and 1998 c 272 s 3 are each amended to read as follows:

(1) The department of social and health services shall review, in coordination with the department of health, the nursing care quality assurance commission, adult family home providers, ((boarding home)) assisted living facility providers, in-home personal care providers, and long-term care consumers and advocates, training standards for providers, resident managers, and resident caregiving staff. The departments and the commission shall submit to the appropriate committees of the house of representatives and the senate by December 1, 1998, specific recommendations on training standards and the delivery system, including necessary statutory changes and funding requirements. Any proposed enhancements shall be consistent with this section, shall take into account and not duplicate other training requirements applicable

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to adult family homes and staff, and shall be developed with the input of adult family home and resident representatives, health care professionals, and other vested interest groups. Training standards and the delivery system shall be relevant to the needs of residents served by the adult family home and recipients of long-term in-home personal care services and shall be sufficient to ensure that providers, resident managers, and caregiving staff have the skills and knowledge necessary to provide high quality, appropriate care.

(2) The recommendations on training standards and the delivery system developed under subsection (1) of this section shall be based on a review and consideration of the following: Quality of care; availability of training; affordability, including the training costs incurred by the department of social and health services and private providers; portability of existing training requirements; competency testing; practical and clinical course work; methods of delivery of training; standards for management; uniform caregiving staff training; necessary enhancements for special needs populations; and resident rights training. Residents with special needs include, but are not limited to, residents with a diagnosis of mental illness, dementia, or developmental disabilities services shall be coordinated with the study requirements in section 6, chapter 272, Laws of 1998.

(3) The department of social and health services shall report to the appropriate committees of the house of representatives and the senate by December 1, 1998, on the cost of implementing the proposed training standards for state-funded residents, and on the extent to which that cost is covered by existing state payment rates.

Sec. 57. RCW 70.129.005 and 1994 c 214 s 1 are each amended to read as follows:

The legislature recognizes that long-term care facilities are a critical part of the state's long-term care services system. It is the intent of the legislature that individuals who reside in long-term care facilities receive appropriate services, be treated with courtesy, and continue to enjoy their basic civil and legal rights.

It is also the intent of the legislature that long-term care facility residents have the opportunity to exercise reasonable control over life decisions. The legislature finds that choice, participation, privacy, and the opportunity to engage in religious, political, civic, recreational, and other social activities foster a sense of self-worth and enhance the quality of life for long-term care residents.

The legislature finds that the public interest would be best served by providing the same basic resident rights in all long-term care settings. Residents in nursing facilities are guaranteed certain rights by federal law and regulation, 42 U.S.C. 1396r and 42 C.F.R. part 483. It is the intent of the legislature to extend those basic rights to residents in veterans' homes, ((boarding homes)) assisted living facilities, and adult family homes.

The legislature intends that a facility should care for its residents in a manner and in an environment that promotes maintenance or enhancement of each resident's quality of life. A resident should have a safe, clean, comfortable, and homelike environment, allowing the resident to use his or her personal belongings to the extent possible.

Sec. 58. RCW 70.129.160 and 1998 c 245 s 113 are each amended to read as follows:

The long-term care ombudsman shall monitor implementation of this chapter and determine the degree to which veterans' homes, nursing facilities, adult family homes, and ((boarding homes)) assisted living facilities ensure that residents are able to exercise their rights. The long-term care ombudsman shall consult with the departments of health and social and health services, long-term care facility organizations, resident groups, ((and)) senior ((and disabled)) citizen organizations, and organizations concerning individuals with disabilities.

Sec. 59. RCW 71.24.025 and 2008 c 261 s 2 are each amended to read as follows:

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

(1) "Acutely mentally ill" means a condition which is limited to a short-term severe crisis episode of:

(a) A mental disorder as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020;

(b) Being gravely disabled as defined in RCW 71.05.020 or, in the case of a child, a gravely disabled minor as defined in RCW 71.34.020; or

(c) Presenting a likelihood of serious harm as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020.

(2) "Available resources" means funds appropriated for the purpose of providing community mental health programs, federal funds, except those provided according to Title XIX of the Social Security Act, and state funds appropriated under this chapter or chapter 71.05 RCW by the legislature during any biennium for the purpose of providing residential services, resource management services, community support services, and other mental health services. This does not include funds appropriated for the purpose of operating and administering the state psychiatric hospitals.

(3) "Child" means a person under the age of eighteen years.

(4) "Chronically mentally ill adult" or "adult who is chronically mentally ill" means an adult who has a mental disorder and meets at least one of the following criteria:

(a) Has undergone two or more episodes of hospital care for a mental disorder within the preceding two years; or

(b) Has experienced a continuous psychiatric hospitalization or residential treatment exceeding six months' duration within the preceding year; or

(c) Has been unable to engage in any substantial gainful activity by reason of any mental disorder which has lasted for a continuous period of not less than twelve months. "Substantial gainful activity" shall be defined by the department by rule consistent with Public Law 92-603, as amended.

(5) "Clubhouse" means a community-based program that provides rehabilitation services and is certified by the department of social and health services.

(6) "Community mental health program" means all mental health services, activities, or programs using available resources.

(7) "Community mental health service delivery system" means public or private agencies that provide services specifically to persons with mental disorders as defined under RCW 71.05.020 and receive funding from public sources.

(8) "Community support services" means services authorized, planned, and coordinated through resource management services including, at a minimum, assessment, diagnosis, emergency crisis intervention available twenty-four hours, seven days a week, prescreening determinations for persons who are mentally ill being considered for placement in nursing homes as required by federal law, screening for patients being considered for admission to residential services, diagnosis and treatment for children who are acutely mentally ill or severely emotionally disturbed discovered under screening through the federal Title XIX early and periodic screening, diagnosis, and treatment program, investigation, legal, and other nonresidential services under chapter 71.05 RCW, case management services, psychiatric treatment including medication supervision, counseling, psychotherapy, assuring transfer of relevant patient information between service providers, recovery services, and other services determined by regional support networks.

(9) "Consensus-based" means a program or practice that has general support among treatment providers and experts, based on experience or professional literature, and may have anecdotal or case study support, or that is agreed but not possible to perform studies with random assignment and controlled groups.

(10) "County authority" means the board of county commissioners, county council, or county executive having authority to establish a community mental health program, or two or more of the county authorities specified in this subsection which have entered into an agreement to provide a community mental health program.

(11) "Department" means the department of social and health services.

(12) "Designated mental health professional" means a mental health professional designated by the county or other authority authorized in rule to perform the duties specified in this chapter.

(13) "Emerging best practice" or "promising practice" means a practice that presents, based on preliminary information, potential for becoming a research-based or consensus-based practice.

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

(15) "Licensed service provider" means an entity licensed according to this chapter or chapter 71.05 RCW or an entity deemed to meet state minimum standards as a result of accreditation by a recognized behavioral health accrediting body recognized and having a current agreement with the department, that meets state minimum standards or persons licensed under chapter 18.57, 18.71, 18.83, or 18.79 RCW, as it applies to registered nurses and advanced registered nurse practitioners.

(16) "Long-term inpatient care" means inpatient services for persons committed for, or voluntarily receiving intensive treatment for, periods of ninety days or greater under chapter 71.05 RCW. "Long-term inpatient care" as used in this chapter does not include: (a) Services for individuals committed under chapter 71.05 RCW who are receiving services pursuant to a conditional release or a court-ordered less restrictive alternative to detention; or (b) services for

individuals voluntarily receiving less restrictive alternative treatment on the grounds of the state hospital.

(17) "Mental health services" means all services provided by regional support networks and other services provided by the state for persons who are mentally ill.

(18) "Mentally ill persons," "persons who are mentally ill," and "the mentally ill" mean persons and conditions defined in subsections (1), (4), (27), and (28) of this section.

(19) "Recovery" means the process in which people are able to live, work, learn, and participate fully in their communities.

(20) "Regional support network" means a county authority or group of county authorities or other entity recognized by the secretary in contract in a defined region.

(21) "Registration records" include all the records of the department, regional support networks, treatment facilities, and other persons providing services to the department, county departments, or facilities which identify persons who are receiving or who at any time have received services for mental illness.

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

(23) "Residential services" means a complete range of residences and supports authorized by resource management services and which may involve a facility, a distinct part thereof, or services which support community living, for persons who are acutely mentally ill, adults who are chronically mentally ill, children who are severely emotionally disturbed, or adults who are seriously disturbed and determined by the regional support network to be at risk of becoming acutely or chronically mentally ill. The services shall include at least evaluation and treatment services as defined in chapter 71.05 RCW, acute crisis respite care, long-term adaptive and rehabilitative care, and supervised and supported living services, and shall also include any residential services developed to service persons who are mentally ill in nursing homes, ((boarding homes)) assisted living facilities, and adult family homes, and may include outpatient services provided as an element in a package of services in a supported housing model. Residential services for children in out-of-home placements related to their mental disorder shall not include the costs of food and shelter, except for children's long-term residential facilities existing prior to January 1, 1991.

(24) "Resilience" means the personal and community qualities that enable individuals to rebound from adversity, trauma, tragedy, threats, or other stresses, and to live productive lives.

(25) "Resource management services" mean the planning, coordination, and authorization of residential services and community support services administered pursuant to an individual service plan for: (a) Adults and children who are acutely mentally ill; (b) adults who are chronically mentally ill; (c) children who are severely emotionally disturbed; or (d) adults who are seriously disturbed and determined solely by a regional support network to be at risk of becoming acutely or chronically mentally ill. Such planning, coordination, and authorization shall include mental health screening for children eligible under

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the federal Title XIX early and periodic screening, diagnosis, and treatment program. Resource management services include seven day a week, twenty-four hour a day availability of information regarding enrollment of adults and children who are mentally ill in services and their individual service plan to designated mental health professionals, evaluation and treatment facilities, and others as determined by the regional support network.

(26) "Secretary" means the secretary of social and health services.

(27) "Seriously disturbed person" means a person who:

(a) Is gravely disabled or presents a likelihood of serious harm to himself or herself or others, or to the property of others, as a result of a mental disorder as defined in chapter 71.05 RCW;

(b) Has been on conditional release status, or under a less restrictive alternative order, at some time during the preceding two years from an evaluation and treatment facility or a state mental health hospital;

(c) Has a mental disorder which causes major impairment in several areas of daily living;

(d) Exhibits suicidal preoccupation or attempts; or

(e) Is a child diagnosed by a mental health professional, as defined in chapter 71.34 RCW, as experiencing a mental disorder which is clearly interfering with the child's functioning in family or school or with peers or is clearly interfering with the child's personality development and learning.

(28) "Severely emotionally disturbed child" or "child who is severely emotionally disturbed" means a child who has been determined by the regional support network to be experiencing a mental disorder as defined in chapter 71.34 RCW, including those mental disorders that result in a behavioral or conduct disorder, that is clearly interfering with the child's functioning in family or school or with peers and who meets at least one of the following criteria:

(a) Has undergone inpatient treatment or placement outside of the home related to a mental disorder within the last two years;

(b) Has undergone involuntary treatment under chapter 71.34 RCW within the last two years;

(c) Is currently served by at least one of the following child-serving systems: Juvenile justice, child-protection/welfare, special education, or developmental disabilities;

(d) Is at risk of escalating maladjustment due to:

(i) Chronic family dysfunction involving a caretaker who is mentally ill or inadequate;

(ii) Changes in custodial adult;

(iii) Going to, residing in, or returning from any placement outside of the home, for example, psychiatric hospital, short-term inpatient, residential treatment, group or foster home, or a correctional facility;

(iv) Subject to repeated physical abuse or neglect;

(v) Drug or alcohol abuse; or

(vi) Homelessness.

(29) "State minimum standards" means minimum requirements established by rules adopted by the secretary and necessary to implement this chapter for: (a) Delivery of mental health services; (b) licensed service providers for the provision of mental health services; (c) residential services; and (d) community support services and resource management services.

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(30) "Treatment records" include registration and all other records concerning persons who are receiving or who at any time have received services for mental illness, which are maintained by the department, by regional support networks and their staffs, and by treatment facilities. Treatment records do not include notes or records maintained for personal use by a person providing treatment services for the department, regional support networks, or a treatment facility if the notes or records are not available to others.

(31) "Tribal authority," for the purposes of this section and RCW 71.24.300 only, means: The federally recognized Indian tribes and the major Indian organizations recognized by the secretary insofar as these organizations do not have a financial relationship with any regional support network that would present a conflict of interest.

Sec. 60. RCW 74.09.120 and 2011 1st sp.s. c 15 s 9 are each amended to read as follows:

(1) The department shall purchase nursing home care by contract and payment for the care shall be in accordance with the provisions of chapter 74.46 RCW and rules adopted by the department. No payment shall be made to a nursing home which does not permit inspection by the authority and the department of every part of its premises and an examination of all records, including financial records, methods of administration, general and special dietary programs, the disbursement of drugs and methods of supply, and any other records the authority or the department deems relevant to the regulation of nursing home operations, enforcement of standards for resident care, and payment for nursing home services.

(2) The department may purchase nursing home care by contract in veterans' homes operated by the state department of veterans affairs and payment for the care shall be in accordance with the provisions of chapter 74.46 RCW and rules adopted by the department under the authority of RCW 74.46.800.

(3) The department may purchase care in institutions for persons with intellectual disabilities, also known as intermediate care facilities for persons with intellectual disabilities. The department shall establish rules for reasonable accounting and reimbursement systems for such care. Institutions for persons with intellectual disabilities include licensed nursing homes, public institutions, licensed ((boarding homes)) assisted living facilities with fifteen beds or less, and hospital facilities certified as intermediate care facilities for persons with intellectual disabilities under the federal medicaid program to provide health, habilitative, or rehabilitative services and twenty-four hour supervision for persons with intellectual disabilities or related conditions and includes in the program "active treatment" as federally defined.

(4) The department may purchase care in institutions for mental diseases by contract. The department shall establish rules for reasonable accounting and reimbursement systems for such care. Institutions for mental diseases are certified under the federal medicaid program and primarily engaged in providing diagnosis, treatment, or care to persons with mental diseases, including medical attention, nursing care, and related services.

(5) Both the department and the authority may each purchase all other services provided under this chapter by contract or at rates established by the department or the authority respectively.

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Sec. 61. RCW 74.15.020 and 2009 c 520 s 13 are each amended to read as follows:

((For the purpose of)) The definitions in this section apply throughout this chapter and RCW 74.13.031((, and)) unless the context clearly requires otherwise ((clearly indicated by the context thereof, the following terms shall mean:)).

(1) "Agency" means any person, firm, partnership, association, corporation, or facility which receives children, expectant mothers, or persons with developmental disabilities for control, care, or maintenance outside their own homes, or which places, arranges the placement of, or assists in the placement of children, expectant mothers, or persons with developmental disabilities for foster care or placement of children for adoption, and shall include the following irrespective of whether there is compensation to the agency or to the children, expectant mothers or persons with developmental disabilities for services rendered:

(a) "Child-placing agency" means an agency which places a child or children for temporary care, continued care, or for adoption;

(b) "Community facility" means a group care facility operated for the care of juveniles committed to the department under RCW 13.40.185. A county detention facility that houses juveniles committed to the department under RCW 13.40.185 pursuant to a contract with the department is not a community facility;

(c) "Crisis residential center" means an agency which is a temporary protective residential facility operated to perform the duties specified in chapter 13.32A RCW, in the manner provided in RCW 74.13.032 through 74.13.036;

(d) "Emergency respite center" is an agency that may be commonly known as a crisis nursery, that provides emergency and crisis care for up to seventy-two hours to children who have been admitted by their parents or guardians to prevent abuse or neglect. Emergency respite centers may operate for up to twenty-four hours a day, and for up to seven days a week. Emergency respite centers may provide care for children ages birth through seventeen, and for persons eighteen through twenty with developmental disabilities who are admitted with a sibling or siblings through age seventeen. Emergency respite centers may not substitute for crisis residential centers or HOPE centers, or any other services defined under this section, and may not substitute for services which are required under chapter 13.32A or 13.34 RCW;

(e) "Foster-family home" means an agency which regularly provides care on a twenty-four hour basis to one or more children, expectant mothers, or persons with developmental disabilities in the family abode of the person or persons under whose direct care and supervision the child, expectant mother, or person with a developmental disability is placed;

(f) "Group-care facility" means an agency, other than a foster-family home, which is maintained and operated for the care of a group of children on a twenty-four hour basis;

(g) "HOPE center" means an agency licensed by the secretary to provide temporary residential placement and other services to street youth. A street youth may remain in a HOPE center for thirty days while services are arranged and permanent placement is coordinated. No street youth may stay longer than thirty days unless approved by the department and any additional days approved by the department must be based on the unavailability of a long-term placement Ch. 10

option. A street youth whose parent wants him or her returned to home may remain in a HOPE center until his or her parent arranges return of the youth, not longer. All other street youth must have court approval under chapter 13.34 or 13.32A RCW to remain in a HOPE center up to thirty days;

(h) "Maternity service" means an agency which provides or arranges for care or services to expectant mothers, before or during confinement, or which provides care as needed to mothers and their infants after confinement;

(i) "Responsible living skills program" means an agency licensed by the secretary that provides residential and transitional living services to persons ages sixteen to eighteen who are dependent under chapter 13.34 RCW and who have been unable to live in his or her legally authorized residence and, as a result, the minor lived outdoors or in another unsafe location not intended for occupancy by the minor. Dependent minors ages fourteen and fifteen may be eligible if no other placement alternative is available and the department approves the placement;

(j) "Service provider" means the entity that operates a community facility.

(2) "Agency" shall not include the following:

(a) Persons related to the child, expectant mother, or person with developmental disability in the following ways:

(i) Any blood relative, including those of half-blood, and including first cousins, second cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great;

(ii) Stepfather, stepmother, stepbrother, and stepsister;

(iii) A person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law;

(iv) Spouses of any persons named in (i), (ii), or (iii) of this subsection (2)(a), even after the marriage is terminated;

(v) Relatives, as named in (i), (ii), (iii), or (iv) of this subsection (2)(a), of any half sibling of the child; or

(vi) Extended family members, as defined by the law or custom of the Indian child's tribe or, in the absence of such law or custom, a person who has reached the age of eighteen and who is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin, or stepparent who provides care in the family abode on a twenty-four-hour basis to an Indian child as defined in 25 U.S.C. Sec. 1903(4);

(b) Persons who are legal guardians of the child, expectant mother, or persons with developmental disabilities;

(c) Persons who care for a neighbor's or friend's child or children, with or without compensation, where the parent and person providing care on a twentyfour-hour basis have agreed to the placement in writing and the state is not providing any payment for the care;

(d) A person, partnership, corporation, or other entity that provides placement or similar services to exchange students or international student exchange visitors or persons who have the care of an exchange student in their home;

(e) A person, partnership, corporation, or other entity that provides placement or similar services to international children who have entered the country by obtaining visas that meet the criteria for medical care as established by the United States citizenship and immigration services, or persons who have the care of such an international child in their home;

(f) Schools, including boarding schools, which are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, accept only school-age children and do not accept custody of children;

(g) Hospitals licensed pursuant to chapter 70.41 RCW when performing functions defined in chapter 70.41 RCW, nursing homes licensed under chapter 18.51 RCW and ((boarding homes)) assisted living facilities licensed under chapter 18.20 RCW;

(h) Licensed physicians or lawyers;

(i) Facilities approved and certified under chapter 71A.22 RCW;

(j) Any agency having been in operation in this state ten years prior to June 8, 1967, and not seeking or accepting moneys or assistance from any state or federal agency, and is supported in part by an endowment or trust fund;

(k) Persons who have a child in their home for purposes of adoption, if the child was placed in such home by a licensed child-placing agency, an authorized public or tribal agency or court or if a replacement report has been filed under chapter 26.33 RCW and the placement has been approved by the court;

(l) An agency operated by any unit of local, state, or federal government or an agency licensed by an Indian tribe pursuant to RCW 74.15.190;

(m) A maximum or medium security program for juvenile offenders operated by or under contract with the department;

(n) An agency located on a federal military reservation, except where the military authorities request that such agency be subject to the licensing requirements of this chapter.

(3) "Department" means the state department of social and health services.

(4) "Juvenile" means a person under the age of twenty-one who has been sentenced to a term of confinement under the supervision of the department under RCW 13.40.185.

(5) "Performance-based contracts" or "contracting" means the structuring of all aspects of the procurement of services around the purpose of the work to be performed and the desired results with the contract requirements set forth in clear, specific, and objective terms with measurable outcomes. Contracts may also include provisions that link the performance of the contractor to the level and timing of the reimbursement.

(6) "Probationary license" means a license issued as a disciplinary measure to an agency that has previously been issued a full license but is out of compliance with licensing standards.

(7) "Requirement" means any rule, regulation, or standard of care to be maintained by an agency.

(8) "Secretary" means the secretary of social and health services.

(9) "Street youth" means a person under the age of eighteen who lives outdoors or in another unsafe location not intended for occupancy by the minor and who is not residing with his or her parent or at his or her legally authorized residence.

(10) "Supervising agency" means an agency licensed by the state under RCW 74.15.090 or an Indian tribe under RCW 74.15.190 that has entered into a

performance-based contract with the department to provide child welfare services.

(11) "Transitional living services" means at a minimum, to the extent funds are available, the following:

(a) Educational services, including basic literacy and computational skills training, either in local alternative or public high schools or in a high school equivalency program that leads to obtaining a high school equivalency degree;

(b) Assistance and counseling related to obtaining vocational training or higher education, job readiness, job search assistance, and placement programs;

(c) Counseling and instruction in life skills such as money management, home management, consumer skills, parenting, health care, access to community resources, and transportation and housing options;

(d) Individual and group counseling; and

(e) Establishing networks with federal agencies and state and local organizations such as the United States department of labor, employment and training administration programs including the workforce investment act which administers private industry councils and the job corps; vocational rehabilitation; and volunteer programs.

Sec. 62. RCW 74.34.020 and 2011 c 170 s 1 and 2011 c 89 s 18 are each reenacted and amended to read as follows:

((Unless the context clearly requires otherwise,)) <u>The</u> definitions in this section apply throughout this chapter <u>unless the context clearly requires</u> <u>otherwise</u>.

(1) "Abandonment" means action or inaction by a person or entity with a duty of care for a vulnerable adult that leaves the vulnerable person without the means or ability to obtain necessary food, clothing, shelter, or health care.

(2) "Abuse" means the willful action or inaction that inflicts injury, unreasonable confinement, intimidation, or punishment on a vulnerable adult. In instances of abuse of a vulnerable adult who is unable to express or demonstrate physical harm, pain, or mental anguish, the abuse is presumed to cause physical harm, pain, or mental anguish. Abuse includes sexual abuse, mental abuse, physical abuse, and exploitation of a vulnerable adult, which have the following meanings:

(a) "Sexual abuse" means any form of nonconsensual sexual contact, including but not limited to unwanted or inappropriate touching, rape, sodomy, sexual coercion, sexually explicit photographing, and sexual harassment. Sexual abuse includes any sexual contact between a staff person, who is not also a resident or client, of a facility or a staff person of a program authorized under chapter 71A.12 RCW, and a vulnerable adult living in that facility or receiving service from a program authorized under chapter 71A.12 RCW, whether or not it is consensual.

(b) "Physical abuse" means the willful action of inflicting bodily injury or physical mistreatment. Physical abuse includes, but is not limited to, striking with or without an object, slapping, pinching, choking, kicking, shoving, prodding, or the use of chemical restraints or physical restraints unless the restraints are consistent with licensing requirements, and includes restraints that are otherwise being used inappropriately.

(c) "Mental abuse" means any willful action or inaction of mental or verbal abuse. Mental abuse includes, but is not limited to, coercion, harassment,

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inappropriately isolating a vulnerable adult from family, friends, or regular activity, and verbal assault that includes ridiculing, intimidating, yelling, or swearing.

(d) "Exploitation" means an act of forcing, compelling, or exerting undue influence over a vulnerable adult causing the vulnerable adult to act in a way that is inconsistent with relevant past behavior, or causing the vulnerable adult to perform services for the benefit of another.

(3) "Consent" means express written consent granted after the vulnerable adult or his or her legal representative has been fully informed of the nature of the services to be offered and that the receipt of services is voluntary.

(4) "Department" means the department of social and health services.

(5) "Facility" means a residence licensed or required to be licensed under chapter 18.20 RCW, ((boarding homes)) assisted living facilities; chapter 18.51 RCW, nursing homes; chapter 70.128 RCW, adult family homes; chapter 72.36 RCW, soldiers' homes; or chapter 71A.20 RCW, residential habilitation centers; or any other facility licensed or certified by the department.

(6) "Financial exploitation" means the illegal or improper use, control over, or withholding of the property, income, resources, or trust funds of the vulnerable adult by any person or entity for any person's or entity's profit or advantage other than for the vulnerable adult's profit or advantage. "Financial exploitation" includes, but is not limited to:

(a) The use of deception, intimidation, or undue influence by a person or entity in a position of trust and confidence with a vulnerable adult to obtain or use the property, income, resources, or trust funds of the vulnerable adult for the benefit of a person or entity other than the vulnerable adult;

(b) The breach of a fiduciary duty, including, but not limited to, the misuse of a power of attorney, trust, or a guardianship appointment, that results in the unauthorized appropriation, sale, or transfer of the property, income, resources, or trust funds of the vulnerable adult for the benefit of a person or entity other than the vulnerable adult; or

(c) Obtaining or using a vulnerable adult's property, income, resources, or trust funds without lawful authority, by a person or entity who knows or clearly should know that the vulnerable adult lacks the capacity to consent to the release or use of his or her property, income, resources, or trust funds.

(7) "Financial institution" has the same meaning as in RCW 30.22.040 and 30.22.041. For purposes of this chapter only, "financial institution" also means a "broker-dealer" or "investment adviser" as defined in RCW 21.20.005.

(8) "Incapacitated person" means a person who is at a significant risk of personal or financial harm under RCW 11.88.010(1) (a), (b), (c), or (d).

(9) "Individual provider" means a person under contract with the department to provide services in the home under chapter 74.09 or 74.39A RCW.

(10) "Interested person" means a person who demonstrates to the court's satisfaction that the person is interested in the welfare of the vulnerable adult, that the person has a good faith belief that the court's intervention is necessary, and that the vulnerable adult is unable, due to incapacity, undue influence, or duress at the time the petition is filed, to protect his or her own interests.

(11) "Mandated reporter" is an employee of the department; law enforcement officer; social worker; professional school personnel; individual provider; an employee of a facility; an operator of a facility; an employee of a

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social service, welfare, mental health, adult day health, adult day care, home health, home care, or hospice agency; county coroner or medical examiner; Christian Science practitioner; or health care provider subject to chapter 18.130 RCW.

(12) "Neglect" means (a) a pattern of conduct or inaction by a person or entity with a duty of care that fails to provide the goods and services that maintain physical or mental health of a vulnerable adult, or that fails to avoid or prevent physical or mental harm or pain to a vulnerable adult; or (b) an act or omission that demonstrates a serious disregard of consequences of such a magnitude as to constitute a clear and present danger to the vulnerable adult's health, welfare, or safety, including but not limited to conduct prohibited under RCW 9A.42.100.

(13) "Permissive reporter" means any person, including, but not limited to, an employee of a financial institution, attorney, or volunteer in a facility or program providing services for vulnerable adults.

(14) "Protective services" means any services provided by the department to a vulnerable adult with the consent of the vulnerable adult, or the legal representative of the vulnerable adult, who has been abandoned, abused, financially exploited, neglected, or in a state of self-neglect. These services may include, but are not limited to case management, social casework, home care, placement, arranging for medical evaluations, psychological evaluations, day care, or referral for legal assistance.

(15) "Self-neglect" means the failure of a vulnerable adult, not living in a facility, to provide for himself or herself the goods and services necessary for the vulnerable adult's physical or mental health, and the absence of which impairs or threatens the vulnerable adult's well-being. This definition may include a vulnerable adult who is receiving services through home health, hospice, or a home care agency, or an individual provider when the neglect is not a result of inaction by that agency or individual provider.

(16) "Social worker" means:

(a) A social worker as defined in RCW 18.320.010(2); or

(b) Anyone engaged in a professional capacity during the regular course of employment in encouraging or promoting the health, welfare, support, or education of vulnerable adults, or providing social services to vulnerable adults, whether in an individual capacity or as an employee or agent of any public or private organization or institution.

(17) "Vulnerable adult" includes a person:

(a) Sixty years of age or older who has the functional, mental, or physical inability to care for himself or herself; or

(b) Found incapacitated under chapter 11.88 RCW; or

(c) Who has a developmental disability as defined under RCW 71A.10.020; or

(d) Admitted to any facility; or

(e) Receiving services from home health, hospice, or home care agencies licensed or required to be licensed under chapter 70.127 RCW; or

(f) Receiving services from an individual provider; or

(g) Who self-directs his or her own care and receives services from a personal aide under chapter 74.39 RCW.

Sec. 63. RCW 74.39A.009 and 2009 c 580 s 1 are each amended to read as follows:

((Unless the context clearly requires otherwise,)) The definitions in this section apply throughout this chapter <u>unless the context clearly requires</u> <u>otherwise</u>.

(1) "Adult family home" means a home licensed under chapter 70.128 RCW.

(2) "Adult residential care" means services provided by ((a boarding home)) an assisted living facility that is licensed under chapter 18.20 RCW and that has a contract with the department under RCW 74.39A.020 to provide personal care services.

(3) "Assisted living services" means services provided by ((a boarding home)) an assisted living facility that has a contract with the department under RCW 74.39A.010 to provide personal care services, intermittent nursing services, and medication administration services, and the resident is housed in a private apartment-like unit.

(4) "((Boarding home)) <u>Assisted living facility</u>" means a facility licensed under chapter 18.20 RCW.

(5) "Core competencies" means basic training topics, including but not limited to, communication skills, worker self-care, problem solving, maintaining dignity, consumer directed care, cultural sensitivity, body mechanics, fall prevention, skin and body care, long-term care worker roles and boundaries, supporting activities of daily living, and food preparation and handling.

(6) "Cost-effective care" means care provided in a setting of an individual's choice that is necessary to promote the most appropriate level of physical, mental, and psychosocial well-being consistent with client choice, in an environment that is appropriate to the care and safety needs of the individual, and such care cannot be provided at a lower cost in any other setting. But this in no way precludes an individual from choosing a different residential setting to achieve his or her desired quality of life.

(7) "Department" means the department of social and health services.

(8) "Developmental disability" has the same meaning as defined in RCW 71A.10.020.

(9) "Direct care worker" means a paid caregiver who provides direct, hands-on personal care services to persons with disabilities or the elderly requiring long-term care.

(10) "Enhanced adult residential care" means services provided by (($\frac{1}{2}$ boarding home)) an assisted living facility that is licensed under chapter 18.20 RCW and that has a contract with the department under RCW 74.39A.010 to provide personal care services, intermittent nursing services, and medication administration services.

(11) "Functionally disabled person" or "person who is functionally disabled" is synonymous with chronic functionally disabled and means a person who because of a recognized chronic physical or mental condition or disease, or developmental disability, including chemical dependency, is impaired to the extent of being dependent upon others for direct care, support, supervision, or monitoring to perform activities of daily living. "Activities of daily living", in this context, means self-care abilities related to personal care such as bathing, eating, using the toilet, dressing, and transfer. Instrumental activities of daily

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living may also be used to assess a person's functional abilities as they are related to the mental capacity to perform activities in the home and the community such as cooking, shopping, house cleaning, doing laundry, working, and managing personal finances.

(12) "Home and community services" means adult family homes, in-home services, and other services administered or provided by contract by the department directly or through contract with area agencies on aging or similar services provided by facilities and agencies licensed by the department.

(13) "Home care aide" means a long-term care worker who has obtained certification as a home care aide by the department of health.

(14) "Individual provider" is defined according to RCW 74.39A.240.

(15) "Long-term care" is synonymous with chronic care and means care and supports delivered indefinitely, intermittently, or over a sustained time to persons of any age disabled by chronic mental or physical illness, disease, chemical dependency, or a medical condition that is permanent, not reversible or curable, or is long-lasting and severely limits their mental or physical capacity for selfcare. The use of this definition is not intended to expand the scope of services, care, or assistance by any individuals, groups, residential care settings, or professions unless otherwise expressed by law.

(16)(a) "Long-term care workers for the elderly or persons with disabilities" or "long-term care workers" includes all persons who are long-term care workers for the elderly or persons with disabilities, including but not limited to individual providers of home care services, direct care employees of home care agencies, providers of home care services to persons with developmental disabilities under Title 71 RCW, all direct care workers in state-licensed ((boarding homes,)) assisted living facilities, and adult family homes, respite care providers, community residential service providers, and any other direct care worker providing home or community-based services to the elderly or persons with functional disabilities or developmental disabilities.

(b) "Long-term care workers" do not include: (i) Persons employed by the following facilities or agencies: Nursing homes subject to chapter 18.51 RCW, hospitals or other acute care settings, residential habilitation centers under chapter 71A.20 RCW, facilities certified under 42 C.F.R., Part 483, hospice agencies subject to chapter 70.127 RCW, adult day care centers, and adult day health care centers; or (ii) persons who are not paid by the state or by a private agency or facility licensed by the state to provide personal care services.

(17) "Nursing home" means a facility licensed under chapter 18.51 RCW.

(18) "Personal care services" means physical or verbal assistance with activities of daily living and instrumental activities of daily living provided because of a person's functional disability.

(19) "Population specific competencies" means basic training topics unique to the care needs of the population the long-term care worker is serving, including but not limited to, mental health, dementia, developmental disabilities, young adults with physical disabilities, and older adults.

(20) "Qualified instructor" means a registered nurse or other person with specific knowledge, training, and work experience in the provision of direct, hands-on personal care and other assistance services to the elderly or persons with disabilities requiring long-term care.

(21) "Secretary" means the secretary of social and health services.

(22) "Secretary of health" means the secretary of health or the secretary's designee.

(23) "Training partnership" means a joint partnership or trust that includes the office of the governor and the exclusive bargaining representative of individual providers under RCW 74.39A.270 with the capacity to provide training, peer mentoring, and workforce development, or other services to individual providers.

(24) "Tribally licensed ((boarding home)) assisted living facility" means ((a boarding home)) an assisted living facility licensed by a federally recognized Indian tribe in which ((home)) a facility provides services similar to ((boarding homes)) assisted living facilities licensed under chapter 18.20 RCW.

Sec. 64. RCW 74.39A.010 and 1995 1st sp.s. c 18 s 14 are each amended to read as follows:

(1) To the extent of available funding, the department of social and health services may contract with licensed ((boarding homes)) assisted living facilities under chapter 18.20 RCW and tribally licensed ((boarding homes)) assisted living facilities for assisted living services and enhanced adult residential care. The department shall develop rules for facilities that contract with the department for assisted living services or enhanced adult residential care to establish:

(a) Facility service standards consistent with the principles in RCW ((74.39A.050)) <u>74.39A.051</u> and consistent with chapter 70.129 RCW;

(b) Standards for resident living areas consistent with RCW 74.39A.030;

(c) Training requirements for providers and their staff.

(2) The department's rules shall provide that services in assisted living and enhanced adult residential care:

(a) Recognize individual needs, privacy, and autonomy;

(b) Include, but not be limited to, personal care, nursing services, medication administration, and supportive services that promote independence and self-sufficiency;

(c) Are of sufficient scope to assure that each resident who chooses to remain in the assisted living or enhanced adult residential care may do so, to the extent that the care provided continues to be cost-effective and safe and promote the most appropriate level of physical, mental, and psychosocial well-being consistent with client choice;

(d) Are directed first to those persons most likely, in the absence of enhanced adult residential care or assisted living services, to need hospital, nursing facility, or other out-of-home placement; and

(e) Are provided in compliance with applicable facility and professional licensing laws and rules.

(3) When a facility contracts with the department for assisted living services or enhanced adult residential care, only services and facility standards that are provided to or in behalf of the assisted living services or enhanced adult residential care client shall be subject to the department's rules.

Sec. 65. RCW 74.39A.020 and 2004 c 142 s 15 are each amended to read as follows:

(1) To the extent of available funding, the department of social and health services may contract for adult residential care.

(2) The department shall, by rule, develop terms and conditions for facilities that contract with the department for adult residential care to establish:

(a) Facility service standards consistent with the principles in RCW ((74.39A.050)) 74.39A.051 and consistent with chapter 70.129 RCW; and

(b) Training requirements for providers and their staff.

(3) The department shall, by rule, provide that services in adult residential care facilities:

(a) Recognize individual needs, privacy, and autonomy;

(b) Include personal care and other services that promote independence and self-sufficiency and aging in place;

(c) Are directed first to those persons most likely, in the absence of adult residential care services, to need hospital, nursing facility, or other out-of-home placement; and

(d) Are provided in compliance with applicable facility and professional licensing laws and rules.

(4) When a facility contracts with the department for adult residential care, only services and facility standards that are provided to or in behalf of the adult residential care client shall be subject to the adult residential care rules.

(5) To the extent of available funding, the department may also contract under this section with a tribally licensed (($\frac{boarding home}{bome}$)) assisted living facility for the provision of services of the same nature as the services provided by adult residential care facilities. The provisions of subsections (2)(a) and (b) and (3)(a) through (d) of this section apply to such a contract.

Sec. 66. RCW 74.39A.030 and 2002 c 3 s 10 are each amended to read as follows:

(1) To the extent of available funding, the department shall expand costeffective options for home and community services for consumers for whom the state participates in the cost of their care.

(2) In expanding home and community services, the department shall: (a) Take full advantage of federal funding available under Title XVIII and Title XIX of the federal social security act, including home health, adult day care, waiver options, and state plan services; and (b) be authorized to use funds available under its community options program entry system waiver granted under section 1915(c) of the federal social security act to expand the availability of in-home, adult residential care, adult family homes, enhanced adult residential care, and assisted living services. By June 30, 1997, the department shall undertake to reduce the nursing home medicaid census by at least one thousand six hundred by assisting individuals who would otherwise require nursing facility services to obtain services of their choice, including assisted living services, enhanced adult residential care, and other home and community services. If a resident, or his or her legal representative, objects to a discharge decision initiated by the department, the resident shall not be discharged if the resident has been assessed and determined to require nursing facility services. In contracting with nursing homes and ((boarding homes)) assisted living facilities for enhanced adult residential care placements, the department shall not require, by contract or through other means, structural modifications to existing building construction.

(3)(a) The department shall by rule establish payment rates for home and community services that support the provision of cost-effective care. In the event of any conflict between any such rule and a collective bargaining

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agreement entered into under RCW 74.39A.270 and 74.39A.300, the collective bargaining agreement prevails.

(b) The department may authorize an enhanced adult residential care rate for nursing homes that temporarily or permanently convert their bed use for the purpose of providing enhanced adult residential care under chapter 70.38 RCW, when the department determines that payment of an enhanced rate is cost-effective and necessary to foster expansion of contracted enhanced adult residential care services. As an incentive for nursing homes to permanently convert a portion of its nursing home bed capacity for the purpose of providing enhanced adult residential care, the department may authorize a supplemental add-on to the enhanced adult residential care rate.

(c) The department may authorize a supplemental assisted living services rate for up to four years for facilities that convert from nursing home use and do not retain rights to the converted nursing home beds under chapter 70.38 RCW, if the department determines that payment of a supplemental rate is cost-effective and necessary to foster expansion of contracted assisted living services.

Sec. 67. RCW 74.39A.320 and 2006 c 260 s 1 are each amended to read as follows:

(1) To the extent funds are appropriated for this purpose, the department shall establish a capital add-on rate, not less than the July 1, 2005, capital add-on rate established by the department, for those assisted living facilities contracting with the department that have a medicaid occupancy percentage of sixty percent or greater.

(2) Effective for July 1, 2006, and for each July 1st rate-setting period thereafter, the department shall determine the facility's medicaid occupancy percentage using the last six months' medicaid resident days from the preceding calendar year divided by the product of all its licensed ((boarding home)) assisted living facility beds irrespective of use, times calendar days for the six-month period. For the purposes of this section, medicaid resident days include those clients who are enrolled in a medicaid managed long-term care program, including but not limited to the program for all inclusive care and the medicaid integration project.

(3) The medicaid occupancy percentage established beginning on July 1, 2006, and for each July 1st thereafter, shall be used to determine whether an assisted living facility qualifies for the capital add-on rate under this section. Those facilities that qualify for the capital add-on rate shall receive the capital add-on rate throughout the applicable fiscal year.

Sec. 68. RCW 74.41.040 and 2008 c 146 s 2 are each amended to read as follows:

The department shall administer this chapter and shall establish such rules and standards as the department deems necessary in carrying out this chapter. The department shall not require the development of plans of care or discharge plans by nursing homes or adult family homes providing respite care service under this chapter. ((Boarding homes)) Assisted living facilities providing respite care services shall comply with the assessment and plan of care provisions of RCW 18.20.350.

The department shall develop standards for the respite program in conjunction with the selected area agencies on aging. The program standards

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shall serve as the basis for soliciting bids, entering into subcontracts, and developing sliding fee scales to be used in determining the ability of eligible participants to participate in paying for respite care.

Sec. 69. RCW 74.42.055 and 2004 c 34 s 1 are each amended to read as follows:

(1) The purpose of this section is to prohibit discrimination against medicaid recipients by nursing homes which have contracted with the department to provide skilled or intermediate nursing care services to medicaid recipients.

(2) A nursing facility shall readmit a resident, who has been hospitalized or on therapeutic leave, immediately to the first available bed in a semiprivate room if the resident:

(a) Requires the services provided by the facility; and

(b) Is eligible for medicaid nursing facility services.

(3) It shall be unlawful for any nursing home which has a medicaid contract with the department:

(a) To require, as a condition of admission, assurance from the patient or any other person that the patient is not eligible for or will not apply for medicaid;

(b) To deny or delay admission or readmission of a person to a nursing home because of his or her status as a medicaid recipient;

(c) To transfer a patient, except from a private room to another room within the nursing home, because of his or her status as a medicaid recipient;

(d) To transfer a patient to another nursing home because of his or her status as a medicaid recipient;

(e) To discharge a patient from a nursing home because of his or her status as a medicaid recipient; or

(f) To charge any amounts in excess of the medicaid rate from the date of eligibility, except for any supplementation permitted by the department pursuant to RCW 18.51.070.

(4) Any nursing home which has a medicaid contract with the department shall maintain one list of names of persons seeking admission to the facility, which is ordered by the date of request for admission. This information shall be retained for one year from the month admission was requested. However, except as provided in subsection (2) of this section, a nursing facility is permitted to give preferential admission to individuals who seek admission from ((a boarding home)) an assisted living facility, licensed under chapter 18.20 RCW, or from independent retirement housing, provided the nursing facility is owned by the same entity that owns the ((boarding home)) assisted living facility or independent housing which are located within the same proximate geographic area; and provided further, the purpose of such preferential admission is to allow continued provision of: (a) Culturally or faith-based services, or (b) services provided by a continuing care retirement community as defined in RCW 70.38.025.

(5) The department may assess monetary penalties of a civil nature, not to exceed three thousand dollars for each violation of this section.

(6) Because it is a matter of great public importance to protect senior citizens who need medicaid services from discriminatory treatment in obtaining long-term health care, any violation of this section shall be construed for purposes of the application of the consumer protection act, chapter 19.86 RCW,

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to constitute an unfair or deceptive act or practice or unfair method of competition in the conduct of trade or commerce.

(7) It is not an act of discrimination under this chapter to refuse to admit a patient if admitting that patient would prevent the needs of the other patients residing in that facility from being met at that facility, or if the facility's refusal is consistent with subsection (4) of this section.

Sec. 70. RCW 82.04.2908 and 2005 c 514 s 302 are each amended to read as follows:

(1) Upon every person engaging within this state in the business of providing room and domiciliary care to residents of ((a boarding home)) an assisted living facility licensed under chapter 18.20 RCW, the amount of tax with respect to such business shall be equal to the gross income of the business, multiplied by the rate of 0.275 percent.

(2) For the purposes of this section, "domiciliary care" has the meaning provided in RCW 18.20.020.

Sec. 71. RCW 82.04.4264 and 2005 c 514 s 301 are each amended to read as follows:

(1) This chapter does not apply to amounts received by a nonprofit ((boarding home)) assisted living facility licensed under chapter 18.20 RCW for providing room and domiciliary care to residents of the ((boarding home)) assisted living facility.

(2) As used in this section:

(a) "Domiciliary care" has the meaning provided in RCW 18.20.020.

(b) "Nonprofit ((boarding home)) assisted living facility" means ((a boarding home)) an assisted living facility that is operated as a religious or charitable organization, is exempt from federal income tax under 26 U.S.C. Sec. 501(c)(3), is incorporated under chapter 24.03 RCW, is operated as part of a nonprofit hospital, or is operated as part of a public hospital district.

Sec. 72. RCW 82.04.4337 and 2004 c 174 s 7 are each amended to read as follows:

(1) ((A boarding home)) An assisted living facility licensed under chapter 18.20 RCW may deduct from the measure of tax amounts received as compensation for providing adult residential care, enhanced adult residential care, or assisted living services under contract with the department of social and health services authorized by chapter 74.39A RCW to residents who are medicaid recipients.

(2) For purposes of this section, "adult residential care," "enhanced adult residential care," and "assisted living services" have the same meaning as in RCW 74.39A.009.

Sec. 73. RCW 84.36.381 and 2011 c 174 s 105 are each amended to read as follows:

A person is exempt from any legal obligation to pay all or a portion of the amount of excess and regular real property taxes due and payable in the year following the year in which a claim is filed, and thereafter, in accordance with the following:

(1) The property taxes must have been imposed upon a residence which was occupied by the person claiming the exemption as a principal place of residence as of the time of filing. However, any person who sells, transfers, or is displaced

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from his or her residence may transfer his or her exemption status to a replacement residence, but no claimant may receive an exemption on more than one residence in any year. Moreover, confinement of the person to a hospital, nursing home, ((boarding home)) assisted living facility, or adult family home does not disqualify the claim of exemption if:

(a) The residence is temporarily unoccupied;

(b) The residence is occupied by a spouse or a domestic partner and/or a person financially dependent on the claimant for support; or

(c) The residence is rented for the purpose of paying nursing home, hospital, ((boarding home)) assisted living facility, or adult family home costs;

(2) The person claiming the exemption must have owned, at the time of filing, in fee, as a life estate, or by contract purchase, the residence on which the property taxes have been imposed or if the person claiming the exemption lives in a cooperative housing association, corporation, or partnership, such person must own a share therein representing the unit or portion of the structure in which he or she resides. For purposes of this subsection, a residence owned by a marital community or state registered domestic partnership or owned by cotenants is deemed to be owned by each spouse or each domestic partner or each cotenant, and any lease for life is deemed a life estate;

(3)(a) The person claiming the exemption must be:

(i) Sixty-one years of age or older on December 31st of the year in which the exemption claim is filed, or must have been, at the time of filing, retired from regular gainful employment by reason of disability; or

(ii) A veteran of the armed forces of the United States entitled to and receiving compensation from the United States department of veterans affairs at a total disability rating for a service-connected disability.

(b) However, any surviving spouse or surviving domestic partner of a person who was receiving an exemption at the time of the person's death will qualify if the surviving spouse or surviving domestic partner is fifty-seven years of age or older and otherwise meets the requirements of this section;

(4) The amount that the person is exempt from an obligation to pay is calculated on the basis of combined disposable income, as defined in RCW 84.36.383. If the person claiming the exemption was retired for two months or more of the assessment year, the combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person during the months such person was retired by twelve. If the income of the person claiming exemption is reduced for two or more months of the assessment year by reason of the death of the person's spouse or the person's domestic partner, or when other substantial changes occur in disposable income that are likely to continue for an indefinite period of time, the combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person after such occurrences by twelve. If it is necessary to estimate income to comply with this subsection, the assessor may require confirming documentation of such income prior to May 31 of the year following application;

(5)(a) A person who otherwise qualifies under this section and has a combined disposable income of thirty-five thousand dollars or less is exempt from all excess property taxes; and

(b)(i) A person who otherwise qualifies under this section and has a combined disposable income of thirty thousand dollars or less but greater than twenty-five thousand dollars is exempt from all regular property taxes on the greater of fifty thousand dollars or thirty-five percent of the valuation of his or her residence, but not to exceed seventy thousand dollars of the valuation of his or her residence; or

(ii) A person who otherwise qualifies under this section and has a combined disposable income of twenty-five thousand dollars or less is exempt from all regular property taxes on the greater of sixty thousand dollars or sixty percent of the valuation of his or her residence;

(6)(a) For a person who otherwise qualifies under this section and has a combined disposable income of thirty-five thousand dollars or less, the valuation of the residence is the assessed value of the residence on the later of January 1, 1995, or January 1st of the assessment year the person first qualifies under this section. If the person subsequently fails to qualify under this section only for one year because of high income, this same valuation must be used upon requalification. If the person fails to qualify for more than one year in succession because of high income or fails to qualify for any other reason, the valuation upon requalification is the assessed value on January 1st of the assessment year in which the person requalifies. If the person transfers the exemption under this section to a different residence, the valuation of the different residence is the assessed value of the different residence on January 1st of the assessment year in which the person transfers the exemption.

(b) In no event may the valuation under this subsection be greater than the true and fair value of the residence on January 1st of the assessment year.

(c) This subsection does not apply to subsequent improvements to the property in the year in which the improvements are made. Subsequent improvements to the property must be added to the value otherwise determined under this subsection at their true and fair value in the year in which they are made.

Sec. 74. RCW 84.36.383 and 2010 c 106 s 307 are each amended to read as follows:

As used in RCW 84.36.381 through 84.36.389, except where the context clearly indicates a different meaning:

(1) The term "residence" means a single family dwelling unit whether such unit be separate or part of a multiunit dwelling, including the land on which such dwelling stands not to exceed one acre, except that a residence includes any additional property up to a total of five acres that comprises the residential parcel if this larger parcel size is required under land use regulations. The term also includes a share ownership in a cooperative housing association, corporation, or partnership if the person claiming exemption can establish that his or her share represents the specific unit or portion of such structure in which he or she resides. The term also includes a single family dwelling situated upon lands the fee of which is vested in the United States or any instrumentality thereof including an Indian tribe or in the state of Washington, and notwithstanding the provisions of RCW 84.04.080 and 84.04.090, such a residence is deemed real property.

(2) The term "real property" also includes a mobile home which has substantially lost its identity as a mobile unit by virtue of its being fixed in

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location upon land owned or leased by the owner of the mobile home and placed on a foundation (posts or blocks) with fixed pipe, connections with sewer, water, or other utilities. A mobile home located on land leased by the owner of the mobile home is subject, for tax billing, payment, and collection purposes, only to the personal property provisions of chapter 84.56 RCW and RCW 84.60.040.

(3) "Department" means the state department of revenue.

(4) "Combined disposable income" means the disposable income of the person claiming the exemption, plus the disposable income of his or her spouse or domestic partner, and the disposable income of each cotenant occupying the residence for the assessment year, less amounts paid by the person claiming the exemption or his or her spouse or domestic partner during the assessment year for:

(a) Drugs supplied by prescription of a medical practitioner authorized by the laws of this state or another jurisdiction to issue prescriptions;

(b) The treatment or care of either person received in the home or in a nursing home, ((boarding home)) assisted living facility, or adult family home; and

(c) Health care insurance premiums for medicare under Title XVIII of the social security act.

(5) "Disposable income" means adjusted gross income as defined in the federal internal revenue code, as amended prior to January 1, 1989, or such subsequent date as the director may provide by rule consistent with the purpose of this section, plus all of the following items to the extent they are not included in or have been deducted from adjusted gross income:

(a) Capital gains, other than gain excluded from income under section 121 of the federal internal revenue code to the extent it is reinvested in a new principal residence;

(b) Amounts deducted for loss;

(c) Amounts deducted for depreciation;

(d) Pension and annuity receipts;

(e) Military pay and benefits other than attendant-care and medical-aid payments;

(f) Veterans benefits, other than:

(i) Attendant-care payments;

(ii) Medical-aid payments;

(iii) Disability compensation, as defined in Title 38, part 3, section 3.4 of the code of federal regulations, as of January 1, 2008; and

(iv) Dependency and indemnity compensation, as defined in Title 38, part 3, section 3.5 of the code of federal regulations, as of January 1, 2008;

(g) Federal social security act and railroad retirement benefits;

(h) Dividend receipts; and

(i) Interest received on state and municipal bonds.

(6) "Cotenant" means a person who resides with the person claiming the exemption and who has an ownership interest in the residence.

(7) "Disability" has the same meaning as provided in 42 U.S.C. Sec. 423(d)(1)(A) as amended prior to January 1, 2005, or such subsequent date as the department may provide by rule consistent with the purpose of this section.

<u>NEW SECTION.</u> Sec. 75. All department of social and health services rules that apply to licensed boarding homes on the effective date of this section

continue in effect and apply to licensed assisted living facilities, as defined in RCW 18.20.020.

Passed by the House February 9, 2012. Passed by the Senate February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 11

[House Bill 2138] NATIONAL KOREAN WAR VETERANS ARMISTICE DAY

AN ACT Relating to national Korean war veterans armistice day; amending RCW 1.20.017; and reenacting and amending RCW 1.16.050.

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

Sec. 1. RCW 1.16.050 and 2007 c 61 s 2 and 2007 c 19 s 2 are each reenacted and amended to read as follows:

The following are legal holidays: Sunday; the first day of January, commonly called New Year's Day; the third Monday of January, being celebrated as the anniversary of the birth of Martin Luther King, Jr.; the third Monday of February to be known as Presidents' Day and to be celebrated as the anniversary of the births of Abraham Lincoln and George Washington; the last Monday of May, commonly known as Memorial Day; the fourth day of July, being the anniversary of the Declaration of Independence; the first Monday in September, to be known as Labor Day; the eleventh day of November, to be known as Thanksgiving Day; the day immediately following Thanksgiving Day; and the twenty-fifth day of December, commonly called Christmas Day.

Employees of the state and its political subdivisions, except employees of school districts and except those nonclassified employees of institutions of higher education who hold appointments or are employed under contracts to perform services for periods of less than twelve consecutive months, shall be entitled to one paid holiday per calendar year in addition to those specified in this section. Each employee of the state or its political subdivisions may select the day on which the employee desires to take the additional holiday provided for herein after consultation with the employer pursuant to guidelines to be promulgated by rule of the appropriate personnel authority, or in the case of local government by ordinance or resolution of the legislative authority.

If any of the above specified state legal holidays are also federal legal holidays but observed on different dates, only the state legal holidays shall be recognized as a paid legal holiday for employees of the state and its political subdivisions except that for port districts and the law enforcement and public transit employees of municipal corporations, either the federal or the state legal holiday, but in no case both, may be recognized as a paid legal holiday for employees.

Whenever any legal holiday, other than Sunday, falls upon a Sunday, the following Monday shall be the legal holiday.

Whenever any legal holiday falls upon a Saturday, the preceding Friday shall be the legal holiday.

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Nothing in this section shall be construed to have the effect of adding or deleting the number of paid holidays provided for in an agreement between employees and employers of political subdivisions of the state or as established by ordinance or resolution of the local government legislative authority.

The legislature declares that the thirteenth day of January shall be recognized as Korean-American day but shall not be considered a legal holiday for any purposes.

The legislature declares that the twelfth day of October shall be recognized as Columbus day but shall not be considered a legal holiday for any purposes.

The legislature declares that the ninth day of April shall be recognized as former prisoner of war recognition day but shall not be considered a legal holiday for any purposes.

The legislature declares that the twenty-sixth day of January shall be recognized as Washington army and air national guard day but shall not be considered a legal holiday for any purposes.

The legislature declares that the seventh day of August shall be recognized as purple heart recipient recognition day but shall not be considered a legal holiday for any purposes.

The legislature declares that the second Sunday in October be recognized as Washington state children's day but shall not be considered a legal holiday for any purposes.

The legislature declares that the sixteenth day of April shall be recognized as Mother Joseph day and the fourth day of September as Marcus Whitman day, but neither shall be considered legal holidays for any purpose.

The legislature declares that the seventh day of December be recognized as Pearl Harbor remembrance day but shall not be considered a legal holiday for any purpose.

<u>The legislature declares that the twenty-seventh day of July be recognized</u> as national Korean war veterans armistice day but shall not be considered a legal holiday for any purpose.

The legislature declares that the nineteenth day of February be recognized as civil liberties day of remembrance but shall not be considered a legal holiday for any purpose.

The legislature declares that the nineteenth day of June be recognized as Juneteenth, a day of remembrance for the day the slaves learned of their freedom, but shall not be considered a legal holiday for any purpose.

Sec. 2. RCW 1.20.017 and 2002 c 293 s 1 are each amended to read as follows:

(1) Each public entity shall display the national league of families' POW/ MIA flag along with the flag of the United States and the flag of the state upon or near the principal building of the public entity on the following days: (a) Armed Forces Day on the third Saturday in May; (b) Memorial Day on the last Monday in May; (c) Flag Day on June 14; (d) Independence Day on July 4; (e) <u>National Korean War Veterans Armistice Day on July 27; (f)</u> National POW/MIA Recognition Day <u>on the third Friday in September</u>; and (((f))) (<u>g</u>) Veterans' Day on November 11. If the designated day falls on a Saturday or Sunday, then the POW/MIA flag will be displayed on the preceding Friday. (2) The governor's veterans affairs advisory committee shall provide information to public entities regarding the purchase and display of the POW/ MIA flag upon request.

(3) As used in this section, "public entity" means every state agency, including each institution of higher education, and every county, city, and town.

Passed by the House January 23, 2012. Passed by the Senate February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 12

[Substitute House Bill 2181]

WASHINGTON STATE GUARD—AGE EXTENSION

AN ACT Relating to extending the age for service in the Washington state guard; and amending RCW 38.16.015 and 38.12.180.

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

Sec. 1. RCW 38.16.015 and 1989 c 19 s 30 are each amended to read as follows:

(1) The period of enlistment in the Washington state guard shall be set by regulation by the adjutant general((: PROVIDED, That)). However, no original enlistment may be consummated unless the term thereof can be completed before the applicant attains the age of sixty-four.

(2) Notwithstanding subsection (1) of this section and RCW 38.12.180(2), the adjutant general may extend the service age upon request by an active member of the Washington state guard if the adjutant general determines the member's extension would be in the best interest of the Washington state guard. Extensions under this subsection have a one-year duration and may be renewed until the member attains the age of sixty-eight.

Sec. 2. RCW 38.12.180 and 1989 c 19 s 21 are each amended to read as follows:

Commissioned officers of the organized militia of Washington shall be retired by order of the commander-in-chief with the rank respectively held by them at the time of such retirement for the following reasons:

(1) Unfitness for military service by reason of permanent physical disability.

(2) Upon request after at least five years continuous service as an officer in the organized militia of Washington.

Except as provided otherwise in RCW 38.16.015(2), commissioned officers of the state guard shall upon reaching the age of sixty-four years be retired.

Retired officers shall draw no pay or allowance from the state unless recalled to service.

Retired officers are subject, with their consent, to temporary detail on active state service by the commander-in-chief, and while on such duty shall receive the same pay and allowances as officers of like rank on the active list.

Passed by the House January 23, 2012.

Passed by the Senate February 29, 2012.

Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 13

[Engrossed House Bill 2186]

MIDWIVES—WORK WITH NURSES

AN ACT Relating to improving the ability of licensed midwives to work with registered nurses and licensed practical nurses; and amending RCW 18.79.040, 18.79.060, 18.79.260, and 18.79.270.

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

Sec. 1. RCW 18.79.040 and 2003 c 140 s 1 are each amended to read as follows:

(1) "Registered nursing practice" means the performance of acts requiring substantial specialized knowledge, judgment, and skill based on the principles of the biological, physiological, behavioral, and sociological sciences in either:

(a) The observation, assessment, diagnosis, care or counsel, and health teaching of individuals with illnesses, injuries, or disabilities, or in the maintenance of health or prevention of illness of others;

(b) The performance of such additional acts requiring education and training and that are recognized by the medical and nursing professions as proper and recognized by the commission to be performed by registered nurses licensed under this chapter and that are authorized by the commission through its rules;

(c) The administration, supervision, delegation, and evaluation of nursing practice. However, nothing in this subsection affects the authority of a hospital, hospital district, in-home service agency, community-based care setting, medical clinic, or office, concerning its administration and supervision;

(d) The teaching of nursing;

(e) The executing of medical regimen as prescribed by a licensed physician and surgeon, dentist, osteopathic physician and surgeon, podiatric physician assistant, osteopathic physician assistant, or advanced registered nurse practitioner, or as directed by a licensed midwife within his or her scope of practice.

(2) Nothing in this section prohibits a person from practicing a profession for which a license has been issued under the laws of this state or specifically authorized by any other law of the state of Washington.

(3) This section does not prohibit (a) the nursing care of the sick, without compensation, by an unlicensed person who does not hold himself or herself out to be a registered nurse, (b) the practice of licensed practical nursing by a licensed practical nurse, or (c) the practice of a nursing assistant, providing delegated nursing tasks under chapter 18.88A RCW.

Sec. 2. RCW 18.79.060 and 1994 sp.s. c 9 s 406 are each amended to read as follows:

"Licensed practical nursing practice" means the performance of services requiring the knowledge, skill, and judgment necessary for carrying out selected aspects of the designated nursing regimen under the direction and supervision of a licensed physician and surgeon, dentist, osteopathic physician and surgeon, physician assistant, osteopathic physician assistant, podiatric physician and surgeon, advanced registered nurse practitioner, ((or)) registered nurse, or <u>midwife</u>.

Nothing in this section prohibits a person from practicing a profession for which a license has been issued under the laws of this state or specifically authorized by any other law of the state of Washington.

This section does not prohibit the nursing care of the sick, without compensation, by an unlicensed person who does not hold himself or herself out to be a licensed practical nurse.

Sec. 3. RCW 18.79.260 and 2009 c 203 s 1 are each amended to read as follows:

(1) A registered nurse under his or her license may perform for compensation nursing care, as that term is usually understood, to individuals with illnesses, injuries, or disabilities.

(2) A registered nurse may, at or under the general direction of a licensed physician and surgeon, dentist, osteopathic physician and surgeon, naturopathic physician, optometrist, podiatric physician and surgeon, physician assistant, osteopathic physician assistant, ((σ r)) advanced registered nurse practitioner, or <u>midwife</u> acting within the scope of his or her license, administer medications, treatments, tests, and inoculations, whether or not the severing or penetrating of tissues is involved and whether or not a degree of independent judgment and skill is required. Such direction must be for acts which are within the scope of registered nursing practice.

(3) A registered nurse may delegate tasks of nursing care to other individuals where the registered nurse determines that it is in the best interest of the patient.

(a) The delegating nurse shall:

(i) Determine the competency of the individual to perform the tasks;

(ii) Evaluate the appropriateness of the delegation;

(iii) Supervise the actions of the person performing the delegated task; and

(iv) Delegate only those tasks that are within the registered nurse's scope of practice.

(b) A registered nurse, working for a home health or hospice agency regulated under chapter 70.127 RCW, may delegate the application, instillation, or insertion of medications to a registered or certified nursing assistant under a plan of care.

(c) Except as authorized in (b) or (e) of this subsection, a registered nurse may not delegate the administration of medications. Except as authorized in (e) of this subsection, a registered nurse may not delegate acts requiring substantial skill, and may not delegate piercing or severing of tissues. Acts that require nursing judgment shall not be delegated.

(d) No person may coerce a nurse into compromising patient safety by requiring the nurse to delegate if the nurse determines that it is inappropriate to do so. Nurses shall not be subject to any employer reprisal or disciplinary action by the nursing care quality assurance commission for refusing to delegate tasks or refusing to provide the required training for delegation if the nurse determines delegation may compromise patient safety.

(e) For delegation in community-based care settings or in-home care settings, a registered nurse may delegate nursing care tasks only to registered or certified nursing assistants. Simple care tasks such as blood pressure monitoring, personal care service, diabetic insulin device set up, verbal verification of insulin dosage for sight-impaired individuals, or other tasks as defined by the nursing care quality assurance commission are exempted from this requirement.

(i) "Community-based care settings" includes: Community residential programs for people with developmental disabilities, certified by the department of social and health services under chapter 71A.12 RCW; adult family homes licensed under chapter 70.128 RCW; and boarding homes licensed under chapter 18.20 RCW. Community-based care settings do not include acute care or skilled nursing facilities.

(ii) "In-home care settings" include an individual's place of temporary or permanent residence, but does not include acute care or skilled nursing facilities, and does not include community-based care settings as defined in (e)(i) of this subsection.

(iii) Delegation of nursing care tasks in community-based care settings and in-home care settings is only allowed for individuals who have a stable and predictable condition. "Stable and predictable condition" means a situation in which the individual's clinical and behavioral status is known and does not require the frequent presence and evaluation of a registered nurse.

(iv) The determination of the appropriateness of delegation of a nursing task is at the discretion of the registered nurse. Other than delegation of the administration of insulin by injection for the purpose of caring for individuals with diabetes, the administration of medications by injection, sterile procedures, and central line maintenance may never be delegated.

(v) When delegating insulin injections under this section, the registered nurse delegator must instruct the individual regarding proper injection procedures and the use of insulin, demonstrate proper injection procedures, and must supervise and evaluate the individual performing the delegated task weekly during the first four weeks of delegation of insulin injections. If the registered nurse delegator determines that the individual is competent to perform the injection properly and safely, supervision and evaluation shall occur at least every ninety days thereafter.

(vi) The registered nurse shall verify that the nursing assistant has completed the required core nurse delegation training required in chapter 18.88A RCW prior to authorizing delegation.

(vii) The nurse is accountable for his or her own individual actions in the delegation process. Nurses acting within the protocols of their delegation authority are immune from liability for any action performed in the course of their delegation duties.

(viii) Nursing task delegation protocols are not intended to regulate the settings in which delegation may occur, but are intended to ensure that nursing care services have a consistent standard of practice upon which the public and the profession may rely, and to safeguard the authority of the nurse to make independent professional decisions regarding the delegation of a task.

(f) The nursing care quality assurance commission may adopt rules to implement this section.

(4) Only a person licensed as a registered nurse may instruct nurses in technical subjects pertaining to nursing.

(5) Only a person licensed as a registered nurse may hold herself or himself out to the public or designate herself or himself as a registered nurse.

Sec. 4. RCW 18.79.270 and 1995 c 295 s 2 are each amended to read as follows:

A licensed practical nurse under his or her license may perform nursing care, as that term is usually understood, of the ill, injured, or infirm, and in the course thereof may, under the direction of a licensed physician and surgeon, osteopathic physician and surgeon, dentist, naturopathic physician, podiatric physician and surgeon, physician assistant, osteopathic physician assistant, advanced registered nurse practitioner, or midwife acting under the scope of his or her license, or at the direction and under the supervision of a registered nurse, administer drugs, medications, treatments, tests, injections, and inoculations, whether or not the piercing of tissues is involved and whether or not a degree of independent judgment and skill is required, when selected to do so by one of the licensed practitioners designated in this section, or by a registered nurse who need not be physically present; if the order given is reduced to writing within a reasonable time and made a part of the patient's record. Such direction must be for acts within the scope of licensed practical nurse practice.

Passed by the House January 27, 2012. Passed by the Senate February 24, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 14

[House Bill 2213]

FIREFIGHTING SERVICES—UNPROTECTED LANDS—IMPROVED PROPERTY

AN ACT Relating to modifying certain definitions for the purpose of firefighting services for unprotected lands; and amending RCW 52.12.160.

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

Sec. 1. RCW 52.12.160 and 2011 c 200 s 1 are each amended to read as follows:

(1) The definitions in this section apply throughout this section and RCW 4.24.780 unless the context clearly requires otherwise.

(a) "Fire protection service agency" or "agency" means any local, state, or federal governmental entity responsible for the provision of firefighting services, including fire protection districts, regional fire protection service authorities, cities, towns, port districts, the department of natural resources, and federal reservations.

(b) "Fire protection jurisdiction" means an area or property located within a fire protection district, a regional fire protection service authority, a city, a town, a port district, lands protected by the department of natural resources under chapter 76.04 RCW, or on federal lands.

(c) "Firefighting services" means the provision of fire prevention services, fire suppression services, emergency medical services, and other services related to the protection of life and property.

(d) "Improved property" means property upon which a structure is located, ((but does not include roads, bridges, land devoted primarily to growing and

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harvesting timber, or land devoted primarily to the production of livestock or agricultural commodities for commercial purposes)) including bridges and agricultural structures as defined in RCW 19.27.015.

(e) "Property" means land, structures, or land and structures.

(f) "Unimproved property" has the same meaning as "unimproved lands" in RCW 76.04.005.

(g) "Unprotected land" means improved property located outside a fire protection jurisdiction.

(2)(a) In order to facilitate the provision of firefighting services to unprotected lands, property owners of unprotected lands are encouraged, to the extent practicable, to form or annex into a fire protection jurisdiction or to enter into a written contractual agreement with a fire protection service agency or agencies for the provision of firefighting services. Any written contractual agreement between a property owner and a fire protection service agency must include, at minimum, a risk assessment of the property as well as a capabilities assessment for the district.

(b) Property owners of unprotected land who choose not to form or annex into a fire protection jurisdiction or to enter into a written contractual agreement with a fire protection agency or agencies for the provision of firefighting services, do so willingly and with full knowledge that a fire protection service agency is not obligated to provide firefighting services to unprotected land.

(3) In the absence of a written contractual agreement, a fire protection service agency may initiate firefighting services on unprotected land outside its fire protection jurisdiction in the following instances: (a) Service was specifically requested by a landowner or other fire service protection agency; (b) service could reasonably be believed to prevent the spread of a fire onto lands protected by the agency; or (c) service could reasonably be believed to substantially mitigate the risk of harm to life or property by preventing the spread of a fire onto other unprotected lands.

(4)(a) The property owner or owners shall reimburse an agency initiating firefighting services on unprotected land outside its fire protection jurisdiction for actual costs that are incurred that are proportionate to the fire itself. Cost recovery is based upon the Washington fire chiefs standardized fire service fee schedule.

(b) If a property owner fails to pay or defaults in payment to an agency for services rendered, the agency is entitled to pursue payment through the collections process outlined in RCW 19.16.500 or through initiation of court action.

Passed by the House January 30, 2012. Passed by the Senate February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 15

[House Bill 2244] LIABILITY—RECREATIONAL USE OF PUBLIC OR PRIVATE LAND—

AVIATION ACTIVITIES

AN ACT Relating to aircraft and ultra-light operations on public or private airstrips; and reenacting and amending RCW 4.24.210.

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

Sec. 1. RCW 4.24.210 and 2011 c 320 s 11, 2011 c 171 s 2, and 2011 c 53 s 1 are each reenacted and amended to read as follows:

(1) Except as otherwise provided in subsection (3) or (4) of this section, any public or private landowners, hydroelectric project owners, or others in lawful possession and control of any lands whether designated resource, rural, or urban, or water areas or channels and lands adjacent to such areas or channels, who allow members of the public to use them for the purposes of outdoor recreation, which term includes, but is not limited to, the cutting, gathering, and removing of firewood by private persons for their personal use without purchasing the firewood from the landowner, hunting, fishing, camping, picnicking, swimming, hiking, bicycling, skateboarding or other nonmotorized wheel-based activities, ((hanggliding, paragliding)) aviation activities including, but not limited to, the operation of airplanes, ultra-light airplanes, hanggliders, parachutes, and paragliders, rock climbing, the riding of horses or other animals, clam digging, pleasure driving of off-road vehicles, snowmobiles, and other vehicles, boating, kayaking, canoeing, rafting, nature study, winter or water sports, viewing or enjoying historical, archaeological, scenic, or scientific sites, without charging a fee of any kind therefor, shall not be liable for unintentional injuries to such users.

(2) Except as otherwise provided in subsection (3) or (4) of this section, any public or private landowner or others in lawful possession and control of any lands whether rural or urban, or water areas or channels and lands adjacent to such areas or channels, who offer or allow such land to be used for purposes of a fish or wildlife cooperative project, or allow access to such land for cleanup of litter or other solid waste, shall not be liable for unintentional injuries to any volunteer group or to any other users.

(3) Any public or private landowner, or others in lawful possession and control of the land, may charge an administrative fee of up to twenty-five dollars for the cutting, gathering, and removing of firewood from the land.

(4)(a) Nothing in this section shall prevent the liability of a landowner or others in lawful possession and control for injuries sustained to users by reason of a known dangerous artificial latent condition for which warning signs have not been conspicuously posted.

(i) A fixed anchor used in rock climbing and put in place by someone other than a landowner is not a known dangerous artificial latent condition and a landowner under subsection (1) of this section shall not be liable for unintentional injuries resulting from the condition or use of such an anchor.

(ii) Releasing water or flows and making waterways or channels available for kayaking, canoeing, or rafting purposes pursuant to and in substantial compliance with a hydroelectric license issued by the federal energy regulatory commission, and making adjacent lands available for purposes of allowing

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viewing of such activities, does not create a known dangerous artificial latent condition and hydroelectric project owners under subsection (1) of this section shall not be liable for unintentional injuries to the recreational users and observers resulting from such releases and activities.

(b) Nothing in RCW 4.24.200 and this section limits or expands in any way the doctrine of attractive nuisance.

(c) Usage by members of the public, volunteer groups, or other users is permissive and does not support any claim of adverse possession.

(5) For purposes of this section, the following are not fees:

(a) A license or permit issued for statewide use under authority of chapter 79A.05 RCW or Title 77 RCW;

(b) A pass or permit issued under RCW 79A.80.020, 79A.80.030, or 79A.80.040; and

(c) A daily charge not to exceed twenty dollars per person, per day, for access to a publicly owned ORV sports park, as defined in RCW 46.09.310, or other public facility accessed by a highway, street, or nonhighway road for the purposes of off-road vehicle use.

Passed by the House February 9, 2012.

Passed by the Senate February 27, 2012.

Approved by the Governor March 7, 2012.

Filed in Office of Secretary of State March 7, 2012.

CHAPTER 16

[House Bill 2247]

K-12 SCHOOLS—MEDICATION ADMINISTRATION

AN ACT Relating to expanding the types of medications that a public or private school employee may administer to include topical medication, eye drops, and ear drops; and amending RCW 28A.210.260 and 28A.210.270.

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

Sec. 1. RCW 28A.210.260 and 2000 c 63 s 1 are each amended to read as follows:

Public school districts and private schools which conduct any of grades kindergarten through the twelfth grade may provide for the administration of oral medication, topical medication, eye drops, or ear drops of any nature to students who are in the custody of the school district or school at the time of administration, but are not required to do so by this section, subject to the following conditions:

(1) The board of directors of the public school district or the governing board of the private school or, if none, the chief administrator of the private school shall adopt policies which address the designation of employees who may administer oral medications, topical medications, eye drops, or ear drops to students, the acquisition of parent requests and instructions, and the acquisition of requests from licensed health professionals prescribing within the scope of their prescriptive authority and instructions regarding students who require medication for more than fifteen consecutive school days, the identification of the medication to be administered, the means of safekeeping medications with special attention given to the safeguarding of legend drugs as defined in chapter 69.41 RCW, and the means of maintaining a record of the administration of such medication;

(2) The board of directors shall seek advice from one or more licensed physicians or nurses in the course of developing the foregoing policies;

(3) The public school district or private school is in receipt of a written, current and unexpired request from a parent, or a legal guardian, or other person having legal control over the student to administer the medication to the student;

(4) The public school district or the private school is in receipt of (a) a written, current and unexpired request from a licensed health professional prescribing within the scope of his or her prescriptive authority for administration of the medication, as there exists a valid health reason which makes administration of such medication advisable during the hours when school is in session or the hours in which the student is under the supervision of school officials, and (b) written, current and unexpired instructions from such licensed health professional prescribing within the scope of his or her prescriptive authority regarding the administration of prescribed medication to students who require medication for more than fifteen consecutive workdays;

(5) The medication is administered by an employee designated by or pursuant to the policies adopted pursuant to subsection (1) of this section and in substantial compliance with the prescription of a licensed health professional prescribing within the scope of his or her prescriptive authority or the written instructions provided pursuant to subsection (4) of this section;

(6) The medication is first examined by the employee administering the same to determine in his or her judgment that it appears to be in the original container and to be properly labeled; and

(7) The board of directors shall designate a professional person licensed pursuant to chapter 18.71 RCW or chapter 18.79 RCW as it applies to registered nurses and advanced registered nurse practitioners, to <u>delegate to</u>, train, and supervise the designated school district personnel in proper medication procedures.

Sec. 2. RCW 28A.210.270 and 2000 c 63 s 2 are each amended to read as follows:

(1) In the event a school employee administers oral medication, topical medication, eye drops, or ear drops to a student pursuant to RCW 28A.210.260 in substantial compliance with the prescription of the student's licensed health professional prescribing within the scope of the professional's prescriptive authority or the written instructions provided pursuant to RCW 28A.210.260(4), and the other conditions set forth in RCW 28A.210.260 have been substantially complied with, then the employee, the employee's school district or school of employment, and the members of the governing board and chief administrator thereof shall not be liable in any criminal action or for civil damages in their individual or marital or governmental or corporate or other capacities as a result of the administration of the medication.

(2) The administration of oral medication, topical medication, eye drops, or <u>ear drops</u> to any student pursuant to RCW 28A.210.260 may be discontinued by a public school district or private school and the school district or school, its employees, its chief administrator, and members of its governing board shall not be liable in any criminal action or for civil damages in their governmental or corporate or individual or marital or other capacities as a result of the

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discontinuance of such administration: PROVIDED, That the chief administrator of the public school district or private school, or his or her designee, has first provided actual notice orally or in writing in advance of the date of discontinuance to a parent or legal guardian of the student or other person having legal control over the student.

Passed by the House January 30, 2012. Passed by the Senate February 24, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 17

[Substitute House Bill 2255]

NONDEPOSITORY INSTITUTIONS—ENFORCEMENT AUTHORITIES

AN ACT Relating to making technical corrections, modernizing statutes, and streamlining enforcement authorities of nondepository institutions regulated by the department of financial institutions; amending RCW 31.04.027, 31.04.065, 31.04.093, 31.04.145, 31.04.224, 31.45.010, 31.45.070, 31.45.105, 31.45.110, 19.146.200, and 19.144.020; reenacting and amending RCW 31.04.025; adding a new section to chapter 31.45 RCW; adding a new section to chapter 19.146 RCW; adding new sections to chapter 18.44 RCW; and adding new sections to chapter 19.230 RCW.

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

Sec. 1. RCW 31.04.025 and 2011 c 191 s 1 and are each reenacted and amended to read as follows:

(1) Each loan made to a resident of this state by a licensee, or persons subject to this chapter, is subject to the authority and restrictions of this chapter, unless such loan is made under the authority of chapter 63.14 RCW.

(2) This chapter does not apply to the following:

(a) Any person doing business under, and as permitted by, any law of this state or of the United States relating to banks, savings banks, trust companies, savings and loan or building and loan associations, or credit unions;

(b) Entities making loans under chapter 19.60 RCW (pawnbroking);

(c) Entities ((making loans)) conducting transactions under chapter 63.14 RCW (retail installment sales of goods and services), unless the goods being sold in a retail installment sale consist of open loop prepaid access (prepaid access as defined in 31 C.F.R. Part 1010.100(ww) and not closed loop prepaid access as defined in 31 C.F.R. Part 1010.100(kkk));

(d) Entities making loans under chapter 31.45 RCW (check cashers and sellers);

(e) Any person making a loan primarily for business, commercial, or agricultural purposes unless the loan is secured by a lien on the borrower's primary residence;

(f) Any person making loans made to government or government agencies or instrumentalities or making loans to organizations as defined in the federal truth in lending act;

(g) Entities making loans under chapter 43.185 RCW (housing trust fund);

(h) Entities making loans under programs of the United States department of agriculture, department of housing and urban development, or other federal government program that provides funding or access to funding for singlefamily housing developments or grants to low-income individuals for the purchase or repair of single-family housing;

(i) Nonprofit housing organizations making loans, or loans made, under housing programs that are funded in whole or in part by federal or state programs if the primary purpose of the programs is to assist low-income borrowers with purchasing or repairing housing or the development of housing for low-income Washington state residents; and

(j) Entities making loans which are not residential mortgage loans under a credit card plan; and

(k) Individuals employed by a licensed residential loan servicing company, unless so required by federal law or regulation.

(3) The director may, at his or her discretion, waive applicability of the consumer loan company licensing provisions of this chapter to other persons, not including individuals subject to the S.A.F.E. act, making or servicing loans when the director determines it necessary to facilitate commerce and protect consumers. The director may adopt rules interpreting this section.

Sec. 2. RCW 31.04.027 and 2011 c 191 s 2 are each amended to read as follows:

It is a violation of this chapter for a licensee, its officers, directors, employees, or independent contractors, or any other person subject to this chapter to:

(1) Directly or indirectly employ any scheme, device, or artifice to defraud or mislead any borrower, to defraud or mislead any lender, or to defraud or mislead any person;

(2) Directly or indirectly engage in any unfair or deceptive practice toward any person;

(3) Directly or indirectly obtain property by fraud or misrepresentation;

(4) Solicit or enter into a contract with a borrower that provides in substance that the consumer loan company may earn a fee or commission through the consumer loan company's best efforts to obtain a loan even though no loan is actually obtained for the borrower;

(5) Solicit, advertise, or enter into a contract for specific interest rates, points, or other financing terms unless the terms are actually available at the time of soliciting, advertising, or contracting;

(6) Fail to make disclosures to loan applicants as required by RCW 31.04.102 and any other applicable state or federal law;

(7) Make, in any manner, any false or deceptive statement or representation with regard to the rates, points, or other financing terms or conditions for a residential mortgage loan or engage in bait and switch advertising;

(8) Negligently make any false statement or knowingly and willfully make any omission of material fact in connection with any reports filed with the department by a licensee or in connection with any investigation conducted by the department;

(9) Make any payment, directly or indirectly, to any appraiser of a property, for the purposes of influencing the independent judgment of the appraiser with respect to the value of the property;

(10) Accept from any borrower at or near the time a loan is made and in advance of any default an execution of, or induce any borrower to execute, any instrument of conveyance, not including a mortgage or deed of trust, to the Ch. 17

lender of any ownership interest in the borrower's primary residence that is the security for the borrower's loan;

(11) Obtain at the time of closing a release of future damages for usury or other damages or penalties provided by law or a waiver of the provisions of this chapter; ((or))

(12) Advertise any rate of interest without conspicuously disclosing the annual percentage rate implied by that rate of interest or otherwise fail to comply with any requirement of the truth in lending act, 15 U.S.C. Sec. 1601 and regulation Z, 12 C.F.R. Sec. 226, the real estate settlement procedures act, 12 U.S.C. Sec. 2601 and regulation X, 24 C.F.R. Sec. 3500, or the equal credit opportunity act, 15 U.S.C. Sec. 1691 and regulation B, Sec. 202.9, 202.11, and 202.12, or any other applicable state or federal statutes((, as now or hereafter amended, in any advertising of residential mortgage loans or any other consumer loan company activity)) or regulations; or

(13) Make loans from any unlicensed location.

Sec. 3. RCW 31.04.065 and 1991 c 208 s 7 are each amended to read as follows:

The license shall state the address at which the business is to be conducted and shall state fully the name of the licensee, and if the licensee is a copartnership or association, the names of its members, and if a corporation, the date and place of its incorporation. ((The licensee shall conspicuously post the license in the place of business of the licensee.)) The license is not transferable or assignable.

Sec. 4. RCW 31.04.093 and 2010 c 35 s 6 are each amended to read as follows:

(1) The director shall enforce all laws and rules relating to the licensing and regulation of licensees and persons subject to this chapter.

(2) The director may deny applications for licenses for:

(a) Failure of the applicant to demonstrate within its application for a license that it meets the requirements for licensing in RCW 31.04.045 and 31.04.055;

(b) Violation of an order issued by the director under this chapter or another chapter administered by the director, including but not limited to cease and desist orders and temporary cease and desist orders;

(c) Revocation or suspension of a license to conduct lending or residential mortgage loan servicing, or to provide settlement services associated with lending or residential mortgage loan servicing, by this state, another state, or by the federal government within five years of the date of submittal of a complete application for a license; or

(d) Filing an incomplete application when that incomplete application has been filed with the department for sixty or more days, provided that the director has given notice to the licensee that the application is incomplete, informed the applicant why the application is incomplete, and allowed at least twenty days for the applicant to complete the application.

(3) The director may suspend or revoke a license issued under this chapter if the director finds that:

(a) The licensee has failed to pay any fee due the state of Washington, has failed to maintain in effect the bond or permitted substitute required under this

chapter, or has failed to comply with any specific order or demand of the director lawfully made and directed to the licensee in accordance with this chapter;

(b) The licensee, either knowingly or without the exercise of due care, has violated any provision of this chapter or any rule adopted under this chapter; or

(c) A fact or condition exists that, if it had existed at the time of the original application for the license, clearly would have allowed the director to deny the application for the original license. The director may revoke or suspend only the particular license with respect to which grounds for revocation or suspension may occur or exist unless the director finds that the grounds for revocation or suspension are of general application to all offices or to more than one office operated by the licensee, in which case, the director may revoke or suspend all of the licenses issued to the licensee.

(4) The director may impose fines of up to one hundred dollars per day upon the licensee, its employee or loan originator, or other person subject to this chapter for:

(a) Any violation of this chapter; or

(b) Failure to comply with any order or subpoena issued by the director under this chapter.

(5) The director may issue an order directing the licensee, its employee or loan originator, or other person subject to this chapter to:

(a) Cease and desist from conducting business in a manner that is injurious to the public or violates any provision of this chapter;

(b) Take such affirmative action as is necessary to comply with this chapter; or

(c) Make <u>a refund or</u> restitution to a borrower or other person who is damaged as a result of a violation of this chapter.

(6) The director may issue an order removing from office or prohibiting from participation in the affairs of any licensee, or both, any officer, principal, employee or loan originator, or any person subject to this chapter for:

(a) False statements or omission of material information from an application for a license that, if known, would have allowed the director to deny the original application for a license;

(b) Conviction of a gross misdemeanor involving dishonesty or financial misconduct or a felony;

(c) Suspension or revocation of a license to engage in lending or residential mortgage loan servicing, or perform a settlement service related to lending or residential mortgage loan servicing, in this state or another state;

(d) Failure to comply with any order or subpoena issued under this chapter; $((\frac{\mathbf{or}}{\mathbf{i}}))$

(e) A violation of RCW 31.04.027, 31.04.102, 31.04.155, or 31.04.221;

(7) Except to the extent prohibited by another statute, the director may engage in informal settlement of complaints or enforcement actions including, but not limited to, payment to the department for purposes of financial literacy and education programs authorized under RCW 43.320.150. If any person subject to this chapter makes a payment to the department under this section, the person may not advertise such payment.

(((7))) (8) Whenever the director determines that the public is likely to be substantially injured by delay in issuing a cease and desist order, the director may immediately issue a temporary cease and desist order. The order may direct

the licensee to discontinue any violation of this chapter, to take such affirmative action as is necessary to comply with this chapter, and may include a summary suspension of the licensee's license and may order the licensee to immediately cease the conduct of business under this chapter. The order shall become effective at the time specified in the order. Every temporary cease and desist order shall include a provision that a hearing will be held upon request to determine whether the order will become permanent. Such hearing shall be held within fourteen days of receipt of a request for a hearing unless otherwise specified in chapter 34.05 RCW.

(((8))) (9) A licensee may surrender a license by delivering to the director written notice of surrender, but the surrender does not affect the licensee's civil or criminal liability, if any, for acts committed before the surrender, including any administrative action initiated by the director to suspend or revoke a license, impose fines, compel the payment of restitution to borrowers or other persons, or exercise any other authority under this chapter.

 $((\frac{(9)}{)})$ (10) The revocation, suspension, or surrender of a license does not impair or affect the obligation of a preexisting lawful contract between the licensee and a borrower.

(((10))) (11) Every license issued under this chapter remains in force and effect until it has been surrendered, revoked, or suspended in accordance with this chapter. However, the director may on his or her own initiative reinstate suspended licenses or issue new licenses to a licensee whose license or licenses have been revoked if the director finds that the licensee meets all the requirements of this chapter.

Sec. 5. RCW 31.04.145 and 2009 c 120 s 8 are each amended to read as follows:

(1) For the purpose of discovering violations of this chapter or securing information lawfully required under this chapter, the director may at any time, either personally or by designees, investigate or examine the loans and business and, wherever located, the books, accounts, records, papers, documents, files, and other information used in the business of every licensee and of every person who is engaged in the business making or assisting in the making of loans at interest rates authorized by this chapter, whether the person acts or claims to act as principal or agent, or under or without the authority of this chapter. ((For these purposes,)) The director or designated representative((s)):

(a) Shall have free access to the offices and places of business, books, accounts, papers, documents, other information, records, files, safes, and vaults of all such persons((. The director or persons designated by the director)) during normal business hours;

(b) <u>May</u> require the attendance of and examine under oath all persons whose testimony may be required about the loans or the business or the subject matter of any investigation, examination, or hearing and may require such person to produce books, accounts, papers, records, files, and any other information the director or designated persons deem relevant to the inquiry((. The director)):

(c) <u>May</u> require the production of original books, accounts, papers, records, files, and other information; may require that such original books, accounts, papers, records, files, and other information be copied; or may make copies ((himself or herself or by designee)) of such original books, accounts, papers, records, files, or other information((. If a licensee or person does not attend and

testify, or does not produce the requested books, accounts, papers, records, files, or other information, then the director or designated persons)):

(d) May issue a subpoena or subpoena duces tecum requiring attendance by any person identified in this section or compelling production of ((the)) any books, accounts, papers, records, files, or other <u>documents or</u> information identified in this section.

(2) The director shall make such periodic examinations of the affairs, business, office, and records of each licensee as determined by rule.

(3) Every licensee examined or investigated by the director or the director's designee shall pay to the director the cost of the examination or investigation of each licensed place of business as determined by rule by the director.

(4) In order to carry out the purposes of this section, the director may:

(a) Retain attorneys, accountants, or other professionals and specialists as examiners, auditors, or investigators to conduct or assist in the conduct of examinations or investigations;

(b) Enter into agreements or relationships with other government officials or regulatory associations in order to improve efficiencies and reduce regulatory burden by sharing resources, standardized or uniform methods or procedures, and documents, records, information, or evidence obtained under this section;

(c) Use, hire, contract, or employ public or privately available analytical systems, methods, or software to examine or investigate the licensee, individual, or person subject to chapter 120, Laws of 2009;

(d) Accept and rely on examination or investigation reports made by other government officials, within or without this state;

(e) Accept audit reports made by an independent certified public accountant for the licensee, individual, or person subject to chapter 120, Laws of 2009 in the course of that part of the examination covering the same general subject matter as the audit and may incorporate the audit report in the report of the examination, report of investigation, or other writing of the director; or

(f) Assess the licensee, individual, or person subject to chapter 120, Laws of 2009 the cost of the services in (a) of this subsection.

Sec. 6. RCW 31.04.224 and 2009 c 120 s 11 are each amended to read as follows:

The following are exempt from licensing as mortgage loan originators under this chapter:

(1) Registered mortgage loan originators, or any individual required to be registered;

(2) A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of the client, unless the attorney is compensated by a lender, a mortgage broker, or other mortgage loan originator or by any agent of a lender, mortgage broker, or other mortgage loan originator; $((\Theta r))$

(3) Any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member<u>; or</u>

(4) Any individual who offers or negotiates terms of a residential mortgage loan secured by a dwelling that served as the individual's residence.

Sec. 7. RCW 31.45.010 and 2009 c 510 s 2 are each amended to read as follows:

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

(1) "Applicant" means a person that files an application for a license under this chapter, including the applicant's sole proprietor, owners, directors, officers, partners, members, and controlling persons.

(2) "Borrower" means a natural person who receives a small loan.

(3) "Business day" means any day that the licensee is open for business in at least one physical location.

(4) "Check" means the same as defined in RCW 62A.3-104(f) and, for purposes of conducting the business of making small loans, includes other electronic forms of payment, including stored value cards, internet transfers, and automated clearing house transactions.

(5) "Check casher" means an individual, partnership, unincorporated association, or corporation that, for compensation, engages, in whole or in part, in the business of cashing checks, drafts, money orders, or other commercial paper serving the same purpose.

(6) "Check seller" means an individual, partnership, unincorporated association, or corporation that, for compensation, engages, in whole or in part, in the business of or selling checks, drafts, money orders, or other commercial paper serving the same purpose.

(7) "Collateral" means the same as defined in chapter 62A.9A RCW.

(8) "Controlling person" means a person owning or controlling ten percent or more of the total outstanding shares of the applicant or licensee, if the applicant or licensee is a corporation, and a member who owns ten percent or more of a limited liability company or limited liability partnership.

(9) "Default" means the borrower's failure to repay the small loan in compliance with the terms contained in the small loan agreement or note or failure to pay any installment plan payment on an installment plan within ten days after the date upon which the installment was scheduled to be paid.

(10) "Director" means the director of financial institutions.

(11) "Financial institution" means a commercial bank, savings bank, savings and loan association, or credit union.

(12) "Installment plan" is a contract between a licensee and borrower that provides that the loaned amount will be repaid in substantially equal installments scheduled on or after a borrower's pay dates and no less than fourteen days apart.

(13) "Licensee" means a check casher or seller licensed by the director to engage in business in accordance with this chapter. ((For purposes of the enforcement powers of this chapter, including the power to issue cease and desist orders under RCW 31.45.110.)) "Licensee" also means a check casher or seller, whether located within or outside of this state, who fails to obtain the license or small loan endorsement required by this chapter.

(14) "Loaned amount" means the outstanding principal balance and any fees authorized under RCW 31.45.073 that have not been paid by the borrower.

(15) "Origination date" means the date upon which the borrower and the licensee initiate a small loan transaction.

(16) "Outstanding principal balance" of a small loan means any of the principal amount that has not been paid by the borrower.

(17) "Paid" means that moment in time when the licensee deposits the borrower's check or accepts cash for the full amount owing on a valid small loan.

If the borrower's check is returned by the borrower's bank for ((insufficient funds)) any reason, the licensee shall not consider the loan paid.

(18) "Person" means an individual, partnership, association, limited liability company, limited liability partnership, trust, corporation, and any other legal entity.

(19) "Principal" means the loan proceeds advanced for the benefit of the borrower in a small loan, excluding any fee or interest charge.

(20) "Rescission" means annulling the loan contract and, with respect to the small loan contract, returning the borrower and the licensee to their financial condition prior to the origination date of the loan.

(21) "Small loan" means a loan of up to the maximum amount and for a period of time up to the maximum term specified in RCW 31.45.073.

(22) "Termination date" means the date upon which payment for the small loan transaction is due or paid to the licensee, whichever occurs first.

(23) "Total of payments" means the principal amount of the small loan plus all fees or interest charged on the loan.

(24) "Trade secret" means the same as defined in RCW 19.108.010.

NEW SECTION. Sec. 8. A new section is added to chapter 31.45 RCW to read as follows:

Applicants may be required to make application through a multistate licensing system as prescribed by the director. Existing licensees may be required to transition onto a multistate licensing system as prescribed by the director.

Sec. 9. RCW 31.45.070 and 2003 c 86 s 7 are each amended to read as follows:

(1) No licensee may engage in a loan business $((\mathbf{or}))$; the negotiation of loans; or the discounting of notes, bills of exchange, checks, or other evidences of debt ((on)) in the same premises where a check cashing or selling business is conducted, unless the licensee:

(a) Is conducting the activities of pawnbroker as defined in RCW 19.60.010;

(b) Is a properly licensed consumer loan company under chapter 31.04 RCW;

(c) Is conducting other lending activity permitted in the state of Washington; or

(d) Has a small loan endorsement issued under this chapter.

(2) Except as otherwise permitted in this chapter, no licensee may at any time cash or advance any moneys on a postdated check or draft. However, a licensee may cash a check payable on the first banking day following the date of cashing if:

(a) The check is drawn by the United States, the state of Washington, or any political subdivision of the state, or by any department or agency of the state or its subdivisions; or

(b) The check is a payroll check drawn by an employer to the order of its employee in payment for services performed by the employee.

(3) Except as otherwise permitted in this chapter, no licensee may agree to hold a check or draft for later deposit. A licensee ((shall)) must deposit all checks and drafts cashed by the licensee as soon as practicable.

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(4) No licensee may issue or cause to be issued any check, draft, or money order, or other commercial paper serving the same purpose, that is drawn upon the trust account of a licensee without concurrently receiving the full principal amount, in cash, or by check, draft, or money order from a third party believed to be valid.

(5) ((No licensee may advertise, print, display, publish, distribute, or broadcast or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast, any statement or representation that is false, misleading, or deceptive, or that omits material information, or that refers to the supervision of the licensee by the state of Washington or any department or official of the state.

(6))) Each licensee shall comply with all applicable <u>state and</u> federal statutes ((governing currency transaction reporting)) relating to the activities governed by this chapter.

Sec. 10. RCW 31.45.105 and 2007 c 81 s 1 are each amended to read as follows:

(1) It is a violation of this chapter for any person subject to this chapter to:

(a) Directly or indirectly employ any scheme, device, or artifice to defraud or mislead any borrower, to defraud or mislead any lender, or to defraud or mislead any person;

(b) Directly or indirectly engage in any unfair or deceptive practice toward any person;

(c) Directly or indirectly obtain property by fraud or misrepresentation; ((and))

(d) Make a small loan to any person physically located in Washington through use of the internet, facsimile, telephone, kiosk, or other means without first obtaining a small loan endorsement<u>; and</u>

(e) Sell in a retail installment transaction under chapter 63.14 RCW open loop prepaid access (prepaid access as defined in 31 C.F.R. Part 1010.100(ww) and not closed loop prepaid access as defined in 31 C.F.R. Part 1010.100(kkk)).

(2) It is a violation of this chapter for any person subject to this chapter to:

(a) Advertise, print, display, publish, distribute, or broadcast or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast any statement or representation that is false, misleading, or deceptive, or that omits material information:

(b) Fail to pay the annual assessment by the date and time as specified in RCW 31.45.050;

(c) Fail to pay any other fee, assessment, or moneys due the department.

(3) In addition to any other penalties, any transaction in violation of subsection (1) of this section is uncollectible and unenforceable.

Sec. 11. RCW 31.45.110 and 2003 c 86 s 17 are each amended to read as follows:

(1) The director may issue and serve upon a licensee or applicant, or any director, officer, sole proprietor, partner, or controlling person of a licensee or applicant, a statement of charges if, in the opinion of the director, any licensee or applicant, or any director, officer, sole proprietor, partner, or controlling person of a licensee or applicant:

(a) Is engaging or has engaged in an unsafe or unsound financial practice in conducting ((the)) <u>a</u> business ((of a check seller)) governed by this chapter;

(b) Is violating or has violated this chapter, including violations of:

(i) Any rules, orders, or subpoenas((, any rule adopted under chapter 86, Laws of 2003, any order issued under chapter 86, Laws of 2003, any subpoena issued under chapter 86, Laws of 2003, or)) issued by the director under any act:

(ii) Any condition imposed in writing by the director ((or the director's designee)) in connection with the granting of any application or other request by the licensee; or

(iii) Any written agreement made with the director;

(c) Is about to do the acts prohibited in (a) or (b) of this subsection when the opinion that the threat exists is based upon reasonable cause;

(d) Obtains a license by means of fraud, misrepresentation, concealment, or through mistake or inadvertence of the director;

(e) Provides false statements or ((omissions of)) <u>omits</u> material information on ((the)) <u>an</u> application ((that, if known, would have allowed the director to deny the application for the original license));

(f) <u>Knowingly or negligently omits material information during or in</u> response to an examination or in connection with an investigation by the <u>director</u>;

(g) Fails to pay a fee <u>or assessment</u> required by the director <u>or any multistate</u> <u>licensing system prescribed by the director</u>, or <u>fails to</u> maintain the required bond <u>or deposit</u>;

(((g))) (h) Commits a crime against the laws of ((the state of Washington or any other state or government)) any jurisdiction involving moral turpitude, financial misconduct, or dishonest dealings. For the purposes of this section, a certified copy of the final holding of any court, tribunal, agency, or administrative body of competent jurisdiction is conclusive evidence in any hearing under this chapter;

(((h))) (<u>i</u>) Knowingly commits or is a party to any material fraud, misrepresentation, concealment, conspiracy, collusion, trick, scheme, or device whereby any other person relying upon the word, representation, or conduct acts to his or her injury or damage;

(((i))) (j) Converts any money or its equivalent to his or her own use or to the use of his or her principal or of any other person;

 $((\frac{1}{2})))$ (<u>k</u>) Fails((, upon demand by the director or the director's designee,)) to disclose any information within his or her knowledge ((to,)) or <u>fails</u> to produce any document, book, or record in his or her possession for inspection ((of,)) <u>by</u> the director ((or the director's designee)) <u>upon demand</u>;

(((k))) (1) Commits any act of fraudulent or dishonest dealing((, and))). For the purposes of this section, a certified copy of the final holding of any court, tribunal, agency, or administrative body of competent jurisdiction ((regarding that aet)) is conclusive evidence in any hearing under this chapter; ((or

(1))) (m) Commits an act or engages in conduct that demonstrates incompetence or untrustworthiness, or is a source of injury and loss to the public:

(n) Violates any applicable state or federal law relating to the activities governed by this chapter.

(2) The statement of charges ((shall)) <u>must</u> be issued under chapter 34.05 RCW. The director or the director's designee may impose the following sanctions against any licensee or applicant, or any director<u>s</u>, officer<u>s</u>, sole proprietor<u>s</u>, partner<u>s</u>, controlling person<u>s</u>, or employee<u>s</u> of a licensee or applicant:

(a) Deny, revoke, suspend, or condition ((the)) <u>a</u> license <u>or small loan</u> endorsement;

(b) Order the licensee <u>or person</u> to cease and desist from practices ((in violation of)) <u>that violate</u> this chapter or ((practices that)) constitute unsafe and unsound financial practices ((in the sale of checks));

(c) Impose a fine not to exceed one hundred dollars per day for each day's violation of this chapter;

(d) Order restitution <u>or refunds</u> to borrowers or other parties ((damaged by the licensee's)) <u>for</u> violations of this chapter or take other affirmative action as necessary to comply with this chapter; and

(e) Remove from office or ban from participation in the affairs of any licensee any director, officer, sole proprietor, partner, controlling person, or employee of a licensee.

(3) The proceedings to impose the sanctions described in subsection (2) of this section, including any hearing or appeal of the statement of charges, are governed by chapter 34.05 RCW.

(4) Unless the licensee or person personally appears at the hearing or is represented by a duly authorized representative, the licensee is deemed to have consented to the statement of charges and the sanctions imposed in the statement of charges.

(5) Except to the extent prohibited by another statute, the director may engage in informal settlement of complaints or enforcement actions including, but not limited to, payment to the department for purposes of financial literacy and education programs authorized under RCW 43.320.150.

Sec. 12. RCW 19.146.200 and 2006 c 19 s 9 are each amended to read as follows:

(1) A person, unless specifically exempted from this chapter under RCW 19.146.020, may not engage in the business of a mortgage broker or loan originator without first obtaining and maintaining a license under this chapter.

(2) A person may not bring a suit or action for the collection of compensation in connection with a residential mortgage loan unless the plaintiff alleges and proves that he or she was a duly licensed mortgage broker, or exempt from the license requirement of this chapter, at the time of offering to perform or performing any such an act or service regulated by this chapter.

(3) ((A mortgage broker license must be prominently displayed in the mortgage broker's place of business.

(4))) Every licensed mortgage broker must at all times have a designated broker responsible for all activities of the mortgage broker in conducting the business of a mortgage broker. A designated broker, principal, or owner who has supervisory authority over a mortgage broker is responsible for a licensee's, employee's, or independent contractor's violations of this chapter and its rules if:

(a) The designated broker, principal, or owner directs or instructs the conduct or, with knowledge of the specific conduct, approves or allows the conduct; or

(b) The designated broker, principal, or owner who has supervisory authority over the licensed mortgage broker knows or by the exercise of reasonable care and inquiry should have known of the conduct, at a time when its consequences can be avoided or mitigated and fails to take reasonable remedial action.

<u>NEW SECTION.</u> Sec. 13. A new section is added to chapter 19.146 RCW to read as follows:

Except to the extent prohibited by another statute, the director may engage in informal settlement of complaints or enforcement actions including, but not limited to, payment to the department for purposes of financial literacy and education programs authorized under RCW 43.320.150. If any person subject to this chapter makes a payment to the department under this section, the person may not advertise such payment.

<u>NEW SECTION.</u> Sec. 14. A new section is added to chapter 18.44 RCW to read as follows:

Except to the extent prohibited by another statute, the director may engage in informal settlement of complaints or enforcement actions including, but not limited to, payment to the department for purposes of financial literacy and education programs authorized under RCW 43.320.150.

<u>NEW SECTION.</u> Sec. 15. A new section is added to chapter 18.44 RCW to read as follows:

Applicants may be required to make application through a multistate licensing system as prescribed by the director. Existing licensees may be required to transition onto a multistate licensing system as prescribed by the director.

<u>NEW SECTION</u>. Sec. 16. A new section is added to chapter 19.230 RCW to read as follows:

Except to the extent prohibited by another statute, the director may engage in informal settlement of complaints or enforcement actions including, but not limited to, payment to the department for purposes of financial literacy and education programs authorized under RCW 43.320.150.

<u>NEW SECTION.</u> Sec. 17. A new section is added to chapter 19.230 RCW to read as follows:

Applicants may be required to make application through a multistate licensing system as prescribed by the director. Existing licensees may be required to transition onto a multistate licensing system as prescribed by the director.

Sec. 18. RCW 19.144.020 and 2008 c 108 s 3 are each amended to read as follows:

(1) In addition to any other requirements under federal or state law, a residential mortgage loan may not be made unless a disclosure summary of all material terms, as adopted by the department in subsection (2) of this section, is placed on a separate sheet of paper and has been provided by a financial institution to the borrower within three business days following receipt of a loan application. If any material terms of the residential mortgage loan change before closing, a new disclosure summary must be provided to the borrower within

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three days of any such change or at least three days before closing, whichever is earlier.

(2) The department shall adopt, by rule, a disclosure summary form with a content and format containing simple, plain-language terms that are reasonably understandable to the average person without the aid of third-party resources and shall include, but not be limited to, the following items: Fees and discount points on the loan; interest rates of the loan; broker fees; the broker's yield spread premium as a dollar amount; whether the loan contains prepayment penalties; whether the loan contains a balloon payment; whether the property taxes and property insurance are escrowed; whether the loan payments will adjust at the fully indexed rates; and whether there is a price added or premium charged because the loan is based on reduced documentation.

(3) The director may, at his or her discretion, require by rule other information relating to a residential mortgage loan to be included in the disclosure summary if the director determines that it is necessary to protect consumers. The director may adopt rules creating a standard form of disclosure summary to be used as a guide by financial institutions in fulfilling the requirements of this section.

(4) Disclosure in compliance with the real estate settlement procedures act, 12 U.S.C. Sec. 2601, and Regulation X, 24 C.F.R. Sec. 3500, as it exists on the effective date of this section, shall be deemed to comply with the disclosure requirements of this section. If needed, the director may adopt rules to implement and incorporate other changes in the disclosure summary as necessary due to federal law.

Passed by the House February 1, 2012. Passed by the Senate February 24, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 18

[House Bill 2274] IMPOUNDED VEHICLES—COSTS OF TOWING

AN ACT Relating to allowing registered tow truck operators to pass the costs of tolls and ferry fares to the impounded vehicle's registered owner; and amending RCW 46.55.035.

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

Sec. 1. RCW 46.55.035 and 2010 c 56 s 1 are each amended to read as follows:

(1) No registered tow truck operator may:

(a) Except as authorized under RCW 46.55.037, ask for or receive any compensation, gratuity, reward, or promise thereof from a person having control or possession of private property or from an agent of the person authorized to sign an impound authorization, for or on account of the impounding of a vehicle;

(b) Be beneficially interested in a contract, agreement, or understanding that may be made by or between a person having control or possession of private property and an agent of the person authorized to sign an impound authorization;

(c) Have a financial, equitable, or ownership interest in a firm, partnership, association, or corporation whose functions include acting as an agent or a

representative of a property owner for the purpose of signing impound authorizations;

(d)(((i))) Enter into any contract or agreement or offer any program that provides an incentive to a person authorized to order a private impound under RCW 46.55.080 that is related to the authorization of an impound or a number of impounds.

(((ii))) (i) The incentives prohibited by this section may be either monetary or nonmonetary things of value, such as gifts or prizes which are contingent on, or as a reward for the authorization of impounds.

(((iii))) (ii) Gifts of de minimus value that are given in the ordinary course of business and are not tied to any specific decision to authorize an impound or impounds are not prohibited. Permitted gifts would include promotional items such as pens, calendars, cups, and other items labeled with the registered tow truck operator's business information, holiday gifts such as cookies or candy, flowers for occasions such as illness or death, or the cost of a single meal for one person when discussing business.

(((iv))) (iii) The provision of the actual physical signs required by this chapter to be posted on private property and the labor and materials for placing them is not a violation of this section.

(2) This section does not prohibit the registered tow truck operator from collecting the costs of towing, storage, tolls or ferry fares paid, or other services rendered during the course of towing, removing, impounding, or storing of an impounded vehicle as provided by RCW 46.55.120.

(3) A violation of this section is a gross misdemeanor.

Passed by the House February 8, 2012. Passed by the Senate February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 19

[House Bill 2304]

LOW-LEVEL RADIOACTIVE WASTE SITE USE PERMIT PROGRAM

AN ACT Relating to transferring the low-level radioactive waste site use permit program from the department of ecology to the department of health; amending RCW 43.200.015, 43.200.080, 43.200.170, 43.200.180, 43.200.190, 43.200.200, 43.200.230, 70.98.030, 70.98.085, 70.98.095, 70.98.098, and 70.98.130; adding a new section to chapter 70.98 RCW; adding a new section to chapter 43.200 RCW; repealing RCW 43.200.210; and providing an effective date.

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

Sec. 1. RCW 43.200.015 and 1989 c 322 s 1 are each amended to read as follows:

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

(1) "High-level radioactive waste" means "high-level radioactive waste" as the term is defined in 42 U.S.C. Sec. 10101 (P.L. 97-425).

(2) "Low-level radioactive waste" means waste material that contains radioactive nuclides emitting primarily beta or gamma radiation, or both, in concentrations or quantities that exceed applicable federal or state standards for unrestricted release. Low-level waste does not include waste containing more than one hundred nanocuries of transuranic contaminants per gram of material, nor spent nuclear fuel, nor material classified as either high-level radioactive waste or waste that is unsuited for disposal by near-surface burial under any applicable federal regulations.

(3) "Radioactive waste" means both high-level and low-level radioactive waste.

(4) "Spent nuclear fuel" means spent nuclear fuel as the term is defined in 42 U.S.C. Sec. 10101.

(5) "Department" means the department of ecology.

(6) "Commercial low-level radioactive waste disposal facility" has the same meaning as "facility" as defined in RCW 43.145.010.

Sec. 2. RCW 43.200.080 and 2003 1st sp.s. c 21 s 1 are each amended to read as follows:

The director of ecology shall, in addition to the powers and duties otherwise imposed by law, have the following special powers and duties:

(1) To fulfill the responsibilities of the state under the lease between the state of Washington and the federal government executed September 10, 1964, <u>as amended</u>, covering <u>approximately</u> one ((thousand)) <u>hundred fifteen</u> acres of land lying within the Hanford reservation near Richland, Washington. The department of ecology may sublease to private or public entities all or a portion of the land for specific purposes or activities which are determined, after public hearing, to be in agreement with the terms of the lease and in the best interests of the citizens of the state consistent with any criteria that may be developed as a requirement by the legislature;

(2) To assume the responsibilities of the state under the perpetual care agreement between the state of Washington and the federal government executed July 29, 1965, and the sublease between the state of Washington and the site operator of the ((Hanford)) commercial low-level radioactive waste disposal facility. In order to finance perpetual surveillance and maintenance under the agreement and ensure site closure under the sublease, the department of ecology shall impose and collect fees from parties holding radioactive materials for waste management purposes. The fees shall be established by rule adopted under chapter 34.05 RCW and shall be an amount determined by the department of ecology to be necessary to defray the estimated liability of the state. Such fees shall reflect equity between the disposal facilities of this and other states. A site closure account and a perpetual surveillance and maintenance account ((is)) are hereby created in the state treasury. Site use permit fees collected by the department of health under RCW 70.98.085(3) must be deposited in the site closure account and must be used as specified in RCW 70.98.085(3). Funds in the site closure account other than site use permit fee funds shall be exclusively available to reimburse, to the extent that moneys are available in the account, the site operator for its costs plus a reasonable profit as agreed by the operator and the state, or to reimburse the state licensing agency and any agencies under contract to the state licensing agency for their costs in final closure and decommissioning of the ((Hanford)) commercial low-level radioactive waste disposal facility. If a balance remains in the account after satisfactory performance of closure and decommissioning, this balance shall be transferred to the perpetual surveillance and maintenance account. The perpetual surveillance and maintenance account shall be used exclusively by the state to

meet post-closure surveillance and maintenance costs, or for otherwise satisfying surveillance and maintenance obligations. Appropriations are required to permit expenditures and payment of obligations from the site closure account and the perpetual surveillance and maintenance account. ((All moneys, including earnings from the investment of balances in the site closure and the perpetual surveillance and maintenance account, less the allocation to the state treasurer's service fund, pursuant to RCW 43.08.190 accruing under the authority of this section shall be directed to the site closure account until December 31, 1992. Thereafter receipts including earnings from the investment of balances in the site closure and the perpetual surveillance and maintenance account, less the allocation to the state treasurer's service fund, pursuant to RCW 43.08.190)) Receipts shall be directed to the site closure account and the perpetual surveillance and maintenance account as specified by the department. Additional moneys specifically appropriated by the legislature or received from any public or private source may be placed in the site closure account and the perpetual surveillance and maintenance account. During the 2003-2005 fiscal biennium, the legislature may transfer up to thirteen million eight hundred thousand dollars from the site closure account to the general fund;

(3)(a) Subject to the conditions in (b) of this subsection, on July 1, 2008, and each July 1st thereafter, the treasurer shall transfer from the perpetual surveillance and maintenance account to the site closure account the sum of nine hundred sixty-six thousand dollars. The nine hundred sixty-six thousand dollars transferred on July 1, 2009, and thereafter shall be adjusted to a level equal to the percentage increase in the United States implicit price deflator for personal consumption. The last transfer under this section shall occur on July 1, 2033.

(b) The transfer in (a) of this subsection shall occur only if written agreement is reached between the state department of ecology and the United States department of energy pursuant to section 6 of the perpetual care agreement dated July 29, 1965, between the United States atomic energy commission and the state of Washington. If agreement cannot be reached between the state department of ecology and the United States department of energy by June 1, 2008, the treasurer shall transfer the funds from the general fund to the site closure account according to the schedule in (a) of this subsection.

(c) If for any reason the ((Hanford)) commercial low-level radioactive waste disposal facility is closed to further disposal operations during or after the 2003-2005 biennium and before 2033, then the amount remaining to be repaid from the 2003-2005 transfer of thirteen million eight hundred thousand dollars from the site closure account shall be transferred by the treasurer from the general fund to the site closure account to fund the closure and decommissioning of the facility. The treasurer shall transfer to the site closure account in full the amount remaining to be repaid upon written notice from the secretary of health that the department of health has authorized closure or that disposal operations have ceased. The treasurer shall complete the transfer within sixty days of written notice from the secretary of health.

(d) To the extent that money in the site closure account together with the amount of money identified for repayment to the site closure account, pursuant to (a) through (c) of this subsection, equals or exceeds the cost estimate approved by the department of health for closure and decommissioning of the

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facility, the money in the site closure account together with the amount of money identified for repayment to the site closure account shall constitute adequate financial assurance for purposes of the department of health financial assurance requirements;

(4) To assure maintenance of such insurance coverage by state licensees, lessees, or sublessees as will adequately, in the opinion of the director, protect the citizens of the state against nuclear accidents or incidents that may occur on privately or state-controlled nuclear facilities;

(5) ((To institute a user permit system and issue site use permits, consistent with regulatory practices, for generators, packagers, or brokers using the Hanford low level radioactive waste disposal facility. The costs of administering the user permit system shall be borne by the applicants for site use permits. The site use permit fee shall be set at a level that is sufficient to fund completely the executive and legislative participation in activities related to the Northwest Interstate Compact on Low-Level Radioactive Waste Management;

(6))) To make application for or otherwise pursue any federal funds to which the state may be eligible, through the federal resource conservation and recovery act or any other federal programs, for the management, treatment or disposal, and any remedial actions, of wastes that are both radioactive and hazardous at all ((Hanford)) commercial low-level radioactive waste disposal facilities; and

(((7))) (6) To develop contingency plans for duties and options for the department and other state agencies related to the ((Hanford)) commercial low-level radioactive waste disposal facility based on various projections of annual levels of waste disposal. These plans shall include an analysis of expected revenue to the state in various taxes and funds related to low-level radioactive waste disposal and the resulting implications that any increase or decrease in revenue may have on state agency duties or responsibilities. The plans shall be updated annually.

Sec. 3. RCW 43.200.170 and 1990 c 21 s 3 are each amended to read as follows:

The governor may assess surcharges and penalty surcharges on the disposal of waste at the ((Hanford)) commercial low-level radioactive waste disposal facility. The surcharges may be imposed up to the maximum extent permitted by federal law. Ten dollars per cubic foot of the moneys received under this section shall be transmitted monthly to the site closure account established under RCW 43.200.080. The rest of the moneys received under this section shall be deposited in the general fund.

Sec. 4. RCW 43.200.180 and 1998 c 245 s 81 are each amended to read as follows:

Except as provided in chapter 70.98 RCW related to administration of a user permit system, the department of ecology shall be the state agency responsible for implementation of the federal low-level radioactive waste policy amendments act of 1985, including:

(1) Collecting and administering the surcharge assessed by the governor under RCW 43.200.170;

(2) Collecting low-level radioactive waste data from disposal facility operators, generators, intermediate handlers, and the federal department of energy;

(3) Developing and operating a computerized information system to manage low-level radioactive waste data;

(4) Denying and reinstating access to the ((Hanford)) commercial low-level radioactive waste disposal facility pursuant to the authority granted under federal law;

(5) Administering and/or monitoring (a) the maximum waste volume levels for the ((Hanford)) commercial low-level radioactive waste disposal facility, (b) reactor waste allocations, (c) priority allocations under the Northwest Interstate Compact on Low-Level Radioactive Waste Management, and (d) adherence by other states and compact regions to federal statutory deadlines; and

(6) Coordinating the state's low-level radioactive waste disposal program with similar programs in other states.

Sec. 5. RCW 43.200.190 and 1998 c 245 s 82 are each amended to read as follows:

The department of ecology shall perform studies, by contract or otherwise, to define site closure and perpetual care and maintenance requirements for the ((Hanford)) commercial low-level radioactive waste disposal facility and to assess the adequacy of insurance coverage for general liability, radiological liability, and transportation liability for the facility.

Sec. 6. RCW 43.200.200 and 1998 c 245 s 83 are each amended to read as follows:

(1) The director of the department of ecology ((shall)) may periodically review the potential for bodily injury and property damage arising from the transportation and disposal of commercial low-level radioactive waste under permits issued by the state.

(2) ((The director may require permit holders to demonstrate financial assurance in an amount that is adequate to protect the state and its citizens from all claims, suits, losses, damages, or expenses on account of injuries to persons and property damage arising or growing out of the transportation or disposal of commercial low-level radioactive waste. The financial assurance may be in the form of insurance, cash deposits, surety bonds, corporate guarantees, and other acceptable instruments or guarantees determined by the director to be acceptable evidence of financial assurance.

(3))) In making the determination of the appropriate level of financial assurance, the director shall consider:

(a) The nature and purpose of the activity and its potential for injury and damages to or claims against the state and its citizens;

(b) The current and cumulative manifested volume and radioactivity of waste being packaged, transported, buried, or otherwise handled;

(c) The location where the waste is being packaged, transported, buried, or otherwise handled, including the proximity to the general public and geographic features such as geology and hydrology, if relevant; and

(d) The legal defense cost, if any, that will be paid from the required financial assurance amount.

(((4) The director may establish different levels of required financial assurance for various classes of permit holders.

(5) The director shall establish by rule the instruments or mechanisms by which a permit applicant or holder may demonstrate financial assurance as required by RCW 43.200.210.))

Sec. 7. RCW 43.200.230 and 1991 c 272 s 16 are each amended to read as follows:

The director of the department of ecology shall require that generators of waste pay a fee for each cubic foot of waste disposed at any facility in the state equal to six dollars and fifty cents. The fee shall be imposed specifically on the generator of the waste and shall not be considered to apply in any way to the low-level site operator's disposal activities. The fee shall be allocated in accordance with RCW 43.200.233 and 43.200.235. ((This subsection shall be invalidated and the authorization to collect a surcharge removed if the legislature or any administrative agency of the state of Washington prior to January 1, 1993, (1) imposes fees, assessments, or charges other than perpetual care and maintenance, site surveillance, and site closing fees currently applicable to the Hanford commercial low-level waste site operator's activities, (2) imposes any additional fees, assessments, or charges on generators using the Hanford commercial low-level waste site, or (3) increases any existing fees, assessments, or charges.)) Failure to comply with this section may result in denial or suspension of the generator's site use permit pursuant to RCW 70.98.085.

Sec. 8. RCW 70.98.030 and 1991 c 3 s 355 are each amended to read as follows:

(1) "By-product material" means any radioactive material (except special nuclear material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material.

(2) "Ionizing radiation" means gamma rays and x-rays, alpha and beta particles, high-speed electrons, neutrons, protons, and other atomic or subatomic particles; but not sound or radio waves, or visible, infrared, or ultraviolet light.

(3)(a) "General license" means a license effective pursuant to rules promulgated by the state radiation control agency, without the filing of an application, to transfer, acquire, own, possess, or use quantities of, or devices or equipment utilizing, by-product, source, special nuclear materials, or other radioactive material occurring naturally or produced artificially.

(b) "Specific license" means a license, issued after application to use, manufacture, produce, transfer, receive, acquire, own, or possess quantities of, or devices or equipment utilizing by-product, source, special nuclear materials, or other radioactive materials occurring naturally or produced artificially.

(4) "Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, agency, political subdivision of this state, any other state or political subdivision or agency thereof, and any legal successor, representative, agent, or agency of the foregoing, other than the United States Atomic Energy Commission, or any successor thereto, and other than federal government agencies licensed by the United States Atomic Energy Commission, or any successor thereto.

(5) "Source material" means (a) uranium, thorium, or any other material which is determined by the United States Nuclear Regulatory Commission or its

successor pursuant to the provisions of section 61 of the United States Atomic Energy Act of 1954, as amended (42 U.S.C. Sec. 209) to be source material; or (b) ores containing one or more of the foregoing materials, in such concentration as the commission may by regulation determine from time to time.

(6) "Special nuclear material" means (a) plutonium, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the United States Nuclear Regulatory Commission or its successor, pursuant to the provisions of section 51 of the United States Atomic Energy Act of 1954, as amended (42 U.S.C. Sec. 2071), determines to be special nuclear material, but does not include source material; or (b) any material artificially enriched by any of the foregoing, but does not include source material.

(7) "Registration" means registration with the state department of health by any person possessing a source of ionizing radiation in accordance with rules adopted by the department of health.

(8) "Radiation source" means any type of device or substance which is capable of producing or emitting ionizing radiation.

(9) "Site use permit" means a permit, issued after application, to use the commercial low-level radioactive waste disposal facility.

Sec. 9. RCW 70.98.085 and 1990 c 21 s 7 are each amended to read as follows:

(1) The agency is empowered to administer a user permit system and issue site use permits for generators, packagers, or brokers to use the commercial lowlevel radioactive waste disposal facility. The agency may issue a site use permit consistent with the requirements of this chapter and the rules adopted under it and the requirements of the Northwest Interstate Compact on Low-Level Radioactive Waste Management under chapter 43.145 RCW. The agency may deny an application for a site use permit or modify, suspend ((and reinstate)), or revoke a site use permit((s consistent with current regulatory practices and in coordination with the department of ecology, for generators, packagers, or brokers using the Hanford low level radioactive waste disposal facility)) in any case in which it finds that the permit was obtained by fraud or there is or has been a failure, refusal, or inability to comply with the requirements of this chapter or rules adopted under this chapter or the requirements of the Northwest Interstate Compact on Low-Level Radioactive Waste Management under chapter 43.145 RCW. The agency may also deny or suspend a site use permit for failure to comply with RCW 43.200.230.

(2) <u>Any permit issued by the department of ecology for a site use permit</u> <u>pursuant to chapter 43.200 RCW is valid until the first expiration date that</u> <u>occurs after July 1, 2012.</u>

(3) The agency shall collect a fee from the applicants for site use permits that is sufficient to fund the costs to the agency to administer the user permit system. The site use permit fee must be set at a level that is also sufficient to fund state participation in activities related to the Northwest Interstate Compact on Low-Level Radioactive Waste Management under chapter 43.145 RCW. The site use permit fees must be deposited in the site closure account established in RCW 43.200.080(2). Appropriations to the department of health or the department of ecology are required to permit expenditures using site use permit fee funds from the site closure account.

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(4) The agency shall collect a surveillance fee as an added charge on each cubic foot of low-level radioactive waste disposed of at the commercial lowlevel radioactive waste disposal site in this state which shall be set at a level that is sufficient to fund completely the radiation control activities of the agency directly related to the disposal site, including but not limited to the management, licensing, monitoring, and regulation of the site. ((The surveillance fee shall not exceed five percent in 1990, six percent in 1991, and seven percent in 1992 of the basic minimum fee charged by an operator of a low-level radioactive waste disposal site in this state. The basic minimum fee consists of the disposal fee for the site operator, the fee for the perpetual care and maintenance fund administered by the state, the fee for the state closure fund, and the tax collected pursuant to chapter 82.04 RCW. Site use permit fees and surcharges collected under chapter 43.200 RCW are not part of the basic minimum fee.)) The fee shall also provide funds to the Washington state patrol for costs incurred from inspection of low-level radioactive waste shipments entering this state. Disbursements for this purpose shall be by authorization of the secretary of the department of health or the secretary's designee.

(5) The agency shall require that any person who holds or applies for a permit under this chapter indemnify and hold harmless the state from claims, suits, damages, or expenses on account of injuries to or death of persons and property damage, arising or growing out of any operations and activities for which the person holds the permit, and any necessary or incidental operations.

(6) The agency may adopt such rules as are necessary to carry out its responsibilities under this section.

Sec. 10. RCW 70.98.095 and 1992 c 61 s 3 are each amended to read as follows:

(1) The radiation control agency may require any person who applies for, or holds, a license under this chapter to demonstrate that the person has financial assurance sufficient to assure that liability incurred as a result of licensed operations and activities can be fully satisfied. Financial assurance may be in the form of insurance, cash deposits, surety bonds, corporate guarantees, letters of credit, or other financial instruments or guarantees determined by the agency to be acceptable financial assurance. The agency may require financial assurance in an amount determined by the secretary pursuant to RCW 70.98.098.

(2) The radiation control agency may require site use permit holders to demonstrate financial assurance in an amount that is adequate to protect the state and its citizens from all claims, suits, losses, damages, or expenses on account of injuries to persons and property damage arising or growing out of the transportation or disposal of commercial low-level radioactive waste. The financial assurance may be in the form of insurance, cash deposits, surety bonds, corporate guarantees, and other acceptable instruments or guarantees determined by the secretary to be acceptable evidence of financial assurance. The agency may require financial assurance in an amount determined by the secretary pursuant to RCW 70.98.098.

(3) The radiation control agency shall refuse to issue a license or permit or suspend the license or permit of any person required by this section to demonstrate financial assurance who fails to demonstrate compliance with this section. The license or permit shall not be issued or reinstated until the person demonstrates compliance with this section.

(((3))) (4) The radiation control agency shall require (a) that any person required to demonstrate financial assurance, maintain with the agency current copies of any insurance policies, certificates of insurance, letters of credit, surety bonds, or any other documents used to comply with this section, (b) that the agency be notified of any changes in the financial assurance or financial condition of the person, and (c) that the state be named as an insured party on any insurance policy used to comply with this section.

Sec. 11. RCW 70.98.098 and 2003 1st sp.s. c 21 s 2 are each amended to read as follows:

(1) In making the determination of the appropriate level of financial assurance, the secretary shall consider: (a) ((The)) <u>Any</u> report prepared by the department of ecology pursuant to RCW 43.200.200; (b) the potential cost of decontamination, treatment, disposal, decommissioning, and cleanup of facilities or equipment; (c) federal cleanup and decommissioning requirements; and (d) the legal defense cost, if any, that might be paid from the required financial assurance.

(2) The secretary may establish different levels of required financial assurance for various classes of permit or license holders.

(3) The secretary shall establish by rule the instruments or mechanisms by which a person may demonstrate financial assurance as required by RCW 70.98.095.

(4) To the extent that money in the site closure account together with the amount of money identified for repayment to the site closure account pursuant to RCW 43.200.080 equals or exceeds the cost estimate approved by the department of health for closure and decommissioning of the ((Hanford)) commercial low-level radioactive waste disposal facility, the money in the site closure account together with the amount of money identified for repayment to the site closure account shall constitute adequate financial assurance for purposes of the department of health financial assurance requirements under RCW 70.98.095.

Sec. 12. RCW 70.98.130 and 1989 c 175 s 133 are each amended to read as follows:

(1) In any proceeding under this chapter for the issuance or modification or repeal of rules relating to control of sources of ionizing radiation, the agency shall comply with the requirements of chapter 34.05 RCW, the <u>a</u>dministrative <u>procedure act</u>.

(2) Notwithstanding any other provision of this chapter, whenever the agency finds that an emergency exists requiring immediate action to protect the public health, safety, or general welfare, the agency may, in accordance with RCW 34.05.350 without notice or hearing, adopt a rule reciting the existence of such emergency and require that such action be taken as is necessary to meet the emergency. As specified in RCW 34.05.350, such rules are effective immediately.

(3) In any case in which the department denies, modifies, suspends, or revokes a license or permit, RCW 43.70.115 governs notice of the action and provides the right to an adjudicative proceeding to the applicant or licensee or permittee. Such an adjudicative proceeding is governed by chapter 34.05 RCW.

<u>NEW SECTION.</u> Sec. 13. A new section is added to chapter 70.98 RCW to read as follows:

The agency shall adopt rules for administering a site use permit program under RCW 70.98.085.

<u>NEW SECTION.</u> Sec. 14. A new section is added to chapter 43.200 RCW to read as follows:

(1) The site use permit program is transferred from the department of ecology to the department of health.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of ecology site use permit program shall be delivered to the custody of the department of health. All funds, credits, or other assets held by the department of ecology site use permit program shall be assigned to the department of health.

(b) Any appropriations made to the department of ecology for the site use permit program shall be transferred and credited to the department of health.

(3) All rules of the department of ecology site use permit program shall be continued and acted upon by the department of health until new rules are adopted under RCW 70.98.085. All permit applications and pending business before the department of ecology site use permit program shall be continued and acted upon by the department of health. All existing contracts and obligations shall remain in full force and shall be performed by the department of health.

(4) The transfer of the powers, duties, functions, and personnel of the department of ecology site use permit program to the department of health under this act shall not affect the validity of any activity performed before the effective date of this section.

<u>NEW SECTION.</u> Sec. 15. This act takes effect July 1, 2012.

<u>NEW SECTION.</u> Sec. 16. RCW 43.200.210 (Immunity of state— Demonstration of financial assurance—Suspension of permit) and 1992 c 61 s 2, 1990 c 82 s 2, & 1986 c 191 s 2 are each repealed.

Passed by the House February 13, 2012. Passed by the Senate February 24, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 20

[Senate Bill 5259]

WINERIES—REPORTING AND TAX PAYMENTS

AN ACT Relating to the tax payment and reporting requirements of small wineries; and amending RCW 66.24.230 and 66.24.210.

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

Sec. 1. RCW 66.24.230 and 2004 c 160 s 5 are each amended to read as follows:

Every domestic winery, wine certificate of approval holder, wine importer, and wine distributor licensed under this title shall make ((monthly)) reports to the board of its operations, pursuant to ((the)) such regulations as the board may adopt. However, such reports, including without limitation tax returns pursuant

to RCW 66.24.210, may not be required more frequently than annually from any winery or wine certificate of approval holder that had total taxable sales of wine in Washington state of six thousand gallons or less during the calendar year preceding the date on which the report would otherwise be due. Such domestic winery, wine certificate of approval holder, wine importer, and wine distributor shall make no sales of wine within the state of Washington except to the board, or as otherwise provided in this title.

Sec. 2. RCW 66.24.210 and 2009 c 479 s 42 are each amended to read as follows:

(1) There is hereby imposed upon all wines except cider sold to wine distributors and the Washington state liquor control board, within the state a tax at the rate of twenty and one-fourth cents per liter. Any domestic winery or certificate of approval holder acting as a distributor of its own production shall pay taxes imposed by this section. There is hereby imposed on all cider sold to wine distributors and the Washington state liquor control board within the state a tax at the rate of three and fifty-nine one-hundredths cents per liter. However, wine sold or shipped in bulk from one winery to another winery shall not be subject to such tax.

(a) The tax provided for in this section shall be collected by direct payments based on wine purchased by wine distributors.

(b) Except as provided in subsection (7) of this section, every person purchasing wine under the provisions of this section shall on or before the twentieth day of each month report to the board all purchases during the preceding calendar month in such manner and upon such forms as may be prescribed by the board, and with such report shall pay the tax due from the purchases covered by such report unless the same has previously been paid. Any such purchaser of wine whose applicable tax payment is not postmarked by the twentieth day following the month of purchase will be assessed a penalty at the rate of two percent a month or fraction thereof. The board may require that every such person shall execute to and file with the board a bond to be approved by the board, in such amount as the board may fix, securing the payment of the tax. If any such person fails to pay the tax when due, the board may forthwith suspend or cancel the license until all taxes are paid.

(c) Any licensed retailer authorized to purchase wine from a certificate of approval holder with a direct shipment endorsement or a domestic winery shall make monthly reports to the liquor control board on wine purchased during the preceding calendar month in the manner and upon such forms as may be prescribed by the board.

(2) An additional tax is imposed equal to the rate specified in RCW 82.02.030 multiplied by the tax payable under subsection (1) of this section. All revenues collected during any month from this additional tax shall be transferred to the state general fund by the twenty-fifth day of the following month.

(3) An additional tax is imposed on wines subject to tax under subsection (1) of this section, at the rate of one-fourth of one cent per liter for wine sold after June 30, 1987. After June 30, 1996, such additional tax does not apply to cider. An additional tax of five one-hundredths of one cent per liter is imposed on cider sold after June 30, 1996. All revenues collected under this subsection (3) shall be disbursed quarterly to the Washington wine commission for use in carrying out the purposes of chapter 15.88 RCW.

(4) An additional tax is imposed on all wine subject to tax under subsection (1) of this section. The additional tax is equal to twenty-three and forty-four one-hundredths cents per liter on fortified wine as defined in RCW 66.04.010 when bottled or packaged by the manufacturer, one cent per liter on all other wine except cider, and eighteen one-hundredths of one cent per liter on cider. All revenues collected during any month from this additional tax shall be deposited in the state general fund by the twenty-fifth day of the following month.

(5)(a) An additional tax is imposed on all cider subject to tax under subsection (1) of this section. The additional tax is equal to two and four one-hundredths cents per liter of cider sold after June 30, 1996, and before July 1, 1997, and is equal to four and seven one-hundredths cents per liter of cider sold after June 30, 1997.

(b) All revenues collected from the additional tax imposed under this subsection (5) shall be deposited in the state general fund.

(6) For the purposes of this section, "cider" means table wine that contains not less than one-half of one percent of alcohol by volume and not more than seven percent of alcohol by volume and is made from the normal alcoholic fermentation of the juice of sound, ripe apples or pears. "Cider" includes, but is not limited to, flavored, sparkling, or carbonated cider and cider made from condensed apple or pear must.

(7) For the purposes of this section, out-of-state wineries shall pay taxes under this section on wine sold and shipped directly to Washington state residents in a manner consistent with the requirements of a wine distributor under subsections (1) through (4) of this section, except wineries shall be responsible for the tax and not the resident purchaser.

(8) Notwithstanding any other provision of this section, any domestic winery or wine certificate of approval holder acting as a distributor of its own production that had total taxable sales of wine in Washington state of six thousand gallons or less during the calendar year preceding the date on which the tax would otherwise be due is not required to pay taxes under this section more often than annually.

Passed by the Senate January 27, 2012. Passed by the House February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 21

[Engrossed Second Substitute Senate Bill 5292] GROWTH MANAGEMENT ACT—CRITICAL AREAS

AN ACT Relating to exempting certain structures that are constructed and maintained by irrigation districts and port districts from the definition of critical areas; and reenacting and amending RCW 36.70A.030.

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

Sec. 1. RCW 36.70A.030 and 2009 c 565 s 22 are each reenacted and amended to read as follows:

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

(1) "Adopt a comprehensive land use plan" means to enact a new comprehensive land use plan or to update an existing comprehensive land use plan.

(2) "Agricultural land" means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees not subject to the excise tax imposed by RCW 84.33.100 through 84.33.140, finfish in upland hatcheries, or livestock, and that has long-term commercial significance for agricultural production.

(3) "City" means any city or town, including a code city.

(4) "Comprehensive land use plan," "comprehensive plan," or "plan" means a generalized coordinated land use policy statement of the governing body of a county or city that is adopted pursuant to this chapter.

(5) "Critical areas" include the following areas and ecosystems: (a) Wetlands; (b) areas with a critical recharging effect on aquifers used for potable water; (c) fish and wildlife habitat conservation areas; (d) frequently flooded areas; and (e) geologically hazardous areas. "Fish and wildlife habitat conservation areas" does not include such artificial features or constructs as irrigation delivery systems, irrigation infrastructure, irrigation canals, or drainage ditches that lie within the boundaries of and are maintained by a port district or an irrigation district or company.

(6) "Department" means the department of commerce.

(7) "Development regulations" or "regulation" means the controls placed on development or land use activities by a county or city, including, but not limited to, zoning ordinances, critical areas ordinances, shoreline master programs, official controls, planned unit development ordinances, subdivision ordinances, and binding site plan ordinances together with any amendments thereto. A development regulation does not include a decision to approve a project permit application, as defined in RCW 36.70B.020, even though the decision may be expressed in a resolution or ordinance of the legislative body of the county or city.

(8) "Forest land" means land primarily devoted to growing trees for longterm commercial timber production on land that can be economically and practically managed for such production, including Christmas trees subject to the excise tax imposed under RCW 84.33.100 through 84.33.140, and that has long-term commercial significance. In determining whether forest land is primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, the following factors shall be considered: (a) The proximity of the land to urban, suburban, and rural settlements; (b) surrounding parcel size and the compatibility and intensity of adjacent and nearby land uses; (c) long-term local economic conditions that affect the ability to manage for timber production; and (d) the availability of public facilities and services conducive to conversion of forest land to other uses.

(9) "Geologically hazardous areas" means areas that because of their susceptibility to erosion, sliding, earthquake, or other geological events, are not suited to the siting of commercial, residential, or industrial development consistent with public health or safety concerns.

(10) "Long-term commercial significance" includes the growing capacity, productivity, and soil composition of the land for long-term commercial production, in consideration with the land's proximity to population areas, and the possibility of more intense uses of the land.

(11) "Minerals" include gravel, sand, and valuable metallic substances.

(12) "Public facilities" include streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, domestic water systems, storm and sanitary sewer systems, parks and recreational facilities, and schools.

(13) "Public services" include fire protection and suppression, law enforcement, public health, education, recreation, environmental protection, and other governmental services.

(14) "Recreational land" means land so designated under RCW 36.70A.1701 and that, immediately prior to this designation, was designated as agricultural land of long-term commercial significance under RCW 36.70A.170. Recreational land must have playing fields and supporting facilities existing before July 1, 2004, for sports played on grass playing fields.

(15) "Rural character" refers to the patterns of land use and development established by a county in the rural element of its comprehensive plan:

(a) In which open space, the natural landscape, and vegetation predominate over the built environment;

(b) That foster traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;

(c) That provide visual landscapes that are traditionally found in rural areas and communities;

(d) That are compatible with the use of the land by wildlife and for fish and wildlife habitat;

(e) That reduce the inappropriate conversion of undeveloped land into sprawling, low-density development;

(f) That generally do not require the extension of urban governmental services; and

(g) That are consistent with the protection of natural surface water flows and groundwater and surface water recharge and discharge areas.

(16) "Rural development" refers to development outside the urban growth area and outside agricultural, forest, and mineral resource lands designated pursuant to RCW 36.70A.170. Rural development can consist of a variety of uses and residential densities, including clustered residential development, at levels that are consistent with the preservation of rural character and the requirements of the rural element. Rural development does not refer to agriculture or forestry activities that may be conducted in rural areas.

(17) "Rural governmental services" or "rural services" include those public services and public facilities historically and typically delivered at an intensity usually found in rural areas, and may include domestic water systems, fire and police protection services, transportation and public transit services, and other public utilities associated with rural development and normally not associated with urban areas. Rural services do not include storm or sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).

(18) "Urban governmental services" or "urban services" include those public services and public facilities at an intensity historically and typically provided in cities, specifically including storm and sanitary sewer systems,

domestic water systems, street cleaning services, fire and police protection services, public transit services, and other public utilities associated with urban areas and normally not associated with rural areas.

(19) "Urban growth" refers to growth that makes intensive use of land for the location of buildings, structures, and impermeable surfaces to such a degree as to be incompatible with the primary use of land for the production of food, other agricultural products, or fiber, or the extraction of mineral resources, rural uses, rural development, and natural resource lands designated pursuant to RCW 36.70A.170. A pattern of more intensive rural development, as provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed to spread over wide areas, urban growth typically requires urban governmental services. "Characterized by urban growth" refers to land having urban growth located on it, or to land located in relationship to an area with urban growth on it as to be appropriate for urban growth.

(20) "Urban growth areas" means those areas designated by a county pursuant to RCW 36.70A.110.

(21) "Wetland" or "wetlands" means areas that are inundated or saturated by surface water or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Wetlands do not include those artificial wetlands intentionally created from nonwetland sites, including, but not limited to, irrigation and drainage ditches, grass-lined swales, canals, detention facilities, wastewater treatment facilities, farm ponds, and landscape amenities, or those wetlands created after July 1, 1990, that were unintentionally created as a result of the construction of a road, street, or highway. Wetlands may include those artificial wetlands intentionally created from nonwetland areas created to mitigate conversion of wetlands.

Passed by the Senate February 8, 2012. Passed by the House February 28, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 22

[Engrossed Substitute Senate Bill 5575]

RENEWABLE ENERGY—ECONOMICALLY DISTRESSED COMMUNITIES

AN ACT Relating to promoting and sustaining investment and employment in economically distressed communities dependent on agricultural or natural resource industries by recognizing certain biomass energy facilities constructed before March 31, 1999, as an eligible renewable resource; amending RCW 19.285.030 and 19.285.040; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. (1) The legislature finds that: (a) Pulping liquors can be used to reduce harmful pollution and produce electricity and thermal energy that enables pulp and paper facilities to be highly energy efficient; (b) biomass facilities and pulp and paper mills are typically located in communities that are disproportionately affected by economic downturns; (c) mill closures have occurred throughout the state for more than a decade and the remaining ones have become all the more dependent on selling wood residuals, which are used for electricity generation, in order to sustain their economic viability; (d) employment at pulp and paper mills in the state has also declined significantly, most recently in Grays Harbor and Snohomish counties; (e) wood derived biomass is a renewable fuel for generating electricity and considered carbonneutral under the laws of the state of Washington; and (f) using food processing residues, food waste, and yard waste to generate renewable electricity can benefit rural economies, decrease the amount of solid waste that requires disposal, and reduce greenhouse gas emissions that result from organic decay.

(2) The legislature declares that, by promoting the generation of renewable energy from biomass, particularly in economically distressed communities, it intends to ensure greater economic stability for the communities that have suffered heavy job losses and chronic unemployment.

(3) The legislature further declares that: (a) The owners of qualified biomass energy facilities that must comply with the renewable energy standards under the energy independence act of 2006, either as a matter of law or contractual obligation, should be permitted to use qualified biomass energy credits to meet their obligations; and (b) electricity that is generated by a biomass energy facility that entered commercial operation after March 31, 1999, from the combustion of organic by-products of pulping and the wood manufacturing process should be treated as an eligible renewable resource.

Sec. 2. RCW 19.285.030 and 2009 c 565 s 20 are each amended to read as follows:

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

(1) "Attorney general" means the Washington state office of the attorney general.

(2) "Auditor" means: (a) The Washington state auditor's office or its designee for qualifying utilities under its jurisdiction that are not investor-owned utilities; or (b) an independent auditor selected by a qualifying utility that is not under the jurisdiction of the state auditor and is not an investor-owned utility.

(3) "Commission" means the Washington state utilities and transportation commission.

(4) "Conservation" means any reduction in electric power consumption resulting from increases in the efficiency of energy use, production, or distribution.

(5) "Cost-effective" has the same meaning as defined in RCW 80.52.030.

(6) "Council" means the Washington state apprenticeship and training council within the department of labor and industries.

(7) "Customer" means a person or entity that purchases electricity for ultimate consumption and not for resale.

(8) "Department" means the department of commerce or its successor.

(9) "Distributed generation" means an eligible renewable resource where the generation facility or any integrated cluster of such facilities has a generating capacity of not more than five megawatts.

(10) "Eligible renewable resource" means:

(a) Electricity from a generation facility powered by a renewable resource other than freshwater that commences operation after March 31, 1999, where: (i) The facility is located in the Pacific Northwest; or (ii) the electricity from the facility is delivered into Washington state on a real-time basis without shaping, storage, or integration services; ((or))

(b) Incremental electricity produced as a result of efficiency improvements completed after March 31, 1999, to hydroelectric generation projects owned by a qualifying utility and located in the Pacific Northwest or to hydroelectric generation in irrigation pipes and canals located in the Pacific Northwest, where the additional generation in either case does not result in new water diversions or impoundments: and

(c) Qualified biomass energy.

(11) "Investor-owned utility" has the same meaning as defined in RCW 19.29A.010.

(12) "Load" means the amount of kilowatt-hours of electricity delivered in the most recently completed year by a qualifying utility to its Washington retail customers.

(13) "Nonpower attributes" means all environmentally related characteristics, exclusive of energy, capacity reliability, and other electrical power service attributes, that are associated with the generation of electricity from a renewable resource, including but not limited to the facility's fuel type, geographic location, vintage, qualification as an eligible renewable resource, and avoided emissions of pollutants to the air, soil, or water, and avoided emissions of carbon dioxide and other greenhouse gases.

(14) "Pacific Northwest" has the same meaning as defined for the Bonneville power administration in section 3 of the Pacific Northwest electric power planning and conservation act (94 Stat. 2698; 16 U.S.C. Sec. 839a).

(15) "Public facility" has the same meaning as defined in RCW 39.35C.010.

(16) "Qualifying utility" means an electric utility, as the term "electric utility" is defined in RCW 19.29A.010, that serves more than twenty-five thousand customers in the state of Washington. The number of customers served may be based on data reported by a utility in form 861, "annual electric utility report," filed with the energy information administration, United States department of energy.

(17) "Renewable energy credit" means a tradable certificate of proof of at least one megawatt-hour of an eligible renewable resource where the generation facility is not powered by freshwater((5)). The certificate includes all of the nonpower attributes associated with that one megawatt-hour of electricity, and the certificate is verified by a renewable energy credit tracking system selected by the department.

(18) "Renewable resource" means: (a) Water; (b) wind; (c) solar energy; (d) geothermal energy; (e) landfill gas; (f) wave, ocean, or tidal power; (g) gas from sewage treatment facilities; (h) biodiesel fuel as defined in RCW 82.29A.135 that is not derived from crops raised on land cleared from old growth or first-growth forests where the clearing occurred after December 7, 2006; ((and)) or (i) biomass energy ((based on animal waste or solid organic fuels from wood, forest, or field residues, or dedicated energy crops that do not include (i) wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic; (ii) black liquor by-product from paper production; (iii) wood from old growth forests; or (iv) municipal solid waste)).

(19)(a) "Biomass energy" includes: (i) Organic by-products of pulping and the wood manufacturing process; (ii) animal manure; (iii) solid organic fuels from wood; (iv) forest or field residues; (v) untreated wooden demolition or construction debris; (vi) food waste and food processing residuals; (vii) liquors derived from algae; (viii) dedicated energy crops; and (ix) yard waste.

(b) "Biomass energy" does not include: (i) Wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic; (ii) wood from old growth forests; or (iii) municipal solid waste.

(20) "Qualified biomass energy" means electricity produced from a biomass energy facility that: (a) Commenced operation before March 31, 1999; (b) contributes to the qualifying utility's load; and (c) is owned either by: (i) A qualifying utility; or (ii) an industrial facility that is directly interconnected with electricity facilities that are owned by a qualifying utility and capable of carrying electricity at transmission voltage.

(21) "Rule" means rules adopted by an agency or other entity of Washington state government to carry out the intent and purposes of this chapter.

 $((\frac{20}{2})))$ (22) "Year" means the twelve-month period commencing January 1st and ending December 31st.

Sec. 3. RCW 19.285.040 and 2007 c 1 s 4 are each amended to read as follows:

(1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable, and feasible.

(a) By January 1, 2010, using methodologies consistent with those used by the Pacific Northwest electric power and conservation planning council in its most recently published regional power plan, each qualifying utility shall identify its achievable cost-effective conservation potential through 2019. At least every two years thereafter, the qualifying utility shall review and update this assessment for the subsequent ten-year period.

(b) Beginning January 2010, each qualifying utility shall establish and make publicly available a biennial acquisition target for cost-effective conservation consistent with its identification of achievable opportunities in (a) of this subsection, and meet that target during the subsequent two-year period. At a minimum, each biennial target must be no lower than the qualifying utility's pro rata share for that two-year period of its cost-effective conservation potential for the subsequent ten-year period.

(c) In meeting its conservation targets, a qualifying utility may count highefficiency cogeneration owned and used by a retail electric customer to meet its own needs. High-efficiency cogeneration is the sequential production of electricity and useful thermal energy from a common fuel source, where, under normal operating conditions, the facility has a useful thermal energy output of no less than thirty-three percent of the total energy output. The reduction in load due to high-efficiency cogeneration shall be: (i) Calculated as the ratio of the fuel chargeable to power heat rate of the cogeneration facility compared to the heat rate on a new and clean basis of a best-commercially available technology combined-cycle natural gas-fired combustion turbine; and (ii) counted towards meeting the biennial conservation target in the same manner as other conservation savings. (d) The commission may determine if a conservation program implemented by an investor-owned utility is cost-effective based on the commission's policies and practice.

(e) The commission may rely on its standard practice for review and approval of investor-owned utility conservation targets.

(2)(a) Except as provided in (j) of this subsection, each qualifying utility shall use eligible renewable resources or acquire equivalent renewable energy credits, or (($\frac{1}{2}$)) any combination of ((both)) them, to meet the following annual targets:

(i) At least three percent of its load by January 1, 2012, and each year thereafter through December 31, 2015;

(ii) At least nine percent of its load by January 1, 2016, and each year thereafter through December 31, 2019; and

(iii) At least fifteen percent of its load by January 1, 2020, and each year thereafter.

(b) A qualifying utility may count distributed generation at double the facility's electrical output if the utility: (i) Owns or has contracted for the distributed generation and the associated renewable energy credits; or (ii) has contracted to purchase the associated renewable energy credits.

(c) In meeting the annual targets in (a) of this subsection, a qualifying utility shall calculate its annual load based on the average of the utility's load for the previous two years.

(d) A qualifying utility shall be considered in compliance with an annual target in (a) of this subsection if: (i) The utility's weather-adjusted load for the previous three years on average did not increase over that time period; (ii) after December 7, 2006, the utility did not commence or renew ownership or incremental purchases of electricity from resources other than renewable resources other than on a daily spot price basis and the electricity is not offset by equivalent renewable energy credits; and (iii) the utility invested at least one percent of its total annual retail revenue requirement that year on eligible renewable resources, renewable energy credits, or a combination of both.

(e) The requirements of this section may be met for any given year with renewable energy credits produced during that year, the preceding year, or the subsequent year. Each renewable energy credit may be used only once to meet the requirements of this section.

(f) In complying with the targets established in (a) of this subsection, a qualifying utility may not count:

(i) Eligible renewable resources or distributed generation where the associated renewable energy credits are owned by a separate entity; or

(ii) Eligible renewable resources or renewable energy credits obtained for and used in an optional pricing program such as the program established in RCW 19.29A.090.

(g) Where fossil and combustible renewable resources are cofired in one generating unit located in the Pacific Northwest where the cofiring commenced after March 31, 1999, the unit shall be considered to produce eligible renewable resources in direct proportion to the percentage of the total heat value represented by the heat value of the renewable resources.

(h)(i) A qualifying utility that acquires an eligible renewable resource or renewable energy credit may count that acquisition at one and two-tenths times its base value:

(A) Where the eligible renewable resource comes from a facility that commenced operation after December 31, 2005; and

(B) Where the developer of the facility used apprenticeship programs approved by the council during facility construction.

(ii) The council shall establish minimum levels of labor hours to be met through apprenticeship programs to qualify for this extra credit.

(i) A qualifying utility shall be considered in compliance with an annual target in (a) of this subsection if events beyond the reasonable control of the utility that could not have been reasonably anticipated or ameliorated prevented it from meeting the renewable energy target. Such events include weather-related damage, mechanical failure, strikes, lockouts, and actions of a governmental authority that adversely affect the generation, transmission, or distribution of an eligible renewable resource under contract to a qualifying utility.

(j)(i) Beginning January 1, 2016, only a qualifying utility that owns or is directly interconnected to a qualified biomass energy facility may use qualified biomass energy to meet its compliance obligation under RCW 19.285.040(2).

(ii) A qualifying utility may no longer use electricity and associated renewable energy credits from a qualified biomass energy facility if the associated industrial pulping or wood manufacturing facility ceases operation other than for purposes of maintenance or upgrade.

(k) An industrial facility that hosts a qualified biomass energy facility may only transfer or sell renewable energy credits associated with its facility to the qualifying utility with which it is directly interconnected with facilities owned by such a qualifying utility and that are capable of carrying electricity at transmission voltage. The qualifying utility may only use an amount of renewable energy credits associated with qualified biomass energy that are equivalent to the proportionate amount of its annual targets under (a)(ii) and (iii) of this subsection that was created by the load of the industrial facility. A qualifying utility that owns a qualified biomass energy facility may not transfer or sell renewable energy credits associated with qualified biomass energy to another person, entity, or qualifying utility.

(3) Utilities that become qualifying utilities after December 31, 2006, shall meet the requirements in this section on a time frame comparable in length to that provided for qualifying utilities as of December 7, 2006.

<u>NEW SECTION.</u> Sec. 4. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed by the Senate February 11, 2012. Passed by the House February 28, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 23

[Engrossed Second Substitute Senate Bill 5620] DENTAL ANESTHESIA ASSISTANTS

AN ACT Relating to the certification of dental anesthesia assistants; amending RCW 18.130.040, 18.32.030, and 18.120.020; and adding a new chapter to Title 18 RCW.

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

<u>NEW SECTION.</u> Sec. 1. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Close supervision" has the same meaning as in RCW 18.260.010.

(2) "Commission" means the dental quality assurance commission established in RCW 18.32.0351.

(3) "Department" means the department of health.

(4) "Direct visual supervision" means supervision by an oral and maxillofacial surgeon or dental anesthesiologist by verbal command and under direct line of sight.

(5) "Oral and maxillofacial surgeon" has the same meaning as in RCW 18.32.020.

(6) "Secretary" means secretary of health.

<u>NEW SECTION.</u> Sec. 2. (1) No person may practice or represent himself or herself as a certified dental anesthesia assistant by use of any title or description without being certified by the commission as having met the standards established for certification under this chapter.

(2) A certified dental anesthesia assistant may not practice or represent himself or herself as a registered dental assistant without being registered by the commission as having met the standards for registration under chapter 18.260 RCW.

<u>NEW SECTION.</u> Sec. 3. (1) Each applicant for certification as a dental anesthesia assistant must submit to the department:

(a) An application, on a form provided by the department, with the applicant's name, address, and name and location of the oral and maxillofacial surgeon or dental anesthesiologist where the assistant will be performing his or her services;

(b) An application fee, as determined by the secretary of health as provided in RCW 43.70.250 and 43.70.280; and

(c) Satisfactory evidence of:

(i) Completion of a commission-approved dental anesthesia assistant training course, to include intravenous access or phlebotomy. This training must include experience starting and maintaining intravenous lines;

(ii) Completion of a commission-approved basic life support/cardiac pulmonary resuscitation course; and

(iii) The valid general anesthesia permit of the oral and maxillofacial surgeon or dental anesthesiologist where the assistant will be performing his or her services.

(2) The commission may adopt rules for the requirements for renewal of the certification, including continuing education requirements consistent with national oral and maxillofacial surgery requirements.

(3) The secretary shall establish the administrative procedures, administrative requirements, and fees for renewal of certifications as provided in RCW 43.70.250 and 43.70.280.

<u>NEW SECTION.</u> Sec. 4. (1) Any dental anesthesia assistant certified pursuant to this chapter shall perform the functions authorized in this chapter only by delegation of authority from the oral and maxillofacial surgeon or dental anesthesiologist and under the supervision, as described in subsections (2) and (3) of this section, of the oral and maxillofacial surgeon or dental anesthesiologist acting within the scope of his or her license. The responsibility for monitoring a patient and determining the selection of the drug, dosage, and timing of all anesthetic medications rests solely with the oral and maxillofacial surgeon or dental anesthesiologist.

(2) Under close supervision, the dental anesthesia assistant may:

(a) Initiate and discontinue an intravenous line for a patient being prepared to receive intravenous medications, sedation, or general anesthesia; and

(b) Adjust the rate of intravenous fluids infusion only to maintain or keep the line patent or open.

(3) Under direct visual supervision, the dental anesthesia assistant may:

(a) Draw up and prepare medications;

(b) Follow instructions to deliver medications into an intravenous line upon verbal command;

(c) Adjust the rate of intravenous fluids infusion beyond a keep open rate;

(d) Adjust an electronic device to provide medications, such as an infusion pump;

(e) Administer emergency medications to a patient in order to assist the oral and maxillofacial surgeon or dental anesthesiologist in an emergency.

(4) Any oral and maxillofacial surgeon or dental anesthesiologist delegating duties under this section must have a valid general anesthesia permit and, if the dental anesthesia assistant does not possess advanced cardiac life support training, must be current in such training.

<u>NEW SECTION.</u> Sec. 5. The uniform disciplinary act, chapter 18.130 RCW, governs unlicensed practice, the issuance and denial of certification, and the discipline of certified dental anesthesia assistants under this chapter.

Sec. 6. RCW 18.130.040 and 2011 c 41 s 11 are each amended to read as follows:

(1) This chapter applies only to the secretary and the boards and commissions having jurisdiction in relation to the professions licensed under the chapters specified in this section. This chapter does not apply to any business or profession not licensed under the chapters specified in this section.

(2)(a) The secretary has authority under this chapter in relation to the following professions:

(i) Dispensing opticians licensed and designated apprentices under chapter 18.34 RCW;

(ii) Midwives licensed under chapter 18.50 RCW;

(iii) Ocularists licensed under chapter 18.55 RCW;

(iv) Massage operators and businesses licensed under chapter 18.108 RCW;

(v) Dental hygienists licensed under chapter 18.29 RCW;

(vi) East Asian medicine practitioners licensed under chapter 18.06 RCW;

(vii) Radiologic technologists certified and X-ray technicians registered under chapter 18.84 RCW;

(viii) Respiratory care practitioners licensed under chapter 18.89 RCW;

(ix) Hypnotherapists and agency affiliated counselors registered and advisors and counselors certified under chapter 18.19 RCW;

(x) Persons licensed as mental health counselors, mental health counselor associates, marriage and family therapists, marriage and family therapist associates, social workers, social work associates—advanced, and social work associates—independent clinical under chapter 18.225 RCW;

(xi) Persons registered as nursing pool operators under chapter 18.52C RCW;

(xii) Nursing assistants registered or certified under chapter 18.88A RCW;

(xiii) Health care assistants certified under chapter 18.135 RCW;

(xiv) Dietitians and nutritionists certified under chapter 18.138 RCW;

(xv) Chemical dependency professionals and chemical dependency professional trainees certified under chapter 18.205 RCW;

(xvi) Sex offender treatment providers and certified affiliate sex offender treatment providers certified under chapter 18.155 RCW;

(xvii) Persons licensed and certified under chapter 18.73 RCW or RCW 18.71.205;

(xviii) Denturists licensed under chapter 18.30 RCW;

(xix) Orthotists and prosthetists licensed under chapter 18.200 RCW;

(xx) Surgical technologists registered under chapter 18.215 RCW;

(xxi) Recreational therapists [under chapter 18.230 RCW];

(xxii) Animal massage practitioners certified under chapter 18.240 RCW;

(xxiii) Athletic trainers licensed under chapter 18.250 RCW;

(xxiv) Home care aides certified under chapter 18.88B RCW; and

(xxv) Genetic counselors licensed under chapter 18.290 RCW.

(b) The boards and commissions having authority under this chapter are as follows:

(i) The podiatric medical board as established in chapter 18.22 RCW;

(ii) The chiropractic quality assurance commission as established in chapter 18.25 RCW;

(iii) The dental quality assurance commission as established in chapter 18.32 RCW governing licenses issued under chapter 18.32 RCW ((and)), licenses and registrations issued under chapter 18.260 RCW, and certifications issued under chapter 18.— RCW (the new chapter created in section 9 of this act);

(iv) The board of hearing and speech as established in chapter 18.35 RCW;

(v) The board of examiners for nursing home administrators as established in chapter 18.52 RCW;

(vi) The optometry board as established in chapter 18.54 RCW governing licenses issued under chapter 18.53 RCW;

(vii) The board of osteopathic medicine and surgery as established in chapter 18.57 RCW governing licenses issued under chapters 18.57 and 18.57A RCW;

(viii) The board of pharmacy as established in chapter 18.64 RCW governing licenses issued under chapters 18.64 and 18.64A RCW;

(ix) The medical quality assurance commission as established in chapter 18.71 RCW governing licenses and registrations issued under chapters 18.71 and 18.71A RCW;

(x) The board of physical therapy as established in chapter 18.74 RCW;

(xi) The board of occupational therapy practice as established in chapter 18.59 RCW;

(xii) The nursing care quality assurance commission as established in chapter 18.79 RCW governing licenses and registrations issued under that chapter;

(xiii) The examining board of psychology and its disciplinary committee as established in chapter 18.83 RCW;

(xiv) The veterinary board of governors as established in chapter 18.92 RCW; and

(xv) The board of naturopathy established in chapter 18.36A RCW.

(3) In addition to the authority to discipline license holders, the disciplining authority has the authority to grant or deny licenses. The disciplining authority may also grant a license subject to conditions.

(4) All disciplining authorities shall adopt procedures to ensure substantially consistent application of this chapter, the <u>uniform disciplinary act</u>, among the disciplining authorities listed in subsection (2) of this section.

Sec. 7. RCW 18.32.030 and 2007 c 269 s 15 are each amended to read as follows:

The following practices, acts, and operations are excepted from the operation of the provisions of this chapter:

(1) The rendering of dental relief in emergency cases in the practice of his or her profession by a physician or surgeon, licensed as such and registered under the laws of this state, unless the physician or surgeon undertakes to or does reproduce lost parts of the human teeth in the mouth or to restore or to replace in the human mouth lost or missing teeth;

(2) The practice of dentistry in the discharge of official duties by dentists in the United States federal services on federal reservations, including but not limited to the armed services, coast guard, public health service, veterans' bureau, or bureau of Indian affairs;

(3) Dental schools or colleges approved under RCW 18.32.040, and the practice of dentistry by students in accredited dental schools or colleges approved by the commission, when acting under the direction and supervision of Washington state-licensed dental school faculty;

(4) The practice of dentistry by licensed dentists of other states or countries while appearing as clinicians at meetings of the Washington state dental association, or component parts thereof, or at meetings sanctioned by them, or other groups approved by the commission;

(5) The use of roentgen and other rays for making radiographs or similar records of dental or oral tissues, under the supervision of a licensed dentist or physician;

(6) The making, repairing, altering, or supplying of artificial restorations, substitutions, appliances, or materials for the correction of disease, loss, deformity, malposition, dislocation, fracture, injury to the jaws, teeth, lips, gums, cheeks, palate, or associated tissues or parts; providing the same are made, repaired, altered, or supplied pursuant to the written instructions and order of a

licensed dentist which may be accompanied by casts, models, or impressions furnished by the dentist, and the prescriptions shall be retained and filed for a period of not less than three years and shall be available to and subject to the examination of the secretary or the secretary's authorized representatives;

(7) The removal of deposits and stains from the surfaces of the teeth, the application of topical preventative or prophylactic agents, and the polishing and smoothing of restorations, when performed or prescribed by a dental hygienist licensed under the laws of this state;

(8) A qualified and licensed physician and surgeon or osteopathic physician and surgeon extracting teeth or performing oral surgery pursuant to the scope of practice under chapter 18.71 or 18.57 RCW;

(9) The performing of dental operations or services by registered dental assistants and licensed expanded function dental auxiliaries holding a credential issued under chapter 18.260 RCW when performed under the supervision of a licensed dentist, or by other persons not licensed under this chapter if the person is licensed pursuant to chapter 18.29, 18.57, 18.71, or 18.79 RCW as it applies to registered nurses and advanced registered nurse practitioners, each while acting within the scope of the person's permitted practice under the person's license: PROVIDED HOWEVER, That such persons shall in no event perform the following dental operations or services unless permitted to be performed by the person under this chapter or chapters 18.29, 18.57, 18.71, 18.79 as it applies to registered nurses and advanced registered nurse practitioners, and 18.260 RCW:

(a) Any removal of or addition to the hard or soft tissue of the oral cavity;

(b) Any diagnosis of or prescription for treatment of disease, pain, deformity, deficiency, injury, or physical condition of the human teeth or jaws, or adjacent structure;

(c) Any administration of general or injected local anaesthetic of any nature in connection with a dental operation, including intravenous sedation;

(d) Any oral prophylaxis;

(e) The taking of any impressions of the teeth or jaw or the relationships of the teeth or jaws, for the purpose of fabricating any intra-oral restoration, appliance, or prosthesis; and

(10) The performing of dental services described in section 4 of this act by dental anesthesia assistants certified under chapter 18.— RCW (the new chapter created in section 9 of this act) when working under the supervision and direction of an oral and maxillofacial surgeon or dental anesthesiologist.

Sec. 8. RCW 18.120.020 and 2010 c 286 s 14 are each amended to read as follows:

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

(1) "Applicant group" includes any health professional group or organization, any individual, or any other interested party which proposes that any health professional group not presently regulated be regulated or which proposes to substantially increase the scope of practice of the profession.

(2) "Certificate" and "certification" mean a voluntary process by which a statutory regulatory entity grants recognition to an individual who (a) has met certain prerequisite qualifications specified by that regulatory entity, and (b) may assume or use "certified" in the title or designation to perform prescribed health professional tasks.

(3) "Grandfather clause" means a provision in a regulatory statute applicable to practitioners actively engaged in the regulated health profession prior to the effective date of the regulatory statute which exempts the practitioners from meeting the prerequisite qualifications set forth in the regulatory statute to perform prescribed occupational tasks.

(4) "Health professions" means and includes the following health and health-related licensed or regulated professions and occupations: Podiatric medicine and surgery under chapter 18.22 RCW; chiropractic under chapter 18.25 RCW; dental hygiene under chapter 18.29 RCW; dentistry under chapter 18.32 RCW; denturism under chapter 18.30 RCW; dental anesthesia assistants under chapter 18.— RCW (the new chapter created in section 9 of this act); dispensing opticians under chapter 18.34 RCW; hearing instruments under chapter 18.35 RCW; naturopaths under chapter 18.36A RCW; embalming and funeral directing under chapter 18.39 RCW; midwifery under chapter 18.50 RCW; nursing home administration under chapter 18.52 RCW; optometry under chapters 18.53 and 18.54 RCW; ocularists under chapter 18.55 RCW; osteopathic medicine and surgery under chapters 18.57 and 18.57A RCW; pharmacy under chapters 18.64 and 18.64A RCW; medicine under chapters 18.71 and 18.71A RCW; emergency medicine under chapter 18.73 RCW; physical therapy under chapter 18.74 RCW; practical nurses under chapter 18.79 RCW; psychologists under chapter 18.83 RCW; registered nurses under chapter 18.79 RCW; occupational therapists licensed under chapter 18.59 RCW; respiratory care practitioners licensed under chapter 18.89 RCW; veterinarians and veterinary technicians under chapter 18.92 RCW; health care assistants under chapter 18.135 RCW; massage practitioners under chapter 18.108 RCW; East Asian medicine practitioners licensed under chapter 18.06 RCW; persons registered under chapter 18.19 RCW; persons licensed as mental health counselors, marriage and family therapists, and social workers under chapter 18.225 RCW; dietitians and nutritionists certified by chapter 18.138 RCW; radiologic technicians under chapter 18.84 RCW; and nursing assistants registered or certified under chapter 18.88A RCW.

(5) "Inspection" means the periodic examination of practitioners by a state agency in order to ascertain whether the practitioners' occupation is being carried out in a fashion consistent with the public health, safety, and welfare.

(6) "Legislative committees of reference" means the standing legislative committees designated by the respective rules committees of the senate and house of representatives to consider proposed legislation to regulate health professions not previously regulated.

(7) "License," "licensing," and "licensure" mean permission to engage in a health profession which would otherwise be unlawful in the state in the absence of the permission. A license is granted to those individuals who meet prerequisite qualifications to perform prescribed health professional tasks and for the use of a particular title.

(8) "Professional license" means an individual, nontransferable authorization to carry on a health activity based on qualifications which include:(a) Graduation from an accredited or approved program, and (b) acceptable performance on a qualifying examination or series of examinations.

(9) "Practitioner" means an individual who (a) has achieved knowledge and skill by practice, and (b) is actively engaged in a specified health profession.

(10) "Public member" means an individual who is not, and never was, a member of the health profession being regulated or the spouse of a member, or an individual who does not have and never has had a material financial interest in either the rendering of the health professional service being regulated or an activity directly related to the profession being regulated.

(11) "Registration" means the formal notification which, prior to rendering services, a practitioner shall submit to a state agency setting forth the name and address of the practitioner; the location, nature and operation of the health activity to be practiced; and, if required by the regulatory entity, a description of the service to be provided.

(12) "Regulatory entity" means any board, commission, agency, division, or other unit or subunit of state government which regulates one or more professions, occupations, industries, businesses, or other endeavors in this state.

(13) "State agency" includes every state office, department, board, commission, regulatory entity, and agency of the state, and, where provided by law, programs and activities involving less than the full responsibility of a state agency.

<u>NEW SECTION.</u> Sec. 9. Sections 1 through 5 of this act constitute a new chapter in Title 18 RCW.

Passed by the Senate February 13, 2012. Passed by the House February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 24

[Substitute Senate Bill 5627] CIVIL RELIEF—SERVICE MEMBERS

AN ACT Relating to service members' civil relief; and amending RCW 38.42.010 and 38.42.050.

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

Sec. 1. RCW 38.42.010 and 2006 c 253 s 1 are each amended to read as follows:

The definitions in this section apply throughout this chapter.

(1) "Business loan" means a loan or extension of credit granted to a business entity that: (a) Is owned and operated by a service member, in which the service member is either (i) a sole proprietor, or (ii) the owner of at least fifty percent of the entity; and (b) experiences a material reduction in revenue due to the service member's military service.

(2) "Dependent" means:

(a) The service member's spouse;

(b) The service member's minor child; or

(c) An individual for whom the service member provided more than onehalf of the individual's support for one hundred eighty days immediately preceding an application for relief under this chapter.

(3) "Financial institution" means an institution as defined in RCW 30.22.041.

(4) "Judgment" does not include temporary orders as issued by a judicial court or administrative tribunal in domestic relations cases under Title 26 RCW, including but not limited to establishment of a temporary child support obligation, creation of a temporary parenting plan, or entry of a temporary protective or restraining order.

(5) "Military service" means a service member:

(a) Under a call to active service authorized by the president of the United States or the secretary of defense for a period of more than thirty consecutive days: or

(b) Under a call to service authorized by the governor under RCW 38.08.040 for a period of more than thirty consecutive days.

(6) "National guard" has the meaning in RCW 38.04.010.

(7) "Service member" means any resident of Washington state ((that)) who is a member of the national guard or member of a military reserve component.

Sec. 2. RCW 38.42.050 and 2006 c 80 s 1 are each amended to read as follows:

(1) This section applies to any civil action or proceeding in which a service member or his or her dependent is a defendant and does not make an appearance under applicable court rules or by law.

(2) In any action or proceeding covered by this section, the court, before entering judgment for the plaintiff, shall require the plaintiff to file with the court an affidavit:

(a) Stating whether the defendant is in military service, or is a dependent of a service member in military service, and showing necessary facts to support the affidavit; or

(b) If the plaintiff is unable to determine whether the defendant is in military service or is a dependent of a service member in military service, stating that the plaintiff is unable to determine whether the defendant is in military service or is a dependent of a service member in military service.

(3)(a) To determine whether or not a defendant is a dependent of a $((\frac{\text{person}}{\text{person}}))$ service member in the military service under this chapter, the plaintiff may serve on or mail via first-class mail to the defendant a written notice in substantially the following form:

"NOTICE: State and federal law provide protections to defendants who are ((on active duty)) in the military service, and to their dependents. Dependents of a service member are the service member's spouse, the service member's minor child, or an individual for whom the service member provided more than one-half of the individual's support for one hundred eighty days immediately preceding an application for relief.

One protection provided is the protection against the entry of a default judgment in certain circumstances. This notice ((only)) pertains <u>only</u> to a defendant who is a dependent of a member of the national guard or a military reserve component under a call to active service. or a national guard member <u>under a call to service authorized by the governor of the state of Washington</u>, for a period of more than thirty consecutive days. Other defendants in military service also have protections against default judgments not covered by this notice. If you are the dependent of a member of the national guard or a military reserve component under a call to active service. or a national guard or a military reserve component under a call to active service. or a national guard member

under a call to service authorized by the governor of the state of Washington, for a period of more than thirty consecutive days, you should notify the plaintiff or the plaintiff's attorneys in writing of your status as such within twenty days of the receipt of this notice. If you fail to do so, then a court or an administrative tribunal may presume that you are not a dependent of an active duty member of the national guard or reserves, <u>or a national guard member under a call to service</u> <u>authorized by the governor of the state of Washington</u>, and proceed with the entry of an order of default and/or a default judgment without further proof of your status. Your response to the plaintiff or plaintiff's attorneys about your status does not constitute an appearance for jurisdictional purposes in any pending litigation nor a waiver of your rights."

(b) If the notice is either served on the defendant twenty or more days prior to an application for an order of default or a default judgment, or mailed to the defendant more than twenty-three days prior to such application, and the defendant fails to timely respond, then for purposes of entry of an order of default or default judgment, the court or administrative tribunal may presume that the defendant is not a dependent of a ((person)) service member in the military service under this chapter.

(c) Nothing prohibits the plaintiff from allowing a defendant more than twenty days to respond to the notice, or from amending the notice to so provide.

(4) If in an action covered by this section it appears that the defendant is in military service or is a dependent of a service member in military service, the court may not enter a judgment until after the court appoints an attorney to represent the defendant. If an attorney appointed under this section to represent a service member or his or her dependent cannot locate the service member or dependent, actions by the attorney in the case do not waive any defense of the service member or dependent or otherwise bind the service member or dependent.

(5) In an action covered by this section in which the defendant is in military service or is a dependent of a service member in military service, the court shall grant a stay of proceedings until one hundred eighty days after termination of or release from military service, upon application of defense counsel, or on the court's own motion, if the court determines that:

(a) There may be a defense to the action and a defense cannot be presented without presence of the defendant; or

(b) After due diligence, counsel has been unable to contact the defendant or otherwise determine if a meritorious defense exists. The defendant's failure to communicate or cooperate with counsel after having been contacted is not grounds to find that counsel has been unable to contact the defendant or that counsel has been unable to determine if a meritorious defense exists.

(6) No bar to entry of judgment under subsection (4) of this section or requirement for grant of stay under subsection (5) of this section precludes the entry of temporary orders in domestic relations cases. If a court or administrative tribunal enters a temporary order as allowed under this subsection, it shall include a finding that failure to act, despite the absence of the service member, would result in manifest injustice to the other interested parties. Temporary orders issued without the service member's participation shall not set any precedent for the final disposition of the matters addressed therein.

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(7) If a service member or dependent who is a defendant in an action covered by this section receives actual notice of the action, the service member or dependent may request a stay of proceedings pursuant to RCW 38.42.060.

(8) A person who makes or uses an affidavit permitted under this section knowing it to be false, is guilty of a class C felony.

(9) If a default judgment is entered in an action covered by this section against a service member or his or her dependent during the service member's period of military service or within one hundred eighty days after termination of or release from military service, the court entering the judgment shall, upon application by or on behalf of the service member or his or her dependent, reopen the judgment for the purpose of allowing the service member or his or her dependent to defend the action if it appears that:

(a) The service member or dependent was materially affected by reason of that military service in making a defense to the action; and

(b) The service member or dependent has a meritorious or legal defense to the action or some part of it.

(10) If a court vacates, sets aside, or reverses a default judgment against a service member or his or her dependent and the vacating, setting aside, or reversing is because of a provision of this chapter, that action does not impair a right or title acquired by a bona fide purchaser for value.

Passed by the Senate January 27, 2012. Passed by the House February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 25

[Substitute Senate Bill 5631]

DEPARTMENT OF AGRICULTURE—OBSOLETE PROVISIONS

AN ACT Relating to removing obsolete provisions in statutes administered by the department of agriculture; amending RCW 69.04.331, 15.53.902, and 15.58.150; reenacting and amending RCW 22.09.830 and 16.24.120; reenacting RCW 16.65.440; and repealing RCW 15.58.370 and 19.94.505.

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

Sec. 1. RCW 69.04.331 and 1986 c 203 s 17 are each amended to read as follows:

(1) If a theater or other commercial food service establishment prepares and sells popcorn for human consumption, the establishment, at the point of sale, shall disclose by posting a sign in a conspicuous manner to prospective consumers a statement as to whether the butter or butter-like flavoring added to or attributed to the popcorn offered for sale is butter ((as defined in RCW 15.32.010)) or is some other product. If the flavoring is some other product, the establishment shall also disclose the ingredients of the product.

The director of agriculture shall adopt rules prescribing the size and content of the sign upon which the disclosure is to be made. Any popcorn sold by or offered for sale by such an establishment to a consumer in violation of this section or the rules of the director implementing this section shall be deemed to be misbranded for the purposes of this chapter. (2) The provisions of subsection (1) of this section do not apply to packaged popcorn labeled so as to disclose ingredients as required by law for prepackaged foods.

(3) For purposes of this section, "butter" is defined as the food product usually known as butter, and which is made exclusively from milk or cream, or both, with or without common salt, and with or without additional coloring matter, and containing not less than eighty percent by weight or milkfat, all tolerance having been allowed for.

Sec. 2. RCW 15.53.902 and 2005 c 40 s 1 are each amended to read as follows:

It is unlawful for any person to distribute an adulterated feed. A commercial feed is deemed to be adulterated:

(1) If it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance, such commercial feed shall not be considered adulterated under this subsection if the quantity of such substance in such commercial feed does not ordinarily render it injurious to health; or

(2) If it bears or contains any added poisonous, added deleterious, or added nonnutritive substance which is unsafe within the meaning of section 406 of the federal food, drug, and cosmetic act (other than one which is (a) a pesticide chemical in or on a raw agricultural commodity; or (b) a food additive); or

(3) If it is, or it bears, or contains any food additive which is unsafe within the meaning of section 409 of the federal food, drug, and cosmetic act (21 U.S.C. Sec. 348); or

(4) If it is ruminant feed and is, bears, or contains any animal protein prohibited in ruminant feed that is unsafe within the meaning of federal regulations promulgated under section 409 of the federal food, drug, and cosmetic act (21 U.S.C. Sec. 348); or

(5) If it is a raw agricultural commodity and it bears or contains a pesticide chemical which is unsafe within the meaning of section 408(a) of the federal food, drug, and cosmetic act: PROVIDED, That where a pesticide chemical has been used in or on a raw agricultural commodity in conformity with an exemption granted or a tolerance prescribed under section 408 of the federal food, drug, and cosmetic act and such raw agricultural commodity has been subjected to processing such as canning, cooking, freezing, dehydrating, or milling, the residue of such pesticide chemical remaining in or on such processed feed shall not be deemed unsafe if such residue in or on the raw agricultural commodity has been removed to the extent possible in good manufacturing practice and the concentration of such residue in the processed feed is not greater than the tolerance prescribed for the raw agricultural commodity unless the feeding of such processed feed will result or is likely to result in a pesticide residue in the edible product of the animal, which is unsafe within the meaning of section 408(a) of the federal food, drug, and cosmetic act; or

(6) If it is, or it bears or contains any color additive which is unsafe within the meaning of section ((706)) <u>721</u> of the federal food, drug, and cosmetic act (21 U.S.C. Sec. 379e); or

(7) If it is, or it bears or contains any new animal drug that is unsafe within the meaning of section 512 of the federal food, drug, and cosmetic act (21 U.S.C. Sec. 360b); or

(8) If any valuable constituent has been in whole or in part omitted or abstracted therefrom or any less valuable substance substituted therefor; or

(9) If its composition or quality falls below or differs from that which it is purported or is represented to possess by its labeling; or

(10) If it contains a drug and the methods used in or the facilities or controls used for its manufacture, processing, or packaging do not conform to current good manufacturing practice rules adopted by the department to assure that the drug meets the requirements of this chapter as to safety and has the identity and strength and meets the quality and purity characteristics that it purports or is represented to possess. In adopting such rules, the department shall adopt the current good manufacturing practice regulations for type A medicated articles and type B and type C medicated feeds established under authority of the federal food, drug, and cosmetic act, unless the department determines that they are not appropriate to the conditions that exist in this state; or

(11) If it contains viable, prohibited (primary) noxious weed seeds in excess of one per pound, or if it contains viable, restricted (secondary) noxious weed seeds in excess of twenty-five per pound. The primary and secondary noxious weed seeds shall be those as named pursuant to the provisions of chapter 15.49 RCW and rules adopted thereunder.

Sec. 3. RCW 16.65.440 and 2003 c 326 s 89 and 2003 c 53 s 116 are each reenacted to read as follows:

(1) Except as provided in subsection (2) of this section, any person who violates any provisions or requirements of this chapter or rules adopted by the director pursuant to this chapter is guilty of a misdemeanor.

(2) A second or subsequent violation is a gross misdemeanor.

Sec. 4. RCW 22.09.830 and 1994 sp.s. c 6 s 901 and 1994 c 46 s 6 are each reenacted and amended to read as follows:

(1) All moneys collected as fees for weighing, grading, and inspecting commodities and all other fees collected under the provisions of this chapter, except as provided in subsections (2) and (3) of this section, shall be deposited in the grain inspection revolving fund, which is hereby established. The state treasurer is the custodian of the revolving fund. Disbursements from the revolving fund shall be on authorization of the director of the department of agriculture. The revolving fund is subject to the allotment procedure provided in chapter 43.88 RCW, but no appropriation is required for disbursements from the fund. The fund shall be used for all expenses directly incurred by the grain inspection program in carrying out the provisions of this chapter ((and for departmental administrative expenses during the 1993 95 biennium. The department may use so much of such fund not exceeding five percent thereof as the director of agriculture may determine necessary for research and promotional work, including rate studies, relating to wheat and wheat products)).

(2) All fees collected for the inspection, grading, and testing of hops shall be deposited into the hop inspection fund, which is hereby established, and shall be retained by the department for the purpose of inspecting, grading, and testing hops. Any moneys in any fund retained by the department on July 1, 1963, and

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derived from hop inspection and grading shall be deposited to this hop inspection fund. For the purposes of research which would contribute to the development of superior hop varieties and to improve hop production and harvest practices, the department may expend up to twenty percent of the moneys deposited in the hop inspection fund during the fiscal year ending June 30th immediately preceding the year in which such expenditures are to be made. No expenditures shall be made under the provisions of this subsection when the hop inspection fund is, or the director may reasonably anticipate that it will be, reduced below twenty thousand dollars as the result of such expenditure or other necessary expenditures made to carry out the inspection, grading, and testing of hops.

(3) All moneys collected by the grain warehouse audit program, including grain warehouse license fees pursuant to RCW 22.09.050 and 22.09.055, shall be deposited by the director into the grain warehouse audit account, hereby created within the agricultural local fund established in RCW 43.23.230. Moneys collected shall be used to support the grain warehouse audit program.

Sec. 5. RCW 16.24.120 and 2011 c 336 s 419 and 2011 c 103 s 11 are each reenacted and amended to read as follows:

Upon taking possession of any livestock at large contrary to the provisions of <u>this</u> chapter ((16.24 RCW)), or any unclaimed livestock submitted or impounded, by any person, at any public livestock market or any other facility approved by the director, the sheriff or brand inspector shall cause it to be transported to and impounded at the nearest public livestock market licensed under chapter 16.65 RCW or at such place as approved by the director. If the sheriff has impounded an animal in accordance with this section, he or she shall forthwith notify the nearest brand inspector of the department of agriculture, who shall examine the animal and, by brand, tattoo, or other identifying characteristic, shall attempt to ascertain the ownership thereof.

Sec. 6. RCW 15.58.150 and 2003 c 212 s 3 are each amended to read as follows:

(1) It is unlawful for any person to distribute within the state or deliver for transportation or transport in intrastate commerce or between points within this state through any point outside this state any of the following:

(a) Any pesticide which has not been registered pursuant to the provisions of this chapter;

(b) Any pesticide if any of the claims made for it or any of the directions for its use or other labeling differs from the representations made in connection with its registration, or if the composition of a pesticide differs from its composition as represented in connection with its registration: PROVIDED, That at the discretion of the director, a change in the labeling or formula of a pesticide may be made within a registration period without requiring reregistration of the product;

(c) Any pesticide unless it is in the registrant's or the manufacturer's unbroken immediate container and there is affixed to such container, and to the outside container or wrapper of the retail package, if there is one through which the required information on the immediate container cannot be clearly read, a label bearing the information required in this chapter and the rules adopted under this chapter; (d) Any pesticide ((including arsenicals, fluorides, fluosilicates, and/or any other white powdered pesticides)) unless ((they have)) it has been distinctly denatured as to color, taste, odor, or form if so required by rule;

(e) Any pesticide which is adulterated or misbranded, or any device which is misbranded;

(f) Any pesticide in containers, violating rules adopted pursuant to RCW 15.58.040(2)(f) or pesticides found in containers which are unsafe due to damage.

(2) It shall be unlawful:

(a) To sell or deliver any pesticide to any person who is required by law or rules promulgated under such law to be certified, licensed, or have a permit to use or purchase the pesticide unless such person or the person's agent, to whom sale or delivery is made, has a valid certification, license, or permit to use or purchase the kind and quantity of such pesticide sold or delivered: PROVIDED, That, subject to conditions established by the director, such permit may be obtained immediately prior to sale or delivery from any person designated by the director;

(b) For any person to detach, alter, deface or destroy, wholly or in part, any label or labeling provided for in this chapter or rules adopted under this chapter, or to add any substance to, or take any substance from, a pesticide in a manner that may defeat the purpose of this chapter or the rules adopted thereunder;

(c) For any person to use or cause to be used any pesticide contrary to label directions or to regulations of the director if those regulations differ from or further restrict the label directions: PROVIDED, The compliance to the term "contrary to label directions" is enforced by the director consistent with the intent of this chapter;

(d) For any person to use for his or her own advantage or to reveal, other than to the director or proper officials or employees of the state, or to the courts of the state in response to a subpoena, or to physicians, or in emergencies to pharmacists and other qualified persons for use in the preparation of antidotes, any information relative to formulas of products acquired by authority of RCW 15.58.060;

(e) For any person to make false, misleading, or erroneous statements or reports concerning any pest during or after a pest inspection or to fail to comply with criteria established by rule for structural pest inspections;

(f) For any person to make false, misleading, or erroneous statements or reports in connection with any pesticide complaint or investigation;

(g) For any person to act as, or advertise that they perform the services of, a structural pest inspector without having a license to act as a structural pest inspector;

(h) For a business to conduct one or more complete wood destroying organism inspections without first having obtained a structural pest inspection company license from the department.

<u>NEW SECTION.</u> Sec. 7. The following acts or parts of acts are each repealed:

(1) RCW 15.58.370 (Results of analyses to be published) and 1971 ex.s. c 190 s 37; and

(2) RCW 19.94.505 (Gasoline containing alcohol—Dispensing device label required—Carbon monoxide nonattainment area—Penalty) and 2000 c 171 s 65, 1992 c 237 s 34, & 1984 c 61 s 1.

Passed by the Senate February 13, 2012. Passed by the House February 28, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 26

[Senate Bill 5913]

DEPOSIT OF PUBLIC FUNDS

AN ACT Relating to increasing the permissible deposit of public funds with credit unions and authorizing the deposit of public funds at federally chartered credit unions; and amending RCW 39.58.240.

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

Sec. 1. RCW 39.58.240 and 2010 c 36 s 1 are each amended to read as follows:

(1) Solely for the purpose of receiving public deposits that may total no more than ((one hundred thousand dollars or)) the maximum deposit insured by the national credit union share insurance fund, ((whichever is the lesser amount,)) a credit union is a public depositary ((and)) subject to ((reporting under)) RCW <u>39.58.040 and</u> 39.58.100. The maximum deposit applies to all funds attributable to any one depositor of public funds in any one credit union. ((A credit union means a state chartered credit union under chapter <u>31.12</u> RCW.)) A credit union is not a public depositary for any other purpose under this chapter, including but not limited to inclusion in the single public depositary pool under RCW <u>39.58.200</u>.

(2) For the purposes of this section, a credit union includes a state-chartered credit union chartered under chapter 31.12 RCW, or a credit union chartered under federal law.

Passed by the Senate February 9, 2012. Passed by the House February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 27

[Substitute Senate Bill 6005]

AUTO REPAIR FACILITIES—ESTIMATES—EXEMPTIONS

AN ACT Relating to the exemption of certain vehicles from the written estimate requirement for auto repair facilities; amending RCW 46.71.025; and providing an effective date.

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

Sec. 1. RCW 46.71.025 and 1993 c 424 s 5 are each amended to read as follows:

(1) Except as provided in subsections (3) and (4) of this section, a repair facility prior to providing parts or labor shall provide the customer or the customer's designee with a written price estimate of the total cost of the repair,

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including parts and labor, or where collision repair is involved, aftermarket body parts or nonoriginal equipment manufacturer body parts, if applicable, or offer the following alternatives:

"YOU ARE ENTITLED TO A WRITTEN PRICE ESTIMATE FOR THE REPAIRS YOU HAVE AUTHORIZED. YOU ARE ALSO ENTITLED TO REQUIRE THE REPAIR FACILITY TO OBTAIN YOUR ORAL OR WRITTEN AUTHORIZATION TO EXCEED THE WRITTEN PRICE ESTIMATE. YOUR SIGNATURE OR INITIALS WILL INDICATE YOUR SELECTION.

1. I request an estimate in writing before you begin repairs. Contact me if the price will exceed this estimate by more than ten percent.

2. Proceed with repairs but contact me if the price will exceed \$.....

3. I do not want a written estimate.

..... (Initial or signature)

Date: Time:"

(2) The repair facility may not charge the customer more than one hundred ten percent, exclusive of retail sales tax, of the total shown on the written price estimate. Neither of these limitations apply if, before providing additional parts or labor the repair facility obtains either the oral or written authorization of the customer, or the customer's designee, to exceed the written price estimate. The repair facility or its representative shall note on the estimate the date and time of obtaining an oral authorization, the additional parts and labor required, the estimated cost of the additional parts and labor, or where collision repair is involved, aftermarket body parts or nonoriginal equipment manufacturer body parts, if applicable, the name or identification number of the employee who obtains the authorization, and the name and telephone number of the person authorizing the additional costs.

(3) A written estimate shall not be required when the customer's motor vehicle or component has been brought to an automotive repair facility's regular place of business without face-to-face contact between the customer and the repair facility. Face-to-face contact means actual in-person discussion between the customer or his or her designee and the agent or employee of the automotive repair facility authorized to intake vehicles or components. However, prior to providing parts and labor, the repair facility must obtain either the oral or written authorization of the customer or the customer's designee. The repair facility or its representative shall note on the estimate or repair order the date and time of obtaining an oral authorization, the total amount authorized, the name or identification number of the employee who obtains the authorization, and the name of the person authorizing the repairs.

(4)(a) A written estimate is not required for the repair of any vehicle that:

(i) Qualifies for a horseless carriage license plate as defined in RCW 46.04.199 or a collector vehicle license plate as defined in RCW 46.04.1261;

(ii) Is a street rod vehicle as defined in RCW 46.04.572 or a custom vehicle as defined in RCW 46.04.161; or

(iii) Is a parts car, which, for the purposes of this section, means a motor vehicle that is owned by a collector to furnish parts for restoration or maintenance of a vehicle described in RCW 46.18.220(1) or 46.18.255(1), thus enabling a collector to preserve, restore, and maintain such a vehicle.

(b) This subsection does not prohibit a customer seeking repair services for one of the vehicles listed under this subsection from requesting a written estimate, which may be provided at the discretion of the agent or employee of the automotive repair facility, and in which case the repair facility shall provide notification and documentation advising the customer that the requested repairs will be furnished on a time and materials basis, to be billed at least every two weeks.

NEW SECTION. Sec. 2. This act takes effect January 1, 2013.

Passed by the Senate February 14, 2012. Passed by the House February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 28

[Senate Bill 6030]

LICENSE SUSPENSION CLERICAL ERRORS

AN ACT Relating to license suspension clerical errors; and reenacting and amending RCW 46.61.5055.

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

Sec. 1. RCW 46.61.5055 and 2011 c 293 s 7 and 2011 c 96 s 35 are each reenacted and amended to read as follows:

(1) Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has no prior offense within seven years shall be punished as follows:

(a) In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than one day nor more than three hundred sixty-four days. Twenty-four consecutive hours of the imprisonment may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based. In lieu of the mandatory minimum term of imprisonment required under this subsection (1)(a)(i), the court may order not less than fifteen days of electronic home monitoring. The offender shall pay the cost of electronic home monitoring. The court may also require the offender's electronic home monitoring device to include an alcohol detection breathalyzer, and the court may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring; and

(ii) By a fine of not less than three hundred fifty dollars nor more than five thousand dollars. Three hundred fifty dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent; or

(b) In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than two days nor more than three hundred sixty-four days. Two consecutive days of the imprisonment may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based. In lieu of the mandatory minimum term of imprisonment required under this subsection (1)(b)(i), the court may order not less than thirty days of electronic home monitoring. The offender shall pay the cost of electronic home monitoring device to include an alcohol detection breathalyzer, and the court may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring; and

(ii) By a fine of not less than five hundred dollars nor more than five thousand dollars. Five hundred dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent.

(2) Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has one prior offense within seven years shall be punished as follows:

(a) In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than thirty days nor more than three hundred sixty-four days and sixty days of electronic home monitoring. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Thirty days of imprisonment and sixty days of electronic home monitoring may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based; and

(ii) By a fine of not less than five hundred dollars nor more than five thousand dollars. Five hundred dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent; or

(b) In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than forty-five days nor more than three hundred sixty-four days and ninety days of electronic home monitoring. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Forty-five days of imprisonment and ninety days of electronic home monitoring may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based; and

(ii) By a fine of not less than seven hundred fifty dollars nor more than five thousand dollars. Seven hundred fifty dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent.

(3) Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has two or three prior offenses within seven years shall be punished as follows:

(a) In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than ninety days nor more than three hundred sixty-four days and one hundred twenty days of electronic home monitoring. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Ninety days of imprisonment and one hundred twenty days of electronic home monitoring may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based; and

(ii) By a fine of not less than one thousand dollars nor more than five thousand dollars. One thousand dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent; or

(b) In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than one hundred twenty days nor more than three hundred sixty-four days and one hundred fifty days of electronic The offender shall pay for the cost of the electronic home monitoring. monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. One hundred twenty days of imprisonment and one hundred fifty days of electronic home monitoring may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based; and

(ii) By a fine of not less than one thousand five hundred dollars nor more than five thousand dollars. One thousand five hundred dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent.

(4) A person who is convicted of a violation of RCW 46.61.502 or 46.61.504 shall be punished under chapter 9.94A RCW if:

(a) The person has four or more prior offenses within ten years; or

(b) The person has ever previously been convicted of:

(i) A violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug;

(ii) A violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug;

(iii) An out-of-state offense comparable to the offense specified in (b)(i) or (ii) of this subsection; or

(iv) A violation of RCW 46.61.502(6) or 46.61.504(6).

(5)(a) The court shall require any person convicted of a violation of RCW 46.61.502 or 46.61.504 or an equivalent local ordinance to apply for an ignition interlock driver's license from the department and to have a functioning ignition interlock device installed on all motor vehicles operated by the person.

(b) The installation of an ignition interlock device is not necessary on vehicles owned, leased, or rented by a person's employer and on those vehicles whose care and/or maintenance is the temporary responsibility of the employer, and driven at the direction of a person's employer as a requirement of employment during working hours. The person must provide the department with a declaration pursuant to RCW 9A.72.085 from his or her employer stating that the person's employment requires the person to operate a vehicle owned by the employer or other persons during working hours.

(c) An ignition interlock device imposed under this section shall be calibrated to prevent a motor vehicle from being started when the breath sample provided has an alcohol concentration of 0.025 or more.

(d) The court may waive the requirement that a person apply for an ignition interlock driver's license if the court makes a specific finding in writing that:

(i) The person lives out-of-state and the devices are not reasonably available in the person's local area;

(ii) The person does not operate a vehicle; or

(iii) The person is not eligible to receive an ignition interlock driver's license under RCW 46.20.385 because the person is not a resident of Washington, is a habitual traffic offender, has already applied for or is already in possession of an ignition interlock driver's license, has never had a driver's license, has been certified under chapter 74.20A RCW as noncompliant with a child support order, or is subject to any other condition or circumstance that makes the person ineligible to obtain an ignition interlock driver's license.

(e) If a court finds that a person is not eligible to receive an ignition interlock driver's license under this section, the court is not required to make any further subsequent inquiry or determination as to the person's eligibility.

(f) If the court orders that a person refrain from consuming any alcohol and requires the person to apply for an ignition interlock driver's license, and the person states that he or she does not operate a motor vehicle or the person is ineligible to obtain an ignition interlock driver's license, the court shall order the person to submit to alcohol monitoring through an alcohol detection breathalyzer device, transdermal sensor device, or other technology designed to detect alcohol in a person's system. Alcohol monitoring ordered under this subsection must be for the period of the mandatory license suspension or revocation. The person shall pay for the cost of the monitoring. The county or municipality where the penalty is being imposed shall determine the cost.

(g) The period of time for which ignition interlock use is required will be as follows:

(i) For a person who has not previously been restricted under this section, a period of one year;

(ii) For a person who has previously been restricted under (g)(i) of this subsection, a period of five years;

(iii) For a person who has previously been restricted under (g)(ii) of this subsection, a period of ten years.

(h) Beginning with incidents occurring on or after September 1, 2011, when calculating the period of time for the restriction under RCW 46.20.720(3), the department must also give the person a day-for-day credit for the time period, beginning from the date of the incident, during which the person kept an ignition interlock device installed on all vehicles the person operates. For the purposes of this subsection (5)(h), the term "all vehicles" does not include vehicles that would be subject to the employer exception under RCW 46.20.720(3).

(6) If a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 committed the offense while a passenger under the age of sixteen was in the vehicle, the court shall:

(a) In any case in which the installation and use of an interlock or other device is not mandatory under RCW 46.20.720 or other law, order the use of such a device for not less than sixty days following the restoration of the person's license, permit, or nonresident driving privileges; and

(b) In any case in which the installation and use of such a device is otherwise mandatory, order the use of such a device for an additional sixty days.

(7) In exercising its discretion in setting penalties within the limits allowed by this section, the court shall particularly consider the following:

(a) Whether the person's driving at the time of the offense was responsible for injury or damage to another or another's property; and

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(b) Whether at the time of the offense the person was driving or in physical control of a vehicle with one or more passengers.

(8) An offender punishable under this section is subject to the alcohol assessment and treatment provisions of RCW 46.61.5056.

(9) The license, permit, or nonresident privilege of a person convicted of driving or being in physical control of a motor vehicle while under the influence of intoxicating liquor or drugs must:

(a) If the person's alcohol concentration was less than 0.15, or if for reasons other than the person's refusal to take a test offered under RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) Where there has been no prior offense within seven years, be suspended or denied by the department for ninety days;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for two years; or

(iii) Where there have been two or more prior offenses within seven years, be revoked or denied by the department for three years;

(b) If the person's alcohol concentration was at least 0.15:

(i) Where there has been no prior offense within seven years, be revoked or denied by the department for one year;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for nine hundred days; or

(iii) Where there have been two or more prior offenses within seven years, be revoked or denied by the department for four years; or

(c) If by reason of the person's refusal to take a test offered under RCW 46.20.308, there is no test result indicating the person's alcohol concentration:

(i) Where there have been no prior offenses within seven years, be revoked or denied by the department for two years;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for three years; or

(iii) Where there have been two or more previous offenses within seven years, be revoked or denied by the department for four years.

The department shall grant credit on a day-for-day basis for any portion of a suspension, revocation, or denial already served under this subsection for a suspension, revocation, or denial imposed under RCW 46.20.3101 arising out of the same incident.

Upon its own motion or upon motion by a person, a court may find, on the record, that notice to the department under RCW 46.20.270 has been delayed for three years or more as a result of a clerical or court error. If so, the court may order that the person's license, permit, or nonresident privilege shall not be revoked, suspended, or denied for that offense. The court shall send notice of the finding and order to the department and to the person. Upon receipt of the notice from the court, the department shall not revoke, suspend, or deny the license, permit, or nonresident privilege of the person for that offense.

For purposes of this subsection (9), the department shall refer to the driver's record maintained under RCW 46.52.120 when determining the existence of prior offenses.

(10) After expiration of any period of suspension, revocation, or denial of the offender's license, permit, or privilege to drive required by this section, the

department shall place the offender's driving privilege in probationary status pursuant to RCW 46.20.355.

(11)(a) In addition to any nonsuspendable and nondeferrable jail sentence required by this section, whenever the court imposes up to three hundred sixtyfour days in jail, the court shall also suspend but shall not defer a period of confinement for a period not exceeding five years. The court shall impose conditions of probation that include: (i) Not driving a motor vehicle within this state without a valid license to drive and proof of financial responsibility for the future; (ii) not driving a motor vehicle within this state while having an alcohol concentration of 0.08 or more within two hours after driving; and (iii) not refusing to submit to a test of his or her breath or blood to determine alcohol concentration upon request of a law enforcement officer who has reasonable grounds to believe the person was driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor. The court may impose conditions of probation that include nonrepetition, installation of an ignition interlock device on the probationer's motor vehicle, alcohol or drug treatment, supervised probation, or other conditions that may be appropriate. The sentence may be imposed in whole or in part upon violation of a condition of probation during the suspension period.

(b) For each violation of mandatory conditions of probation under (a)(i), (ii), or (iii) of this subsection, the court shall order the convicted person to be confined for thirty days, which shall not be suspended or deferred.

(c) For each incident involving a violation of a mandatory condition of probation imposed under this subsection, the license, permit, or privilege to drive of the person shall be suspended by the court for thirty days or, if such license, permit, or privilege to drive already is suspended, revoked, or denied at the time the finding of probation violation is made, the suspension, revocation, or denial then in effect shall be extended by thirty days. The court shall notify the department of any suspension, revocation, or denial or any extension of a suspension, revocation, or denial imposed under this subsection.

(12) A court may waive the electronic home monitoring requirements of this chapter when:

(a) The offender does not have a dwelling, telephone service, or any other necessity to operate an electronic home monitoring system;

(b) The offender does not reside in the state of Washington; or

(c) The court determines that there is reason to believe that the offender would violate the conditions of the electronic home monitoring penalty.

Whenever the mandatory minimum term of electronic home monitoring is waived, the court shall state in writing the reason for granting the waiver and the facts upon which the waiver is based, and shall impose an alternative sentence with similar punitive consequences. The alternative sentence may include, but is not limited to, additional jail time, work crew, or work camp.

Whenever the combination of jail time and electronic home monitoring or alternative sentence would exceed three hundred sixty-four days, the offender shall serve the jail portion of the sentence first, and the electronic home monitoring or alternative portion of the sentence shall be reduced so that the combination does not exceed three hundred sixty-four days.

(13) An offender serving a sentence under this section, whether or not a mandatory minimum term has expired, may be granted an extraordinary medical

placement by the jail administrator subject to the standards and limitations set forth in RCW 9.94A.728(3).

(14) For purposes of this section and RCW 46.61.502 and 46.61.504:

(a) A "prior offense" means any of the following:

(i) A conviction for a violation of RCW 46.61.502 or an equivalent local ordinance;

(ii) A conviction for a violation of RCW 46.61.504 or an equivalent local ordinance;

(iii) A conviction for a violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug, or a conviction for a violation of RCW 46.61.520 committed in a reckless manner or with the disregard for the safety of others if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug;

(iv) A conviction for a violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug, or a conviction for a violation of RCW 46.61.522 committed in a reckless manner or with the disregard for the safety of others if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug;

(v) A conviction for a violation of RCW 46.61.5249, 46.61.500, or 9A.36.050 or an equivalent local ordinance, if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, or of RCW 46.61.520 or 46.61.522;

(vi) An out-of-state conviction for a violation that would have been a violation of (a)(i), (ii), (ii), (iv), or (v) of this subsection if committed in this state;

(vii) A deferred prosecution under chapter 10.05 RCW granted in a prosecution for a violation of RCW 46.61.502, 46.61.504, or an equivalent local ordinance; or

(viii) A deferred prosecution under chapter 10.05 RCW granted in a prosecution for a violation of RCW 46.61.5249, or an equivalent local ordinance, if the charge under which the deferred prosecution was granted was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, or of RCW 46.61.520 or 46.61.522;

If a deferred prosecution is revoked based on a subsequent conviction for an offense listed in this subsection (14)(a), the subsequent conviction shall not be treated as a prior offense of the revoked deferred prosecution for the purposes of sentencing;

(b) "Within seven years" means that the arrest for a prior offense occurred within seven years before or after the arrest for the current offense; and

(c) "Within ten years" means that the arrest for a prior offense occurred within ten years before or after the arrest for the current offense.

Passed by the Senate February 10, 2012. Passed by the House February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 29

[Substitute Senate Bill 6100]

SEXUAL ASSAULT GRANT PROGRAMS—ADMINISTRATION

AN ACT Relating to clarifying and updating the administration of sexual assault grant programs by the department of commerce; amending RCW 43.280.010, 43.280.011, 43.280.020, 43.280.050, 43.280.060, 43.280.070, 43.280.080, 43.280.090, 70.125.020, 70.125.065, 5.60.060, and 42.56.370; reenacting and amending RCW 70.125.030; and repealing RCW 43.280.030, 43.280.081, 74.14B.060, 70.125.040, 70.125.050, 70.125.055, and 70.125.080.

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

Sec. 1. RCW 43.280.010 and 1996 c 123 s 2 are each amended to read as follows:

The legislature recognizes the need to increase the services available to the victims of ((sex offenders)) sexual assault. The legislature also recognizes that these services are most effectively planned and provided at the local level through the combined efforts of concerned community and citizens groups, treatment providers, and local government officials. The legislature further recognizes that adequate ((treatment)) services for victims is not only a matter of justice for the victim, but also a method by which additional abuse can be prevented.

The legislature intends to enhance the community-based ((treatment)) services available to the victims of ((sex offenders)) sexual assault by:

(1) Providing consolidated funding support for local ((treatment)) programs which provide services to victims of ((sex offenders)) sexual assault, as defined in RCW 70.125.030;

(2) Providing technical assistance and support to help communities plan for and provide ((treatment)) victim services;

(3) Providing sexual assault services with a victim-focused mission, and consistent standards, policies, and ((eontracting)) granting and reporting requirements; and

(4) Providing communities and local ((treatment)) <u>victim service</u> providers with opportunities to share information about successful prevention and treatment programs.

Sec. 2. RCW 43.280.011 and 1996 c 123 s 1 are each amended to read as follows:

The Washington state sexual assault services advisory committee issued a report to the department of ((eommunity, trade, and economic development)) commerce and the department of social and health services in June of 1995. The committee made several recommendations to improve the delivery of services to victims of sexual ((abuse and)) assault: (1) Consolidate the administration and funding of sexual assault and abuse services in one agency instead of splitting those functions between the department of social and health services and the department of ((eommunity, trade, and economic development)) commerce; (2) adopt a funding allocation plan to pool all funds for sexual assault services and to distribute them across the state to ensure the delivery of core and specialized services; (3) establish service, data collection, and management standards and outcome measurements for recipients of grants; and (4) create a data collection system to gather pertinent data concerning the delivery of sexual assault services to victims.

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The legislature approves the recommendations of the advisory committee and consolidates the functions and funding for sexual assault services in the department of ((community, trade, and conomic development)) commerce to implement the advisory committee's recommendations.

((The legislature does not intend to effect a reduction in service levels within available funding by transferring department of social and health services' powers and duties to the department of community, trade, and economic development. At a minimum, the department of community, trade, and economic development shall distribute the same percentage of the services it provides victims of sexual assault and abuse, pursuant to RCW 43.280.020, 70.125.080, and 74.14B.060, to children as were distributed to children through these programs in fiscal year 1996.))

Sec. 3. RCW 43.280.020 and 1996 c 123 s 3 are each amended to read as follows:

((There is established in)) (1) The department of ((community, trade, and economic development a grant program to enhance the funding for treating the victims of sex offenders)) commerce is authorized to distribute funds that have been allocated to the grant program that it administers for serving victims of sexual assault.

(2) Activities that can be funded through this grant program are limited to those that:

(((1))) (a) Provide effective ((treatment)) services to victims of ((sex offenders)) sexual assault;

 $(((\frac{2})))$ (b) Increase access to and availability of $((\frac{1}{1}))$ services for victims of $((\frac{1}{2}))$ sexual assault, particularly if from underserved populations; and

(((3))) (c) Create or build on efforts by existing community programs, coordinate those efforts, or develop cooperative efforts or other initiatives to make the most effective use of resources to provide treatment services to these victims.

(3) Funding ((shall be given)) for core, specialized, and underserved populations services, as defined in RCW 70.125.030, must be distributed through a funding formula to those applicants that emphasize providing stable, victim-((focused)) centered sexual ((abuse)) assault services and possess the qualifications to provide ((eore)) those services((, as defined in RCW 70.125.030.

Funds for specialized services, as defined in RCW 70.125.030, shall be disbursed through the request for proposal or request for qualifications process)).

(4) The department of commerce shall ensure that grant recipients assist victims to utilize private insurance and crime victims' compensation benefits first before grant funds are used for therapy services.

Sec. 4. RCW 43.280.050 and 1996 c 123 s 4 are each amended to read as follows:

(1) At a minimum, grant applications for specialized and underserved services must include the following:

(((1))) (a) The geographic area from which the victims to be served are expected to come;

(((2))) (b) A description of the extent and effect of the needs of these victims within the relevant geographic area;

(((3))) (c) A proposed budget and an explanation of how the funds will be used, their relationship to existing services available within the community, and the need that they will fulfill;

(((4))) (d) An explanation of what <u>community</u> organizations were involved in the <u>community coordination that resulted in the</u> development of the proposal; and

 $((\frac{(5)}{(5)})$ (e) Documentation of <u>the applicant's</u> capacity to provide ((core and)) specialized services <u>and services for underserved populations</u>, as defined in ((RCW 70.125.030, provided by the applicant,)) <u>this chapter</u>, and a description <u>of</u> how the applicant intends to comply with service(($_{7}$)) <u>standards and</u> data collection(($_{7}$ and management standards)) <u>as</u> established by the department(($_{7}$ and

(6) An evaluation methodology)).

(2) At a minimum, grant applications for core services must include the following:

(a) The geographic area from which the victims to be served are expected to come:

(b) Assurance of the applicant's compliance with service standards, data collection, and management standards established by the department; and

(c) Documentation of the applicant's capacity to provide core services, as defined in this chapter.

Sec. 5. RCW 43.280.060 and 1996 c 123 s 5 are each amended to read as follows:

(1) Subject to funds appropriated by the legislature, the department of ((community, trade, and economic development)) commerce shall make awards under the grant program established by RCW 43.280.020.

(2) ((To aid the department of community, trade, and economic development in making its funding determinations, the department shall form a peer review committee comprised of individuals who are knowledgeable or experienced in the management or delivery of treatment services to victims of sex offenders. The peer review committee shall advise the department on the extent to which each eligible applicant meets the treatment and management standards, as developed by the department. The department shall consider this advice in making awards.

(3))) Activities funded under this section may be considered for funding in future years, but shall be considered under the same terms and criteria as new activities. Funding under this chapter shall not constitute an obligation by the state of Washington to provide ongoing funding.

Sec. 6. RCW 43.280.070 and 1995 c 399 s 115 are each amended to read as follows:

The department of ((community, trade, and economic development)) commerce may receive such gifts, grants, and endowments from public or private sources as may be made from time to time, in trust or otherwise, for the use and benefit of the purposes of this chapter and expend the same or any income therefrom according to the terms of the gifts, grants, or endowments. Sec. 7. RCW 43.280.080 and 1995 c 241 s 1 are each amended to read as follows:

The office of crime victims advocacy is established in the department of ((community, trade, and economic development)) commerce. The office shall assist communities in planning and implementing services for crime victims, advocate on behalf of crime victims in obtaining needed services and resources, and advise local and state governments on practices, policies, and priorities that impact crime victims. In addition, the office shall administer grant programs for ((sexual assault treatment and prevention services, as authorized in this chapter)) services to victims of crime and prevention activities as authorized by state or federal legislation, budget, or executive order. The department shall seek, receive, and make use of any funds which may be available from federal or other sources to augment state funds appropriated for the purpose of this section, and shall make every effort to qualify for federal funding.

Sec. 8. RCW 43.280.090 and 1995 c 269 s 2102 are each amended to read as follows:

The director of the department of ((community, trade, and economic development)) commerce may establish ad hoc advisory committees, as necessary, to obtain advice and guidance regarding the office of crime victims advocacy program.

Sec. 9. RCW 70.125.020 and 1979 ex.s. c 219 s 2 are each amended to read as follows:

(((1))) The legislature hereby finds and declares that:

(((a) Sexual assault has become one of the most rapidly increasing violent erimes over the last decade;

(b) There is a lack of essential information and data concerning sexual assault;

(c) There is a lack of adequate training for law enforcement officers concerning sexual assault, the victim, the offender, and the investigation;

(d) There is a lack of community awareness and knowledge concerning sexual assault and the physical and psychological impact upon the victim;

(e) There is a lack of public information concerning sexual assault prevention and personal self-protection;

(f) Because of the lack of information, training, and services, the victims of sexual assault are not receiving the assistance they require in dealing with the physical and psychological trauma of a sexual assault;

(g) The criminal justice system and health care system should maintain elose contact and cooperation with each other and with community rape crisis centers to expedite the disposition of sexual assault cases; and

(h))) (1) Sexual assault is a serious crime in society, affecting a large number of children, women, and men each year;

(2) Efforts over many years to distribute information and collect data have demonstrated the incidence of sexual assault that continues to impact communities, families, and individuals;

(3) Over the past three decades, law enforcement, prosecutors, medical professionals, educators, mental health providers, public health professionals, and victim advocates have benefited from a commitment to training and learning regarding appropriate responses to and services for victims of sexual assault;

(4) This same effort has resulted in increased public awareness of sexual assault and its impact on communities, families, and individuals;

(5) Law enforcement, prosecutors, medical professionals, educators, mental health providers, public health professionals, and victim advocates should continue to work closely and collaboratively to improve responses to and services for victims of sexual assault;

(6) The physical, emotional, financial, and psychological needs of victims and their families are particularly well-served by timely and effective services provided in local communities; and

(7) Persons who are victims of sexual assault ((will)) benefit directly from ((increased)) continued public awareness and education, ((increased)) prosecutions of offenders, ((and)) a criminal justice system which treats them in a humane manner, and access to victim-centered, culturally relevant services.

(((2) Therefore, a statewide sexual assault education, training, and consultation program should be developed. Such a statewide program should seek to improve treatment of victims through information-gathering, education, training, community awareness programs, and by increasing the efficiency of the eriminal justice and health care systems as they relate to sexual assault. Such a program should serve a consultative and facilitative function for organizations which provide services to victims and potential victims of sexual assault.))

Sec. 10. RCW 70.125.030 and 2009 c 565 s 50 are each reenacted and amended to read as follows:

((As used in this chapter and unless the context indicates otherwise:)) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Community sexual assault program" means a community-based social service agency that is qualified to provide and provides core services to victims of sexual assault.

(2) "Core services" means ((treatment services for victims of sexual assault including information and referral, crisis intervention, medical advocacy, legal advocacy, support, system coordination, and prevention for potential victims of sexual assault)) those services that are victim-centered community-based advocacy responses to alleviate the impact of sexual assault, as delineated in the Washington state sexual assault services plan of 1995 and its subsequent revisions.

(3) "Department" means the department of commerce.

(4) "Law enforcement agencies" means police and sheriff's departments and tribal law enforcement departments or agencies of this state.

(5) "Personal representative" means a friend, relative, attorney, or employee or volunteer from a community sexual assault program or specialized treatment service provider.

(6) (("Rape crisis center" means a community based social service agency which provides services to victims of sexual assault.)) "Services for underserved populations" means culturally relevant victim-centered community-based advocacy responses to alleviate the impact of sexual assault, as delineated in the Washington state sexual assault services plan of 1995 and its subsequent revisions.

(7) "Sexual assault" means one or more of the following:

(a) Rape or rape of a child;

(b) Assault with intent to commit rape or rape of a child;

(c) Incest or indecent liberties;

(d) Child molestation;

(e) Sexual misconduct with a minor;

(f) Custodial sexual misconduct;

(g) Crimes with a sexual motivation; ((or))

(h) Sexual exploitation or commercial sex abuse of a minor;

(i) Promoting prostitution; or

(j) An attempt to commit any of the aforementioned offenses.

(8) "Specialized services" means ((treatment services for victims of sexual assault including support groups, therapy, and specialized sexual assault medical examination)) those services intended to alleviate the impact of sexual assault, as delineated in the Washington state sexual assault services plan of 1995 and its subsequent revisions.

(9) "Victim" means any person who suffers physical ((and/or mental anguish)), emotional, financial, and psychological impact as a proximate result of a sexual assault.

Sec. 11. RCW 70.125.065 and 1981 c 145 s 9 are each amended to read as follows:

Records maintained by ((rape crisis centers)) a community sexual assault program and underserved populations provider shall not be made available to any defense attorney as part of discovery in a sexual assault case unless:

(1) A written pretrial motion is made by the defendant to the court stating that the defendant is requesting discovery of the ((rape crisis center's)) community sexual assault program or underserved populations provider records;

(2) The written motion is accompanied by an affidavit or affidavits setting forth specifically the reasons why the defendant is requesting discovery of the ((rape crisis center's)) community sexual assault program or underserved populations provider records;

(3) The court reviews the ((rape crisis center's)) community sexual assault program or underserved populations provider records in camera to determine whether the ((rape crisis center's)) community sexual assault program or underserved populations provider records are relevant and whether the probative value of the records is outweighed by the victim's privacy interest in the confidentiality of such records taking into account the further trauma that may be inflicted upon the victim by the disclosure of the records to the defendant; and

(4) The court enters an order stating whether the records or any part of the records are discoverable and setting forth the basis for the court's findings.

Sec. 12. RCW 5.60.060 and 2009 c 424 s 1 are each amended to read as follows:

(1) A spouse or domestic partner shall not be examined for or against his or her spouse or domestic partner, without the consent of the spouse or domestic partner; nor can either during marriage or during the domestic partnership or afterward, be without the consent of the other, examined as to any communication made by one to the other during the marriage or the domestic partnership. But this exception shall not apply to a civil action or proceeding by one against the other, nor to a criminal action or proceeding for a crime committed by one against the other, nor to a criminal action or proceeding against a spouse or domestic partner if the marriage or the domestic partnership occurred subsequent to the filing of formal charges against the defendant, nor to a criminal action or proceeding for a crime committed by said spouse or domestic partner against any child of whom said spouse or domestic partner is the parent or guardian, nor to a proceeding under chapter 70.96A, 70.96B, 71.05, or 71.09 RCW: PROVIDED, That the spouse or the domestic partner of a person sought to be detained under chapter 70.96A, 70.96B, 71.05, or 71.09 RCW may not be compelled to testify and shall be so informed by the court prior to being called as a witness.

(2)(a) An attorney or counselor shall not, without the consent of his or her client, be examined as to any communication made by the client to him or her, or his or her advice given thereon in the course of professional employment.

(b) A parent or guardian of a minor child arrested on a criminal charge may not be examined as to a communication between the child and his or her attorney if the communication was made in the presence of the parent or guardian. This privilege does not extend to communications made prior to the arrest.

(3) A member of the clergy, a Christian Science practitioner listed in the Christian Science Journal, or a priest shall not, without the consent of a person making the confession or sacred confidence, be examined as to any confession or sacred confidence made to him or her in his or her professional character, in the course of discipline enjoined by the church to which he or she belongs.

(4) Subject to the limitations under RCW 70.96A.140 or 71.05.360 (8) and (9), a physician or surgeon or osteopathic physician or surgeon or podiatric physician or surgeon shall not, without the consent of his or her patient, be examined in a civil action as to any information acquired in attending such patient, which was necessary to enable him or her to prescribe or act for the patient, except as follows:

(a) In any judicial proceedings regarding a child's injury, neglect, or sexual abuse or the cause thereof; and

(b) Ninety days after filing an action for personal injuries or wrongful death, the claimant shall be deemed to waive the physician-patient privilege. Waiver of the physician-patient privilege for any one physician or condition constitutes a waiver of the privilege as to all physicians or conditions, subject to such limitations as a court may impose pursuant to court rules.

(5) A public officer shall not be examined as a witness as to communications made to him or her in official confidence, when the public interest would suffer by the disclosure.

(6)(a) A peer support group counselor shall not, without consent of the law enforcement officer or firefighter making the communication, be compelled to testify about any communication made to the counselor by the officer or firefighter while receiving counseling. The counselor must be designated as such by the sheriff, police chief, fire chief, or chief of the Washington state patrol, prior to the incident that results in counseling. The privilege only applies when the communication was made to the counselor while acting in his or her capacity as a peer support group counselor. The privilege does not apply if the counselor was an initial responding officer or firefighter, a witness, or a party to the incident which prompted the delivery of peer support group counseling services to the law enforcement officer or firefighter.

(b) For purposes of this section, "peer support group counselor" means a:

(i) Law enforcement officer, firefighter, civilian employee of a law enforcement agency, or civilian employee of a fire department, who has received training to provide emotional and moral support and counseling to an officer or firefighter who needs those services as a result of an incident in which the officer or firefighter was involved while acting in his or her official capacity; or

(ii) Nonemployee counselor who has been designated by the sheriff, police chief, fire chief, or chief of the Washington state patrol to provide emotional and moral support and counseling to an officer or firefighter who needs those services as a result of an incident in which the officer or firefighter was involved while acting in his or her official capacity.

(7) A sexual assault advocate may not, without the consent of the victim, be examined as to any communication made between the victim and the sexual assault advocate.

(a) For purposes of this section, "sexual assault advocate" means the employee or volunteer from a ((rape crisis center)) community sexual assault program or underserved populations provider, victim assistance unit, program, or association, that provides information, medical or legal advocacy, counseling, or support to victims of sexual assault, who is designated by the victim to accompany the victim to the hospital or other health care facility and to proceedings concerning the alleged assault, including police and prosecution interviews and court proceedings.

(b) A sexual assault advocate may disclose a confidential communication without the consent of the victim if failure to disclose is likely to result in a clear, imminent risk of serious physical injury or death of the victim or another person. Any sexual assault advocate participating in good faith in the disclosing of records and communications under this section shall have immunity from any liability, civil, criminal, or otherwise, that might result from the action. In any proceeding, civil or criminal, arising out of a disclosure under this section, the good faith of the sexual assault advocate who disclosed the confidential communication shall be presumed.

(8) A domestic violence advocate may not, without the consent of the victim, be examined as to any communication between the victim and the domestic violence advocate.

(a) For purposes of this section, "domestic violence advocate" means an employee or supervised volunteer from a community-based domestic violence program or human services program that provides information, advocacy, counseling, crisis intervention, emergency shelter, or support to victims of domestic violence and who is not employed by, or under the direct supervision of, a law enforcement agency, a prosecutor's office, or the child protective services section of the department of social and health services as defined in RCW 26.44.020.

(b) A domestic violence advocate may disclose a confidential communication without the consent of the victim if failure to disclose is likely to result in a clear, imminent risk of serious physical injury or death of the victim or another person. This section does not relieve a domestic violence advocate from the requirement to report or cause to be reported an incident under RCW 26.44.030(1) or to disclose relevant records relating to a child as required by RCW 26.44.030(12). Any domestic violence advocate participating in good faith in the disclosing of communications under this subsection is immune from

liability, civil, criminal, or otherwise, that might result from the action. In any proceeding, civil or criminal, arising out of a disclosure under this subsection, the good faith of the domestic violence advocate who disclosed the confidential communication shall be presumed.

(9) A mental health counselor, independent clinical social worker, or marriage and family therapist licensed under chapter 18.225 RCW may not disclose, or be compelled to testify about, any information acquired from persons consulting the individual in a professional capacity when the information was necessary to enable the individual to render professional services to those persons except:

(a) With the written authorization of that person or, in the case of death or disability, the person's personal representative;

(b) If the person waives the privilege by bringing charges against the mental health counselor licensed under chapter 18.225 RCW;

(c) In response to a subpoena from the secretary of health. The secretary may subpoena only records related to a complaint or report under RCW 18.130.050;

(d) As required under chapter 26.44 or 74.34 RCW or RCW 71.05.360 (8) and (9); or

(e) To any individual if the mental health counselor, independent clinical social worker, or marriage and family therapist licensed under chapter 18.225 RCW reasonably believes that disclosure will avoid or minimize an imminent danger to the health or safety of the individual or any other individual; however, there is no obligation on the part of the provider to so disclose.

Sec. 13. RCW 42.56.370 and 2005 c 274 s 417 are each amended to read as follows:

Client records maintained by an agency that is a domestic violence program as defined in RCW 70.123.020 or 70.123.075 or a ((rape crisis center)) community sexual assault program or services for underserved populations as defined in RCW 70.125.030 are exempt from disclosure under this chapter.

<u>NEW SECTION.</u> Sec. 14. The following acts or parts of acts are each repealed:

(1) RCW 43.280.030 (Applications) and 1990 c 3 s 1204;

(2) RCW 43.280.081 (Office of crime victims advocacy—Reports on penalty assessments collection and use of funds for assistance to victims and witnesses of crime) and 1996 c 122 s 3;

(3) RCW 74.14B.060 (Sexually abused children—Treatment services) and 1996 c 123 s 8 & 1990 c 3 s 1402;

(4) RCW 70.125.040 (Coordinating office—Biennial statewide plan) and 1985 c 34 s 1 & 1979 ex.s. c 219 s 4;

(5) RCW 70.125.050 (Statewide program services) and 1979 ex.s. c 219 s 5; (6) RCW 70.125.055 (Financial assistance to rape crisis centers) and 1985 c 34 s 2; and

(7) RCW 70.125.080 (Community sexual assault programs—Victim advocates) and 1996 c 123 s 7 & 1991 c 267 s 3.

Passed by the Senate February 10, 2012.

Passed by the House February 27, 2012.

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CHAPTER 30

[Senate Bill 6108]

CRIMES—THEFT OF RENTAL PROPERTY

AN ACT Relating to clarifying the location at which the crime of theft of rental, leased, leasepurchased, or loaned property occurs; and amending RCW 9A.56.096.

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

Sec. 1. RCW 9A.56.096 and 2009 c 431 s 11 are each amended to read as follows:

(1) A person who, with intent to deprive the owner or owner's agent, wrongfully obtains, or exerts unauthorized control over, or by color or aid of deception gains control of personal property that is rented, leased, or loaned by written agreement to the person, is guilty of theft of rental, leased, lease-purchased, or loaned property.

(2) The finder of fact may presume intent to deprive if the finder of fact finds either of the following:

(a) That the person who rented or leased the property failed to return or make arrangements acceptable to the owner of the property or the owner's agent to return the property to the owner or the owner's agent within seventy-two hours after receipt of proper notice following the due date of the rental, lease, leasepurchase, or loan agreement; or

(b) That the renter, lessee, or borrower presented identification to the owner or the owner's agent that was materially false, fictitious, or not current with respect to name, address, place of employment, or other appropriate items.

(3) As used in subsection (2) of this section, "proper notice" consists of a written demand by the owner or the owner's agent made after the due date of the rental, lease, lease-purchase, or loan period, mailed by certified or registered mail to the renter, lessee, or borrower at: (a) The address the renter, lessee, or borrower gave when the contract was made; or (b) the renter, lessee, or borrower's last known address if later furnished in writing by the renter, lessee, borrower, or the agent of the renter, lessee, or borrower.

(4) The replacement value of the property obtained must be utilized in determining the amount involved in the theft of rental, leased, lease-purchased, or loaned property.

(5)(a) Theft of rental, leased, lease-purchased, or loaned property is a class B felony if the rental, leased, lease-purchased, or loaned property is valued at five thousand dollars or more.

(b) Theft of rental, leased, lease-purchased, or loaned property is a class C felony if the rental, leased, lease-purchased, or loaned property is valued at seven hundred fifty dollars or more but less than five thousand dollars.

(c) Theft of rental, leased, lease-purchased, or loaned property is a gross misdemeanor if the rental, leased, lease-purchased, or loaned property is valued at less than seven hundred fifty dollars.

(6) The crime of theft of rental, leased, lease-purchased, or loaned property may be deemed to have been committed either at the physical location where the written agreement for the rental, lease, lease-purchase, or loan of the property

was executed under subsection (1) of this section, or at the address where proper notice may be mailed to the renter, lessee, or borrower under subsection (3) of this section.

(7) This section applies to rental agreements that provide that the renter may return the property any time within the rental period and pay only for the time the renter actually retained the property, in addition to any minimum rental fee, to lease agreements, to lease-purchase agreements as defined under RCW 63.19.010, and to vehicles loaned to prospective purchasers borrowing a vehicle by written agreement from a motor vehicle dealer licensed under chapter 46.70 RCW. This section does not apply to rental or leasing of real property under the residential landlord-tenant act, chapter 59.18 RCW.

Passed by the Senate February 11, 2012. Passed by the House February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 31

[Substitute Senate Bill 6121] HIGHER EDUCATION—FINANCIAL AID COUNSELING

AN ACT Relating to financial aid counseling; and adding a new section to chapter 28B.76 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 28B.76 RCW to read as follows:

(1) The office must provide a financial aid counseling curriculum to institutions of higher education with state need grant recipients. The curriculum must be available via a web site. The curriculum must include, but not be limited to:

(a) An explanation of the state need grant program rules, including maintaining satisfactory progress, repayment rules, and usage limits;

(b) Information on campus and private scholarships and work-study opportunities, including the application processes;

(c) An overview of student loan options with an emphasis on the repayment obligations a student borrower assumes regardless of program completion, including the likely consequences of default and sample monthly repayment amounts based on a range of student levels of indebtedness;

(d) An overview of financial literacy, including basic money management skills such as living within a budget and handling credit and debt;

(e) Average salaries for a wide range of jobs;

(f) Perspectives from a diverse group of students who are or were recipients of financial aid, including student loans; and

(g) Contact information for local financial aid resources and the federal student aid ombudsman's office.

(2) By the 2013-14 academic year, the institution of higher education must take reasonable steps to ensure that each state need grant recipient receives information outlined in subsection (1)(a) through (g) of this section by directly

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referencing or linking to the web site on the conditions of award statement provided to each recipient.

(3) By July 1, 2013, the office must disseminate the curriculum to all institutions of higher education participating in the state need grant program. The institutions of higher education may require nonstate need grant recipients to participate in all or portions of the financial aid counseling.

Passed by the Senate February 11, 2012. Passed by the House February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 32

[Senate Bill 6133]

ELECTRICIAN CERTIFICATIONS—ELIGIBILITY

AN ACT Relating to requiring training for eligibility for certain electrician certifications; amending RCW 19.28.181 and 19.28.211; adding a new section to chapter 19.28 RCW; and providing an effective date.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 19.28 RCW to read as follows:

(1) An applicant for a journeyman certificate of competency under RCW 19.28.191(1)(f) or a specialty electrician certificate of competency under RCW 19.28.191(1)(g) must demonstrate to the satisfaction of the department completion of in-class education as follows:

(a) Twenty-four hours of in-class education if two thousand hours or more but less than four thousand hours of work are required for the certificate;

(b) Forty-eight hours of in-class education if four thousand or more but less than six thousand hours of work are required for the certificate;

(c) Seventy-two hours of in-class education if six thousand or more but less than eight thousand hours of work are required for the certificate;

(d) Ninety-six hours of in-class education if eight thousand or more hours of work are required for the certificate.

(2) For purposes of this section, "in-class education" means approved classroom training covering this chapter, the national electric code, or electrical theory; or equivalent classroom training taken as part of an approved apprenticeship program under chapter 49.04 RCW or an approved electrical training program under RCW 19.28.191(1)(h).

(3) Classroom training taken to qualify for trainee certificate renewal under RCW 19.28.161 qualifies as in-class education under this section.

Sec. 2. RCW 19.28.181 and 2001 c 211 s 12 are each amended to read as follows:

Any person desiring to be issued a certificate of competency as provided in this chapter shall deliver evidence in a form prescribed by the department affirming that said person has met the qualifications required under RCW 19.28.191 and section 1 of this act. An electrician from another jurisdiction applying for a certificate of competency must provide evidence in a form

prescribed by the department affirming that the person has the equivalent qualifications to those required under RCW 19.28.191.

Sec. 3. RCW 19.28.211 and 2009 c 36 s 8 are each amended to read as follows:

(1) The department shall issue a certificate of competency to all applicants who have passed the examination provided in RCW 19.28.201, <u>met the in-class</u> education requirements of section 1 of this act if applicable, and who have complied with RCW 19.28.161 through 19.28.271 and the rules adopted under this chapter. The certificate may include a photograph of the holder. The certificate shall bear the date of issuance, and shall expire on the holder's birthday. The certificate shall be renewed every three years, upon application, on or before the holder's birthdate. A fee shall be assessed for each certificate and for each annual renewal.

(2) If the certificate holder demonstrates to the department that he or she has satisfactorily completed an annual eight-hour continuing education course, the certificate may be renewed without examination by appropriate application unless the certificate has been revoked, suspended, or not renewed within ninety days after the expiration date. For pump and irrigation or domestic pump specialty electricians, the continuing education course may combine both electrical and plumbing education provided that there is a minimum of four hours of electrical training in the course.

(a) The contents and requirements for satisfactory completion of the continuing education course shall be determined by the director and approved by the board.

(b) The department shall accept proof of a certificate holder's satisfactory completion of a continuing education course offered in another state as meeting the requirements for maintaining a current Washington state certificate of competency if the department is satisfied the course is comparable in nature to that required in Washington state for maintaining a current certificate of competency.

(3) If the certificate is not renewed before the expiration date, the individual shall pay twice the usual fee. The department shall set the fees by rule for issuance and renewal of a certificate of competency. The fees shall cover but not exceed the costs of issuing the certificates and of administering and enforcing the electrician certification requirements of this chapter.

(4) The certificates of competency and temporary permits provided for in this chapter grant the holder the right to work in the electrical construction trade as a master electrician, journeyman electrician, or specialty electrician in accordance with their provisions throughout the state and within any of its political subdivisions without additional proof of competency or any other license, permit, or fee to engage in such work.

<u>NEW SECTION.</u> Sec. 4. This act takes effect July 1, 2013.

Passed by the Senate February 13, 2012. Passed by the House February 28, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 33

[Engrossed Senate Bill 6141] LIFELONG LEARNING PROGRAM

AN ACT Relating to a lifelong learning program; adding a new section to chapter 28C.18 RCW; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that training and education is vitally important in the development of skilled workers and the promotion of an internationally competitive economy. It is the intent of the legislature to promote the opportunity to succeed. It is the further intent of the legislature to build a highly skilled and globally competitive workforce by supporting the movement of low-skilled workers into average-skilled jobs and moving averageskilled workers into high-skilled jobs to achieve a world class competitive workforce that is sustainable through the coming decades. The legislature intends, through the establishment of a lifelong learning program, to address the challenge of providing low-skilled workers with postsecondary education and training and ultimately achieving excellence in all sectors of our workforce and economy. The legislature intends that participation in the lifelong learning program is completely voluntary and in no way obligatory for employers or employees. The legislature intends the lifelong learning program to develop partnerships and mechanisms through which:

(1) Workers take responsibility for advancing in their careers and improving their economic future by investing their own funds in their training and education;

(2) Employers voluntarily promote the success of their businesses, workers, and communities by investing in their workers' lifelong learning accounts;

(3) Educational and training institutions promote the establishment of lifelong learning accounts to equip students and their employers with a means to meet the financial demands of higher education tuition costs and the competitive needs of industries;

(4) State and local government institutions provide the infrastructure, incentives, and proactive support for employees, employers, and institutions to invest in lifelong learning accounts; and

(5) Financial institutions and nonprofit organizations invest their resources to provide the initial web of support to establish pilot projects, foster program development, assist in impact evaluation, and assist in migrating the program achievements and best practices across other communities and industries in the United States.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 28C.18 RCW to read as follows:

(1) A lifelong learning program is established within the workforce training and education coordinating board to provide the opportunity for employees, with the support of their employers, to create educational savings accounts that may be used to fund approved education and training. In operating the program, the board:

(a) May partner with, and coordinate the voluntary alignment of services with, financial institutions and other public, private, and nonprofit organizations

in order to enable low-wage workers to attain high-skilled and high-wage jobs in their communities;

(b) Must work with its partners to:

(i) Establish the policies, rules, and procedures, including but not limited to standards for fund management and for approving career development plans and education and training, that support the operation of the program;

(ii) Ensure the program is marketed to various geographic areas and industry sectors of the state, as well as to low-wage workers, their employers, and the communities in which they reside; and

(iii) Help partners coordinate new career counseling services with existing online and other providers, including the state's WorkSource system;

(c) May work with financial institutions to encourage their full engagement in:

(i) The management functions of the program, including managing lifelong learning accounts for individual employers and their respective employees consistent with program requirements and guidelines;

(ii) Adding value to the program through the provision of financial literacy and career counseling; and

(iii) Aligning their activities under a consolidated partnership, which may include the designation of one fund manager to streamline the establishment and management of the program; and

(d) May develop program policies and system options that will lead the program to become self-sustaining.

(2) The definitions in this subsection apply throughout this section.

(a) "Approved career development plan" means an employee's career development plan that is approved by the program managers and contains the necessary information to determine if expenditures are in alignment with program criteria.

(b) "Approved education and training" means education, training, and associated costs aligned with an approved career development plan and thus eligible to be funded from a lifelong learning account.

(c) "Financial institution" means any federally chartered or state chartered bank, savings bank, or savings and loan association, or credit union.

(d) "Lifelong learning accounts" means joint savings accounts that are established by employees and employers to support the education and training of employees and that are aligned with their approved career development plan.

Passed by the Senate February 11, 2012. Passed by the House February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 34

[Substitute Senate Bill 6295]

EXCHANGE FACILITATOR REQUIREMENTS

AN ACT Relating to exchange facilitator requirements; amending RCW 19.310.040, 19.310.120, and 19.310.150; creating new sections; prescribing penalties; and providing an expiration date.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that exchange facilitators are a specialized business in Washington state that involves the transfer of certain assets of citizens for investment purposes. In 2009 legislation was passed that provided enhanced reporting requirements, as well as civil and criminal penalties, to serve as additional protections for citizens involved in these types of transactions. The legislature finds that current law is still inadequate to protect those who trust these companies with assets they may have spent a lifetime accumulating. Additional protections are required to properly regulate the companies engaged in these transactions.

Sec. 2. RCW 19.310.040 and 2009 c 70 s 5 are each amended to read as follows:

(1) A person who engages in business as an exchange facilitator ((shall)) <u>must</u>:

(a)(i) Maintain a fidelity bond or bonds in an amount of not less than one million dollars executed by an insurer authorized to do business in this state for the benefit of a client of the exchange facilitator that suffers a loss as a result of the exchange facilitator's covered dishonest act. Such fidelity bond must cover the acts of employees of an exchange facilitator and owners of a nonpublicly traded exchange facilitator; or

(((b) Deposit an amount of eash or securities or irrevocable letters of credit in an amount of not less than one million dollars into an interest-bearing deposit account or a money market account with the financial institution of the exchange facilitator's choice. Interest on that amount accrues to the exchange facilitator; or

(c))) (ii) Deposit all exchange funds in a qualified escrow account or qualified trust, as both terms are defined under treasury regulation section 1.1031(k)-1(g)(3), with a financial institution ((and)). The qualified escrow account or qualified trust must provide that a withdrawal from that escrow account or trust requires the exchange ((facilitator's and the client's written authorization.

(2) A person who engages in business as an exchange facilitator may maintain a bond or bonds or deposit an amount of cash or securities or irrevocable letters of credit in excess of the minimum required amounts under this section.

(3) The requirements under subsection (1)(a) of this section are satisfied if the person engaging in business as an exchange facilitator is listed as a named insured on one or more fidelity bonds that have an aggregate total of at least one million dollars.

(4))) facilitator and the client to independently authenticate a record, as defined under RCW 62A.9A-102, of the transaction;

(b) Disclose on the company web site and contractual agreement the following statement in large, bold, or otherwise conspicuous typeface calculated to draw the eye: "Washington state law, RCW 19.310.040, requires an exchange facilitator to either maintain a fidelity bond in an amount of not less than one million dollars that protects clients against losses caused by criminal acts of the exchange facilitator, or hold all client funds in a qualified escrow account or qualified trust." If recommending other products or services, the exchange facilitator must disclose to the client that the exchange facilitator may receive a financial benefit, such as a commission or referral fee, as a result of such

recommendation. The exchange facilitator must not recommend or suggest to a client the use of services of another organization or business entity in which the exchange facilitator has a direct or indirect interest without full disclosure of such interest at the time of recommendation or suggestion.

(2) An exchange facilitator must provide evidence to each client that the requirements of this section are satisfied before entering into an exchange agreement.

(((5))) (3) Upon request of a current or prospective client, or the attorney general under chapter 19.86 RCW, the exchange facilitator must offer evidence proving that the requirements of this section are satisfied at the time of the request.

<u>NEW SECTION.</u> Sec. 3. (1) A stakeholder task force comprised of the department of financial institutions, the office of the insurance commissioner, exchange facilitators, and title holders shall convene to identify effective regulatory procedures for the exchange facilitator industry. Issues for discussion must include, but not be limited to: The feasibility and cost of regulation; regulatory and enforcement standards; certification or licensing options; and the feasibility of adopting provisions within the escrow agency act. Specific recommendations on these issues are due to the legislature by December 1, 2012.

(2) This section expires December 1, 2012.

Sec. 4. RCW 19.310.120 and 2009 c 70 s 13 are each amended to read as follows:

(1) Failure to fulfill the requirements under RCW 19.310.040 constitutes prima facie evidence that the exchange facilitator intended to defraud a client who suffered a subsequent loss of the asset entrusted to the exchange facilitator.

(2) A person who engages in business as an exchange facilitator and who violates RCW 19.310.100 (1) through (8) or fails to comply with the requirements under RCW 19.310.040 is guilty of a class B felony under chapter 9A.20 RCW. However, an exchange facilitator is not guilty of a class B felony for failure to comply with the requirements under RCW 19.310.040 if: (a) Failure to comply is due to the cancellation or amendment of the fidelity bond by the bond issuer; and (b) the exchange facilitator:

(i) Within thirty days, takes all reasonable steps to comply with the requirements under RCW 19.310.040; and

(ii) Deposits any new exchange funds into a qualified escrow account or qualified trust until a fidelity bond is obtained that meets the requirements under RCW 19.310.040(1)(a)(i).

Sec. 5. RCW 19.310.150 and 2009 c 70 s 16 are each amended to read as follows:

(1) A person who violates this chapter is subject to civil suit in a court of competent jurisdiction.

(2) Damages awarded to a current client for a civil suit filed for a violation of the requirements under RCW 19.310.040 include treble damages and attorneys' fees.

Passed by the Senate February 13, 2012. Passed by the House February 27, 2012. Approved by the Governor March 7, 2012. Filed in Office of Secretary of State March 7, 2012.

CHAPTER 35

[Engrossed Substitute Senate Bill 5895] CERTIFICATED EDUCATION EMPLOYEES—EVALUATION

AN ACT Relating to evaluating certificated employees; amending RCW 28A.405.100, 28A.405.120, 28A.405.130, 28A.415.023, and 28A.405.220; adding a new section to chapter 28A.410 RCW; and adding a new section to chapter 28A.405 RCW.

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

Sec. 1. RCW 28A.405.100 and 2010 c 235 s 202 are each amended to read as follows:

(1)(a) Except as provided in subsection (2) of this section, the superintendent of public instruction shall establish and may amend from time to time minimum criteria for the evaluation of the professional performance capabilities and development of certificated classroom teachers and certificated support personnel. For classroom teachers the criteria shall be developed in the following categories: Instructional skill; classroom management, professional preparation and scholarship; effort toward improvement when needed; the handling of student discipline and attendant problems; and interest in teaching pupils and knowledge of subject matter.

(b) Every board of directors shall, in accordance with procedure provided in RCW 41.59.010 through 41.59.170, 41.59.910, and 41.59.920, establish evaluative criteria and procedures for all certificated classroom teachers and certificated support personnel. The evaluative criteria must contain as a minimum the criteria established by the superintendent of public instruction pursuant to this section and must be prepared within six months following adoption of the superintendent of public instruction's minimum criteria. The district must certify to the superintendent of public instruction that evaluative criteria have been so prepared by the district.

(2)(a) Pursuant to the implementation schedule established in subsection $(7)((\frac{1}{(b)}))$ (c) of this section, every board of directors shall, in accordance with procedures provided in RCW 41.59.010 through 41.59.170, 41.59.910, and 41.59.920, establish revised evaluative criteria and a four-level rating system for all certificated classroom teachers.

(b) The minimum criteria shall include: (i) Centering instruction on high expectations for student achievement; (ii) demonstrating effective teaching practices; (iii) recognizing individual student learning needs and developing strategies to address those needs; (iv) providing clear and intentional focus on subject matter content and curriculum; (v) fostering and managing a safe, positive learning environment; (vi) using multiple student data elements to modify instruction and improve student learning; (vii) communicating and collaborating with parents and (([the])) the school community; and (viii) exhibiting collaborative and collegial practices focused on improving instructional practice and student learning. Student growth data must be a substantial factor in evaluating the summative performance of certificated classroom teachers for at least three of the evaluation criteria listed in this subsection.

(c) The four-level rating system used to evaluate the certificated classroom teacher must describe performance along a continuum that indicates the extent to which the criteria have been met or exceeded. ((When)) The summative performance ratings shall be as follows: Level 1 - unsatisfactory; level 2 - basic; level 3 - proficient; and level 4 - distinguished. A classroom teacher shall receive one of the four summative performance ratings for each of the minimum criteria in (b) of this subsection and one of the four summative performance ratings for the evaluation performance rating. By December 1, 2012, the superintendent of public instruction must adopt rules prescribing a common method for calculating the comprehensive summative evaluation performance rating for a focused evaluation under subsection (12) of this section, giving appropriate weight to the indicators evaluated under each criteria and maximizing rater agreement among the frameworks.

(d) By December 1, 2012, the superintendent of public instruction shall adopt rules that provide descriptors for each of the summative performance ratings, based on the development work of pilot school districts under subsection (7) of this section. Any subsequent changes to the descriptors by the superintendent may only be made following consultation with a group broadly reflective of the parties represented in subsection (7)(a) of this section.

(e) By September 1, 2012, the superintendent of public instruction shall identify up to three preferred instructional frameworks that support the revised evaluation system. The instructional frameworks shall be research-based and establish definitions or rubrics for each of the four summative performance ratings for each evaluation criteria. Each school district must adopt one of the preferred instructional frameworks and post the selection on the district's web site. The superintendent of public instruction shall establish a process for approving minor modifications or adaptations to a preferred instructional framework that may be proposed by a school district.

(f) Student growth data((, if available and)) that is relevant to the teacher and subject matter((, is referenced)) must be a factor in the evaluation process ((it)) and must be based on multiple measures that can include classroom-based, school-based, district-based, and state-based tools. Student growth data elements may include the teacher's performance as a member of a grade-level, subject matter, or other instructional team within a school when the use of this data is relevant and appropriate. Student growth data elements may also include the teacher's performance as a member of the overall instructional team of a school when use of this data is relevant and appropriate. As used in this subsection, "student growth" means the change in student achievement between two points in time.

(g) Student input may also be included in the evaluation process.

(3)(a) Except as provided in subsection (((10))) (<u>11</u>) of this section, it shall be the responsibility of a principal or his or her designee to evaluate all certificated personnel in his or her school. During each school year all classroom teachers and certificated support personnel shall be observed for the purposes of evaluation at least twice in the performance of their assigned duties. Total observation time for each employee for each school year shall be not less than sixty minutes. An employee in the third year of provisional status as

defined in RCW 28A.405.220 shall be observed at least three times in the performance of his or her duties and the total observation time for the school year shall not be less than ninety minutes. Following each observation, or series of observations, the principal or other evaluator shall promptly document the results of the observation in writing, and shall provide the employee with a copy thereof within three days after such report is prepared. New employees shall be observed at least once for a total observation time of thirty minutes during the first ninety calendar days of their employment period.

(b) As used in this subsection and subsection (4) of this section, "employees" means classroom teachers and certificated support personnel except where otherwise specified.

(4)(a) At any time after October 15th, an employee whose work is not judged satisfactory based on district evaluation criteria shall be notified in writing of the specific areas of deficiencies along with a reasonable program for improvement. For classroom teachers who have been transitioned to the revised evaluation system pursuant to the district implementation schedule adopted under subsection (7)(c) of this section, the following comprehensive summative evaluation performance ratings based on the evaluation criteria in subsection (2)(b) of this section mean a classroom teacher's work is not judged satisfactory:

(i) Level 1; or

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(ii) Level 2 if the classroom teacher is a continuing contract employee under <u>RCW 28A.405.210</u> with more than five years of teaching experience and if the level 2 comprehensive summative evaluation performance rating has been received for two consecutive years or for two years within a consecutive three-year time period.

(b) During the period of probation, the employee may not be transferred from the supervision of the original evaluator. Improvement of performance or probable cause for nonrenewal must occur and be documented by the original evaluator before any consideration of a request for transfer or reassignment as contemplated by either the individual or the school district. A probationary period of sixty school days shall be established. Days may be added if deemed necessary to complete a program for improvement and evaluate the probationer's performance, as long as the probationary period is concluded before May 15th of the same school year. The probationary period may be extended into the following school year if the probationer has five or more years of teaching experience and has a comprehensive summative evaluation performance rating as of May 15th of less than level 2. The establishment of a probationary period does not adversely affect the contract status of an employee within the meaning of RCW 28A.405.300. The purpose of the probationary period is to give the employee opportunity to demonstrate improvements in his or her areas of deficiency. The establishment of the probationary period and the giving of the notice to the employee of deficiency shall be by the school district superintendent and need not be submitted to the board of directors for approval. During the probationary period the evaluator shall meet with the employee at least twice monthly to supervise and make a written evaluation of the progress, if any, made by the employee. The evaluator may authorize one additional certificated employee to evaluate the probationer and to aid the employee in improving his or her areas of deficiency((;)). Should the evaluator not authorize such additional evaluator, the probationer may request that an additional

certificated employee evaluator become part of the probationary process and this request must be implemented by including an additional experienced evaluator assigned by the educational service district in which the school district is located and selected from a list of evaluation specialists compiled by the educational service district. Such additional certificated employee shall be immune from any civil liability that might otherwise be incurred or imposed with regard to the good faith performance of such evaluation. If a procedural error occurs in the implementation of a program for improvement, the error does not invalidate the probationer's plan for improvement or evaluation activities unless the error materially affects the effectiveness of the plan or the ability to evaluate the probationer's performance. The probationer ((may)) must be removed from probation if he or she has demonstrated improvement to the satisfaction of the ((principal)) evaluator in those areas specifically detailed in his or her initial notice of deficiency and subsequently detailed in his or her ((improvement)) program for improvement. A classroom teacher who has been transitioned to the revised evaluation system pursuant to the district implementation schedule adopted under subsection (7)(c) of this section must be removed from probation if he or she has demonstrated improvement that results in a new comprehensive summative evaluation performance rating of level 2 or above for a provisional employee or a continuing contract employee with five or fewer years of experience, or of level 3 or above for a continuing contract employee with more than five years of experience. Lack of necessary improvement during the established probationary period, as specifically documented in writing with notification to the probationer ((and shall)) constitutes grounds for a finding of probable cause under RCW 28A.405.300 or 28A.405.210.

(((b))) (c) When a continuing contract employee with five or more years of experience receives a comprehensive summative evaluation performance rating below level 2 for two consecutive years, the school district shall, within ten days of the completion of the second summative comprehensive evaluation or May 15th, whichever occurs first, implement the employee notification of discharge as provided in RCW 28A.405.300.

(d) Immediately following the completion of a probationary period that does not produce performance changes detailed in the initial notice of deficiencies and ((improvement)) program for improvement, the employee may be removed from his or her assignment and placed into an alternative assignment for the remainder of the school year. In the case of a classroom teacher who has been transitioned to the revised evaluation system pursuant to the district implementation schedule adopted under subsection (7)(c) of this section, the teacher may be removed from his or her assignment and placed into an alternative assignment for the remainder of the school year immediately following the completion of a probationary period that does not result in the required comprehensive summative evaluation performance ratings specified in (b) of this subsection. This reassignment may not displace another employee nor may it adversely affect the probationary employee's compensation or benefits for the remainder of the employee's contract year. If such reassignment is not possible, the district may, at its option, place the employee on paid leave for the balance of the contract term.

(5) Every board of directors shall establish evaluative criteria and procedures for all superintendents, principals, and other administrators. It shall

be the responsibility of the district superintendent or his or her designee to evaluate all administrators. Except as provided in subsection (6) of this section, such evaluation shall be based on the administrative position job description. Such criteria, when applicable, shall include at least the following categories: Knowledge of, experience in, and training in recognizing good professional performance, capabilities and development; school administration and management; school finance; professional preparation and scholarship; effort toward improvement when needed; interest in pupils, employees, patrons and subjects taught in school; leadership; and ability and performance of evaluation of school personnel.

(6)(a) Pursuant to the implementation schedule established by subsection (7)(b) of this section, every board of directors shall establish revised evaluative criteria and a four-level rating system for principals.

(b) The minimum criteria shall include: (i) Creating a school culture that promotes the ongoing improvement of learning and teaching for students and staff; (ii) demonstrating commitment to closing the achievement gap; (iii) providing for school safety; (iv) leading the development, implementation, and evaluation of a data-driven plan for increasing student achievement, including the use of multiple student data elements; (v) assisting instructional staff with alignment of curriculum, instruction, and assessment with state and local district learning goals; (vi) monitoring, assisting, and evaluating effective instruction and assessment practices; (vii) managing both staff and fiscal resources to support student achievement and legal responsibilities; and (viii) partnering with the school community to promote student learning. Student growth data must be a substantial factor in evaluating the summative performance of the principal for at least three of the evaluation criteria listed in this subsection.

(c) The four-level rating system used to evaluate the principal must describe performance along a continuum that indicates the extent to which the criteria have been met or exceeded. ((When available,)) The summative performance ratings shall be as follows: Level 1 - unsatisfactory; level 2 - basic; level 3 - proficient; and level 4 -distinguished. A principal shall receive one of the four summative performance ratings for each of the minimum criteria in (b) of this subsection and one of the four summative performance ratings for the evaluation as a whole, which shall be the comprehensive summative evaluation performance rating.

(d) By December 1, 2012, the superintendent of public instruction shall adopt rules that provide descriptors for each of the summative performance ratings, based on the development work of pilot school districts under subsection (7) of this section. Any subsequent changes to the descriptors by the superintendent may only be made following consultation with a group broadly reflective of the parties represented in subsection (7)(a) of this section.

(e) By September 1, 2012, the superintendent of public instruction shall identify up to three preferred leadership frameworks that support the revised evaluation system. The leadership frameworks shall be research-based and establish definitions or rubrics for each of the four performance ratings for each evaluation criteria. Each school district shall adopt one of the preferred leadership frameworks and post the selection on the district's web site. The superintendent of public instruction shall establish a process for approving minor modifications or adaptations to a preferred leadership framework that may be proposed by a school district.

(f) Student growth data that is ((referenced)) relevant to the principal must be a factor in the evaluation process and must be based on multiple measures that can include classroom-based, school-based, district-based, and state-based tools. As used in this subsection, "student growth" means the change in student achievement between two points in time.

(g) Input from building staff may also be included in the evaluation process.

(h) For principals who have been transitioned to the revised evaluation system pursuant to the district implementation schedule adopted under subsection (7)(c) of this section, the following comprehensive summative evaluation performance ratings mean a principal's work is not judged satisfactory:

(i) Level 1; or

(ii) Level 2 if the principal has more than five years of experience in the principal role and if the level 2 comprehensive summative evaluation performance rating has been received for two consecutive years or for two years within a consecutive three-year time period.

(7)(a) The superintendent of public instruction, in collaboration with state associations representing teachers, principals, administrators, <u>school board members</u>, and parents, <u>to be known as the steering committee</u>, shall create models for implementing the evaluation system criteria, student growth tools, professional development programs, and evaluator training for certificated classroom teachers and principals. Human resources specialists, professional development experts, and assessment experts must also be consulted. Due to the diversity of teaching assignments and the many developmental levels of students, classroom teachers and principals must be prominently represented in this work. The models must be available for use in the 2011-12 school year.

(b) A new certificated classroom teacher evaluation system that implements the provisions of subsection (2) of this section and a new principal evaluation system that implements the provisions of subsection (6) of this section shall be phased-in beginning with the 2010-11 school year by districts identified in (((c))) (d) of this subsection and implemented in all school districts beginning with the 2013-14 school year.

(c) Each school district board of directors shall adopt a schedule for implementation of the revised evaluation systems that transitions a portion of classroom teachers and principals in the district to the revised evaluation systems each year beginning no later than the 2013-14 school year, until all classroom teachers and principals are being evaluated under the revised evaluation systems no later than the 2015-16 school year. A school district is not precluded from completing the transition of all classroom teachers and principals to the revised evaluation systems before the 2015-16 school year. The schedule adopted under this subsection (7)(c) must provide that the following employees are transitioned to the revised evaluation systems beginning in the 2013-14 school year:

(i) Classroom teachers who are provisional employees under RCW 28A.405.220;

(ii) Classroom teachers who are on probation under subsection (4) of this section;

(iii) Principals in the first three consecutive school years of employment as a principal;

(iv) Principals whose work is not judged satisfactory in their most recent evaluation; and

(v) Principals previously employed as a principal by another school district in the state of Washington for three or more consecutive school years and in the first full year as a principal in the school district.

(d) A set of school districts shall be selected by the superintendent of public instruction to participate in a collaborative process resulting in the development and piloting of new certificated classroom teacher and principal evaluation systems during the 2010-11 and 2011-12 school years. These school districts must be selected based on: (i) The agreement of the local associations representing classroom teachers and principals to collaborate with the district in this developmental work and (ii) the agreement to participate in the full range of development and implementation activities, including: Development of rubrics for the evaluation criteria and ratings in subsections (2) and (6) of this section; identification of or development of appropriate multiple measures of student growth in subsections (2) and (6) of this section; development of appropriate evaluation system forms; participation in professional development for principals and classroom teachers regarding the content of the new evaluation system; participation in evaluator training; and participation in activities to evaluate the effectiveness of the new systems and support programs. The school districts must submit to the office of the superintendent of public instruction data that is used in evaluations and all district-collected student achievement, aptitude, and growth data regardless of whether the data is used in evaluations. If the data is not available electronically, the district may submit it in nonelectronic form. The superintendent of public instruction must analyze the districts' use of student data in evaluations, including examining the extent that student data is not used or is underutilized. The superintendent of public instruction must also consult with participating districts and stakeholders, recommend appropriate changes, and address statewide implementation issues. The superintendent of public instruction shall report evaluation system implementation status, evaluation data, and recommendations to appropriate committees of the legislature and governor by July 1, 2011, and at the conclusion of the development phase by July 1, 2012. In the July 1, 2011, report, the superintendent shall include recommendations for whether a single statewide evaluation model should be adopted, whether modified versions developed by school districts should be subject to state approval, and what the criteria would be for determining if a school district's evaluation model meets or exceeds a statewide model. The report shall also identify challenges posed by requiring a state approval process.

(e)(i) The steering committee in subsection (7)(a) of this section and the pilot school districts in subsection (7)(d) of this section shall continue to examine implementation issues and refine tools for the new certificated classroom teacher evaluation system in subsection (2) of this section and the new principal evaluation system in subsection (6) of this section during the 2013-14 through 2015-16 implementation phase.

(ii) Particular attention shall be given to the following issues:

(A) Developing a report for the legislature and governor, due by December 1, 2013, of best practices and recommendations regarding how teacher and principal evaluations and other appropriate elements shall inform school district human resource and personnel practices. The legislature and governor are provided the opportunity to review the report and recommendations during the 2014 legislative session;

(B) Taking the new teacher and principal evaluation systems to scale and the use of best practices for statewide implementation;

(C) Providing guidance regarding the use of student growth data to assure it is used responsibly and with integrity;

(D) Refining evaluation system management tools, professional development programs, and evaluator training programs with an emphasis on developing rater reliability;

(E) Reviewing emerging research regarding teacher and principal evaluation systems and the development and implementation of evaluation systems in other states;

(F) Reviewing the impact that variable demographic characteristics of students and schools have on the objectivity, reliability, validity, and availability of student growth data; and

(G) Developing recommendations regarding how teacher evaluations could inform state policies regarding the criteria for a teacher to obtain continuing contract status under RCW 28A.405.210. In developing these recommendations the experiences of school districts and teachers during the evaluation transition phase must be considered. Recommendations must be reported by July 1, 2016. to the legislature and the governor.

(iii) To support the tasks in (e)(ii) of this subsection, the superintendent of public instruction may contract with an independent research organization with expertise in educator evaluations and knowledge of the revised evaluation systems being implemented under this section.

(iv) The superintendent of public instruction shall monitor the statewide implementation of revised teacher and principal evaluation systems using data reported under RCW 28A.150.230 as well as periodic input from focus groups of administrators, principals, and teachers.

(v) The superintendent of public instruction shall submit reports detailing findings, emergent issues or trends, recommendations from the steering committee, and pilot school districts, and other recommendations, to enhance implementation and continuous improvement of the revised evaluation systems to appropriate committees of the legislature and the governor beginning July 1, 2013, and each July 1st thereafter for each year of the school district implementation transition period concluding with a report on December 1, 2016.

(8)(a) Beginning with the 2015-16 school year, evaluation results for certificated classroom teachers and principals must be used as one of multiple factors in making human resource and personnel decisions. Human resource decisions include, but are not limited to: Staff assignment, including the consideration of an agreement to an assignment by an appropriate teacher, principal, and superintendent; and reduction in force. Nothing in this section limits the ability to collectively bargain how the multiple factors shall be used in making human resource or personnel decisions, with the exception that evaluation results must be a factor.

(b) The office of the superintendent of public instruction must report to the legislature and the governor regarding the school district implementation of the provisions of (a) of this subsection by December 1, 2017.

(9) Each certificated classroom teacher and certificated support personnel shall have the opportunity for confidential conferences with his or her immediate supervisor on no less than two occasions in each school year. Such confidential conference shall have as its sole purpose the aiding of the administrator in his or her assessment of the employee's professional performance.

 $(((\Theta)))$ (10) The failure of any evaluator to evaluate or supervise or cause the evaluation or supervision of certificated classroom teachers and certificated support personnel or administrators in accordance with this section, as now or hereafter amended, when it is his or her specific assigned or delegated responsibility to do so, shall be sufficient cause for the nonrenewal of any such evaluator's contract under RCW 28A.405.210, or the discharge of such evaluator under RCW 28A.405.300.

(((10))) (11) After a certificated classroom teacher or certificated support personnel has four years of satisfactory evaluations under subsection (1) of this section ((or has received one of the two top ratings for four years under subsection (2) of this section)), a school district may use a short form of evaluation, a locally bargained evaluation emphasizing professional growth, an evaluation under subsection (1) or (2) of this section, or any combination thereof. The short form of evaluation shall include either a thirty minute observation during the school year with a written summary or a final annual written evaluation based on the criteria in subsection (1) or (2) of this section and based on at least two observation periods during the school year totaling at least sixty minutes without a written summary of such observations being prepared. A locally bargained short-form evaluation emphasizing professional growth must provide that the professional growth activity conducted by the certificated classroom teacher be specifically linked to one or more of the certificated classroom teacher evaluation criteria. However, the evaluation process set forth in subsection (1) or (2) of this section shall be followed at least once every three years unless this time is extended by a local school district under the bargaining process set forth in chapter 41.59 RCW. The employee or evaluator may require that the evaluation process set forth in subsection (1) or (2) of this section be conducted in any given school year. No evaluation other than the evaluation authorized under subsection (1) or (2) of this section may be used as a basis for determining that an employee's work is not satisfactory under subsection (1) or (2) of this section or as probable cause for the nonrenewal of an employee's contract under RCW 28A.405.210 unless an evaluation process developed under chapter 41.59 RCW determines otherwise. The provisions of this subsection apply to certificated classroom teachers only until the teacher has been transitioned to the revised evaluation system pursuant to the district implementation schedule adopted under subsection (7)(c) of this section.

(12) All certificated classroom teachers and principals who have been transitioned to the revised evaluation systems pursuant to the district implementation schedule adopted under subsection (7)(c) of this section must receive annual performance evaluations as provided in this subsection:

(a) All classroom teachers and principals shall receive a comprehensive summative evaluation at least once every four years. A comprehensive summative evaluation assesses all eight evaluation criteria and all criteria contribute to the comprehensive summative evaluation performance rating.

(b) The following categories of classroom teachers and principals shall receive an annual comprehensive summative evaluation:

(i) Classroom teachers who are provisional employees under RCW 28A.405.220;

(ii) Principals in the first three consecutive school years of employment as a principal;

(iii) Principals previously employed as a principal by another school district in the state of Washington for three or more consecutive school years and in the first full year as a principal in the school district; and

(iv) Any classroom teacher or principal who received a comprehensive summative evaluation performance rating of level 1 or level 2 in the previous school year.

(c)(i) In the years when a comprehensive summative evaluation is not required, classroom teachers and principals who received a comprehensive summative evaluation performance rating of level 3 or above in the previous school year are required to complete a focused evaluation. A focused evaluation includes an assessment of one of the eight criteria selected for a performance rating plus professional growth activities specifically linked to the selected criteria.

(ii) The selected criteria must be approved by the teacher's or principal's evaluator and may have been identified in a previous comprehensive summative evaluation as benefiting from additional attention. A group of teachers may focus on the same evaluation criteria and share professional growth activities. A group of principals may focus on the same evaluation criteria and share professional growth activities.

(iii) The evaluator must assign a comprehensive summative evaluation performance rating for the focused evaluation using the methodology adopted by the superintendent of public instruction for the instructional or leadership framework being used.

(iv) A teacher or principal may be transferred from a focused evaluation to a comprehensive summative evaluation at the request of the teacher or principal, or at the direction of the teacher's or principal's evaluator.

(v) Due to the importance of instructional leadership and assuring rater agreement among evaluators, particularly those evaluating teacher performance, school districts are encouraged to conduct comprehensive summative evaluations of principal performance on an annual basis.

(vi) A classroom teacher or principal may apply the focused evaluation professional growth activities toward the professional growth plan for professional certificate renewal as required by the professional educator standards board.

(13) Each school district is encouraged to acknowledge and recognize classroom teachers and principals who have attained level 4 -distinguished performance ratings.

Sec. 2. RCW 28A.405.120 and 1995 c 335 s 401 are each amended to read as follows:

(1) School districts shall require each administrator, each principal, or other supervisory personnel who has responsibility for evaluating classroom teachers or principals to have training in evaluation procedures.

(2) Before school district implementation of the revised evaluation systems required under RCW 28A.405.100, principals and administrators who have evaluation responsibilities must engage in professional development designed to implement the revised systems and maximize rater agreement.

Sec. 3. RCW 28A.405.130 and 1985 c 420 s 4 are each amended to read as follows:

(1) No administrator, principal, or other supervisory personnel may evaluate a teacher without having received training in evaluation procedures.

(2) Before evaluating classroom teachers using the evaluation systems required under RCW 28A.405.100, principals and administrators must engage in professional development designed to implement the revised systems and maximize rater agreement.

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 28A.410 RCW to read as follows:

(1)(a) After August 31, 2013, candidates for a residency principal certificate must have demonstrated knowledge of teacher evaluation research and Washington's evaluation requirements and successfully completed opportunities to practice teacher evaluation skills.

(b) At a minimum, principal preparation programs must address the following knowledge and skills related to evaluations:

(i) Examination of Washington teacher and principal evaluation criteria, and four-tiered performance rating system, and the preferred instructional and leadership frameworks used to describe the evaluation criteria;

(ii) Classroom observations;

(iii) The use of student growth data and multiple measures of performance;

(iv) Evaluation conferencing;

(v) Development of classroom teacher and principal support plans resulting from an evaluation; and

(vi) Use of an online tool to manage the collection of observation notes, teacher and principal-submitted materials, and other information related to the conduct of the evaluation.

(2) Beginning September 1, 2016, the professional educator standards board shall incorporate in-service training or continuing education on the revised teacher and principal evaluation systems under RCW 28A.405.100 as a requirement for renewal of continuing or professional level certificates, including requiring knowledge and competencies in teacher and principal evaluation systems as an aspect of professional growth plans used for certificate renewal.

<u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 28A.405 RCW to read as follows:

(1) Subject to funds appropriated for this purpose, the office of the superintendent of public instruction must develop and make available a professional development program to support the implementation of the evaluation systems required by RCW 28A.405.100. The program components may be organized into professional development modules for principals,

administrators, and teachers. The professional development program shall include a comprehensive online training package.

(2) The training program must include, but not be limited to, the following topics:

(a) Introduction of the evaluation criteria for teachers and principals and the four-level rating system;

(b) Orientation to and use of instructional frameworks;

(c) Orientation to and use of the leadership frameworks;

(d) Best practices in developing and using data in the evaluation systems, including multiple measures, student growth data, classroom observations, and other measures and evidence;

(e) Strategies for achieving maximum rater agreement;

(f) Evaluator feedback protocols in the evaluation systems;

(g) Examples of high quality teaching and leadership; and

(h) Methods to link the evaluation process to ongoing educator professional development.

(3) To the maximum extent feasible, the professional development program must incorporate or adapt existing online training or curriculum, including securing materials or curriculum under contract or purchase agreements within available funds. Multiple modes of instruction should be incorporated including videos of classroom teaching, participatory exercises, and other engaging combinations of online audio, video, and print presentation.

(4) The professional development program must be developed in modules that allow:

(a) Access to material over a reasonable number of training sessions;

(b) Delivery in person or online; and

(c) Use in a self-directed manner.

(5) The office of the superintendent of public instruction must maintain a web site that includes the online professional development materials along with sample evaluation forms and templates, links to relevant research on evaluation and on high quality teaching and leadership, samples of contract and collective bargaining language on key topics, examples of multiple measures of teacher and principal performance, suggestions for data to measure student growth, and other tools that will assist school districts in implementing the revised evaluation systems.

(6) The office of the superintendent of public instruction must identify the number of in-service training hours associated with each professional development module and develop a way for users to document their completion of the training. Documented completion of the training under this section is considered approved in-service training for the purposes of RCW 28A.415.020.

(7) The office of the superintendent of public instruction shall periodically update the modules to reflect new topics and research on performance evaluation so that the training serves as an ongoing source of continuing education and professional development.

(8) The office of the superintendent of public instruction shall work with the educational service districts to provide clearinghouse services for the identification and publication of professional development opportunities for teachers and principals that align with performance evaluation criteria.

Sec. 6. RCW 28A.415.023 and 2011 1st sp.s. c 18 s 6 are each amended to read as follows:

(1) Credits earned by certificated instructional staff after September 1, 1995, shall be eligible for application to the salary schedule developed by the legislative evaluation and accountability program committee only if the course content:

(a) Is consistent with a school-based plan for mastery of student learning goals as referenced in RCW 28A.655.110, the annual school performance report, for the school in which the individual is assigned;

(b) Pertains to the individual's current assignment or expected assignment for the subsequent school year;

(c) Is necessary to obtain an endorsement as prescribed by the Washington professional educator standards board;

(d) Is specifically required to obtain advanced levels of certification;

(e) Is included in a college or university degree program that pertains to the individual's current assignment, or potential future assignment, as a certified instructional staff; ((or))

(f) Addresses research-based assessment and instructional strategies for students with dyslexia, dysgraphia, and language disabilities when addressing learning goal one under RCW 28A.150.210, as applicable and appropriate for individual certificated instructional staff; or

(g) Pertains to the revised teacher evaluation system under RCW 28A.405.100, including the professional development training provided in section 5 of this act.

(2) For the purpose of this section, "credits" mean college quarter hour credits and equivalent credits for approved in-service, approved continuing education, or approved internship hours computed in accordance with RCW 28A.415.020.

(3) The superintendent of public instruction shall adopt rules and standards consistent with the limits established by this section for certificated instructional staff.

(4) For the 2011-12 and 2012-13 school years, application of credits or credit equivalents earned under this section after October 1, 2010, to the salary schedule developed by the legislative evaluation and accountability program committee is subject to any conditions or limitations contained in the omnibus operating appropriations act.

Sec. 7. RCW 28A.405.220 and 2010 c 235 s 203 are each amended to read as follows:

(1) Notwithstanding the provisions of RCW 28A.405.210, every person employed by a school district in a teaching or other nonsupervisory certificated position shall be subject to nonrenewal of employment contract as provided in this section during the first three years of employment by such district, unless: (a) The employee has previously completed at least two years of certificated employment in another school district in the state of Washington, in which case the employee shall be subject to nonrenewal of employment contract pursuant to this section during the first year of employment with the new district; or (b) the employee has received an evaluation rating below level 2 on the four-level rating system established under RCW 28A.405.100 during the third year of employment, in which case the employee shall remain subject to the nonrenewal of the employment contract until the employee receives a level 2 rating; or (c) the school district superintendent may make a determination to remove an employee from provisional status if the employee has received one of the top two evaluation ratings during the second year of employment by the district. Employees as defined in this section shall hereinafter be referred to as "provisional employees."

(2) In the event the superintendent of the school district determines that the employment contract of any provisional employee should not be renewed by the district for the next ensuing term such provisional employee shall be notified thereof in writing on or before May 15th preceding the commencement of such school term, or if the omnibus appropriations act has not passed the legislature by May 15th, then notification shall be no later than June 15th, which notification shall state the reason or reasons for such determination. Such notice shall be served upon the provisional employee personally, or by certified or registered mail, or by leaving a copy of the notice at the place of his or her usual abode with some person of suitable age and discretion then resident therein. The determination of the superintendent shall be subject to the evaluation requirements of RCW 28A.405.100.

(3) Every such provisional employee so notified, at his or her request made in writing and filed with the superintendent of the district within ten days after receiving such notice, shall be given the opportunity to meet informally with the superintendent for the purpose of requesting the superintendent to reconsider his or her decision. Such meeting shall be held no later than ten days following the receipt of such request, and the provisional employee shall be given written notice of the date, time and place of meeting at least three days prior thereto. At such meeting the provisional employee shall be given the opportunity to refute any facts upon which the superintendent's determination was based and to make any argument in support of his or her request for reconsideration.

(4) Within ten days following the meeting with the provisional employee, the superintendent shall either reinstate the provisional employee or shall submit to the school district board of directors for consideration at its next regular meeting a written report recommending that the employment contract of the provisional employee be nonrenewed and stating the reason or reasons therefor. A copy of such report shall be delivered to the provisional employee at least three days prior to the scheduled meeting of the board of directors. In taking action upon the recommendation of the superintendent, the board of directors shall consider any written communication which the provisional employee may file with the secretary of the board at any time prior to that meeting.

(5) The board of directors shall notify the provisional employee in writing of its final decision within ten days following the meeting at which the superintendent's recommendation was considered. The decision of the board of directors to nonrenew the contract of a provisional employee shall be final and not subject to appeal.

(6) This section applies to any person employed by a school district in a teaching or other nonsupervisory certificated position after June 25, 1976. This section provides the exclusive means for nonrenewing the employment contract of a provisional employee and no other provision of law shall be applicable thereto, including, without limitation, RCW 28A.405.210 and chapter 28A.645 RCW.

Passed by the Senate February 14, 2012. Passed by the House February 29, 2012. Approved by the Governor March 8, 2012. Filed in Office of Secretary of State March 8, 2012.

CHAPTER 36

[Engrossed Substitute Senate Bill 6445] INTERSTATE 5 COLUMBIA RIVER CROSSING PROJECT

AN ACT Relating to financing the Interstate 5 Columbia river crossing project; reenacting and amending RCW 43.84.092 and 47.56.810; adding new sections to chapter 47.56 RCW; creating new sections; providing a contingent effective date; and providing a contingent expiration date.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that the replacement and improvement of the Interstate 5 Columbia river crossing is critical for the west coast's transportation system and for the safety of Washington and Oregon drivers. The interstate bridge includes two side-by-side structures built in 1917 and 1958. In 2005, approximately one hundred thirty-four thousand vehicles traveled across the interstate bridge each day, and about forty billion dollars in freight crosses the river each year. Collisions on and near the bridge occur at a rate almost twice as high as other similar urban highways, and the aging bridges are vulnerable to earthquakes. Replacing these structures and making multimodal improvements to facilitate travel in the bistate corridor is essential for the economy of the region. Therefore, the state must develop a comprehensive approach to fund an Interstate 5 Columbia river crossing project.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 47.56 RCW under the subchapter heading "toll facilities created after July 1, 2008" to read as follows:

(1) For the purposes of this section and sections 3 and 4 of this act, "Columbia river crossing project" means the bistate, multimodal corridor improvement program between the state route number 500 interchange in Vancouver, Washington and the Victory Boulevard interchange in Portland, Oregon.

(2) The Columbia river crossing project is designated an eligible toll facility. Tolls are authorized to be imposed on the Columbia river crossing project. However, the tolls must be charged only for travel on the existing and replacement Interstate 5 Columbia river bridges. Tolls may not be charged for travel on any portion of Interstate 205. Toll revenue generated on the Columbia river crossing project must be expended only as allowed under RCW 47.56.820. The total cost of the Columbia river crossing project may not exceed three billion four hundred thirteen million dollars.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 47.56 RCW under the subchapter heading "toll facilities created after July 1, 2008" to read as follows:

(1) A special account to be known as the Columbia river crossing project account is created in the state treasury.

(2) Deposits to the account must include:

(a) All proceeds of bonds and loans issued for the Columbia river crossing project, including any capitalized interest;

(b) All tolls and other revenues received from the operation of the Columbia river crossing project as a toll facility to be deposited at least monthly;

(c) Any interest that may be earned from the deposit or investment of those revenues;

(d) Notwithstanding RCW 47.12.063, proceeds from the sale of any surplus real property acquired for the Columbia river crossing project; and

(e) All damages, liquidated or otherwise, collected under any contract involving the Columbia river crossing project.

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 47.56 RCW under the subchapter heading "toll facilities created after July 1, 2008" to read as follows:

For the Columbia river crossing project, the tolling authority may enter into agreements with the Oregon state transportation commission regarding the mutual or joint setting, adjustment, and review of toll rates as the tolling authority may find necessary to carry out the purposes of this section. Any agreement between the tolling authority and the Oregon state transportation commission made pursuant to this section takes effect, and is not binding and enforceable until, thirty days after adjournment of the next ensuing regular legislative session. If the tolling authority has not entered into an agreement with the Oregon state transportation commission by December 31, 2015, this section expires.

Sec. 5. RCW 43.84.092 and 2011 1st sp.s. c 16 s 6, 2011 1st sp.s. c 7 s 22, 2011 c 369 s 6, 2011 c 339 s 1, 2011 c 311 s 9, 2011 c 272 s 3, 2011 c 120 s 3, and 2011 c 83 s 7 are each reenacted and amended to read as follows:

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

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

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no

appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

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

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the Columbia river crossing project account, the common school construction fund, the county arterial preservation account, the county criminal justice assistance account, the county sales and use tax equalization account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight congestion relief account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the health system capacity account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety account, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile home park relocation fund, the motor vehicle fund, the motorcycle safety education account, the multiagency permitting team account, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the

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public health supplemental account, the public transportation systems account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puyallup tribal settlement account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state economic development commission account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

(b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

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

Sec. 6. RCW 47.56.810 and 2011 c 377 s 7 and 2011 c 369 s 2 are each reenacted and amended to read as follows:

The definitions in this section apply throughout this subchapter unless the context clearly requires otherwise:

(1) "Eligible toll facility" or "eligible toll facilities" means portions of the state highway system specifically identified by the legislature including, but not limited to, transportation corridors, bridges, crossings, interchanges, on-ramps, off-ramps, approaches, bistate facilities, and interconnections between highways. For purposes of a bistate facility, the legislature may define an "eligible toll facility" to include a part of a project that may extend beyond the state border.

(2) "Express toll lanes" means one or more high occupancy vehicle lanes of a highway in which the department charges tolls primarily as a means of regulating access to or use of the lanes to maintain travel speed and reliability.

(3) "Toll revenue" or "revenue from an eligible toll facility" means toll receipts, all interest income derived from the investment of toll receipts, and any gifts, grants, or other funds received for the benefit of transportation facilities in the state, including eligible toll facilities.

(4) "Tolling authority" means the governing body that is legally empowered to review and adjust toll rates. Unless otherwise delegated, the transportation commission is the tolling authority for all state highways.

<u>NEW SECTION.</u> Sec. 7. Except for section 4 of this act, this act takes effect upon, and tolls may not be collected on the Columbia river crossing project until: (1) Certification of the secretary of transportation to the governor that the department of transportation has received satisfactory evidence that sufficient funding, including federal funds, will be available to complete the phase of the Columbia river crossing project that includes the construction of the Columbia river bridge and landings; and (2) the agreement or agreements described in section 4 of this act have taken effect. If the secretary of transportation does not provide such certification to the governor by December 31, 2015, this act, except for section 4 of this act, is null and void.

<u>NEW SECTION.</u> Sec. 8. The secretary of transportation must provide notice that the governor has received certification as described under section 7 of this act to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the secretary. Additionally, the tolling authority, as defined in RCW 47.56.810, must provide written notice that the agreements described under section 4 of this act have taken effect to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the tolling authority.

Passed by the Senate February 14, 2012. Passed by the House February 29, 2012. Approved by the Governor March 15, 2012. Filed in Office of Secretary of State March 15, 2012.

CHAPTER 37

[Engrossed Substitute House Bill 1820] BLUE ALERT SYSTEM—ATTACKS ON LAW ENFORCEMENT AN ACT Relating to the blue alert system; and adding a new chapter to Title 10 RCW.

[396]

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

<u>NEW SECTION.</u> Sec. 1. There is currently no system in place in Washington state to expedite the apprehension of violent criminals who seriously injure or kill local, state, or federal law enforcement officers. Other states have adopted blue alert systems to achieve this objective. The legislature declares that it is necessary to create a statewide blue alert system to speed the apprehension of violent criminals who kill or seriously injure local, state, or federal law enforcement officers.

<u>NEW SECTION.</u> Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Blue alert system" means a quick response system designed to issue and coordinate alerts following an attack upon a law enforcement officer.

(2) "Investigating law enforcement agency" means the law enforcement agency that has primary jurisdiction over the area or has been delegated and accepted investigatory responsibility in which a law enforcement officer has been seriously injured or killed.

(3) "Law enforcement agency" means a general law enforcement agency as defined in RCW 10.93.020 and a limited law enforcement agency as defined in RCW 10.93.020. Such agencies shall include, but are not limited to, the following:

(a) The Washington state patrol;

(b) All law enforcement agencies and police departments of any political subdivision of the state; and

(c) The department of corrections.

(4) "Law enforcement officer" includes police officers, the attorney general and the attorney general's deputies, sheriffs and their regular deputies, corrections officers, tribal law enforcement officers, park rangers, state fire marshals, municipal fire marshals, sworn members of the city fire departments, county and district firefighters, and agents of the department of fish and wildlife. "Law enforcement officer" also includes an employee of a federal governmental agency who is authorized by law to engage in or supervise the prevention, detection, investigation, or prosecution of, or the incarceration of any person for, any violation of law, and who has statutory powers of arrest.

(5) "Officer's employing law enforcement agency" means the law enforcement agency by which the officer is employed.

<u>NEW SECTION.</u> Sec. 3. (1) Within existing resources, the Washington state patrol, in partnership with the Washington association of sheriffs and police chiefs, shall develop and implement a plan, commonly known as a blue alert system, consistent with the Amber alert program, endangered missing person advisory plan, and the missing person clearinghouse, for voluntary cooperation between local, state, tribal, and other law enforcement agencies, state government agencies, radio and television stations, and cable and satellite systems to enhance the public's ability to assist in apprehending persons suspected of killing or seriously injuring a law enforcement officer. The blue alert system shall include the following:

(a) Procedures to provide support to the investigating law enforcement agency as a resource for the receipt and dissemination of information regarding the suspect and the suspect's whereabouts and/or method of escape;

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(b) The process for reporting the information to designated media outlets in Washington; and

(c) Criteria for the investigating law enforcement agency to determine quickly whether an officer has been seriously injured or killed and a blue alert therefore needs to be requested.

(2) The investigating law enforcement agency may request activation of the blue alert system and notify appropriate participants in the blue alert system, when the investigating law enforcement agency believes that:

(a) A suspect has not been apprehended;

(b) A suspect may be a serious threat to the public;

(c) Sufficient information is available to disseminate to the public that could assist in locating and apprehending the suspect;

(d) Release of the information will not compromise the investigation; and

(e) Criteria to ensure that releasing the victim information is proper, as to avoid improper next of kin notification.

(3) When a blue alert is activated, the investigating law enforcement agency shall provide descriptive information under the criminal justice information act, chapter 10.98 RCW, and the national crime information center system.

(4) The investigating law enforcement agency shall terminate the blue alert with respect to a particular suspect when the suspect is located or the incident is otherwise resolved, or when the investigating law enforcement agency determines that the blue alert system is no longer an effective tool for locating and apprehending the suspect.

<u>NEW SECTION.</u> Sec. 4. No cause of action shall be maintained for civil damages in any court of this state against any radio or television broadcasting station or cable television system, or the employees, officers, directors, managers, or agents of the radio or television broadcasting station or cable television system, based on the broadcast of information supplied by law enforcement officials pursuant to the provisions of this chapter. Nothing in this section shall be construed to limit or restrict in any way any immunity or privilege a radio or television broadcasting station or cable television system may have under statute or common law for broadcasting or otherwise disseminating information.

<u>NEW SECTION.</u> Sec. 5. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

<u>NEW SECTION.</u> Sec. 6. Sections 1 through 4 of this act constitute a new chapter in Title 10 RCW.

Passed by the House February 29, 2012.

Passed by the Senate March 2, 2012.

Approved by the Governor March 15, 2012.

Filed in Office of Secretary of State March 15, 2012.

CHAPTER 38

[House Bill 2440]

WILDFIRE PROTECTION SERVICES—PUBLIC LANDS

AN ACT Relating to authorizing the department of natural resources to provide wildfire protection services for public lands managed by state agencies; and amending RCW 76.04.015 and 76.04.135.

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

Sec. 1. RCW 76.04.015 and 2010 c 38 s 1 are each amended to read as follows:

(1) The department may, at its discretion, appoint trained personnel possessing the necessary qualifications to carry out the duties and supporting functions of the department and may determine their respective salaries.

(2) The department shall have direct charge of and supervision of all matters pertaining to the forest fire service of the state.

(3) The department shall:

(a) Enforce all laws within this chapter;

(b) Be empowered to take charge of and direct the work of suppressing forest fires;

(c)(i) Investigate the origin and cause of all forest fires to determine whether either a criminal act or negligence by any person, firm, or corporation caused the starting, spreading, or existence of the fire. In conducting investigations, the department shall work cooperatively, to the extent possible, with utilities, property owners, and other interested parties to identify and preserve evidence. Except as provided otherwise in this subsection, the department in conducting investigations is authorized, without court order, to take possession or control of relevant evidence found in plain view and belonging to any person, firm, or corporation. To the extent possible, the department shall notify the person, firm, or corporation of its intent to take possession or control of the evidence. The person, firm, or corporation shall be afforded reasonable opportunity to view the evidence and, before the department takes possession or control of the evidence, also shall be afforded reasonable opportunity to examine, document, and photograph it. If the person, firm, or corporation objects in writing to the department's taking possession or control of the evidence, the department must either return the evidence within seven days after the day on which the department is provided with the written objections or obtain a court order authorizing the continued possession or control.

(ii) Absent a court order authorizing otherwise, the department may not take possession or control of evidence over the objection of the owner of the evidence if the evidence is used by the owner in conducting a business or in providing an electric utility service and the department's taking possession or control of the evidence would substantially and materially interfere with the operation of the business or provision of electric utility service.

(iii) Absent a court order authorizing otherwise, the department may not take possession or control of evidence over the objection of an electric utility when the evidence is not owned by the utility but has caused damage to property owned by the utility. However, this subsection (3)(c)(iii) does not apply if the department has notified the utility of its intent to take possession or control of the evidence and provided the utility with reasonable time to examine, document, and photograph the evidence.

(iv) Only personnel qualified to work on electrical equipment may take possession or control of evidence owned or controlled by an electric utility;

(d) Furnish notices or information to the public calling attention to forest fire dangers and the penalties for violation of this chapter;

(e) Be familiar with all timbered and cut-over areas of the state; and

(f) Regulate and control the official actions of its employees, the wardens, and the rangers.

(4) The department may:

(a) Authorize all needful and proper expenditures for forest protection;

(b) Adopt rules consistent with this section for the prevention, control, and suppression of forest fires as it considers necessary including but not limited to: Fire equipment and materials; use of personnel; and fire prevention standards and operating conditions including a provision for reducing these conditions where justified by local factors such as location and weather;

(c) Remove at will the commission of any ranger or suspend the authority of any warden;

(d) Inquire into:

(i) The extent, kind, value, and condition of all timber lands within the state; (ii) The extent to which timber lands are being destroyed by fire and the

damage thereon;

(e) Provide fire detection, prevention, presuppression, or suppression services on nonforested public lands managed by the department or another state agency, but only to the extent that providing these services does not interfere with or detract from the obligations set forth in subsection (3) of this section. If the department provides fire detection, prevention, presuppression, or suppression services on nonforested public lands managed by another state agency, the department must be fully reimbursed for the work through a cooperative agreement as provided for in RCW 76.04.135(1).

(5) Any rules adopted under this section for the suppression of forest fires must include a mechanism by which a local fire mobilization radio frequency, consistent with RCW 43.43.963, is identified and made available during the initial response to any forest fire that crosses jurisdictional lines so that all responders have access to communications during the response. Different initial response frequencies may be identified and used as appropriate in different geographic response areas. If the fire radio communication needs escalate beyond the capability of the identified local radio frequency, the use of other available designated interoperability radio frequencies may be used.

(6) When the department considers it to be in the best interest of the state, it may cooperate with any agency of another state, the United States or any agency thereof, the Dominion of Canada or any agency or province thereof, and any county, town, corporation, individual, or Indian tribe within the state of Washington in forest firefighting and patrol.

Sec. 2. RCW 76.04.135 and 1986 c 100 s 14 are each amended to read as follows:

(1) For the purpose of promoting and facilitating cooperation ((between)) among fire protection agencies, including the department, and between the department and other agencies that manage lands owned by the state, and to more adequately protect life, property, and the natural resources of the state, the department may enter into a contract or agreement with a municipality, county,

state, or federal agency to provide fire detection, prevention, presuppression, or suppression services on property which they are responsible to protect <u>or manage</u>.

(2) Contracts or agreements under subsection (1) of this section may contain provisions for the exchange of services on a cooperative basis or services in return for cash payment or other compensation.

(3) No charges may be made when the department determines that under a cooperative contract or agreement the assistance received from a municipality, county, or federal agency on state protected lands equals that provided by the state on municipal, county, or federal lands.

Passed by the House January 30, 2012. Passed by the Senate February 28, 2012. Approved by the Governor March 15, 2012. Filed in Office of Secretary of State March 15, 2012.

CHAPTER 39

[House Bill 2758]

SPIRITS TAXES—COLLECTION AUTHORITY

AN ACT Relating to strengthening the department of revenue's ability to collect spirits taxes imposed under RCW 82.08.150; amending RCW 82.03.190, 66.24.010, 66.08.150, 34.05.422, and 82.32.145; reenacting and amending RCW 82.32.080; adding a new section to chapter 82.08 RCW; adding a new section to chapter 66.28 RCW; creating a new section; and declaring an emergency.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 82.08 RCW, to be codified between RCW 82.08.150 and 82.08.160, to read as follows:

(1)(a) If the department determines that a taxpayer is more than thirty days delinquent in reporting or remitting spirits taxes on a tax return or assessed by the department, including any applicable penalties and interest on such taxes, the department may request that the liquor control board suspend the taxpayer's spirits license or licenses and refuse to renew any existing spirits license held by the taxpayer or issue any new spirits license to the taxpayer. The department must provide written notice to the affected taxpayer of the department's request to the liquor control board.

(b) Before the department may make a request to the liquor control board as authorized in (a) of this subsection (1), the department must have provided the taxpayer with at least seven calendar days prior written notice. This notice must inform the taxpayer that the department intends to request that the liquor control board suspend the taxpayer's spirits license or licenses and refuse to renew any existing license of the taxpayer or issue any new spirits license to the taxpayer unless, within seven calendar days of the date of the notice, the taxpayer submits any unfiled tax returns for reporting spirits taxes and remits full payment of its outstanding spirits tax liability to the department or negotiates payment arrangements for the unpaid spirits taxes. The notice required by this subsection (1)(b) must include information listing any unfiled tax returns; the amount of unpaid spirits taxes, including any applicable penalties and interest; who to contact to inquire about payment arrangements; and that the taxpayer may seek administrative review by the department of the notice, and the deadline for seeking such review. Nothing in this subsection (1)(b) requires the department to enter into any payment arrangement proposed by a taxpayer if the department determines that the taxpayer's proposal is not satisfactory.

(c) The department may not make a request to the liquor control board under subsection (1)(a) of this section relating to any spirits taxes that are the subject of pending administrative review by the department.

(2) A taxpayer's right to administrative review of the notice required in subsection (1)(b) of this section:

(a) May be conducted under any rule adopted pursuant to RCW 82.01.060(4) or as a brief adjudicative proceeding under RCW 34.05.485 through 34.05.494; and

(b) Does not include the right to challenge the amount of any spirits taxes assessed by the department if the taxpayer previously sought or could have sought administrative review of the assessment as provided in RCW 82.32.160.

(3) The notices required by this section may be provided electronically in accordance with RCW 82.32.135.

(4) For purposes of this section:

(a) "Spirits license" has the same meaning as in RCW 66.24.010(3)(c); and(b) "Spirits taxes" means the taxes imposed in RCW 82.08.150.

(b) Spirits taxes means the taxes imposed in KC w 82.08.130.

Sec. 2. RCW 82.32.080 and 2011 c 24 s 1 and 2010 2nd sp.s. c 2 s 2 are each reenacted and amended to read as follows:

(1) When authorized by the department, payment of the tax may be made by uncertified check under such rules as the department prescribes, but, if a check so received is not paid by the bank on which it is drawn, the taxpayer, by whom such check is tendered, will remain liable for payment of the tax and for all legal penalties <u>and interest</u>, the same as if such check had not been tendered.

(2)(a) Except as otherwise provided in this subsection, payment of the tax must be made by electronic funds transfer, as defined in RCW 82.32.085. As an alternative to electronic funds transfer, the department may authorize other forms of electronic payment, such as payment by credit card. All taxes administered by this chapter are subject to this requirement, except that the department may exclude any taxes not reported on the combined excise tax return or any successor return from the electronic payment requirement in this subsection.

(b) The department may waive the electronic payment requirement in this subsection for any taxpayer or class of taxpayers, for good cause or for whom the department has assigned a reporting frequency that is less than quarterly. In the discretion of the department, a waiver under this subsection may be made temporary or permanent, and may be made on the department's own motion.

(c) The department is authorized to accept payment of taxes by electronic funds transfer or other acceptable forms of electronic payment from taxpayers that are not subject to the mandatory electronic payment requirements in this subsection.

(3)(a) Except as otherwise provided in this subsection, returns must be filed electronically using the department's online tax filing service or other method of electronic reporting as the department may authorize.

(b) The department may waive the electronic filing requirement in this subsection for any taxpayer or class of taxpayers, for good cause or for whom the department has assigned a reporting frequency that is less than quarterly. In

the discretion of the department, a waiver under this subsection may be made temporary or permanent, and may be made on the department's own motion.

(c) The department is authorized to allow electronic filing of returns from taxpayers that are not subject to the mandatory electronic filing requirements in this subsection.

(4)(a)(i) The department, for good cause shown, may extend the time for making and filing any return, and may grant such reasonable additional time within which to make and file returns as it may deem proper, but any permanent extension granting the taxpayer a reporting date without penalty more than ten days beyond the due date, and any extension in excess of thirty days must be conditional on deposit with the department of an amount to be determined by the department which is approximately equal to the estimated tax liability for the reporting period or periods for which the extension is granted. In the case of a permanent extension or a temporary extension of more than thirty days the deposit must be deposited within the state treasury with other tax funds and a credit recorded to the taxpayer's account which may be applied to taxpayer's liability upon cancellation of the permanent extension or upon reporting of the tax liability where an extension of more than thirty days has been granted.

(ii) The department must review the requirement for deposit at least annually and may require a change in the amount of the deposit required when it believes that such amount does not approximate the tax liability for the reporting period or periods for which the extension is granted.

(b) During a state of emergency declared under RCW 43.06.010(12), the department, on its own motion or at the request of any taxpayer affected by the emergency, may extend the time for making or filing any return as the department deems proper. The department may not require any deposit as a condition for granting an extension under this subsection (4)(b).

(5)(a) The department must keep full and accurate records of all funds received and disbursed by it. Subject to the provisions of RCW 82.32.105, 82.32.052, and 82.32.350, the department must apply the payment of the taxpayer ((first against penalties and interest, and then upon the tax, without regard to any direction of the taxpayer)) in the following order, without regard to any direction of the taxpayer: (i) Interest; (ii) penalties; (iii) fees; (iv) other nontax amounts; (v) taxes, except spirits taxes; and (vi) spirits taxes.

(b) For purposes of this subsection, "spirits taxes" has the same meaning as in section 1 of this act.

(6) The department may refuse to accept any return that is not accompanied by a remittance of the tax shown to be due thereon or that is not filed electronically as required in this section. When such return is not accepted, the taxpayer is deemed to have failed or refused to file a return and is subject to the procedures provided in RCW 82.32.100 and to the penalties provided in RCW 82.32.090. The above authority to refuse to accept a return may not apply when a return is timely filed electronically and a timely payment has been made by electronic funds transfer or other form of electronic payment as authorized by the department.

(7) Except for returns and remittances required to be transmitted to the department electronically under this section and except as otherwise provided in this chapter, a return or remittance that is transmitted to the department by United States mail is deemed filed or received on the date shown by the post

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office cancellation mark stamped upon the envelope containing it. A return or remittance that is transmitted to the department electronically is deemed filed or received according to procedures set forth by the department.

(8)(a) For purposes of subsections (2) and (3) of this section, "good cause" means the inability of a taxpayer to comply with the requirements of subsection (2) or (3) of this section because:

(i) The taxpayer does not have the equipment or software necessary to enable the taxpayer to comply with subsection (2) or (3) of this section;

(ii) The equipment or software necessary to enable the taxpayer to comply with subsection (2) or (3) of this section is not functioning properly;

(iii) The taxpayer does not have access to the internet using the taxpayer's own equipment;

(iv) The taxpayer does not have a bank account or a credit card;

(v) The taxpayer's bank is unable to send or receive electronic funds transfer transactions; or

(vi) Some other circumstance or condition exists that, in the department's judgment, prevents the taxpayer from complying with the requirements of subsection (2) or (3) of this section.

(b) "Good cause" also includes any circumstance that, in the department's judgment, supports the efficient or effective administration of the tax laws of this state, including providing relief from the requirements of subsection (2) or (3) of this section to any taxpayer that is voluntarily collecting and remitting this state's sales or use taxes on sales to Washington customers but has no legal requirement to be registered with the department.

Sec. 3. RCW 82.03.190 and 1998 c 54 s 2 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, any person having received notice of a denial of a petition or a notice of determination made under RCW 82.32.160, 82.32.170, 82.34.110, or 82.49.060 may appeal by filing in accordance with RCW 1.12.070 a notice of appeal with the board of tax appeals within thirty days after the mailing of the notice of such denial or determination. In the notice of appeal the taxpayer ((shall)) <u>must</u> set forth the amount of the tax which the taxpayer contends should be reduced or refunded and the reasons for such reduction or refund, in accordance with rules of practice and procedure prescribed by the board. However, if the notice of appeal relates to an application made to the department under chapter 82.34 RCW, the taxpayer ((shall)) must set forth the amount to which the taxpayer claims the credit or exemption should apply, and the grounds for such contention, in accordance with rules of practice and procedure prescribed by the board. The board ((shall)) <u>must</u> transmit a copy of the notice of appeal to the department and all other named parties within thirty days of its receipt by the board. If the taxpayer intends that the hearing before the board be held pursuant to the administrative procedure act (chapter 34.05 RCW), the notice of appeal ((shall)) must also so state. In the event that the notice of appeal does not so state, the department may, within thirty days from the date of its receipt of the notice of appeal, file with the board notice of its intention that the hearing be held pursuant to the administrative procedure act.

(2) No person may file a notice of appeal with the board of tax appeals to contest the amount of spirits taxes assessed or asserted to be due by the

department of revenue unless the person has first paid the full amount of the contested spirits taxes. For purposes of this subsection, "spirits taxes" has the same meaning as in section 1 of this act.

Sec. 4. RCW 66.24.010 and 2011 c 195 s 1 are each amended to read as follows:

(1) Every license ((shall)) <u>must</u> be issued in the name of the applicant, and the holder thereof ((shall)) <u>may</u> not allow any other person to use the license.

(2) For the purpose of considering any application for a license, or the renewal of a license, the board may cause an inspection of the premises to be made, and may inquire into all matters in connection with the construction and operation of the premises. For the purpose of reviewing any application for a license and for considering the denial, suspension, revocation, or renewal or denial thereof, of any license, the liquor control board may consider any prior criminal conduct of the applicant including an administrative violation history record with the board and a criminal history record information check. The board may submit the criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The board ((shall)) must require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation. The provisions of RCW 9.95.240 and of chapter 9.96A RCW ((shall)) do not apply to such cases. Subject to the provisions of this section, the board may, in its discretion, grant or deny the renewal or license applied for. Denial may be based on, without limitation, the existence of chronic illegal activity documented in objections submitted pursuant to subsections (8)(d) and (12) of this section. Authority to approve an uncontested or unopposed license may be granted by the board to any staff member the board designates in writing. Conditions for granting such authority ((shall)) must be adopted by rule. No retail license of any kind may be issued to:

(a) A person doing business as a sole proprietor who has not resided in the state for at least one month prior to receiving a license, except in cases of licenses issued to dining places on railroads, boats, or aircraft;

(b) A copartnership, unless all of the members thereof are qualified to obtain a license, as provided in this section;

(c) A person whose place of business is conducted by a manager or agent, unless such manager or agent possesses the same qualifications required of the licensee;

(d) A corporation or a limited liability company, unless it was created under the laws of the state of Washington or holds a certificate of authority to transact business in the state of Washington.

(3)(a) The board may, in its discretion, subject to the provisions of RCW 66.08.150, suspend or cancel any license; and all rights of the licensee to keep or sell liquor thereunder ((shall)) <u>must</u> be suspended or terminated, as the case may be.

(b) The board ((shall)) <u>must</u> immediately suspend the license or certificate of a person who has been certified pursuant to RCW 74.20A.320 by the department of social and health services as a person who is not in compliance with a support order. If the person has continued to meet all other requirements for reinstatement during the suspension, reissuance of the license or certificate $((\frac{\text{shall be}}{\text{be}}))$ is automatic upon the board's receipt of a release issued by the department of social and health services stating that the licensee is in compliance with the order.

(c) Upon written notification by the department of revenue in accordance with section 1 of this act that a person is more than thirty days delinquent in reporting or remitting spirits taxes to the department, the board must suspend all spirits licenses held by that person. The board must also refuse to renew any existing spirits license of, or issue any new spirits license to, the person or any other applicant controlled directly or indirectly by that person. The board may not reinstate a person's spirits license or renew or issue a new spirits license to that person, or an applicant controlled directly or indirectly by that person, until such time as the department of revenue notifies the board that the person is current in reporting and remitting spirits taxes or that the department consents to the reinstatement or renewal of the person's spirits license or the issuance of a new spirits license to the person. For purposes of this section: (i) "Spirits license" means any license issued by the board under the authority of this chapter that authorizes the licensee to sell spirits; and (ii) "spirits taxes" has the same meaning as in section 1 of this act.

(d) The board may request the appointment of administrative law judges under chapter 34.12 RCW who ((shall)) <u>must</u> have power to administer oaths, issue subpoenas for the attendance of witnesses and the production of papers, books, accounts, documents, and testimony, examine witnesses, and to receive testimony in any inquiry, investigation, hearing, or proceeding in any part of the state, under such rules and regulations as the board may adopt.

(((d))) (<u>e</u>) Witnesses ((shall be)) <u>are</u> allowed fees and mileage each way to and from any such inquiry, investigation, hearing, or proceeding at the rate authorized by RCW 34.05.446. Fees need not be paid in advance of appearance of witnesses to testify or to produce books, records, or other legal evidence.

(((e))) (f) In case of disobedience of any person to comply with the order of the board or a subpoena issued by the board, or any of its members, or administrative law judges, or on the refusal of a witness to testify to any matter regarding which he or she may be lawfully interrogated, the judge of the superior court of the county in which the person resides, on application of any member of the board or administrative law judge, ((shall)) must compel obedience by contempt proceedings, as in the case of disobedience of the requirements of a subpoena issued from said court or a refusal to testify therein.

(4) Upon receipt of notice of the suspension or cancellation of a license, the licensee ((shall)) <u>must</u> forthwith deliver up the license to the board. Where the license has been suspended only, the board ((shall)) <u>must</u> return the license to the licensee at the expiration or termination of the period of suspension. The board ((shall)) <u>must</u> notify all vendors in the city or place where the licensee has its premises of the suspension or cancellation of the license; and no employee may allow or cause any liquor to be delivered to or for any person at the premises of that licensee.

(5)(a) At the time of the original issuance of a spirits, beer, and wine restaurant license, the board ((shall)) <u>must</u> prorate the license fee charged to the new licensee according to the number of calendar quarters, or portion thereof, remaining until the first renewal of that license is required.

(b) Unless sooner canceled, every license issued by the board ((shall)) must expire at midnight of the thirtieth day of June of the fiscal year for which it was issued. However, if the board deems it feasible and desirable to do so, it may establish, by rule pursuant to chapter 34.05 RCW, a system for staggering the annual renewal dates for any and all licenses authorized by this chapter. If such a system of staggered annual renewal dates is established by the board, the license fees provided by this chapter ((shall)) must be appropriately prorated during the first year that the system is in effect.

(6) Every license issued under this section ((shall be)) is subject to all conditions and restrictions imposed by this title or by rules adopted by the board. All conditions and restrictions imposed by the board in the issuance of an individual license may be listed on the face of the individual license along with the trade name, address, and expiration date. Conditions and restrictions imposed by the board may also be included in official correspondence separate from the license. All spirits licenses are subject to the condition that the spirits license holder must report and remit to the department of revenue all spirits taxes by the date due.

(7) Every licensee ((shall)) <u>must</u> post and keep posted its license, or licenses, and any additional correspondence containing conditions and restrictions imposed by the board in a conspicuous place on the premises.

(8)(a) Unless (b) of this subsection applies, before the board issues a new or renewal license to an applicant it ((shall)) <u>must</u> give notice of such application to the chief executive officer of the incorporated city or town, if the application is for a license within an incorporated city or town, or to the county legislative authority, if the application is for a license outside the boundaries of incorporated cities or towns.

(b) If the application for a special occasion license is for an event held during a county, district, or area fair as defined by RCW 15.76.120, and the county, district, or area fair is located on property owned by the county but located within an incorporated city or town, the county legislative authority ((shall)) <u>must</u> be the entity notified by the board under (a) of this subsection. The board ((shall)) <u>must</u> send a duplicate notice to the incorporated city or town within which the fair is located.

(c) The incorporated city or town through the official or employee selected by it, or the county legislative authority or the official or employee selected by it, ((shall have)) <u>has</u> the right to file with the board within twenty days after the date of transmittal of such notice for applications, or at least thirty days prior to the expiration date for renewals, written objections against the applicant or against the premises for which the new or renewal license is asked. The board may extend the time period for submitting written objections.

(d) The written objections ((shall)) <u>must</u> include a statement of all facts upon which such objections are based, and in case written objections are filed, the city or town or county legislative authority may request and the liquor control board may in its discretion hold a hearing subject to the applicable provisions of Title 34 RCW. If the board makes an initial decision to deny a license or renewal based on the written objections of an incorporated city or town or county legislative authority, the applicant may request a hearing subject to the applicable provisions of Title 34 RCW. If such a hearing is held at the request of the applicant, liquor control board representatives ((shall)) must present and defend the board's initial decision to deny a license or renewal.

(e) Upon the granting of a license under this title the board ((shall)) must send written notification to the chief executive officer of the incorporated city or town in which the license is granted, or to the county legislative authority if the license is granted outside the boundaries of incorporated cities or towns. When the license is for a special occasion license for an event held during a county, district, or area fair as defined by RCW 15.76.120, and the county, district, or area fair is located on county-owned property but located within an incorporated city or town, the written notification ((shall)) must be sent to both the incorporated city or town and the county legislative authority.

(9)(a) Before the board issues any license to any applicant, it shall give (i) due consideration to the location of the business to be conducted under such license with respect to the proximity of churches, schools, and public institutions and (ii) written notice, with receipt verification, of the application to public institutions identified by the board as appropriate to receive such notice, churches, and schools within five hundred feet of the premises to be licensed. The board ((shall)) may not issue a liquor license for either on-premises or offpremises consumption covering any premises not now licensed, if such premises are within five hundred feet of the premises of any tax-supported public elementary or secondary school measured along the most direct route over or across established public walks, streets, or other public passageway from the main entrance of the school to the nearest public entrance of the premises proposed for license, and if, after receipt by the school of the notice as provided in this subsection, the board receives written objection, within twenty days after receiving such notice, from an official representative or representatives of the school within five hundred feet of said proposed licensed premises, indicating to the board that there is an objection to the issuance of such license because of proximity to a school. The board may extend the time period for submitting objections. For the purpose of this section, "church" means a building erected for and used exclusively for religious worship and schooling or other activity in connection therewith. For the purpose of this section, "public institution" means institutions of higher education, parks, community centers, libraries, and transit centers.

(b) No liquor license may be issued or reissued by the board to any motor sports facility or licensee operating within the motor sports facility unless the motor sports facility enforces a program reasonably calculated to prevent alcohol or alcoholic beverages not purchased within the facility from entering the facility and such program is approved by local law enforcement agencies.

(c) It is the intent under this subsection (9) that a retail license ((shall)) may not be issued by the board where doing so would, in the judgment of the board, adversely affect a private school meeting the requirements for private schools under Title 28A RCW, which school is within five hundred feet of the proposed licensee. The board ((shall)) must fully consider and give substantial weight to objections filed by private schools. If a license is issued despite the proximity of a private school, the board ((shall)) must state in a letter addressed to the private school the board's reasons for issuing the license.

(10) The restrictions set forth in subsection (9) of this section ((shall)) do not prohibit the board from authorizing the assumption of existing licenses now

located within the restricted area by other persons or licenses or relocations of existing licensed premises within the restricted area. In no case may the licensed premises be moved closer to a church or school than it was before the assumption or relocation.

(11)(a) Nothing in this section prohibits the board, in its discretion, from issuing a temporary retail or distributor license to an applicant to operate the retail or distributor premises during the period the application for the license is pending. The board may establish a fee for a temporary license by rule.

(b) A temporary license issued by the board under this section ((shall)) <u>must</u> be for a period not to exceed sixty days. A temporary license may be extended at the discretion of the board for additional periods of sixty days upon payment of an additional fee and upon compliance with all conditions required in this section.

(c) Refusal by the board to issue or extend a temporary license shall not entitle the applicant to request a hearing. A temporary license may be canceled or suspended summarily at any time if the board determines that good cause for cancellation or suspension exists. RCW 66.08.130 applies to temporary licenses.

(d) Application for a temporary license ((shall)) <u>must</u> be on such form as the board shall prescribe. If an application for a temporary license is withdrawn before issuance or is refused by the board, the fee which accompanied such application ((shall)) <u>must</u> be refunded in full.

(12) In determining whether to grant or deny a license or renewal of any license, the board ((shall)) must give substantial weight to objections from an incorporated city or town or county legislative authority based upon chronic illegal activity associated with the applicant's operations of the premises proposed to be licensed or the applicant's operation of any other licensed premises, or the conduct of the applicant's patrons inside or outside the licensed premises. "Chronic illegal activity" means (a) a pervasive pattern of activity that threatens the public health, safety, and welfare of the city, town, or county including, but not limited to, open container violations, assaults, disturbances, disorderly conduct, or other criminal law violations, or as documented in crime statistics, police reports, emergency medical response data, calls for service, field data, or similar records of a law enforcement agency for the city, town, county, or any other municipal corporation or any state agency; or (b) an unreasonably high number of citations for violations of RCW 46.61.502 associated with the applicant's or licensee's operation of any licensed premises as indicated by the reported statements given to law enforcement upon arrest.

Sec. 5. RCW 66.08.150 and 2007 c 370 s 3 are each amended to read as follows:

The action, order, or decision of the board as to any denial of an application for the reissuance of a permit or license or as to any revocation, suspension, or modification of any permit or license ((shall)) <u>must</u> be an adjudicative proceeding and subject to the applicable provisions of chapter 34.05 RCW.

(1) An opportunity for a hearing may be provided an applicant for the reissuance of a permit or license prior to the disposition of the application, and if no such opportunity for a prior hearing is provided then an opportunity for a hearing to reconsider the application must be provided the applicant.

(2) An opportunity for a hearing must be provided a permittee or licensee prior to a revocation or modification of any permit or license and, except as provided in subsection (4) of this section, prior to the suspension of any permit or license.

(3) No hearing ((shall)) <u>may</u> be required until demanded by the applicant, permittee, or licensee.

(4) The board may summarily suspend a license or permit for a period of up to one hundred eighty days without a prior hearing if it finds that public health, safety, or welfare imperatively require emergency action, and it incorporates a finding to that effect in its order. Proceedings for revocation or other action must be promptly instituted and determined. An administrative law judge may extend the summary suspension period for up to one calendar year in the event the proceedings for revocation or other action cannot be completed during the initial one hundred eighty day period due to actions by the licensee or permittee. The board's enforcement division ((shall)) <u>must</u> complete a preliminary staff investigation of the violation before requesting an emergency suspension by the board.

(5) The issues that may be considered at a hearing to contest a suspension of a license or the denial of an application for a new license or renewal of an existing license, under RCW 66.24.010(3)(c), do not include the right to challenge the amount of any spirits taxes assessed against the licensee or applicant by the department of revenue. For purposes of this subsection, "spirits taxes" has the same meaning as in section 1 of this act.

Sec. 6. RCW 34.05.422 and 1989 c 175 s 13 are each amended to read as follows:

(1) Unless otherwise provided by law: (a) Applications for rate changes and uncontested applications for licenses may, in the agency's discretion, be conducted as adjudicative proceedings; (b) applications for licenses that are contested by a person having standing to contest under the law and review of denials of applications for licenses or rate changes ((shall)) <u>must</u> be conducted as adjudicative proceedings; and (c) an agency may not revoke, suspend, or modify a license unless the agency gives notice of an opportunity for an appropriate adjudicative proceeding in accordance with this chapter or other statute.

(2) An agency with authority to grant or deny a professional or occupational license ((shall)) <u>must</u> notify an applicant for a new or renewal license not later than twenty days prior to the date of the examination required for that license of any grounds for denial of the license which are based on specific information disclosed in the application submitted to the agency. The agency ((shall)) <u>must</u> notify the applicant either that the license is denied or that the decision to grant or deny the license will be made at a future date. If the agency fails to give the notification prior to the examination and the applicant is denied licensure, the examination fee ((shall)) <u>must</u> be refunded to the applicant. If the applicant takes the examination, the agency ((shall)) <u>must</u> notify the applicant of the result.

(3) When a licensee has made timely and sufficient application for the renewal of a license or a new license with reference to any activity of a continuing nature, an existing full, temporary, or provisional license does not expire until the application has been finally determined by the agency, and, in case the application is denied or the terms of the new license limited, until the

last day for seeking review of the agency order or a later date fixed by order of the reviewing court.

(4) If the agency finds that public health, safety, or welfare imperatively requires emergency action, and incorporates a finding to that effect in its order, summary suspension of a license may be ordered pending proceedings for revocation or other action. These proceedings ((shall)) <u>must</u> be promptly instituted and determined.

(5) This section does not apply to requests made by the department of revenue, under the authority of section 1 of this act, to the liquor control board to suspend a person's spirits license and to refuse to renew any spirits license held by the person and to issue any new spirits license to the person.

<u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 66.28 RCW, to be codified between RCW 66.28.030 and 66.28.040, to read as follows:

(1) By the 15th day of each month, all spirits certificate of approval holders must file with the board, in a form and manner required by the board, a report of all spirits delivered to purchasers in this state during the preceding month along with a copy of the invoices for all such purchases or other information required by the board that would disclose the identity of the purchasers.

(2) A spirits certificate of approval holder may not ship or cause to be transported into this state any spirits unless the purchaser to whom the spirits are to be delivered is:

(a) Licensed by the board to sell spirits in this state, and the license is in good standing; or

(b) Otherwise legally authorized to sell spirits in this state.

(3) The liquor control board must maintain on its web site a list of all purchasers that meet the conditions of subsection (2) of this section.

(4) A violation of this section is grounds for suspension of a spirits certificate of approval license in accordance with RCW 66.08.150, in addition to any punishment as may be authorized by RCW 66.28.030.

Sec. 8. RCW 82.32.145 and 2010 1st sp.s. c 23 s 801 are each amended to read as follows:

(1) Whenever the department has issued a warrant under RCW 82.32.210 for the collection of unpaid ((retail sales tax funds collected and held in trust under RCW 82.08.050)) trust fund taxes from a limited liability business entity and that business entity has been terminated, dissolved, or abandoned, or is insolvent, the department may pursue collection of the entity's unpaid ((sales)) trust fund taxes, including penalties and interest on those taxes, against any or all of the responsible individuals. For purposes of this subsection, "insolvent" means the condition that results when the sum of the entity's debts exceeds the fair market value of its assets. The department may presume that an entity is insolvent if the entity refuses to disclose to the department the nature of its assets and liabilities.

(2) Personal liability under this section may be imposed for state and local ((sales)) trust fund taxes.

(3)(a) For a responsible individual who is the current or a former chief executive or chief financial officer, liability under this section applies regardless of fault or whether the individual was or should have been aware of the unpaid (($\frac{\text{sales}}{\text{sales}}$)) trust fund tax liability of the limited liability business entity.

(b) For any other responsible individual, liability under this section applies only if he or she willfully fails to pay or to cause to be paid to the department the ((sales)) trust fund taxes due from the limited liability business entity.

(4)(a) Except as provided in this subsection (4)(a), a responsible individual who is the current or a former chief executive or chief financial officer is liable under this section only for ((sales)) trust fund tax liability accrued during the period that he or she was the chief executive or chief financial officer. However, if the responsible individual had the responsibility or duty to remit payment of the limited liability business entity's ((sales)) trust fund taxes to the department during any period of time that the person was not the chief executive or chief financial officer, that individual is also liable for ((sales)) trust fund tax liability that became due during the period that he or she had the duty to remit payment of the limited liability business entity's taxes to the department but was not the chief executive or chief financial officer.

(b) All other responsible individuals are liable under this section only for ((sales)) <u>trust fund</u> tax liability that became due during the period he or she had the responsibility or duty to remit payment of the limited liability business entity's taxes to the department.

(5) Persons described in subsection (3)(b) of this section are exempt from liability under this section in situations where nonpayment of the limited liability business entity's ((sales)) trust fund taxes is due to reasons beyond their control as determined by the department by rule.

(6) Any person having been issued a notice of assessment under this section is entitled to the appeal procedures under RCW 82.32.160, 82.32.170, 82.32.180, 82.32.190, and 82.32.200.

(7) This section does not relieve the limited liability business entity of its ((sales)) <u>trust fund</u> tax liability or otherwise impair other tax collection remedies afforded by law.

(8) Collection authority and procedures prescribed in this chapter apply to collections under this section.

(9) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Chief executive" means: The president of a corporation; or for other entities or organizations other than corporations or if the corporation does not have a president as one of its officers, the highest ranking executive manager or administrator in charge of the management of the company or organization.

(b) "Chief financial officer" means: The treasurer of a corporation; or for entities or organizations other than corporations or if a corporation does not have a treasurer as one of its officers, the highest senior manager who is responsible for overseeing the financial activities of the entire company or organization.

(c) "Limited liability business entity" means a type of business entity that generally shields its owners from personal liability for the debts, obligations, and liabilities of the entity, or a business entity that is managed or owned in whole or in part by an entity that generally shields its owners from personal liability for the debts, obligations, and liabilities of the entity. Limited liability business entities include corporations, limited liability companies, limited liability partnerships, trusts, general partnerships and joint ventures in which one or more of the partners or parties are also limited liability business entities, and limited

partnerships in which one or more of the general partners are also limited liability business entities.

(d) "Manager" has the same meaning as in RCW 25.15.005.

(e) "Member" has the same meaning as in RCW 25.15.005, except that the term only includes members of member-managed limited liability companies.

(f) "Officer" means any officer or assistant officer of a corporation, including the president, vice president, secretary, and treasurer.

(g)(i) "Responsible individual" includes any current or former officer, manager, member, partner, or trustee of a limited liability business entity with an unpaid tax warrant issued by the department.

(ii) "Responsible individual" also includes any current or former employee or other individual, but only if the individual had the responsibility or duty to remit payment of the limited liability business entity's unpaid ((sales)) trust fund tax liability reflected in a tax warrant issued by the department.

(iii) Whenever any taxpayer has one or more limited liability business entities as a member, manager, or partner, "responsible individual" also includes any current and former officers, members, or managers of the limited liability business entity or entities or of any other limited liability business entity involved directly in the management of the taxpayer. For purposes of this subsection (9)(g)(iii), "taxpayer" means a limited liability business entity with an unpaid tax warrant issued against it by the department.

(h) <u>"Trust fund taxes" means taxes collected from purchasers and held in</u> trust under RCW 82.08.050, including taxes imposed under RCW 82.08.020 and 82.08.150.

(i) "Willfully fails to pay or to cause to be paid" means that the failure was the result of an intentional, conscious, and voluntary course of action.

<u>NEW SECTION</u>. Sec. 9. This act must be liberally construed to effectuate the intent of the legislature to provide for the effective collection of liquor taxes imposed in RCW 82.08.150.

<u>NEW SECTION.</u> Sec. 10. 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.

<u>NEW SECTION.</u> Sec. 11. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House February 13, 2012. Passed by the Senate February 27, 2012. Approved by the Governor March 15, 2012. Filed in Office of Secretary of State March 15, 2012.

CHAPTER 40

[Senate Bill 6289] SELF-EMPLOYMENT TRAINING

AN ACT Relating to facilitating self-employment training; amending RCW 50.20.250 and 50.62.030; amending 2007 c 248 s 3 (uncodified); and repealing 2007 c 248 s 6 (uncodified).

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

NEW SECTION. Sec. 1. 2007 c 248 s 6 (uncodified) is repealed.

Sec. 2. RCW 50.20.250 and 2007 c 248 s 1 are each amended to read as follows:

(1) The legislature finds that the establishment of a self-employment assistance program would assist unemployed individuals and create new businesses and job opportunities in Washington state. The department ((shall)) <u>must</u> inform all individuals eligible under the terms of RCW 50.20.010 of the availability of self-employment assistance and entrepreneurial training programs and of the training provisions of RCW 50.20.043 which would allow them to pursue commissioner approved training. In addition, when individuals are identified as likely to exhaust benefits under RCW 50.20.011, and when individuals are otherwise eligible for commissioner-approved training under RCW 50.20.043, the department must inform such individuals ((identified as likely to exhaust regular unemployment benefits)) of the opportunity to enroll in commissioner-approved self-employment assistance programs.

(2) An unemployed individual is eligible to participate in a self-employment assistance program if it has been determined that he or she:

(a) Is otherwise eligible for regular benefits as defined in RCW 50.22.010;

(b) Has been identified as likely to exhaust regular unemployment benefits under a profiling system established by the commissioner as defined in P.L. 103-152 or is otherwise eligible for commissioner-approved training under <u>RCW 50.20.043</u>; and

(c) Is enrolled in a self-employment assistance program that is approved by the commissioner, and includes entrepreneurial training, business counseling, technical assistance, and requirements to engage in activities relating to the establishment of a business and becoming self-employed.

(3) Individuals participating in a self-employment assistance program approved by the commissioner are eligible to receive their regular unemployment benefits.

(a) The requirements of RCW 50.20.010 and 50.20.080 relating to availability for work, active search for work, and refusal to accept suitable work are not applicable to an individual in the self-employment assistance program for the first fifty-two weeks of the individual's participation in the program. However, enrollment in a self-employment assistance program does not entitle the enrollee to any benefit payments he or she would not be entitled to had he or she not enrolled in the program.

(b) An individual who meets the requirements of this section is considered to be "unemployed" under RCW 50.04.310 and 50.20.010.

(4) An individual who fails to participate in his or her approved self-employment assistance program as prescribed by the commissioner is disqualified from continuation in the program.

(5) ((An individual completing the program may not directly compete with his or her separating employer for a specific time period and in a specific geographic area. The time period may not, in any case, exceed one year. Both the time period and the geographic area must be reasonable, considering the following factors:

(a) Whether restraining the individual from performing services is necessary for the protection of the employer or the employer's goodwill;

(b) Whether the agreement harms the individual more than is reasonably necessary to secure the employer's business or goodwill; and

(c) Whether the loss of the employee's services and skills injures the public to a degree warranting nonenforcement of the agreement.

(6))) The commissioner ((shall)) <u>must</u> take all steps necessary in carrying out this section to assure collaborative involvement of interested parties in program development, and to ensure that the self-employment assistance programs meet all federal criteria for withdrawal from the unemployment fund. The commissioner may approve, as self-employment assistance programs, existing self-employment training programs available through community colleges, workforce investment boards, or other organizations and is not obligated by this section to expend any departmental funds for the operation of self-employment assistance programs, unless specific funding is provided to the department for that purpose through federal or state appropriations.

(((7))) (6) The commissioner may adopt rules as necessary to implement this section.

Sec. 3. 2007 c 248 s 3 (uncodified) is amended to read as follows:

By December 1, ((2011)) <u>2015</u>, the employment security department ((shall)) <u>must</u> report to ((the house of representatives commerce and labor committee and the senate labor, commerce, research and development committee)) relevant legislative committees on the performance of the self-employment assistance program. The report <math>((shall)) <u>must</u> include an analysis of the following:

(1) Self-employment impacts;

(2) Wage and salary outcomes;

(3) Benefit payment outcomes; and

(4) A cost-benefit analysis.

Sec. 4. RCW 50.62.030 and 1995 c 135 s 4 are each amended to read as follows:

(1) Job service resources ((shall)) <u>must</u> be used to assist with the reemployment of unemployed workers using the most efficient and effective means of service delivery. The job service program of the employment security department may undertake any program or activity for which funds are available and which furthers the goals of this chapter. These programs and activities ((shall)) <u>must</u> include, but are not limited to:

(((1))) (a) Giving older unemployed workers and the long-term unemployed the highest priority for all services made available under this section. The employment security department ((shall)) <u>must</u> make the services provided under this chapter available to the older unemployed workers and the long-term unemployed as soon as they register under the employment assistance program;

(((2))) (b) Supplementing basic employment services, with special job search and claimant placement assistance designed to assist unemployment insurance claimants to obtain employment;

(((3))) (c) Providing employment services, such as recruitment, screening, and referral of qualified workers, to agricultural areas where these services have in the past contributed to positive economic conditions for the agricultural industry; and

(((4))) (d) Providing otherwise unobtainable information and analysis to the legislature and program managers about issues related to employment and unemployment.

(2) Individuals who are eligible for services under the federal workforce investment act, P.L. 105-220 or its successor must be provided the opportunity to enroll in self-employment assistance or entrepreneurial training programs to prepare them for self-employment on the same basis as they are provided the opportunity to enroll in other training programs funded under the federal workforce investment act. The department must work with local workforce development councils to ensure that the contracting process with training providers is efficient and that the number of entrepreneurial training providers on the state's eligible training provider list is sufficient to meet demand. Each local workforce development council must:

(a) Notify all individuals eligible for services under the workforce investment act of the availability of self-employment assistance and entrepreneurial training; and

(b) Establish and implement a plan for expending workforce investment act funds on self-employment assistance and entrepreneurial training at a rate that is commensurate with either the demand for such services or the rate of selfemployment within the council's workforce development area.

Passed by the Senate February 11, 2012. Passed by the House February 27, 2012. Approved by the Governor March 15, 2012. Filed in Office of Secretary of State March 15, 2012.

CHAPTER 41

[Substitute Senate Bill 6315] FAIR TENANT SCREENING ACT

AN ACT Relating to the fair tenant screening act; amending RCW 59.18.030, 59.18.257, and 19.182.110; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that residential landlords frequently use tenant screening reports in evaluating and selecting tenants for their rental properties. These tenant screening reports purchased from tenant screening companies may contain misleading, incomplete, or inaccurate information, such as information relating to eviction or other court records. It is challenging for tenants to dispute errors until after they apply for housing and are turned down, at which point lodging disputes are seldom worthwhile. The costs of tenant screening reports are paid by applicants. Therefore, applicants who apply for housing with multiple housing providers pay repeated screening fees for successive reports containing essentially the same information.

Sec. 2. RCW 59.18.030 and 2011 c 132 s 1 are each amended to read as follows:

As used in this chapter:

(1) "Certificate of inspection" means an unsworn statement, declaration, verification, or certificate made in accordance with the requirements of RCW 9A.72.085 by a qualified inspector that states that the landlord has not failed to

fulfill any substantial obligation imposed under RCW 59.18.060 that endangers or impairs the health or safety of a tenant, including (a) structural members that are of insufficient size or strength to carry imposed loads with safety, (b) exposure of the occupants to the weather, (c) plumbing and sanitation defects that directly expose the occupants to the risk of illness or injury, (d) not providing facilities adequate to supply heat and water and hot water as reasonably required by the tenant, (e) providing heating or ventilation systems that are not functional or are hazardous, (f) defective, hazardous, or missing electrical wiring or electrical service, (g) defective or hazardous exits that increase the risk of injury to occupants, and (h) conditions that increase the risk of fire.

(2) "Distressed home" has the same meaning as in RCW 61.34.020.

(3) "Distressed home conveyance" has the same meaning as in RCW 61.34.020.

(4) "Distressed home purchaser" has the same meaning as in RCW 61.34.020.

(5) "Dwelling unit" is a structure or that part of a structure which is used as a home, residence, or sleeping place by one person or by two or more persons maintaining a common household, including but not limited to single-family residences and units of multiplexes, apartment buildings, and mobile homes.

(6) "Gang" means a group that: (a) Consists of three or more persons; (b) has identifiable leadership or an identifiable name, sign, or symbol; and (c) on an ongoing basis, regularly conspires and acts in concert mainly for criminal purposes.

(7) "Gang-related activity" means any activity that occurs within the gang or advances a gang purpose.

(8) "In danger of foreclosure" means any of the following:

(a) The homeowner has defaulted on the mortgage and, under the terms of the mortgage, the mortgagee has the right to accelerate full payment of the mortgage and repossess, sell, or cause to be sold the property;

(b) The homeowner is at least thirty days delinquent on any loan that is secured by the property; or

(c) The homeowner has a good faith belief that he or she is likely to default on the mortgage within the upcoming four months due to a lack of funds, and the homeowner has reported this belief to:

(i) The mortgagee;

(ii) A person licensed or required to be licensed under chapter 19.134 RCW;

(iii) A person licensed or required to be licensed under chapter 19.146 RCW:

(iv) A person licensed or required to be licensed under chapter 18.85 RCW; (v) An attorney-at-law;

(vi) A mortgage counselor or other credit counselor licensed or certified by any federal, state, or local agency; or

(vii) Any other party to a distressed property conveyance.

(9) "Landlord" means the owner, lessor, or sublessor of the dwelling unit or the property of which it is a part, and in addition means any person designated as representative of the owner, lessor, or sublessor including, but not limited to, an agent, a resident manager, or a designated property manager.

(10) "Mortgage" is used in the general sense and includes all instruments, including deeds of trust, that are used to secure an obligation by an interest in real property.

(11) "Owner" means one or more persons, jointly or severally, in whom is vested:

(a) All or any part of the legal title to property; or

(b) All or part of the beneficial ownership, and a right to present use and enjoyment of the property.

(12) "Person" means an individual, group of individuals, corporation, government, or governmental agency, business trust, estate, trust, partnership, or association, two or more persons having a joint or common interest, or any other legal or commercial entity.

(13) "Premises" means a dwelling unit, appurtenances thereto, grounds, and facilities held out for the use of tenants generally and any other area or facility which is held out for use by the tenant.

(14) "Property" or "rental property" means all dwelling units on a contiguous quantity of land managed by the same landlord as a single, rental complex.

(15) "Qualified inspector" means a United States department of housing and urban development certified inspector; a Washington state licensed home inspector; an American society of home inspectors certified inspector; a private inspector certified by the national association of housing and redevelopment officials, the American association of code enforcement, or other comparable professional association as approved by the local municipality; a municipal code enforcement officer; a Washington licensed structural engineer; or a Washington licensed architect.

(16) "Reasonable attorneys' fees," where authorized in this chapter, means an amount to be determined including the following factors: The time and labor required, the novelty and difficulty of the questions involved, the skill requisite to perform the legal service properly, the fee customarily charged in the locality for similar legal services, the amount involved and the results obtained, and the experience, reputation and ability of the lawyer or lawyers performing the services.

(17) "Rental agreement" means all agreements which establish or modify the terms, conditions, rules, regulations, or any other provisions concerning the use and occupancy of a dwelling unit.

(18) A "single-family residence" is a structure maintained and used as a single dwelling unit. Notwithstanding that a dwelling unit shares one or more walls with another dwelling unit, it shall be deemed a single-family residence if it has direct access to a street and shares neither heating facilities nor hot water equipment, nor any other essential facility or service, with any other dwelling unit.

(19) A "tenant" is any person who is entitled to occupy a dwelling unit primarily for living or dwelling purposes under a rental agreement.

(20) "Tenant screening" means using a consumer report or other information about a prospective tenant in deciding whether to make or accept an offer for residential rental property to or from a prospective tenant.

(21) "Tenant screening report" means a consumer report as defined in RCW 19.182.010 and any other information collected by a tenant screening service.

(22) "Prospective landlord" means a landlord or a person who advertises, solicits, offers, or otherwise holds a dwelling unit out as available for rent.

(23) "Prospective tenant" means a tenant or a person who has applied for residential housing that is governed under this chapter.

Sec. 3. RCW 59.18.257 and 1991 c 194 s 3 are each amended to read as follows:

(1) ((If a landlord uses a tenant screening service, then the landlord may only charge for the costs incurred for using the tenant screening service under this section.)) (a) Prior to obtaining any information about a prospective tenant, the prospective landlord shall first notify the prospective tenant in writing, or by posting, of the following:

(i) What types of information will be accessed to conduct the tenant screening;

(ii) What criteria may result in denial of the application; and

(iii) If a consumer report is used, the name and address of the consumer reporting agency and the prospective tenant's rights to obtain a free copy of the consumer report in the event of a denial or other adverse action, and to dispute the accuracy of information appearing in the consumer report.

(b)(i) The landlord may charge a prospective tenant for costs incurred in obtaining a tenant screening report only if the prospective landlord provides the information as required in (a) of this subsection.

(ii) If a prospective landlord conducts his or her own screening of tenants, ((then)) the prospective landlord may charge his or her actual costs in obtaining the background information((, but)) only if the prospective landlord provides the information as required in (a) of this subsection. The amount charged may not exceed the customary costs charged by a screening service in the general area. The prospective landlord's actual costs include costs incurred for long distance phone calls and for time spent calling landlords, employers, and financial institutions.

(((2) A landlord may not charge a prospective tenant for the cost of obtaining background information under this section unless the landlord first notifies the prospective tenant in writing of what a tenant screening entails, the prospective tenant's rights to dispute the accuracy of information provided by the tenant screening service or provided by the entities listed on the tenant application who will be contacted for information concerning the tenant, and the name and address of the tenant screening service used by the landlord.

(3) Nothing in this section requires a landlord to disclose information to a prospective tenant that was obtained from a tenant screening service or from entities listed on the tenant application which is not required under the federal fair credit reporting act, 15 U.S.C. Sec. 1681 et seq.

(4))) (c) If a prospective landlord takes an adverse action, the prospective landlord shall provide a written notice of the adverse action to the prospective tenant that states the reasons for the adverse action. The adverse action notice must contain the following information in a substantially similar format, including additional information as may be required under chapter 19.182 RCW:

<u>Name</u> <u>Address</u> <u>City/State/Zip Code</u>

WASHINGTON LAWS, 2012

This notice is to inform you that your application has been:

..... Rejected

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..... Approved with conditions:

..... Residency requires an increased deposit

..... Residency requires a qualified guarantor

..... Residency requires last month's rent

..... Residency requires an increased monthly rent of \$......

..... Other:

Adverse action on your application was based on the following:

..... Information contained in a consumer report (The prospective landlord must include the name, address, and phone number of the consumer reporting agency that furnished the consumer report that contributed to the adverse action.)

..... The consumer credit report did not contain sufficient information

..... Information received from previous rental history or reference

..... Information received in a criminal record

..... Information received in a civil record

..... Information received from an employment verification

Dated this day of, 20....

Agent/Owner Signature"

(2) Any landlord <u>or prospective landlord</u> who violates this section may be liable to the prospective tenant for an amount not to exceed one hundred dollars. The prevailing party may also recover court costs and reasonable attorneys' fees.

(3) A stakeholder work group comprised of landlords, tenant advocates, and representatives of consumer reporting and tenant screening companies shall convene for the purposes of addressing the issues of tenant screening including, but not limited to: A tenant's cost of obtaining a tenant screening report; the portability of tenant screening reports; criteria used to evaluate a prospective tenant's background, including which court records may or may not be considered; and the regulation of tenant screening services. Specific recommendations on these issues are due to the legislature by December 1, 2012.

(4) This section does not limit a prospective tenant's rights or the duties of a screening service as otherwise provided in chapter 19.182 RCW.

Sec. 4. RCW 19.182.110 and 1993 c 476 s 13 are each amended to read as follows:

If a person takes an adverse action with respect to a consumer that is based, in whole or in part, on information contained in a consumer report, the person shall:

(1) Provide written notice of the adverse action to the consumer, except verbal notice may be given by a person in an adverse action involving a business regulated by the Washington utilities and transportation commission ((or involving an application for the rental or leasing of residential real estate)) if such verbal notice does not impair a consumer's ability to obtain a credit report without charge under RCW 19.182.100(2); and

(2) Provide the consumer with the name, address, and telephone number of the consumer reporting agency that furnished the report to the person.

WASHINGTON LAWS, 2012

Passed by the Senate February 10, 2012. Passed by the House February 27, 2012. Approved by the Governor March 15, 2012. Filed in Office of Secretary of State March 15, 2012.

CHAPTER 42

[Engrossed Substitute House Bill 2302] DRIVING UNDER THE INFLUENCE—CHILD IN VEHICLE

AN ACT Relating to being under the influence with a child in the vehicle; amending RCW 46.61.507 and 9.94A.533; reenacting and amending RCW 46.61.5055; and prescribing penalties.

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

Sec. 1. RCW 46.61.507 and 2010 c 214 s 1 are each amended to read as follows:

(1) In every case where a person is arrested for a violation of RCW 46.61.502 or 46.61.504, the law enforcement officer shall make a clear notation if a child under the age of sixteen was present in the vehicle.

(2) A law enforcement officer shall promptly notify child protective services whenever a child is present in a vehicle being driven by his or her parent, guardian, ((Θ r)) legal custodian<u>. or sibling or half-sibling</u> and that person is being arrested for a drug or alcohol-related driving offense. This section does not require law enforcement to take custody of the child unless there is no other responsible person, or an agency having the right to physical custody of the child that can be contacted, or the officer has reasonable grounds to believe the child should be taken into custody pursuant to RCW 13.34.050 or 26.44.050.

(3) For purposes of this section, "child" means any person under ((thirteen)) sixteen years of age.

Sec. 2. RCW 46.61.5055 and 2011 c 293 s 7 and 2011 c 96 s 35 are each reenacted and amended to read as follows:

(1) Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has no prior offense within seven years shall be punished as follows:

(a) In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than one day nor more than three hundred sixty-four days. Twenty-four consecutive hours of the imprisonment may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based. In lieu of the mandatory minimum term of imprisonment required under this subsection (1)(a)(i), the court may order not less than fifteen days of electronic home monitoring. The offender shall pay the cost of electronic home monitoring. The court may also require the offender's electronic

home monitoring device to include an alcohol detection breathalyzer, and the court may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring; and

(ii) By a fine of not less than three hundred fifty dollars nor more than five thousand dollars. Three hundred fifty dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent; or

(b) In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than two days nor more than three hundred sixty-four days. Two consecutive days of the imprisonment may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based. In lieu of the mandatory minimum term of imprisonment required under this subsection (1)(b)(i), the court may order not less than thirty days of electronic home monitoring. The offender shall pay the cost of electronic home monitoring device to include an alcohol detection breathalyzer, and the court may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring; and

(ii) By a fine of not less than five hundred dollars nor more than five thousand dollars. Five hundred dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent.

(2) Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has one prior offense within seven years shall be punished as follows:

(a) In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than thirty days nor more than three hundred sixty-four days and sixty days of electronic home monitoring. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Thirty days of imprisonment and sixty days of electronic home monitoring may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based; and

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(ii) By a fine of not less than five hundred dollars nor more than five thousand dollars. Five hundred dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent; or

(b) In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than forty-five days nor more than three hundred sixty-four days and ninety days of electronic home monitoring. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Forty-five days of imprisonment and ninety days of electronic home monitoring may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based; and

(ii) By a fine of not less than seven hundred fifty dollars nor more than five thousand dollars. Seven hundred fifty dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent.

(3) Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has two or three prior offenses within seven years shall be punished as follows:

(a) In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than ninety days nor more than three hundred sixty-four days and one hundred twenty days of electronic home monitoring. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Ninety days of imprisonment and one hundred twenty days of electronic home monitoring may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based; and

(ii) By a fine of not less than one thousand dollars nor more than five thousand dollars. One thousand dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent; or (b) In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than one hundred twenty days nor more than three hundred sixty-four days and one hundred fifty days of electronic home monitoring. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. One hundred twenty days of imprisonment and one hundred fifty days of electronic home monitoring may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based; and

(ii) By a fine of not less than one thousand five hundred dollars nor more than five thousand dollars. One thousand five hundred dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent.

(4) A person who is convicted of a violation of RCW 46.61.502 or 46.61.504 shall be punished under chapter 9.94A RCW if:

(a) The person has four or more prior offenses within ten years; or

(b) The person has ever previously been convicted of:

(i) A violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug;

(ii) A violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug;

(iii) An out-of-state offense comparable to the offense specified in (b)(i) or (ii) of this subsection; or

(iv) A violation of RCW 46.61.502(6) or 46.61.504(6).

(5)(a) The court shall require any person convicted of a violation of RCW 46.61.502 or 46.61.504 or an equivalent local ordinance to apply for an ignition interlock driver's license from the department and to have a functioning ignition interlock device installed on all motor vehicles operated by the person.

(b) The installation of an ignition interlock device is not necessary on vehicles owned, leased, or rented by a person's employer and on those vehicles whose care and/or maintenance is the temporary responsibility of the employer, and driven at the direction of a person's employer as a requirement of employment during working hours. The person must provide the department with a declaration pursuant to RCW 9A.72.085 from his or her employer stating that the person's employment to operate a vehicle owned by the employer or other persons during working hours.

(c) An ignition interlock device imposed under this section shall be calibrated to prevent a motor vehicle from being started when the breath sample provided has an alcohol concentration of 0.025 or more.

(d) The court may waive the requirement that a person apply for an ignition interlock driver's license if the court makes a specific finding in writing that:

(i) The person lives out-of-state and the devices are not reasonably available in the person's local area;

(ii) The person does not operate a vehicle; or

(iii) The person is not eligible to receive an ignition interlock driver's license under RCW 46.20.385 because the person is not a resident of Washington, is a habitual traffic offender, has already applied for or is already in possession of an ignition interlock driver's license, has never had a driver's license, has been certified under chapter 74.20A RCW as noncompliant with a child support order, or is subject to any other condition or circumstance that makes the person ineligible to obtain an ignition interlock driver's license.

(e) If a court finds that a person is not eligible to receive an ignition interlock driver's license under this section, the court is not required to make any further subsequent inquiry or determination as to the person's eligibility.

(f) If the court orders that a person refrain from consuming any alcohol and requires the person to apply for an ignition interlock driver's license, and the person states that he or she does not operate a motor vehicle or the person is ineligible to obtain an ignition interlock driver's license, the court shall order the person to submit to alcohol monitoring through an alcohol detection breathalyzer device, transdermal sensor device, or other technology designed to detect alcohol in a person's system. Alcohol monitoring ordered under this subsection must be for the period of the mandatory license suspension or revocation. The person shall pay for the cost of the monitoring. The county or municipality where the penalty is being imposed shall determine the cost.

(g) The period of time for which ignition interlock use is required will be as follows:

(i) For a person who has not previously been restricted under this section, a period of one year;

(ii) For a person who has previously been restricted under (g)(i) of this subsection, a period of five years;

(iii) For a person who has previously been restricted under (g)(ii) of this subsection, a period of ten years.

(h) Beginning with incidents occurring on or after September 1, 2011, when calculating the period of time for the restriction under RCW 46.20.720(3), the department must also give the person a day-for-day credit for the time period, beginning from the date of the incident, during which the person kept an ignition interlock device installed on all vehicles the person operates. For the purposes of this subsection (5)(h), the term "all vehicles" does not include vehicles that would be subject to the employer exception under RCW 46.20.720(3).

(6) If a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 committed the offense while a passenger under the age of sixteen was in the vehicle, the court shall:

(a) ((In any case in which the installation and use of an interlock or other device is not mandatory under RCW 46.20.720 or other law, order the use of such a device for not less than sixty days following the restoration of the person's license, permit, or nonresident driving privileges; and

(b) In any case in which the installation and use of such a device is otherwise mandatory,)) \underline{O} rder the use of ((such a)) an ignition interlock or other device for an additional ((sixty days)) six months;

(b) In any case in which the person has no prior offenses within seven years, and except as provided in RCW 46.61.502(6) or 46.61.504(6), order a penalty by a fine of not less than one thousand dollars and not more than five thousand dollars. One thousand dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent;

(c) In any case in which the person has one prior offense within seven years, and except as provided in RCW 46.61.502(6) or 46.61.504(6), order a penalty by a fine of not less than two thousand dollars and not more than five thousand dollars. One thousand dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent;

(d) In any case in which the person has two or three prior offenses within seven years, and except as provided in RCW 46.61.502(6) or 46.61.504(6), order a penalty by a fine of not less than three thousand dollars and not more than ten thousand dollars. One thousand dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent.

(7) In exercising its discretion in setting penalties within the limits allowed by this section, the court shall particularly consider the following:

(a) Whether the person's driving at the time of the offense was responsible for injury or damage to another or another's property; and

(b) Whether at the time of the offense the person was driving or in physical control of a vehicle with one or more passengers.

(8) An offender punishable under this section is subject to the alcohol assessment and treatment provisions of RCW 46.61.5056.

(9) The license, permit, or nonresident privilege of a person convicted of driving or being in physical control of a motor vehicle while under the influence of intoxicating liquor or drugs must:

(a) If the person's alcohol concentration was less than 0.15, or if for reasons other than the person's refusal to take a test offered under RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) Where there has been no prior offense within seven years, be suspended or denied by the department for ninety days;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for two years; or

(iii) Where there have been two or more prior offenses within seven years, be revoked or denied by the department for three years;

(b) If the person's alcohol concentration was at least 0.15:

(i) Where there has been no prior offense within seven years, be revoked or denied by the department for one year;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for nine hundred days; or

(iii) Where there have been two or more prior offenses within seven years, be revoked or denied by the department for four years; or

(c) If by reason of the person's refusal to take a test offered under RCW 46.20.308, there is no test result indicating the person's alcohol concentration:

(i) Where there have been no prior offenses within seven years, be revoked or denied by the department for two years;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for three years; or

(iii) Where there have been two or more previous offenses within seven years, be revoked or denied by the department for four years.

The department shall grant credit on a day-for-day basis for any portion of a suspension, revocation, or denial already served under this subsection for a suspension, revocation, or denial imposed under RCW 46.20.3101 arising out of the same incident.

For purposes of this subsection (9), the department shall refer to the driver's record maintained under RCW 46.52.120 when determining the existence of prior offenses.

(10) After expiration of any period of suspension, revocation, or denial of the offender's license, permit, or privilege to drive required by this section, the department shall place the offender's driving privilege in probationary status pursuant to RCW 46.20.355.

(11)(a) In addition to any nonsuspendable and nondeferrable jail sentence required by this section, whenever the court imposes up to three hundred sixtyfour days in jail, the court shall also suspend but shall not defer a period of confinement for a period not exceeding five years. The court shall impose conditions of probation that include: (i) Not driving a motor vehicle within this state without a valid license to drive and proof of financial responsibility for the future; (ii) not driving a motor vehicle within this state while having an alcohol concentration of 0.08 or more within two hours after driving; and (iii) not refusing to submit to a test of his or her breath or blood to determine alcohol concentration upon request of a law enforcement officer who has reasonable grounds to believe the person was driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor. The court may impose conditions of probation that include nonrepetition, installation of an ignition interlock device on the probationer's motor vehicle, alcohol or drug treatment, supervised probation, or other conditions that may be appropriate. The sentence may be imposed in whole or in part upon violation of a condition of probation during the suspension period.

(b) For each violation of mandatory conditions of probation under (a)(i), (ii), or (iii) of this subsection, the court shall order the convicted person to be confined for thirty days, which shall not be suspended or deferred.

(c) For each incident involving a violation of a mandatory condition of probation imposed under this subsection, the license, permit, or privilege to drive of the person shall be suspended by the court for thirty days or, if such license, permit, or privilege to drive already is suspended, revoked, or denied at the time the finding of probation violation is made, the suspension, revocation, or denial then in effect shall be extended by thirty days. The court shall notify the department of any suspension, revocation, or denial or any extension of a suspension, revocation, or denial imposed under this subsection.

(12) A court may waive the electronic home monitoring requirements of this chapter when:

(a) The offender does not have a dwelling, telephone service, or any other necessity to operate an electronic home monitoring system;

(b) The offender does not reside in the state of Washington; or

(c) The court determines that there is reason to believe that the offender would violate the conditions of the electronic home monitoring penalty.

Whenever the mandatory minimum term of electronic home monitoring is waived, the court shall state in writing the reason for granting the waiver and the facts upon which the waiver is based, and shall impose an alternative sentence with similar punitive consequences. The alternative sentence may include, but is not limited to, additional jail time, work crew, or work camp.

Whenever the combination of jail time and electronic home monitoring or alternative sentence would exceed three hundred sixty-four days, the offender shall serve the jail portion of the sentence first, and the electronic home monitoring or alternative portion of the sentence shall be reduced so that the combination does not exceed three hundred sixty-four days.

(13) An offender serving a sentence under this section, whether or not a mandatory minimum term has expired, may be granted an extraordinary medical placement by the jail administrator subject to the standards and limitations set forth in RCW 9.94A.728(3).

(14) For purposes of this section and RCW 46.61.502 and 46.61.504:

(a) A "prior offense" means any of the following:

(i) A conviction for a violation of RCW 46.61.502 or an equivalent local ordinance;

(ii) A conviction for a violation of RCW 46.61.504 or an equivalent local ordinance;

(iii) A conviction for a violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug, or a conviction for a violation of RCW 46.61.520 committed in a reckless manner or with the disregard for the safety of others if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug;

(iv) A conviction for a violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug, or a conviction for a violation of RCW 46.61.522 committed in a reckless manner or with the disregard for the safety of others if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug;

(v) A conviction for a violation of RCW 46.61.5249, 46.61.500, or 9A.36.050 or an equivalent local ordinance, if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, or of RCW 46.61.520 or 46.61.522;

(vi) An out-of-state conviction for a violation that would have been a violation of (a)(i), (ii), (ii), (iv), or (v) of this subsection if committed in this state;

(vii) A deferred prosecution under chapter 10.05 RCW granted in a prosecution for a violation of RCW 46.61.502, 46.61.504, or an equivalent local ordinance; or

(viii) A deferred prosecution under chapter 10.05 RCW granted in a prosecution for a violation of RCW 46.61.5249, or an equivalent local ordinance, if the charge under which the deferred prosecution was granted was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, or of RCW 46.61.520 or 46.61.522;

If a deferred prosecution is revoked based on a subsequent conviction for an offense listed in this subsection (14)(a), the subsequent conviction shall not be treated as a prior offense of the revoked deferred prosecution for the purposes of sentencing;

(b) "Within seven years" means that the arrest for a prior offense occurred within seven years before or after the arrest for the current offense; and

(c) "Within ten years" means that the arrest for a prior offense occurred within ten years before or after the arrest for the current offense.

Sec. 3. RCW 9.94A.533 and 2011 c 293 s 9 are each amended to read as follows:

(1) The provisions of this section apply to the standard sentence ranges determined by RCW 9.94A.510 or 9.94A.517.

(2) For persons convicted of the anticipatory offenses of criminal attempt, solicitation, or conspiracy under chapter 9A.28 RCW, the standard sentence range is determined by locating the sentencing grid sentence range defined by the appropriate offender score and the seriousness level of the completed crime, and multiplying the range by seventy-five percent.

(3) The following additional times shall be added to the standard sentence range for felony crimes committed after July 23, 1995, if the offender or an accomplice was armed with a firearm as defined in RCW 9.41.010 and the offender is being sentenced for one of the crimes listed in this subsection as eligible for any firearm enhancements based on the classification of the completed felony crime. If the offender is being sentenced for more than one offense, the firearm enhancement or enhancements must be added to the total period of confinement for all offenses, regardless of which underlying offense is subject to a firearm enhancement. If the offender or an accomplice was armed with a firearm as defined in RCW 9.41.010 and the offender is being sentenced for an anticipatory offense under chapter 9A.28 RCW to commit one of the crimes listed in this subsection as eligible for any firearm enhancements, the following additional times shall be added to the standard sentence range determined under subsection (2) of this section based on the felony crime of conviction as classified under RCW 9A.28.020:

(a) Five years for any felony defined under any law as a class A felony or with a statutory maximum sentence of at least twenty years, or both, and not covered under (f) of this subsection;

(b) Three years for any felony defined under any law as a class B felony or with a statutory maximum sentence of ten years, or both, and not covered under (f) of this subsection;

(c) Eighteen months for any felony defined under any law as a class C felony or with a statutory maximum sentence of five years, or both, and not covered under (f) of this subsection;

(d) If the offender is being sentenced for any firearm enhancements under (a), (b), and/or (c) of this subsection and the offender has previously been sentenced for any deadly weapon enhancements after July 23, 1995, under (a), (b), and/or (c) of this subsection or subsection (4)(a), (b), and/or (c) of this section, or both, all firearm enhancements under this subsection shall be twice the amount of the enhancement listed;

(e) Notwithstanding any other provision of law, all firearm enhancements under this section are mandatory, shall be served in total confinement, and shall

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run consecutively to all other sentencing provisions, including other firearm or deadly weapon enhancements, for all offenses sentenced under this chapter. However, whether or not a mandatory minimum term has expired, an offender serving a sentence under this subsection may be granted an extraordinary medical placement when authorized under RCW 9.94A.728(3);

(f) The firearm enhancements in this section shall apply to all felony crimes except the following: Possession of a machine gun, possessing a stolen firearm, drive-by shooting, theft of a firearm, unlawful possession of a firearm in the first and second degree, and use of a machine gun in a felony;

(g) If the standard sentence range under this section exceeds the statutory maximum sentence for the offense, the statutory maximum sentence shall be the presumptive sentence unless the offender is a persistent offender. If the addition of a firearm enhancement increases the sentence so that it would exceed the statutory maximum for the offense, the portion of the sentence representing the enhancement may not be reduced.

(4) The following additional times shall be added to the standard sentence range for felony crimes committed after July 23, 1995, if the offender or an accomplice was armed with a deadly weapon other than a firearm as defined in RCW 9.41.010 and the offender is being sentenced for one of the crimes listed in this subsection as eligible for any deadly weapon enhancements based on the classification of the completed felony crime. If the offender is being sentenced for more than one offense, the deadly weapon enhancement or enhancements must be added to the total period of confinement for all offenses, regardless of which underlying offense is subject to a deadly weapon enhancement. If the offender or an accomplice was armed with a deadly weapon other than a firearm as defined in RCW 9.41.010 and the offender is being sentenced for an anticipatory offense under chapter 9A.28 RCW to commit one of the crimes listed in this subsection as eligible for any deadly weapon enhancements, the following additional times shall be added to the standard sentence range determined under subsection (2) of this section based on the felony crime of conviction as classified under RCW 9A.28.020:

(a) Two years for any felony defined under any law as a class A felony or with a statutory maximum sentence of at least twenty years, or both, and not covered under (f) of this subsection;

(b) One year for any felony defined under any law as a class B felony or with a statutory maximum sentence of ten years, or both, and not covered under (f) of this subsection;

(c) Six months for any felony defined under any law as a class C felony or with a statutory maximum sentence of five years, or both, and not covered under (f) of this subsection;

(d) If the offender is being sentenced under (a), (b), and/or (c) of this subsection for any deadly weapon enhancements and the offender has previously been sentenced for any deadly weapon enhancements after July 23, 1995, under (a), (b), and/or (c) of this subsection or subsection (3)(a), (b), and/or (c) of this section, or both, all deadly weapon enhancements under this subsection shall be twice the amount of the enhancement listed;

(e) Notwithstanding any other provision of law, all deadly weapon enhancements under this section are mandatory, shall be served in total confinement, and shall run consecutively to all other sentencing provisions, including other firearm or deadly weapon enhancements, for all offenses sentenced under this chapter. However, whether or not a mandatory minimum term has expired, an offender serving a sentence under this subsection may be granted an extraordinary medical placement when authorized under RCW 9.94A.728(3);

(f) The deadly weapon enhancements in this section shall apply to all felony crimes except the following: Possession of a machine gun, possessing a stolen firearm, drive-by shooting, theft of a firearm, unlawful possession of a firearm in the first and second degree, and use of a machine gun in a felony;

(g) If the standard sentence range under this section exceeds the statutory maximum sentence for the offense, the statutory maximum sentence shall be the presumptive sentence unless the offender is a persistent offender. If the addition of a deadly weapon enhancement increases the sentence so that it would exceed the statutory maximum for the offense, the portion of the sentence representing the enhancement may not be reduced.

(5) The following additional times shall be added to the standard sentence range if the offender or an accomplice committed the offense while in a county jail or state correctional facility and the offender is being sentenced for one of the crimes listed in this subsection. If the offender or an accomplice committed one of the crimes listed in this subsection while in a county jail or state correctional facility, and the offender is being sentenced for an anticipatory offense under chapter 9A.28 RCW to commit one of the crimes listed in this subsection, the following additional times shall be added to the standard sentence range determined under subsection (2) of this section:

(a) Eighteen months for offenses committed under RCW 69.50.401(2) (a) or (b) or 69.50.410;

(b) Fifteen months for offenses committed under RCW 69.50.401(2) (c), (d), or (e);

(c) Twelve months for offenses committed under RCW 69.50.4013.

For the purposes of this subsection, all of the real property of a state correctional facility or county jail shall be deemed to be part of that facility or county jail.

(6) An additional twenty-four months shall be added to the standard sentence range for any ranked offense involving a violation of chapter 69.50 RCW if the offense was also a violation of RCW 69.50.435 or 9.94A.827. All enhancements under this subsection shall run consecutively to all other sentencing provisions, for all offenses sentenced under this chapter.

(7) An additional two years shall be added to the standard sentence range for vehicular homicide committed while under the influence of intoxicating liquor or any drug as defined by RCW 46.61.502 for each prior offense as defined in RCW 46.61.5055. All enhancements under this subsection shall be mandatory, shall be served in total confinement, and shall run consecutively to all other sentencing provisions.

(8)(a) The following additional times shall be added to the standard sentence range for felony crimes committed on or after July 1, 2006, if the offense was committed with sexual motivation, as that term is defined in RCW 9.94A.030. If the offender is being sentenced for more than one offense, the sexual motivation enhancement must be added to the total period of total confinement for all offenses, regardless of which underlying offense is subject to

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a sexual motivation enhancement. If the offender committed the offense with sexual motivation and the offender is being sentenced for an anticipatory offense under chapter 9A.28 RCW, the following additional times shall be added to the standard sentence range determined under subsection (2) of this section based on the felony crime of conviction as classified under RCW 9A.28.020:

(i) Two years for any felony defined under the law as a class A felony or with a statutory maximum sentence of at least twenty years, or both;

(ii) Eighteen months for any felony defined under any law as a class B felony or with a statutory maximum sentence of ten years, or both;

(iii) One year for any felony defined under any law as a class C felony or with a statutory maximum sentence of five years, or both;

(iv) If the offender is being sentenced for any sexual motivation enhancements under (i), (ii), and/or (iii) of this subsection and the offender has previously been sentenced for any sexual motivation enhancements on or after July 1, 2006, under (i), (ii), and/or (iii) of this subsection, all sexual motivation enhancements under this subsection shall be twice the amount of the enhancement listed;

(b) Notwithstanding any other provision of law, all sexual motivation enhancements under this subsection are mandatory, shall be served in total confinement, and shall run consecutively to all other sentencing provisions, including other sexual motivation enhancements, for all offenses sentenced under this chapter. However, whether or not a mandatory minimum term has expired, an offender serving a sentence under this subsection may be granted an extraordinary medical placement when authorized under RCW 9.94A.728(3);

(c) The sexual motivation enhancements in this subsection apply to all felony crimes;

(d) If the standard sentence range under this subsection exceeds the statutory maximum sentence for the offense, the statutory maximum sentence shall be the presumptive sentence unless the offender is a persistent offender. If the addition of a sexual motivation enhancement increases the sentence so that it would exceed the statutory maximum for the offense, the portion of the sentence representing the enhancement may not be reduced;

(e) The portion of the total confinement sentence which the offender must serve under this subsection shall be calculated before any earned early release time is credited to the offender;

(f) Nothing in this subsection prevents a sentencing court from imposing a sentence outside the standard sentence range pursuant to RCW 9.94A.535.

(9) An additional one-year enhancement shall be added to the standard sentence range for the felony crimes of RCW 9A.44.073, 9A.44.076, 9A.44.079, 9A.44.083, 9A.44.086, or 9A.44.089 committed on or after July 22, 2007, if the offender engaged, agreed, or offered to engage the victim in the sexual conduct in return for a fee. If the offender is being sentenced for more than one offense, the one-year enhancement must be added to the total period of total confinement for all offenses, regardless of which underlying offense is subject to the enhancement. If the offender is being sentenced for an anticipatory offense for the felony crimes of RCW 9A.44.073, 9A.44.076, 9A.44.079, 9A.44.083, 9A.44.086, or 9A.44.089, and the offender attempted, solicited another, or conspired to engage, agree, or offer to engage the victim in the sexual conduct in return for a fee, an additional one-year enhancement shall be added to the

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standard sentence range determined under subsection (2) of this section. For purposes of this subsection, "sexual conduct" means sexual intercourse or sexual contact, both as defined in chapter 9A.44 RCW.

(10)(a) For a person age eighteen or older convicted of any criminal street gang-related felony offense for which the person compensated, threatened, or solicited a minor in order to involve the minor in the commission of the felony offense, the standard sentence range is determined by locating the sentencing grid sentence range defined by the appropriate offender score and the seriousness level of the completed crime, and multiplying the range by one hundred twenty-five percent. If the standard sentence range under this subsection exceeds the statutory maximum sentence for the offense, the statutory maximum sentence is the presumptive sentence unless the offender is a persistent offender.

(b) This subsection does not apply to any criminal street gang-related felony offense for which involving a minor in the commission of the felony offense is an element of the offense.

(c) The increased penalty specified in (a) of this subsection is unavailable in the event that the prosecution gives notice that it will seek an exceptional sentence based on an aggravating factor under RCW 9.94A.535.

(11) An additional twelve months and one day shall be added to the standard sentence range for a conviction of attempting to elude a police vehicle as defined by RCW 46.61.024, if the conviction included a finding by special allegation of endangering one or more persons under RCW 9.94A.834.

(12) An additional twelve months shall be added to the standard sentence range for an offense that is also a violation of RCW 9.94A.831.

(13) An additional twelve months shall be added to the standard sentence range for vehicular homicide committed while under the influence of intoxicating liquor or any drug as defined by RCW 46.61.520 or for vehicular assault committed while under the influence of intoxicating liquor or any drug as defined by RCW 46.61.522, or for any felony driving under the influence (RCW 46.61.502(6)) or felony physical control under the influence (RCW 46.61.504(6)) for each child passenger under the age of sixteen who is an occupant in the defendant's vehicle. These enhancements shall be mandatory, shall be served in total confinement, and shall run consecutively to all other sentencing provisions. If the addition of a minor child enhancement increases the sentence so that it would exceed the statutory maximum for the offense, the portion of the sentence representing the enhancement may not be reduced.

Passed by the House March 3, 2012. Passed by the Senate February 29, 2012. Approved by the Governor March 16, 2012. Filed in Office of Secretary of State March 16, 2012.

CHAPTER 43

[Senate Bill 6059] VETERANS' RAFFLE

AN ACT Relating to veterans' raffle; and amending RCW 67.70.500.

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

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Sec. 1. RCW 67.70.500 and 2011 c 352 s 2 are each amended to read as follows:

Beginning in calendar year 2011, and on an annual basis thereafter, the lottery will offer a statewide raffle to benefit veterans and their families to be known as the veterans' raffle. ((The veterans raffle ticket will go on sale on Labor Day with a drawing to occur on Veteran's Day, November 11th of each year.))

Passed by the Senate January 27, 2012. Passed by the House March 1, 2012. Approved by the Governor March 16, 2012. Filed in Office of Secretary of State March 16, 2012.

CHAPTER 44

[Substitute Senate Bill 6167] DISCLOSURE OF CONVICTION RECORDS— EMERGENCY SHELTERS AND TRANSITIONAL HOUSING

AN ACT Relating to criminal identification system information for entities providing emergency shelter, interim housing, or transitional housing; amending RCW 43.43.832; and reenacting and amending RCW 43.43.830.

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

Sec. 1. RCW 43.43.830 and 2011 c 253 s 5 are each reenacted and amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 43.43.830 through 43.43.845.

(1) "Agency" means any person, firm, partnership, association, corporation, or facility which receives, provides services to, houses or otherwise cares for vulnerable adults, juveniles, or children, or which provides child day care, early learning, or early childhood education services.

(2) "Applicant" means:

(a) Any prospective employee who will or may have unsupervised access to children under sixteen years of age or developmentally disabled persons or vulnerable adults during the course of his or her employment or involvement with the business or organization;

(b) Any prospective volunteer who will have regularly scheduled unsupervised access to children under sixteen years of age, developmentally disabled persons, or vulnerable adults during the course of his or her employment or involvement with the business or organization under circumstances where such access will or may involve groups of (i) five or fewer children under twelve years of age, (ii) three or fewer children between twelve and sixteen years of age, (iii) developmentally disabled persons, or (iv) vulnerable adults;

(c) Any prospective adoptive parent, as defined in RCW 26.33.020; or

(d) Any prospective custodian in a nonparental custody proceeding under chapter 26.10 RCW.

(3) "Business or organization" means a person, business, or organization licensed in this state, any agency of the state, or other governmental entity, that educates, trains, treats, supervises, houses, or provides recreation to developmentally disabled persons, vulnerable adults, or children under sixteen years of age, or that provides child day care, early learning, or early learning childhood education services, including but not limited to public housing authorities, school districts, and educational service districts.

(4) "Civil adjudication proceeding" is a judicial or administrative adjudicative proceeding that results in a finding of, or upholds an agency finding of, domestic violence, abuse, sexual abuse, neglect, abandonment, violation of a professional licensing standard regarding a child or vulnerable adult, or exploitation or financial exploitation of a child or vulnerable adult under any provision of law, including but not limited to chapter 13.34, 26.44, or 74.34 RCW, or rules adopted under chapters 18.51 and 74.42 RCW. "Civil adjudication proceeding" also includes judicial or administrative findings that become final due to the failure of the alleged perpetrator to timely exercise a legal right to administratively challenge such findings.

(5) <u>"Client" or "resident" means a child, person with developmental</u> <u>disabilities, or vulnerable adult applying for housing assistance from a business</u> <u>or organization.</u>

(6) "Conviction record" means "conviction record" information as defined in RCW 10.97.030 and 10.97.050 relating to a crime committed by either an adult or a juvenile. It does not include a conviction for an offense that has been the subject of an expungement, pardon, annulment, certificate of rehabilitation, or other equivalent procedure based on a finding of the rehabilitation of the person convicted, or a conviction that has been the subject of a pardon, annulment, or other equivalent procedure based on a finding of innocence. It does include convictions for offenses for which the defendant received a deferred or suspended sentence, unless the record has been expunged according to law.

(((6))) (7) "Crime against children or other persons" means a conviction of any of the following offenses: Aggravated murder; first or second degree murder; first or second degree kidnapping; first, second, or third degree assault; first, second, or third degree assault of a child; first, second, or third degree rape; first, second, or third degree rape of a child; first or second degree robbery; first degree arson; first degree burglary; first or second degree manslaughter; first or second degree extortion; indecent liberties; incest; vehicular homicide; first degree promoting prostitution; communication with a minor; unlawful imprisonment; simple assault; sexual exploitation of minors; first or second degree criminal mistreatment; endangerment with a controlled substance; child abuse or neglect as defined in RCW 26.44.020; first or second degree custodial interference; first or second degree custodial sexual misconduct; malicious harassment; first, second, or third degree child molestation; first or second degree sexual misconduct with a minor; commercial sexual abuse of a minor; child abandonment; promoting pornography; selling or distributing erotic material to a minor; custodial assault; violation of child abuse restraining order; child buying or selling; prostitution; felony indecent exposure; criminal abandonment; or any of these crimes as they may be renamed in the future.

(((7))) (8) "Crimes relating to drugs" means a conviction of a crime to manufacture, delivery, or possession with intent to manufacture or deliver a controlled substance.

(((3))) (9) "Crimes relating to financial exploitation" means a conviction for first, second, or third degree extortion; first, second, or third degree theft; first or

second degree robbery; forgery; or any of these crimes as they may be renamed in the future.

 $((\frac{(9)}{2}))$ (<u>10</u>) "Financial exploitation" means "financial exploitation" as defined in RCW 74.34.020.

(((10)))) <u>(11) "Health care facility" means a nursing home licensed under chapter 18.51 RCW, a boarding home licensed under chapter 18.20 RCW, or an adult family home licensed under chapter 70.128 RCW.</u>

(12) "Peer counselor" means a nonprofessional person who has equal standing with another person, providing advice on a topic about which the nonprofessional person is more experienced or knowledgeable, and who is a counselor for a peer counseling program that contracts with or is otherwise approved by the department, another state or local agency, or the court.

(((11))) (13) "Unsupervised" means not in the presence of:

(a) Another employee or volunteer from the same business or organization as the applicant; or

(b) Any relative or guardian of any of the children or developmentally disabled persons or vulnerable adults to which the applicant has access during the course of his or her employment or involvement with the business or organization.

With regard to peer counselors, "unsupervised" does not include incidental contact with children under age sixteen at the location at which the peer counseling is taking place. "Incidental contact" means minor or casual contact with a child in an area accessible to and within visual or auditory range of others. It could include passing a child while walking down a hallway but would not include being alone with a child for any period of time in a closed room or office.

(((12))) (14) "Vulnerable adult" means "vulnerable adult" as defined in chapter 74.34 RCW, except that for the purposes of requesting and receiving background checks pursuant to RCW 43.43.832, it shall also include adults of any age who lack the functional, mental, or physical ability to care for themselves.

Sec. 2. RCW 43.43.832 and 2011 c 253 s 6 are each amended to read as follows:

(1) ((The legislature finds that businesses and organizations providing services to children, developmentally disabled persons, and vulnerable adults need adequate information to determine which employees or licensees to hire or engage. The legislature further finds that many developmentally disabled individuals and vulnerable adults desire to hire their own employees directly and also need adequate information to determine which employees or licensees to hire or engage. Therefore,)) The Washington state patrol identification and criminal history section shall disclose conviction records as follows:

(a) An applicant's conviction record, upon the request of a business or organization as defined in RCW 43.43.830, a developmentally disabled person, or a vulnerable adult as defined in RCW 43.43.830 or his or her guardian((, an applicant's conviction record as defined in chapter 10.97 RCW.

(2) The legislature also finds that));

(b) The conviction record of an applicant for certification, upon the request of the Washington professional educator standards board ((may request of the

Washington state patrol criminal identification system information regarding a certificate applicant's conviction record under subsection (1) of this section.

(3) The legislature also finds that law enforcement agencies));

(c) Any conviction record to aid in the investigation and prosecution of child, developmentally disabled person, and vulnerable adult abuse cases and to protect children and adults from further incidents of abuse, upon the request of a law enforcement agency, the office of the attorney general, prosecuting ((authorities, and)) authority, or the department of social and health services ((may request this same information to aid in the investigation and prosecution of child, developmentally disabled person, and vulnerable adult abuse cases and to protect children and adults from further incidents of abuse.

(4)); and

(d) A prospective client's or resident's conviction record, upon the request of a business or organization that qualifies for exemption under section 501(c)(3) of the internal revenue code of 1986 (26 U.S.C. Sec. 501(c)(3)) and that provides emergency shelter or transitional housing for children, persons with developmental disabilities, or vulnerable adults.

(2) The ((legislature further finds that the)) secretary of the department of social and health services must establish rules and set standards to require specific action when considering the information ((listed in)) received pursuant to subsection (1) of this section, and when considering additional information including but not limited to civil adjudication proceedings as defined in RCW 43.43.830 and any out-of-state equivalent, in the following circumstances:

(a) When considering persons for state employment in positions directly responsible for the supervision, care, or treatment of children, vulnerable adults, or individuals with mental illness or developmental disabilities;

(b) When considering persons for state positions involving unsupervised access to vulnerable adults to conduct comprehensive assessments, financial eligibility determinations, licensing and certification activities, investigations, surveys, or case management; or for state positions otherwise required by federal law to meet employment standards;

(c) When licensing agencies or facilities with individuals in positions directly responsible for the care, supervision, or treatment of children, developmentally disabled persons, or vulnerable adults, including but not limited to agencies or facilities licensed under chapter 74.15 or 18.51 RCW;

(d) When contracting with individuals or businesses or organizations for the care, supervision, case management, or treatment, including peer counseling, of children, developmentally disabled persons, or vulnerable adults, including but not limited to services contracted for under chapter 18.20, 70.127, 70.128, 72.36, or 74.39A RCW or Title 71A RCW;

(e) When individual providers are paid by the state or providers are paid by home care agencies to provide in-home services involving unsupervised access to persons with physical, mental, or developmental disabilities or mental illness, or to vulnerable adults as defined in chapter 74.34 RCW, including but not limited to services provided under chapter 74.39 or 74.39A RCW.

(((5))) (3) The director of the department of early learning shall investigate the conviction records, pending charges, and other information including civil adjudication proceeding records of current employees and of any person actively being considered for any position with the department who will or may have

unsupervised access to children, or for state positions otherwise required by federal law to meet employment standards. "Considered for any position" includes decisions about (a) initial hiring, layoffs, reallocations, transfers, promotions, or demotions, or (b) other decisions that result in an individual being in a position that will or may have unsupervised access to children as an employee, an intern, or a volunteer.

(((6))) (4) The director of the department of early learning shall adopt rules and investigate conviction records, pending charges, and other information including civil adjudication proceeding records, in the following circumstances:

(a) When licensing or certifying agencies with individuals in positions that will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood education services, including but not limited to licensees, agency staff, interns, volunteers, contracted providers, and persons living on the premises who are sixteen years of age or older;

(b) When authorizing individuals who will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood learning education services in licensed or certified agencies, including but not limited to licensees, agency staff, interns, volunteers, contracted providers, and persons living on the premises who are sixteen years of age or older;

(c) When contracting with any business or organization for activities that will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood learning education services;

(d) When establishing the eligibility criteria for individual providers to receive state paid subsidies to provide child day care or early learning services that will or may involve unsupervised access to children.

(((7))) (5) Whenever a state conviction record check is required by state law, persons may be employed or engaged as volunteers or independent contractors on a conditional basis pending completion of the state background investigation. Whenever a national criminal record check through the federal bureau of investigation is required by state law, a person may be employed or engaged as a volunteer or independent contractor on a conditional basis pending completion of the national check. The Washington personnel resources board shall adopt rules to accomplish the purposes of this subsection as it applies to state employees.

(((8))) (6)(a) For purposes of facilitating timely access to criminal background information and to reasonably minimize the number of requests made under this section, recognizing that certain health care providers change employment frequently, health care facilities may, upon request from another health care facility, share copies of completed criminal background inquiry information.

(b) Completed criminal background inquiry information may be shared by a willing health care facility only if the following conditions are satisfied: The licensed health care facility sharing the criminal background inquiry information is reasonably known to be the person's most recent employer, no more than twelve months has elapsed from the date the person was last employed at a

licensed health care facility to the date of their current employment application, and the criminal background information is no more than two years old.

(c) If criminal background inquiry information is shared, the health care facility employing the subject of the inquiry must require the applicant to sign a disclosure statement indicating that there has been no conviction or finding as described in RCW 43.43.842 since the completion date of the most recent criminal background inquiry.

(d) Any health care facility that knows or has reason to believe that an applicant has or may have a disqualifying conviction or finding as described in RCW 43.43.842, subsequent to the completion date of their most recent criminal background inquiry, shall be prohibited from relying on the applicant's previous employer's criminal background inquiry information. A new criminal background inquiry shall be requested pursuant to RCW 43.43.830 through 43.43.842.

(e) Health care facilities that share criminal background inquiry information shall be immune from any claim of defamation, invasion of privacy, negligence, or any other claim in connection with any dissemination of this information in accordance with this subsection.

(f) Health care facilities shall transmit and receive the criminal background inquiry information in a manner that reasonably protects the subject's rights to privacy and confidentiality.

(((g) For the purposes of this subsection, "health care facility" means a nursing home licensed under chapter 18.51 RCW, a boarding home licensed under chapter 18.20 RCW, or an adult family home licensed under chapter 70.128 RCW.))

Passed by the Senate February 14, 2012. Passed by the House March 1, 2012. Approved by the Governor March 16, 2012. Filed in Office of Secretary of State March 16, 2012.

CHAPTER 45

[Senate Bill 6290]

MILITARY SPOUSES—OCCUPATIONAL LICENSING

AN ACT Relating to military spouses or registered domestic partners occupational licensing status during deployment or placement outside Washington state; and amending RCW 43.24.130 and 43.70.270.

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

Sec. 1. RCW 43.24.130 and 1979 c 158 s 103 are each amended to read as follows:

(1) Notwithstanding any provision of law to the contrary, the license of any person licensed by the director of licensing, or the boards and commissions listed in chapter 18.235 RCW, to practice a profession or engage in an occupation, if valid and in force and effect at the time the licensee entered service in the armed forces, the United States public health service commissioned corps, or the merchant marine of the United States, shall continue in full force and effect so long as such service continues, unless sooner suspended, canceled, or revoked for cause as provided by law. The director, board, or commission shall renew the license of every such person who applies

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for renewal thereof within six months after being honorably discharged from service upon payment of the renewal fee applicable to the then current year or other license period.

(2) If requested by the licensee, the license of a spouse or registered domestic partner of a servicemember in the United States armed forces, including the United States public health service commissioned corps, if valid and in force and effect at the time the servicemember is deployed or stationed in a location outside Washington state, must be placed in inactive military spouse or registered domestic partner status so long as such service continues, unless sooner suspended, canceled, or revoked for cause as provided by law. The director, board, or commission shall return to active status the license of every such person who applies for activation within six months after returning to Washington state, upon payment of the current renewal fee and meeting the current renewal conditions of the respective license.

(3) The director, board, or commission may adopt any rules necessary to implement this section.

Sec. 2. RCW 43.70.270 and 1989 1st ex.s. c 9 s 321 are each amended to read as follows:

(1) Notwithstanding any provision of law to the contrary, the license of any person licensed by the secretary of health to practice a profession or engage in an occupation, if valid and in force and effect at the time the licensee entered service in the armed forces, the United States public health service commissioned corps, or the merchant marine of the United States, shall continue in full force and effect so long as such service continues, unless sooner suspended, canceled, or revoked for cause as provided by law. The secretary shall renew the license of every such person who applies for renewal thereof within six months after being honorably discharged from service upon payment of the renewal fee applicable to the then current year or other license period.

(2) If requested by the licensee, the license of a spouse or registered domestic partner of a servicemember in the United States armed forces, including the United States public health service commissioned corps, if valid and in force and effect at the time the servicemember is deployed or stationed in a location outside Washington state, must be placed in inactive military spouse or registered domestic partner status so long as such service continues, unless sooner suspended, canceled, or revoked for cause as provided by law. The secretary shall return to active status the license of every such person who applies for renewal thereof within six months after the servicemember is honorably discharged from service, or sooner if requested by the licensee, upon payment of the renewal fee applicable to the then current year or other license period.

(3) The secretary may adopt any rules necessary to implement this section.

Passed by the Senate February 11, 2012.

Passed by the House March 1, 2012.

Approved by the Governor March 16, 2012.

Filed in Office of Secretary of State March 16, 2012.

CHAPTER 46

[Substitute Senate Bill 6371]

CUSTOMIZED EMPLOYMENT TRAINING PROGRAM—EXTENSION

AN ACT Relating to extending the customized employment training program; amending RCW 28B.67.020, 28B.67.030, 82.04.449, and 28B.67.902; and providing expiration dates.

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

Sec. 1. RCW 28B.67.020 and 2011 c 151 s 4 are each amended to read as follows:

(1) The Washington customized employment training program is hereby created to provide training assistance to employers locating or expanding in the state.

(2)(a) Application to receive funding under this program ((shall)) <u>must</u> be made to the board in a form and manner as specified by the board. Successful applicants ((shall)) <u>must</u> receive a training allowance from the board to cover the costs of training at a qualified training institution. Employers may not receive an allowance for training costs which exceed the maximum annual training cost per employee, as established by the board, and are not eligible to receive an allowance or allowances of over five hundred thousand dollars per calendar year.

(b) Allowances ((shall)) <u>must</u> be granted for applicants who meet the following criteria:

(i) The employer must have entered into an agreement with a qualified training institution to engage in customized training and the employer must agree to: (A) Upon completion of the training, make a payment to the employment training finance account created in RCW 28B.67.030 in an amount equal to one-quarter of the amount of the training allowance; and (B) over the subsequent eighteen months, make monthly or quarterly payments, as specified in the agreement, to the employment training finance account created in RCW 28B.67.030 in an amount equal to three-quarters of the amount of the training allowance. During calendar years 2009 and 2010, participants may delay payments due under this section for up to eighteen months. The payments into the employment training finance account provided for in this section do not constitute payment to the institution.

(ii) When hiring, the employer must make good faith efforts, as determined by the board, to hire from trainees in the participant's training program. The agreement with the qualified training institution provided for in (b)(i) of this subsection ((shall)) <u>must</u> specify terms for reimbursement or additional payment to the employment training finance account by the employer if the participant does not, when hiring, make good faith efforts to hire from trainees in the participant's training program.

(iii) The training allowance may not be used to train workers who have been hired as a result of a strike or lockout.

(c) Preference ((shall be)) is given to employers with fewer than fifty employees.

(d) Preference ((shall be)) is given to training that leads to transferable skills that are interchangeable among different jobs, employers, or workplaces.

(3) Qualified training institutions may enter into agreements with four-year institutions of higher education, as defined in RCW 28B.10.016, in accordance with the interlocal cooperation act, chapter 39.34 RCW.

(4) The board and qualified training institutions may solicit and receive gifts, grants, funds, fees, and endowments, in trust or otherwise, from tribal, local, federal, or other governmental entities, as well as private sources, for the purpose of providing training allowances under chapter 112, Laws of 2006. All revenue thus solicited and received ((shall)) <u>must</u> be deposited into the employment training finance account created in RCW 28B.67.030.

(5) Qualified training institutions must make good faith efforts to develop training programs using trainers preferred by participants.

(6) For employers who (a) have requested training under the job skills program created under chapter 28C.04 RCW but are not able to participate in the job skills program because the funds have all been committed, and (b) desire to become participants in the Washington customized employment training program, the board shall ensure a seamless process toward participation.

(7) The board may adopt rules to implement this section.

(8) This section expires July 1, ((2012)) 2017.

Sec. 2. RCW 28B.67.030 and 2010 1st sp.s. c 26 s 4 are each amended to read as follows:

(1) All payments received from a participant in the Washington customized employment training program created in RCW 28B.67.020 ((shall)) <u>must</u> be deposited into the employment training finance account, which is hereby created in the custody of the state treasurer. Only the state board for community and technical colleges may authorize expenditures from the account and no appropriation is required for expenditures. The money in the account must be used solely for training allowances under the Washington customized employment training program created in RCW 28B.67.020 and for providing up to seventy-five thousand dollars per year for training, marketing, and facilitation services to increase the use of the program. The deposit of payments under this section from a participant ((shall)) ceases when the board specifies that the participant has met the monetary obligations of the program. During the 2007-2009 fiscal biennium, the legislature may transfer from the employment training finance account to the state general fund such amounts as reflect the excess fund balance in the account.

(2) All revenue solicited and received under the provisions of RCW 28B.67.020(4) ((shall)) <u>must</u> be deposited into the employment training finance account to provide training allowances.

(3) The definitions in RCW 28B.67.010 apply to this section.

(4) This section expires July 1, ((2012)) 2017.

Sec. 3. RCW 82.04.449 and 2010 c 114 s 121 are each amended to read as follows:

(1) In computing the tax imposed under this chapter, a credit is allowed for participants in the Washington customized employment training program created in RCW 28B.67.020. The credit allowed under this section is equal to fifty percent of the value of a participant's payments to the employment training finance account created in RCW 28B.67.030. If a participant in the program does not meet the requirements of RCW 28B.67.020(2)(b)(ii), the participant must remit to the department the value of any credits taken plus interest. The credit earned by a participant in one calendar year may be carried over to be credited against taxes incurred in a subsequent calendar year. No credit may be

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allowed for repayment of training allowances received from the Washington customized employment training program on or after July 1, ((2016)) 2021.

(2) A person claiming the credit provided in this section must file a complete annual survey with the department under RCW 82.32.585.

Sec. 4. RCW 28B.67.902 and 2006 c 112 s 11 are each amended to read as follows:

Sections 1 through 4 and 8 of this act expire July 1, ((2012)) 2017.

Passed by the Senate February 11, 2012.

Passed by the House March 1, 2012.

Approved by the Governor March 16, 2012.

Filed in Office of Secretary of State March 16, 2012.

CHAPTER 47

[Engrossed Substitute Senate Bill 6470]

FIRE PROTECTION SERVICES—ENHANCEMENT—BENEFIT CHARGES

AN ACT Relating to benefit charges for the enhancement of fire protection services; and adding a new section to chapter 35.13 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 35.13 RCW to read as follows:

(1) A city or town that has annexed since 2006 or is conducting annexations of all or a part of a fire protection district or fire protection districts may by resolution, for the enhancement of fire protection services, fix and impose a benefit charge on personal property and improvements to real property that are located in the city or town, to be paid by the owners of the properties: PROVIDED, That a benefit charge shall not apply to personal property and improvements to real property owned or used by: (a) Any recognized religious denomination or religious organization as, or including, a sanctuary or for purposes related to the bona fide religious ministries of the denomination or religious organization, including schools and educational facilities used for kindergarten, primary, or secondary educational purposes or for institutions of higher education and all grounds and buildings related thereto, but not including personal property and improvements to real property owned or used by any recognized religious denomination or religious organization for business operations, profit-making enterprises, or activities not including use of a sanctuary or related to kindergarten, primary, or secondary educational purposes or for institutions of higher education; or (b) any entity exempt from taxation under RCW 35.82.210, 84.36.030(3), or 84.36.560.

(2) A benefit charge imposed shall be reasonably proportioned to the measurable benefits to property resulting from the enhancement of services afforded by the city or town fire department. It is acceptable to apportion the benefit charge to the values of the properties as found by the county assessor or assessors modified generally in the proportion that fire insurance rates are reduced or entitled to be reduced as the result of providing the services. Any other method that reasonably apportions the benefit charges to the actual benefits resulting from the degree of protection, which may include but is not limited to the distance from regularly maintained fire protection equipment, the level of

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fire prevention services provided to the properties, or the need of the properties for specialized services, may be specified in the resolution and shall be subject to contest on the ground of unreasonable or capricious action or action in excess of the measurable benefits to the property resulting from services afforded by the city or town fire department. The city or town may determine that certain properties or types or classes of properties are not receiving measurable benefits based on criteria they establish by resolution. A benefit charge authorized by this section shall not be applicable to the personal property or improvements to real property of any individual, corporation, partnership, firm, organization, or association maintaining a fire department and whose fire protection and training system has been accepted by a fire insurance underwriter maintaining a fire protection engineering and inspection service authorized by the state insurance commissioner to do business in this state, but such property may be protected by the city or town under a contractual agreement. For administrative purposes, the benefit charge imposed on any individual property may be compiled into a single charge, provided that the city or town, upon request of the property owner, provide an itemized list of charges for each measurable benefit included in the charge.

(3) The resolution establishing benefit charges shall specify, by legal geographical areas or other specific designations, the charge to apply to each property by location, type, or other designation, or other information that is necessary to the proper computation of the benefit charge to be charged to each property owner subject to the resolution. The county assessor of each county shall determine and identify the personal properties and improvements to real property which are subject to a benefit charge in each city or town and shall furnish and deliver to the county treasurer of that county a listing of the properties with information describing the location, legal description, and address of the person to whom the statement of benefit charges is to be mailed, the name of the owner, and the value of the property and improvements, together with the benefit charge to apply to each. These benefit charges shall be certified to the county treasurer for collection in the same manner that is used for the collection of fire protection assessments for forest lands protected by the department of natural resources under RCW 76.04.610 and the same penalties and provisions for collection shall apply.

(4) Each city and town shall contract, prior to the imposition of a benefit charge, for the administration and collection of the benefit charge by each county treasurer, who shall deduct a percent, as provided by contract to reimburse the county for expenses incurred by the county assessor and county treasurer in the administration of the resolution and this section. The county treasurer shall make distributions each year, as the charges are collected, in the amount of the benefit charges imposed on behalf of the city or town, less the deduction provided for in the contract.

(5) Any benefit charge authorized by this section shall not be effective unless a proposition to impose the benefit charge is approved by a sixty percent majority of the voters of the city or town voting at a general election or at a special election called by the city or town for that purpose, held within the city or town. An election held pursuant to this section shall be held not more than twelve months prior to the date on which the first such charge is to be assessed: PROVIDED, That a benefit charge approved at an election shall not remain in effect for a period of more than six years nor more than the number of years authorized by the voters if fewer than six years unless subsequently reapproved by the voters.

(6) The ballot shall be submitted so as to enable the voters favoring the authorization of a benefit charge to vote "Yes" and those opposed thereto to vote "No," and the ballot shall be:

"Shall be authorized to impose benefit charges each year for (insert number of years not to exceed six) years, not to exceed an amount equal to (insert percentage amount not to exceed sixty) percent of its fire department operating budget?

YES	NO
	\Box "

(7) A city or town renewing the benefit charge may elect to use the following alternative ballot:

"Shall be authorized to continue voter-authorized benefit charges each year for (insert number of years not to exceed six) years, not to exceed an amount equal to (insert percentage amount not to exceed sixty) percent of its fire department operating budget?

YES	NO
	\Box "

(8) Not less than ten days nor more than six months before the election at which the proposition to impose the benefit charge is submitted as provided in this section, the city or town shall hold a public hearing specifically setting forth its proposal to impose benefit charges for the support of its legally authorized activities which will maintain or improve the services afforded in the city or town. A report of the public hearing shall be filed with the county treasurer of each county in which the property is located and be available for public inspection.

(9)(a) Prior to November 15th of each year the city or town shall hold a public hearing to review and establish the benefit charges for the subsequent year.

(b) All resolutions imposing or changing the benefit charges shall be filed with the county treasurer for each county in which the property is located, together with the record of each public hearing, before November 30th immediately preceding the year in which the benefit charges are to be collected on behalf of the city or town fire department.

(c) After the benefit charges have been established, the owners of the property subject to the charge shall be notified of the amount of the charge.

(10) After notice has been given to the property owners of the amount of the charge, the city or town imposing a benefit charge under this section shall form a review board for at least a two-week period and shall, upon complaint in writing of a party aggrieved owning property in the city or town, reduce the charge of a person who, in their opinion, has been charged too large a sum, to a sum or amount as they believe to be the true, fair, and just amount.

(11) A person who is receiving the exemption contained in RCW 84.36.381 through 84.36.389 shall be exempt from any legal obligation to pay a portion of the charge imposed by this section according to the following:

(a) A person who meets the income limitation contained in RCW 84.36.381(5)(a) and does not meet the income limitation contained in RCW 84.36.381(5)(b) (i) or (ii) shall be exempt from twenty-five percent of the charge.

(b) A person who meets the income limitation contained in RCW 84.36.381(5)(b)(i) shall be exempt from fifty percent of the charge.

(c) A person who meets the income limitation contained in RCW 84.36.381(5)(b)(ii) shall be exempt from seventy-five percent of the charge.

(12) For the purposes of this section:

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(a) "Personal property" includes every form of tangible personal property, including but not limited to, all goods, chattels, stock in trade, estates, or crops, except that the term "personal property" does not include any personal property used for farming, field crops, farm equipment, or livestock; and

(b) "Improvements to real property" does not include permanent growing crops, field improvements installed for the purpose of aiding the growth of permanent crops, or other field improvements normally not subject to damage by fire.

Passed by the Senate February 14, 2012. Passed by the House March 1, 2012. Approved by the Governor March 16, 2012. Filed in Office of Secretary of State March 16, 2012.

CHAPTER 48

[Engrossed Substitute House Bill 2233] INDIAN TRIBES—CRIMINAL OR CIVIL JURISDICTION

AN ACT Relating to creating a procedure for the state's retrocession of civil and criminal jurisdiction over Indian tribes and Indian country; and adding new sections to chapter 37.12 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 37.12 RCW to read as follows:

(1) The process by which the state may retrocede to the United States all or part of the civil and/or criminal jurisdiction previously acquired by the state over a federally recognized Indian tribe, and the Indian country of such tribe, must be accomplished in accordance with the requirements of this section.

(2) To initiate civil and/or criminal retrocession the duly authorized governing body of a tribe must submit a retrocession resolution to the governor accompanied by information about the tribe's plan regarding the tribe's exercise of jurisdiction following the proposed retrocession. The resolution must express the desire of the tribe for the retrocession by the state of all or any measures or provisions of the civil and/or criminal jurisdiction acquired by the state under this chapter over the Indian country and the members of such Indian tribe. Before a tribe submits a retrocession resolution to the governor, the tribe and affected municipalities are encouraged to collaborate in the adoption of interlocal agreements, or other collaborative arrangements, with the goal of

ensuring that the best interests of the tribe and the surrounding communities are served by the retrocession process.

(3) Upon receiving a resolution under this section, the governor must within ninety days convene a government-to-government meeting with either the governing body of the tribe or duly authorized tribal representatives for the purpose of considering the tribe's retrocession resolution. The governor's office must consult with elected officials from the counties, cities, and towns proximately located to the area of the proposed retrocession.

(4) Within one year of the receipt of an Indian tribe's retrocession resolution the governor must issue a proclamation, if approving the request either in whole or in part. This one-year deadline may be extended by the mutual consent of the tribe and the governor, as needed. In addition, either the tribe or the governor may extend the deadline once for a period of up to six months. Within ten days of issuance of a proclamation approving the retrocession resolution, the governor must formally submit the proclamation to the federal government in accordance with the procedural requirements for federal approval of the proposed retrocession. In the event the governor denies all or part of the resolution, the reasons for such denial must be provided to the tribe in writing.

(5) Within one hundred twenty days of the governor's receipt of a tribe's resolution requesting civil and/or criminal retrocession, but prior to the governor's issuance of the proclamation approving or denying the tribe's resolution, the appropriate standing committees of the state house and senate may conduct public hearings on the tribe's request for state retrocession. The majority leader of the senate must designate the senate standing committee and the speaker of the house of representatives must designate the house standing committee. Following such public hearings, the designated legislative committees may submit advisory recommendations and/or comments to the governor regarding the proposed retrocession, but in no event are such legislative recommendations binding on the governor or otherwise of legal effect.

(6) The proclamation for retrocession does not become effective until it is approved by a duly designated officer of the United States government and in accordance with the procedures established by the United States for the approval of a proposed state retrocession.

(7) The provisions of RCW 37.12.010 are not applicable to a civil and/or criminal retrocession that is accomplished in accordance with the requirements of this section.

(8) For any proclamation issued by the governor under this section that addresses the operation of motor vehicles upon the public streets, alleys, roads, and highways, the governor must consider the following:

(a) Whether the affected tribe has in place interlocal agreements with neighboring jurisdictions, including applicable state transportation agencies, that address uniformity of motor vehicle operations over Indian country;

(b) Whether there is a tribal traffic policing agency that will ensure the safe operation of motor vehicles in Indian country;

(c) Whether the affected tribe has traffic codes and courts in place; and

(d) Whether there are appropriate traffic control devices in place sufficient to maintain the safety of the public roadways.

(9) The following definitions apply for the purposes of this section:

(a) "Civil retrocession" means the state's act of returning to the federal government the civil jurisdiction acquired over Indians and Indian country under federal Public Law 280, Act of August 15, 1953, 67 Stat. 588 (codified as amended at 18 U.S.C. Sec. 1162, 25 U.S.C. Secs. 1321-1326, and 28 U.S.C. Sec. 1360);

(b) "Criminal retrocession" means the state's act of returning to the federal government the criminal jurisdiction acquired over Indians and Indian country under federal Public Law 280, Act of August 15, 1953, 67 Stat. 588 (codified as amended at 18 U.S.C. Sec. 1162, 25 U.S.C. Secs. 1321-1326, and 28 U.S.C. Sec. 1360);

(c) "Indian tribe" means any federally recognized Indian tribe, nation, community, band, or group;

(d) "Indian country" means:

(i) All land within the limits of any Indian reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and including rights-of-way running through the reservation;

(ii) All dependent Indian communities with the borders of the United States whether in the original or subsequently acquired territory thereof, and whether within or without the limits of a state; and

(iii) All Indian allotments, the Indian titles to which have not been extinguished, including rights-of-way running through the same.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 37.12 RCW to read as follows:

A civil or criminal retrocession accomplished pursuant to the procedure set forth in section 1 of this act does not:

(1) Affect the state's civil jurisdiction over the civil commitment of sexually violent predators pursuant to chapter 71.09 RCW and the state must retain such jurisdiction notwithstanding the completion of the retrocession process authorized under section 1 of this act; and

(2) Abate any action or proceeding which has been filed with any court or agency of the state or local government preceding the effective date of the completion of a retrocession authorized under section 1 of this act.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 37.12 RCW to read as follows:

(1) The provisions of section 1 of this act do not affect the validity of any retrocession procedure commenced under RCW 37.12.100 through 37.12.140 prior to the effective date of this section.

(2) Any Indian tribe that has commenced but not completed the retrocession procedure authorized in RCW 37.12.100 through 37.12.140 may request retrocession under section 1 of this act in lieu of completing that procedure.

(3) Any Indian tribe that has completed the retrocession procedure authorized in RCW 37.12.100 through 37.12.140 may use the process authorized under section 1 of this act to request retrocession of any civil or criminal jurisdiction retained by the state under RCW 37.12.120 or 37.12.010.

(4) The provisions of RCW 37.12.120 are not applicable to a civil and/or criminal retrocession that is accomplished in accordance with the requirements of section 1 of this act.

Passed by the House March 6, 2012. Passed by the Senate March 5, 2012. Approved by the Governor March 19, 2012. Filed in Office of Secretary of State March 19, 2012.

CHAPTER 49

[Substitute Senate Bill 6384]

PERSONS WITH DEVELOPMENTAL DISABILITIES—COMMUNITY ACCESS PROGRAM

AN ACT Relating to ensuring that persons with developmental disabilities be given the opportunity to transition to a community access program after enrollment in an employment program; and adding a new section to chapter 71A.12 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 71A.12 RCW to read as follows:

(1) Clients age twenty-one and older who are receiving employment services must be offered the choice to transition to a community access program after nine months of enrollment in an employment program, and the option to transition from a community access program to an employment program at any time. Enrollment in an employment program begins at the time the client is authorized to receive employment.

(2) Prior approval by the department shall not be required to effectuate the client's choice to transition from an employment program to community access services after verifying nine months of participation in employment-related services.

(3) The department shall inform clients and their legal representatives of all available options for employment and dayservices, including the opportunity to request an exception from enrollment in an employment program. Information provided to the client and the client's legal representative must include the types of activities each service option provides, and the amount, scope, and duration of service for which the client would be eligible under each service option. An individual client may be authorized for only one service option, either employment services or community access services. Clients may not participate in more than one of these services at any given time.

(4) The department shall work with counties and stakeholders to strengthen and expand the existing community access program, including the consideration of options that allow for alternative service settings outside of the client's residence. The program should emphasize support for the clients so that they are able to participate in activities that integrate them into their community and support independent living and skills.

(5) The department shall develop rules to allow for an exception to the requirement that a client participate in an employment program for nine months prior to transitioning to a community access program.

Passed by the Senate March 3, 2012. Passed by the House February 29, 2012. Approved by the Governor March 19, 2012. Filed in Office of Secretary of State March 19, 2012. Ch. 48

CHAPTER 50

[Second Substitute House Bill 2156]

AEROSPACE AND MATERIALS MANUFACTURING—WORKFORCE TRAINING

AN ACT Relating to the coordination and evaluation of workforce training for aerospace and materials manufacturing; amending RCW 28B.122.010, 28B.122.020, 28B.122.040, 28B.122.050, and 28B.122.060; adding a new section to chapter 28B.50 RCW; adding a new section to chapter 28C.18 RCW; creating a new section; and providing an effective date.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that a skilled workforce is essential for employers and job seekers to compete and grow Washington's aerospace industry as part of the global economy. The legislature intends to improve coordination of the state's training system for skilled aerospace workers in order to provide better alignment with industry needs in the present and over the long term for both two-year training programs, short-term training, and relevant apprenticeship programs to keep pace with a rapidly changing industry. The legislature further intends to increase aerospace skill development and education and training programs and help increase jobs for Washington's citizens.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 28B.50 RCW to read as follows:

(1) The state board for community and technical colleges, in collaboration with aerospace or advanced materials long-term training providers, short-term training providers whose mission is focused on customized and innovative shortterm training, and apprenticeship program providers, shall facilitate coordination and alignment of aerospace training programs to the maximum extent possible. This coordination and alignment shall include but not be limited to the following activities:

(a) Providing up-to-date information about the aerospace and advanced materials manufacturing training programs in the state;

(b) Providing information about grants and partnership opportunities;

(c) Providing coordination for professional development for faculty and other education and training providers;

(d) Evaluating programs identified by the aerospace and advanced materials manufacturing pipeline advisory committee annually for completion and job placement results; and

(e) Making budget recommendations to the governor and the legislature specific to the aerospace and advanced materials manufacturing training programs.

(2) The state board for community and technical colleges shall establish an aerospace and advanced materials manufacturing pipeline advisory committee consisting of not less than eleven nor more than fifteen members. A majority of members shall represent industry with the chair selected by the committee from among the industry members. Members of the advisory committee shall also include at least two persons representing labor who represent aerospace or advanced materials production workers and also include education and training providers including, but not limited to, the director of a long-term training program, the director of a short-term training program whose mission is to focus on customized and innovative short-term training, and the director of an

apprenticeship program. The advisory committee's duties include but are not limited to:

(a) Providing direction for a skills gap analysis that is: (i) Produced with the workforce training and education coordinating board using data developed through the education data center; and (ii) consistent with the joint assessment by the higher education coordinating board or its successor, the state board for community and technical colleges, and the workforce training and education coordinating board of the number and type of higher education and training credentials required to match employer demand for a skilled and educated workforce;

(b) Establishing goals for students served, program completion rates, and employment rates;

(c) Coordinating and disseminating industry advice for aerospace and advanced materials manufacturing training programs; and

(d) Recommending training programs for review by the workforce training and education coordinating board in coordination with the state board for community and technical colleges.

(3) All requirements in this section are subject to the availability of amounts appropriated for the specific purposes described.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 28C.18 RCW to read as follows:

(1) By September 1, 2012, and each September 1st thereafter, the workforce training and education coordinating board, working with the state board for community and technical colleges, shall evaluate the programs recommended for review by the aerospace and advanced materials manufacturing pipeline advisory committee under section 2 of this act. This evaluation shall include the outcome results both for the persons receiving the training and the employers.

(2) By September 1, 2016, and every four years thereafter, the workforce training and education coordinating board shall conduct and complete an analysis of the results of the training system for aerospace and advanced materials manufacturing. This analysis shall include but not be limited to a specific net-impact and cost-benefit evaluation of the training system for the aerospace and advanced materials manufacturing industry and the outcome results both for the persons receiving the training and the employers.

(3) All requirements in this section are subject to the availability of amounts appropriated for the specific purposes described.

Sec. 4. RCW 28B.122.010 and 2011 c 8 s 1 are each amended to read as follows:

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

(1) "Aerospace training or educational program" means a course in the aerospace industry offered ((either)) by the Washington aerospace training and research center ((Θ r)), the Spokane aerospace technology center, or Renton technical college.

(2) (("Board" means the higher education coordinating board.

(3))) "Eligible student" means a student who is registered for an aerospace training or educational program, is making satisfactory progress as defined by

the program, and has a declared intention to work in the aerospace industry in the state of Washington.

(3) "Office" means the office of student financial assistance.

(4) "Participant" means an eligible student who has received an aerospace training student loan.

(5) "Student loan" means a loan that is approved by the ((board)) <u>office</u> and awarded to an eligible student.

Sec. 5. RCW 28B.122.020 and 2011 c 8 s 2 are each amended to read as follows:

(1) The aerospace training student loan program is established.

(2) The program shall be designed in consultation with representatives of aerospace employers, aerospace workers, and aerospace training or educational programs.

(3) The program shall be administered by the ((board)) office. In administering the program, the ((board)) office has the following powers and duties:

(a) To screen and select, in coordination with representatives of aerospace training or educational programs, eligible students to receive an aerospace training student loan;

(b) To consider an eligible student's financial inability to meet the total cost of the aerospace training or educational program in the selection process;

(c) To issue low-interest student loans;

(d) To establish an annual loan limit equal to the cost of attendance minus any other financial aid received;

(e) To define the terms of repayment, including applicable interest rates, fees, and deferments;

(f) To collect and manage repayments from students who do not meet their obligations under this chapter;

(g) To solicit and accept grants and donations from public and private sources for the program; and

(h) To adopt necessary rules.

Sec. 6. RCW 28B.122.040 and 2011 c 8 s 4 are each amended to read as follows:

The ((board)) office may award aerospace training student loans to eligible students from the funds available in the aerospace training student loan account for this program. The amount of the student loan awarded an individual may not exceed tuition and fees for the program of study.

Sec. 7. RCW 28B.122.050 and 2011 c 8 s 5 are each amended to read as follows:

(1) The aerospace training student loan account is created in the custody of the state treasurer. No appropriation is required for expenditures of funds from the account for student loans. An appropriation is required for expenditures of funds from the account for costs associated with program administration by the ((board)) office. The account is not subject to allotment procedures under chapter 43.88 RCW.

(2) The ((board)) office shall deposit into the account all moneys received for the program. The account shall be self-sustaining and consist of moneys

received for the program by the ((board)) <u>office</u>, and receipts from participant repayments, including principal and interest.

(3) Expenditures from the account may be used solely for student loans to participants in the program established by this chapter and costs associated with program administration by the ((board)) office.

(4) Disbursements from the account may be made only on the authorization of the ((board)) <u>office</u>.

Sec. 8. RCW 28B.122.060 and 2011 c 8 s 6 are each amended to read as follows:

(1) The ((board)) <u>office</u>, in collaboration with aerospace training or educational programs, shall submit an annual report regarding the aerospace training student loan program to the governor and to the appropriate committees of the legislature.

(2) The annual report shall describe the design and implementation of the aerospace training student loan program, and shall include the following:

(a) The number of applicants for loans;

(b) The number of participants in the loan program;

(c) The number of participants in the loan program who complete an aerospace training or educational program;

(d) The number of participants in the loan program who are placed in employment;

(e) The nature of that employment, including: (i) The type of job; (ii) whether the job is full-time, part-time, or temporary; (iii) whether the job pays annual wages that are: (A) Less than thirty thousand dollars; (B) thirty thousand dollars or greater, but less than sixty thousand dollars; or (C) sixty thousand dollars or more; and

(f) Demographic profiles of applicants for loans and participants in the loan programs.

(3) The annual report shall be submitted by December 1st of each year after July 22, 2011.

<u>NEW SECTION.</u> Sec. 9. Sections 4 through 8 of this act take effect July 1, 2012.

Passed by the House March 3, 2012.

Passed by the Senate March 1, 2012.

Approved by the Governor March 19, 2012.

Filed in Office of Secretary of State March 19, 2012.

CHAPTER 51

[Engrossed Substitute House Bill 2586] KINDERGARTEN INVENTORY OF DEVELOPING SKILLS

AN ACT Relating to phasing-in statewide implementation of the Washington kindergarten inventory of developing skills; amending RCW 28A.150.315; adding a new section to chapter 28A.655 RCW; and creating a new section.

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

Sec. 1. RCW 28A.150.315 and 2011 c 340 s 1 are each amended to read as follows:

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(1) Beginning with the 2007-08 school year, funding for voluntary all-day kindergarten programs shall be phased-in beginning with schools with the highest poverty levels, defined as those schools with the highest percentages of students qualifying for free and reduced-price lunch support in the prior school year. During the 2011-2013 biennium, funding shall continue to be phased-in each year until full statewide implementation of all-day kindergarten is achieved in the 2017-18 school year. Once a school receives funding for the all-day kindergarten program, that school shall remain eligible for funding in subsequent school years regardless of changes in the school's percentage of students eligible for free and reduced-price lunches as long as other program requirements are fulfilled. Additionally, schools receiving all-day kindergarten program support shall agree to the following conditions:

(a) Provide at least a one thousand-hour instructional program;

(b) Provide a curriculum that offers a rich, varied set of experiences that assist students in:

(i) Developing initial skills in the academic areas of reading, mathematics, and writing;

(ii) Developing a variety of communication skills;

(iii) Providing experiences in science, social studies, arts, health and physical education, and a world language other than English;

(iv) Acquiring large and small motor skills;

(v) Acquiring social and emotional skills including successful participation in learning activities as an individual and as part of a group; and

(vi) Learning through hands-on experiences;

(c) Establish learning environments that are developmentally appropriate and promote creativity;

(d) Demonstrate strong connections and communication with early learning community providers; and

(e) Participate in kindergarten program readiness activities with early learning providers and parents.

(2)(a) It is the intent of the legislature that administration of the Washington kindergarten inventory of developing skills as required in this subsection (2) and section 2 of this act replace administration of other assessments being required by school districts or that other assessments only be administered if they seek to obtain information not covered by the Washington kindergarten inventory of developing skills.

(b) In addition to the requirements in subsection (1) of this section and to the extent funds are available, beginning with the 2011-12 school year on a voluntary basis, schools must identify the skills, knowledge, and characteristics of kindergarten students at the beginning of the school year in order to support social-emotional, physical, and cognitive growth and development of individual children; support early learning provider and parent involvement; and inform instruction. Kindergarten teachers shall administer the Washington kindergarten inventory of developing skills, as directed by the superintendent of public instruction in consultation with the department of early learning and in collaboration with the nongovernmental private-public partnership designated in RCW 43.215.070, and report the results to the superintendent. The superintendent shall share the results with the director of the department of early learning.

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(((b))) (c) School districts shall provide an opportunity for parents and guardians to excuse their children from participation in the Washington kindergarten inventory of developing skills.

(((c) To the extent funds are available, beginning in the 2012-13 school year, the Washington kindergarten inventory of developing skills shall be administered at the beginning of the school year to all students enrolled in state-funded full-day kindergarten programs with the exception of students who have been excused from participation by their parents or guardians.

(d) Until full implementation of state-funded all-day kindergarten, the superintendent of public instruction, in consultation with the director of the department of early learning, may grant annual, renewable waivers from the requirement of (c) of this subsection to administer the Washington kindergarten inventory of developing skills. A school district seeking a waiver for one or more of its schools must submit an application to the office of the superintendent of public instruction that includes:

(i) A description of the kindergarten readiness assessment and transition processes that it proposes to administer instead of the Washington kindergarten inventory of developing skills;

(ii) An explanation of why the administration of the Washington kindergarten inventory of developing skills would be unduly burdensome; and

(iii) An explanation of how administration of the alternative kindergarten readiness assessment will support social-emotional, physical, and cognitive growth and development of individual children; support early learning provider and parent involvement; and inform instruction.))

(3) Subject to funds appropriated for this purpose, the superintendent of public instruction shall designate one or more school districts to serve as resources and examples of best practices in designing and operating a high-quality all-day kindergarten program. Designated school districts shall serve as lighthouse programs and provide technical assistance to other school districts in the initial stages of implementing an all-day kindergarten program. Examples of topics addressed by the technical assistance include strategic planning, developing the instructional program and curriculum, working with early learning providers to identify students and communicate with parents, and developing kindergarten program readiness activities.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 28A.655 RCW to read as follows:

(1) To the extent funds are available, beginning in the 2012-13 school year, the Washington kindergarten inventory of developing skills shall be administered at the beginning of the school year to all students enrolled in state-funded full-day kindergarten programs under RCW 28A.150.315 with the exception of students who have been excused from participation by their parents or guardians.

(2)(a) The superintendent of public instruction, in consultation with the department of early learning, shall convene a work group to provide:

(i) Input and recommendations with respect to implementation of the Washington kindergarten inventory of developing skills;

(ii) Recommendations regarding the optimum way to administer the Washington kindergarten inventory of developing skills to children in half-day

kindergarten while ensuring that they receive the maximum instruction as required in RCW 28A.150.205; and

(iii) Recommendations with respect to achieving the goal of replacing assessments currently required by school districts with the Washington kindergarten inventory of developing skills.

(b) The work group shall include:

(i) One representative from the office of the superintendent of public instruction;

(ii) One representative from the department of early learning;

(iii) One representative from the nongovernmental private-public partnership defined in RCW 43.215.010;

(iv) Five representatives, including both teachers and principals, from school districts that participated in the pilot project, with every effort made to make sure that there is representation from across the state;

(v) Two parents who are familiar with and participated in the Washington kindergarten inventory of developing skills pilot during the 2010-11 school year; and

(vi) A representative from an independent, nonprofit children and family services organization with a main campus in North Bend, Washington.

(c) The work group may solicit input from people who are recent implementers of the Washington kindergarten inventory of developing skills.

(d) A preliminary report and recommendations shall be submitted to the education committees of the senate and the house of representatives by December 1, 2012. A subsequent report and recommendations shall be submitted to the education committees of the senate and the house of representatives by December 1, 2013, and annually by December 1st thereafter.

(e) The work group shall terminate upon full statewide implementation of all-day kindergarten.

(3) To the extent funds are available, additional support in the form of implementation grants shall be offered to schools on a schedule to be determined by the office of superintendent of public instruction, in consultation with the department of early learning.

(4) Until full statewide implementation of all-day kindergarten programs, the superintendent of public instruction, in consultation with the director of the department of early learning, may grant annual, renewable waivers from the requirement of subsection (1) of this section to administer the Washington kindergarten inventory of developing skills. A school district seeking a waiver for one or more of its schools must submit an application to the office of the superintendent of public instruction that includes:

(a) A description of the kindergarten readiness assessment and transition processes that it proposes to administer instead of the Washington kindergarten inventory of developing skills;

(b) An explanation of why the administration of the Washington kindergarten inventory of developing skills would be unduly burdensome; and

(c) An explanation of how administration of the alternative kindergarten readiness assessment will support social-emotional, physical, and cognitive growth and development of individual children; support early learning provider and parent involvement; and inform instruction. <u>NEW SECTION.</u> Sec. 3. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2012, in the omnibus appropriations act, this act is null and void.

Passed by the House March 5, 2012. Passed by the Senate March 2, 2012. Approved by the Governor March 19, 2012. Filed in Office of Secretary of State March 19, 2012.

CHAPTER 52

[Engrossed Substitute House Bill 2592] EXTENDED FOSTER CARE SERVICES

AN ACT Relating to extended foster care services; amending RCW 74.13.680 and 13.34.267; reenacting and amending RCW 74.13.031; and creating a new section.

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

NEW SECTION. Sec. 1. Since 2006, under a program known as "foster care to 21," the Washington state legislature has provided services to young adults transitioning out of foster care in order for them to enroll in and complete their postsecondary educations. In 2008, the United States congress passed the fostering connections to success and increasing adoptions act of 2008, which allows states to receive a federal match for state dollars expended in supporting youth transitioning out of foster care. In 2011, the Washington state legislature opted to create the "extended foster care program," in order to receive the federal match for youth completing high school. It is the intent of this act to enable the state to receive the federal match to offset costs expended on supporting youth seeking postsecondary education. This act would result in these youth being served under the extended foster care program, for which there is a federal match, instead of the foster care to 21 program, which relies solely on state dollars. It is the intent of the legislature to allow all youth currently enrolled in the foster care to 21 program for the purposes of postsecondary education to remain enrolled until they turn twenty-one, are no longer otherwise eligible, or choose to leave the program. Within three years of the effective date of this act, the "foster care to 21" program will cease to operate, and youth seeking a postsecondary education will be solely served by the extended foster care program.

Sec. 2. RCW 74.13.031 and 2011 c 330 s 5 and 2011 c 160 s 2 are each reenacted and amended to read as follows:

(1) The department and supervising agencies shall develop, administer, supervise, and monitor a coordinated and comprehensive plan that establishes, aids, and strengthens services for the protection and care of runaway, dependent, or neglected children.

(2) Within available resources, the department and supervising agencies shall recruit an adequate number of prospective adoptive and foster homes, both regular and specialized, i.e. homes for children of ethnic minority, including Indian homes for Indian children, sibling groups, handicapped and emotionally disturbed, teens, pregnant and parenting teens, and the department shall annually report to the governor and the legislature concerning the department's and supervising agency's success in: (a) Meeting the need for adoptive and foster

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home placements; (b) reducing the foster parent turnover rate; (c) completing home studies for legally free children; and (d) implementing and operating the passport program required by RCW 74.13.285. The report shall include a section entitled "Foster Home Turn-Over, Causes and Recommendations."

(3) The department shall investigate complaints of any recent act or failure to act on the part of a parent or caretaker that results in death, serious physical or emotional harm, or sexual abuse or exploitation, or that presents an imminent risk of serious harm, and on the basis of the findings of such investigation, offer child welfare services in relation to the problem to such parents, legal custodians, or persons serving in loco parentis, and/or bring the situation to the attention of an appropriate court, or another community agency. An investigation is not required of nonaccidental injuries which are clearly not the result of a lack of care or supervision by the child's parents, legal custodians, or persons serving in loco parentis. If the investigation reveals that a crime against a child may have been committed, the department shall notify the appropriate law enforcement agency.

(4) The department or supervising agencies shall offer, on a voluntary basis, family reconciliation services to families who are in conflict.

(5) The department or supervising agencies shall monitor placements of children in out-of-home care and in-home dependencies to assure the safety, well-being, and quality of care being provided is within the scope of the intent of the legislature as defined in RCW 74.13.010 and 74.15.010. Under this section children in out-of-home care and in-home dependencies and their caregivers shall receive a private and individual face-to-face visit each month. The department and the supervising agencies shall randomly select no less than ten percent of the caregivers currently providing care to receive one unannounced face-to-face visit in the caregiver's home per year. No caregiver will receive an unannounced visit through the random selection process for two consecutive years. If the caseworker makes a good faith effort to conduct the unannounced visit to a caregiver and is unable to do so, that month's visit to that caregiver need not be unannounced. The department and supervising agencies are encouraged to group monthly visits to caregivers by geographic area so that in the event an unannounced visit cannot be completed, the caseworker may complete other required monthly visits. The department shall use a method of random selection that does not cause a fiscal impact to the department.

The department or supervising agencies shall conduct the monthly visits with children and caregivers to whom it is providing child welfare services.

(6) The department and supervising agencies shall have authority to accept custody of children from parents and to accept custody of children from juvenile courts, where authorized to do so under law, to provide child welfare services including placement for adoption, to provide for the routine and necessary medical, dental, and mental health care, or necessary emergency care of the children, and to provide for the physical care of such children and make payment of maintenance costs if needed. Except where required by Public Law 95-608 (25 U.S.C. Sec. 1915), no private adoption agency which receives children for adoption from the department shall discriminate on the basis of race, creed, or color when considering applications in their placement for adoption.

(7) The department and supervising agency shall have authority to provide temporary shelter to children who have run away from home and who are admitted to crisis residential centers.

(8) The department and supervising agency shall have authority to purchase care for children.

(9) The department shall establish a children's services advisory committee with sufficient members representing supervising agencies which shall assist the secretary in the development of a partnership plan for utilizing resources of the public and private sectors, and advise on all matters pertaining to child welfare, licensing of child care agencies, adoption, and services related thereto. At least one member shall represent the adoption community.

(10) The department and supervising agencies shall have authority to provide continued extended foster care services to youth ages eighteen to twenty-one years to participate in or complete a secondary education program or a secondary education equivalency program. or a postsecondary academic or postsecondary vocational education program. The department shall develop and implement rules regarding youth eligibility requirements.

(11) The department((, has)) shall have authority to provide adoption support benefits, or relative guardianship subsidies on behalf of youth ages eighteen to twenty-one years who achieved permanency through adoption or a relative guardianship at age sixteen or older and who meet the criteria described in subsection (10) of this section.

(12) The department shall refer cases to the division of child support whenever state or federal funds are expended for the care and maintenance of a child, including a child with a developmental disability who is placed as a result of an action under chapter 13.34 RCW, unless the department finds that there is good cause not to pursue collection of child support against the parent or parents of the child. Cases involving individuals age eighteen through twenty shall not be referred to the division of child support unless required by federal law.

(13) The department and supervising agencies shall have authority within funds appropriated for foster care services to purchase care for Indian children who are in the custody of a federally recognized Indian tribe or tribally licensed child-placing agency pursuant to parental consent, tribal court order, or state juvenile court order; and the purchase of such care shall be subject to the same eligibility standards and rates of support applicable to other children for whom the department purchases care.

Notwithstanding any other provision of RCW 13.32A.170 through 13.32A.200 and 74.13.032 through 74.13.036, or of this section all services to be provided by the department under subsections (4), (6), and (7) of this section, subject to the limitations of these subsections, may be provided by any program offering such services funded pursuant to Titles II and III of the federal juvenile justice and delinquency prevention act of 1974.

(14) Within amounts appropriated for this specific purpose, the supervising agency or department shall provide preventive services to families with children that prevent or shorten the duration of an out-of-home placement.

(15) The department and supervising agencies shall have authority to provide independent living services to youths, including individuals who have attained eighteen years of age, and have not attained twenty-one years of age who are or have been in foster care.

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(16) The department and supervising agencies shall consult at least quarterly with foster parents, including members of the foster parent association of Washington state, for the purpose of receiving information and comment regarding how the department and supervising agencies are performing the duties and meeting the obligations specified in this section and RCW 74.13.250 and 74.13.320 regarding the recruitment of foster homes, reducing foster parent turnover rates, providing effective training for foster parents, and administering a coordinated and comprehensive plan that strengthens services for the protection of children. Consultation shall occur at the regional and statewide levels.

(((18))) (17)(a) The department shall, within current funding levels, place on its public web site a document listing the duties and responsibilities the department has to a child subject to a dependency petition including, but not limited to, the following:

(i) Reasonable efforts, including the provision of services, toward reunification of the child with his or her family;

(ii) Sibling visits subject to the restrictions in RCW 13.34.136(2)(b)(ii);

(iii) Parent-child visits;

(iv) Statutory preference for placement with a relative or other suitable person, if appropriate; and

(v) Statutory preference for an out-of-home placement that allows the child to remain in the same school or school district, if practical and in the child's best interests.

(b) The document must be prepared in conjunction with a community-based organization and must be updated as needed.

Sec. 3. RCW 74.13.680 and 2011 c 330 s 8 are each amended to read as follows:

(1) Within amounts appropriated for this specific purpose, the department shall ((have authority to provide continued foster care or group care to youth ages eighteen to twenty-one years who are:

(a) Enrolled in a secondary education program or a secondary education equivalency program;

(b) Enrolled and participating in a postsecondary or vocational educational program;

(c) Participating in a program or activity designed to promote or remove barriers to employment;

(d) Engaged in employment for eighty hours or more per month; or

(e) Incapable of engaging in any of the activities described in (a) through (d) of this subsection due to a medical condition that is supported by regularly updated information.

(2) A youth who remains eligible for placement services or benefits under this section pursuant to department rules may, within amounts appropriated for this specific purpose, continue to receive placement services and benefits until the youth reaches his or her twenty-first birthday)) continue to operate the statefunded foster care to twenty-one program for three years after the effective date of this section, at which point the program shall cease to operate.

(2) The department shall not have the authority to enroll any new youth under this program after the effective date of this section, and shall only serve eligible youth enrolled prior to that date.

(3) The purpose of the foster care to twenty-one program is to serve youth ages eighteen to twenty-one who are enrolled and participating in a postsecondary academic or postsecondary vocational program.

(4) A youth participating in this program may, within amounts appropriated for this specific purpose, continue to receive placement services until the youth reaches his or her twenty-first birthday or is no longer enrolled in and participating in a postsecondary program, whichever is earlier.

Sec. 4. RCW 13.34.267 and 2011 c 330 s 7 are each amended to read as follows:

(1) In order to facilitate the delivery of extended foster care services, the court shall postpone for six months the dismissal of a dependency proceeding for any child who is a dependent child in foster care at the age of eighteen years and who, at the time of his or her eighteenth birthday((-)) is:

(a) <u>Enrolled</u> in a secondary education program or a secondary education equivalency program; or

(b) Enrolled in a postsecondary academic or postsecondary vocational program, or has applied for and can demonstrate that he or she intends to timely enroll in a postsecondary academic or postsecondary vocational program.

(2)(a) The six-month postponement under this subsection is intended to allow a reasonable window of opportunity for an eligible youth who reaches the age of eighteen to request extended foster care services from the department or supervising agency. ((At the end of the six-month period, the court shall dismiss the dependency if the youth has not requested extended foster care services from the department.)) The court shall dismiss the dependency if the youth:

(i) Has not requested extended foster care services from the department by the end of the six-month period; or

(ii) Is no longer eligible for extended foster care services under RCW 74.13.031(10) at any point during the six-month period.

(b) Until the youth requests to participate in the extended foster care program, the department is relieved of <u>any</u> supervisory responsibility for the youth.

(((2))) (3) A youth who participates in extended foster care while completing a secondary education or equivalency program may continue to receive extended foster care services for the purpose of participating in a postsecondary academic or postsecondary vocational education program if, at the time the secondary education or equivalency program is completed, the youth has applied to and can demonstrate that he or she intends to timely enroll in a postsecondary academic or vocational education program. The dependency shall be dismissed if the youth fails to timely enroll or continue in the postsecondary program, or reaches age twenty-one, whichever is earlier.

(4) A youth receiving extended foster care services is a party to the dependency proceeding. The youth's parent or guardian shall be dismissed from the dependency proceeding when the youth reaches the age of eighteen years.

(((3))) (5) The court shall order a youth participating in extended foster care services to be under the placement and care authority of the department, subject to the youth's continuing agreement to participate in extended foster care services.

 $((\frac{(4)}{)})$ (6) The court shall appoint counsel to represent a youth, as defined in RCW 13.34.030(2)(b), in dependency proceedings under this section.

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 $((\frac{(5)}{)})$ (7) The case plan for and delivery of services to a youth receiving extended foster care services is subject to the review requirements set forth in RCW 13.34.138 and 13.34.145, and should be applied in a developmentally appropriate manner, as they relate to youth age eighteen to twenty-one years. Additionally, the court shall consider:

(a) Whether the youth is safe in his or her placement;

(b) Whether the youth continues to be eligible for extended foster care services;

(c) Whether the current placement is developmentally appropriate for the youth;

(d) The youth's development of independent living skills; and

(e) The youth's overall progress toward transitioning to full independence and the projected date for achieving such transition.

(((6))) (8) Prior to the hearing, the youth's attorney shall indicate whether there are any contested issues and may provide additional information necessary for the court's review.

(((7))) (9) Upon the request of the youth, or when the youth is no longer eligible to receive extended foster care services according to rules adopted by the department, the court shall dismiss the dependency.

Passed by the House February 10, 2012. Passed by the Senate March 2, 2012. Approved by the Governor March 19, 2012. Filed in Office of Secretary of State March 19, 2012.

CHAPTER 53

[Engrossed Substitute House Bill 2799]

COLLABORATIVE SCHOOLS FOR INNOVATION AND SUCCESS PILOT PROGRAM

AN ACT Relating to authorizing a five-year pilot project for up to six collaborative schools for innovation and success operated by school districts in partnership with colleges of education; amending RCW 28A.305.140, 28A.655.180, and 28A.657.050; adding new sections to chapter 28A.630 RCW; adding a new section to chapter 28A.410 RCW; adding a new section to chapter 28A.660 RCW; creating a new section; and providing an expiration date.

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

NEW SECTION. Sec. 1. (1) The legislature finds that:

(a) There are more low-achieving schools in the state seeking assistance in improving the academic outcomes of students than are being assisted using current school improvement initiatives;

(b) Promising educator development programs provide intensive schoolbased, residency, and mentor experiences for those preparing for careers in teaching and educational leadership; and

(c) Collaboration among colleges of education, schools, and communities offers unique opportunities to leverage resources, foster innovation, disseminate best practices in educator preparation and professional development, and close the educational opportunity gap for students in low-achieving schools.

(2) Therefore, the legislature intends to authorize a pilot project where colleges of education collaborate with school districts to establish collaborative schools for innovation and success serving particularly at-risk and low-achieving students. Each collaboration is intended both to accelerate student achievement

and deepen the knowledge and skills of current and future educators. The legislature intends that the initial collaborations occur in elementary schools. Pending the evaluation results of the initial pilot project, the legislature may expand the collaborations to include middle and high schools.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 28A.630 RCW to read as follows:

As used in sections 3 through 7 of this act, unless the context clearly requires otherwise, "college of education" means an institution of higher education in Washington state that has been approved by the professional educator standards board to offer educator preparation and certification programs.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 28A.630 RCW to read as follows:

(1) The collaborative schools for innovation and success pilot project is created. Any school district in the state may enter an agreement with a college of education and submit an application to the office of the superintendent of public instruction and the professional educator standards board as provided in section 4 of this act to participate in the pilot project.

(2) The purpose of the pilot project is for colleges of education and school districts to collaborate to improve student and educator success by:

(a) Developing and implementing research-based models of instruction and services that have proven to be successful in closing the educational opportunity gap and improving student learning in low-performing schools; and

(b) Developing and implementing research-based models of educator preparation and professional development programs that have proven to be successful in building an educator workforce with the knowledge, skills, and background that aligns with the characteristics and needs of students in lowperforming schools.

(3) For each proposed pilot project, the college of education and the school district shall collaborate to select an elementary school in the district to be the collaborative school for innovation and success. The school must be among the lowest-achieving schools in the district as measured by district, state, or federal criteria, including criteria that measure the educational opportunity gap in the school, and the school must not have received state, federal, or private funds for the purpose of implementing a school improvement plan.

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 28A.630 RCW to read as follows:

(1) Each school district and college of education seeking approval to participate in the collaborative schools for innovation and success pilot project must submit a joint application of intent to the office of the superintendent of public instruction and the professional educator standards board by July 1, 2012.

(2) An application of intent must contain:

(a) The school selected for inclusion in the pilot project and the rationale for its selection;

(b) The research basis and theory of action proposed to close the educational opportunity gap and improve student achievement in the selected school;

(c) The research basis and theory of action proposed to improve educator preparation and professional development in the selected school;

(d) A preliminary plan for involving parents, community members, and school staff in the development of the innovation and success plan under section 5 of this act;

(e) The proposed roles and responsibilities of the college of education and school district in the pilot project; and

(f) A preliminary plan for using the results of the pilot project to improve educational programs throughout the school district and throughout the college of education.

(3) The office of the superintendent of public instruction and the professional educator standards board shall jointly review the applications and select up to six applications for participation in the pilot project no later than August 1, 2012. One of the selected applications must be from the largest school district in western Washington that submitted an application, and one must be from the largest school district in eastern Washington that submitted an application.

(4) The selection criteria shall include, but are not limited to, the quality of the research basis for the proposed collaboration; the efficacy of the proposed strategies for closing the educational opportunity gap, improving student achievement, and improving educator preparation in low-performing schools; and the degree of commitment displayed by the college of education and the school district to collaborate throughout the pilot project.

(5) Subject to funds appropriated specifically for this purpose, the office of the superintendent of public instruction shall allocate grants to three of the selected applications, to be used for development and implementation of an innovation and success plan under section 5 of this act. The colleges of education and school districts from the remaining selected applications may participate in the collaborative schools for innovation and success pilot project by complying with the provisions of sections 5 through 7 of this act, but without state funding support.

(6) The college of education shall serve as the fiscal agent for the pilot project, unless the college is an independent institution of higher education, in which case the school district shall serve as the fiscal agent. Each college of education and school district must seek private, foundation, community, or other grant funds to leverage any supplemental state funds that may be appropriated for the purposes of the pilot project.

<u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 28A.630 RCW to read as follows:

(1) After receiving approval of an application of intent, each college of education and school district must conduct a comprehensive needs assessment of the students to be served by a collaborative school for innovation and success. The needs assessment must use disaggregated student data and include a thorough evaluation of student needs as identified by the parents of the students served by the school, as well as the levels of support within the school community and in the external community at-large for students' academic and social emotional needs. The needs assessment must also examine elements included in an academic performance audit under RCW 28A.657.040.

(2) The college of education and the school district must develop an innovation and success plan for the school in collaboration with school staff, parents, and community members.

(3) The innovation and success plan must include:

(a) The proposed program for instruction, wraparound support services, resource deployment, and professional development that has been developed based on the comprehensive needs assessment;

(b) A family and community engagement strategy that builds support among students and parents for high achievement for all students in culturally appropriate ways;

(c) Professional learning communities among school staff and higher education faculty that are focused on identifying and responding to emergent student learning needs;

(d) Intensive preparation of teacher and principal candidates using researchbased practices and a particular focus on cultural competency and skill development to improve learning for English language learners, highly mobile and homeless students, students with disabilities, and other students with special learning needs;

(e) Identification of the metrics that will be used to assess student achievement and skill development, both while the students are enrolled in elementary school and after they continue into middle school, and specific goals for improvement of these outcomes over the term of the pilot project, including but not limited to such metrics as attendance, grade-level retention, student growth, disciplinary incidents, course completion and grades, and performance on classroom-based assessments;

(f) Identification of the metrics that will be used to assess educator skill development, both for preservice and certificated educators, and specific goals for improvement of these outcomes over the term of the pilot project;

(g) Identification of private and community partners to provide wraparound services, technology, mentoring, or other enhancements for the students in the school;

(h) Identification of waivers to be requested from the state board of education under RCW 28A.305.140 or from the superintendent of public instruction under RCW 28A.655.180;

(i) Identification of any modifications to approved educator preparation programs or other waivers to be requested from the professional educator standards board;

(j) Identification and completion of any modifications to school district collective bargaining agreements necessary to implement the innovation and success plan, using the procedures under RCW 28A.657.050(3); and

(k) A proposed budget based on funding and resources available to the pilot project.

(4) Each college of education and school district must submit a completed innovation and success plan to the office of the superintendent of public instruction and the professional educator standards board by March 15, 2013.

(5) The office of the superintendent of public instruction and the professional educator standards board must notify each college of education and school district by May 1, 2013, whether the innovation and success plan has been approved. If the plan is not approved, the reasons must be specified in writing and the college of education and school district must be provided an opportunity to revise and resubmit the plan within thirty days. The office and the board may provide technical assistance in revising a plan.

(6) School districts are encouraged to assign teachers, principals, and other staff to a collaborative school for innovation and success who express an interest, commitment, and qualifications to participate in the pilot project. School districts are also encouraged to permit the transfer of existing school staff to another school in the district if the staff do not wish to participate in the pilot project.

<u>NEW SECTION.</u> Sec. 6. A new section is added to chapter 28A.630 RCW to read as follows:

(1) Approved innovation and success plans shall be implemented in each collaborative school for innovation and success pilot project over a five-year period beginning in the 2013-14 school year through the 2017-18 school year.

(2) Each pilot project shall submit an annual progress report to the office of the superintendent of public instruction and the professional educator standards board by December 1st. The report must describe the best practices and new approaches being used at the collaborative school for innovation and success, lessons learned, adjustments planned and implemented, suggestions for expanding use of best practices to a larger scale, and other results from the collaborative experience of the pilot project. The office and board shall compile and summarize the reports in a standard format and forward them to the governor and the appropriate committees of the legislature.

<u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 28A.630 RCW to read as follows:

(1) Subject to funds appropriated specifically for this purpose, the office of the superintendent of public instruction shall contract with a northwest educational research organization to conduct an evaluation of the collaborative schools for innovation and success pilot project using quantitative and qualitative analysis to identify successful practices in improving student and educator outcomes. The organization shall submit a preliminary evaluation by December 1, 2015, and a final evaluation by September 1, 2018, to the superintendent of public instruction and the professional educator standards board.

(2) Based on the experience of the participants and the evaluation results, the office of the superintendent of public instruction and the professional educator standards board shall recommend whether the pilot project should be modified, continued, and expanded to include other elementary schools in the state, or expanded to include middle and high schools. The office and the board shall submit their recommendations and the final report of the pilot project to the governor and the appropriate committees of the legislature by December 1, 2018.

Sec. 8. RCW 28A.305.140 and 2011 c 260 s 8 are each amended to read as follows:

(1) The state board of education may grant waivers to school districts from the provisions of RCW 28A.150.200 through 28A.150.220 on the basis that such waiver or waivers are necessary to:

(a) Implement successfully a local plan to provide for all students in the district an effective education system that is designed to enhance the educational program for each student. The local plan may include alternative ways to

provide effective educational programs for students who experience difficulty with the regular education program; $((\Theta r))$

(b) Implement an innovation school or innovation zone designated under RCW 28A.630.081<u>; or</u>

(c) Implement a collaborative schools for innovation and success pilot project approved under section 4 of this act.

(2) The state board shall adopt criteria to evaluate the need for the waiver or waivers.

Sec. 9. RCW 28A.655.180 and 2011 c 260 s 9 are each amended to read as follows:

(1) The state board of education, where appropriate, or the superintendent of public instruction, where appropriate, may grant waivers to districts from the provisions of statutes or rules relating to: The length of the school year; student-to-teacher ratios; and other administrative rules that in the opinion of the state board of education or the opinion of the superintendent of public instruction may need to be waived in order for a district to implement a plan for restructuring its educational program or the educational program of individual schools within the district or to implement an innovation school or innovation zone designated under RCW 28A.630.081 or to implement a collaborative schools for innovation and success pilot project approved under section 4 of this act.

(2) School districts may use the application process in RCW 28A.305.140 to apply for the waivers under this section.

Sec. 10. RCW 28A.657.050 and 2010 c 235 s 105 are each amended to read as follows:

(1) The local district superintendent and local school board of a school district designated as a required action district must submit a required action plan to the state board of education for approval. Unless otherwise required by subsection (3) of this section, the plan must be submitted under a schedule as required by the state board. A required action plan must be developed in collaboration with administrators, teachers, and other staff, parents, unions representing any employees within the district, students, and other representatives of the local community. The superintendent of public instruction shall provide a district with assistance in developing its plan if requested. The school board must conduct a public hearing to allow for comment on a proposed required action plan. The local school district shall submit the plan first to the office of the superintendent of public instruction to review and approve that the plan is consistent with federal guidelines. After the office of the superintendent of public instruction has approved that the plan is consistent with federal guidelines, the local school district must submit its required action plan to the state board of education for approval.

(2) A required action plan must include all of the following:

(a) Implementation of one of the four federal intervention models required for the receipt of a federal school improvement grant, for those persistently lowest-achieving schools that the district will be focusing on for required action. However, a district may not establish a charter school under a federal intervention model without express legislative authority. The intervention models are the turnaround, restart, school closure, and transformation models. The intervention model selected must address the concerns raised in the academic performance audit and be intended to improve student performance to allow a school district to be removed from the list of districts designated as a required action district by the state board of education within three years of implementation of the plan;

(b) Submission of an application for a federal school improvement grant or a grant from other federal funds for school improvement to the superintendent of public instruction;

(c) A budget that provides for adequate resources to implement the federal model selected and any other requirements of the plan;

(d) A description of the changes in the district's or school's existing policies, structures, agreements, processes, and practices that are intended to attain significant achievement gains for all students enrolled in the school and how the district intends to address the findings of the academic performance audit; and

(e) Identification of the measures that the school district will use in assessing student achievement at a school identified as a persistently lowest-achieving school, which include improving mathematics and reading student achievement and graduation rates as defined by the office of the superintendent of public instruction that enable the school to no longer be identified as a persistently lowest-achieving school.

(3)(a) For any district designated for required action, the parties to any collective bargaining agreement negotiated, renewed, or extended under chapter 41.59 or 41.56 RCW after June 10, 2010, must reopen the agreement, or negotiate an addendum, if needed, to make changes to terms and conditions of employment that are necessary to implement a required action plan. For any district applying to participate in a collaborative schools for innovation and success pilot project under section 4 of this act, the parties to any collective bargaining agreement negotiated, renewed, or extended under chapter 41.59 or 41.56 RCW after the effective date of this section must reopen the agreement, or negotiate an addendum, if needed, to make changes to terms and conditions of employment that are necessary to implement an innovation and success plan.

(b) If the school district and the employee organizations are unable to agree on the terms of an addendum or modification to an existing collective bargaining agreement, the parties, including all labor organizations affected under the required action plan, shall request the public employment relations commission to, and the commission shall, appoint an employee of the commission to act as a mediator to assist in the resolution of a dispute between the school district and the employee organizations. Beginning in 2011, and each year thereafter, mediation shall commence no later than April 15th. All mediations held under this section shall include the employer and representatives of all affected bargaining units.

(c) If the executive director of the public employment relations commission, upon the recommendation of the assigned mediator, finds that the employer and any affected bargaining unit are unable to reach agreement following a reasonable period of negotiations and mediation, but by no later than May 15th of the year in which mediation occurred, the executive director shall certify any disputed issues for a decision by the superior court in the county where the school district is located. The issues for determination by the superior court must be limited to the issues certified by the executive director.

(d) The process for filing with the court in this subsection (3)(d) must be used in the case where the executive director certifies issues for a decision by the superior court.

(i) The school district shall file a petition with the superior court, by no later than May 20th of the same year in which the issues were certified, setting forth the following:

(A) The name, address, and telephone number of the school district and its principal representative;

(B) The name, address, and telephone number of the employee organizations and their principal representatives;

(C) A description of the bargaining units involved;

(D) A copy of the unresolved issues certified by the executive director for a final and binding decision by the court; and

(E) The academic performance audit that the office of the superintendent of public instruction completed for the school district <u>in the case of a required</u> action district, or the comprehensive needs assessment in the case of a collaborative schools for innovation and success pilot project.

(ii) Within seven days after the filing of the petition, each party shall file with the court the proposal it is asking the court to order be implemented in a required action plan <u>or innovation and success plan</u> for the district for each issue certified by the executive director. Contemporaneously with the filing of the proposal, a party must file a brief with the court setting forth the reasons why the court should order implementation of its proposal in the final plan.

(iii) Following receipt of the proposals and briefs of the parties, the court must schedule a date and time for a hearing on the petition. The hearing must be limited to argument of the parties or their counsel regarding the proposals submitted for the court's consideration. The parties may waive a hearing by written agreement.

(iv) The court must enter an order selecting the proposal for inclusion in a required action plan that best responds to the issues raised in the school district's academic performance audit, and allows for the award of a federal school improvement grant or a grant from other federal funds for school improvement to the district from the office of the superintendent of public instruction to implement one of the four federal intervention models. In the case of an innovation and success plan, the court must enter an order selecting the proposal for inclusion in the plan that best responds to the issues raised in the school's comprehensive needs assessment. The court's decision must be issued no later than June 15th of the year in which the petition is filed and is final and binding on the parties; however the court's decision is subject to appeal only in the case where it does not allow the school district to implement a required action plan consistent with the requirements for the award of a federal school improvement grant or other federal funds for school improvement by the superintendent of public instruction.

(e) Each party shall bear its own costs and attorneys' fees incurred under this statute.

(f) Any party that proceeds with the process in this section after knowledge that any provision of this section has not been complied with and who fails to state its objection in writing is deemed to have waived its right to object. (4) All contracts entered into between a school district and an employee must be consistent with this section and allow school districts designated as required action districts to implement one of the four federal models in a required action plan.

<u>NEW SECTION.</u> Sec. 11. A new section is added to chapter 28A.410 RCW to read as follows:

The professional educator standards board may grant waivers from the provisions of statutes or rules pertaining to educator preparation and certification programs or other rules adopted under this chapter on the basis that such waiver or waivers are necessary to implement a collaborative schools for innovation and success pilot project approved under section 4 of this act.

<u>NEW SECTION.</u> Sec. 12. A new section is added to chapter 28A.660 RCW to read as follows:

The professional educator standards board may grant waivers from the provisions of statutes or rules adopted under this chapter on the basis that such waiver or waivers are necessary to implement a collaborative schools for innovation and success pilot project approved under section 4 of this act.

<u>NEW SECTION.</u> Sec. 13. Sections 1 through 12 of this act expire June 30, 2019.

Passed by the House March 5, 2012. Passed by the Senate March 8, 2012. Approved by the Governor March 19, 2012. Filed in Office of Secretary of State March 19, 2012.

CHAPTER 54

[Substitute Senate Bill 5412] CONVEYANCE WORKPLACE—WHISTLEBLOWING

AN ACT Relating to whistleblowing in the conveyance workplace; amending RCW 70.87.020; reenacting and amending RCW 70.87.010; and adding a new section to chapter 70.87 RCW.

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

Sec. 1. RCW 70.87.020 and 2003 c 143 s 10 are each amended to read as follows:

(1) The purpose of this chapter is to provide for safety of life and limb, to promote safety awareness, and to ensure the safe design, mechanical and electrical operation, and inspection of conveyances, and performance of conveyance work, and all such operation, inspection, and conveyance work subject to the provisions of this chapter shall be reasonably safe to persons and property and in conformity with the provisions of this chapter and the applicable statutes of the state of Washington, and all orders, and rules of the department. The use of unsafe and defective conveyances imposes a substantial probability of serious and preventable injury to employees and the public exposed to unsafe conditions. The prevention of these injuries and protection of employees and the public from unsafe conditions is in the best interest of the people of this state. It is the policy of the legislature that employees should be protected from workplace reprisal or retaliatory action for the opposition to or reporting in good faith of practices that may violate the provisions of this chapter and the rules

promulgated hereunder, or of the safety, installation, repair, or maintenance policies of their employers. Personnel performing work covered by this chapter must, by documented training or experience or both, be familiar with the operation and safety functions of the components and equipment. Training and experience must include, but not be limited to, recognizing the safety hazards and performing the procedures to which the personnel performing conveyance work covered by this chapter are assigned in conformance with the requirements of this chapter. This chapter establishes the minimum standards for personnel performing conveyance work.

(2) This chapter is not intended to prevent the use of systems, methods, or devices of equivalent or superior quality, strength, fire resistance, code effectiveness, durability, and safety to those required by this chapter, provided that there is technical documentation to demonstrate the equivalency of the system, method, or device, as prescribed in this chapter and the rules adopted under this chapter.

(3) In any suit for damages allegedly caused by a failure or malfunction of the conveyance, conformity with the rules of the department is prima facie evidence that the conveyance work, operation, and inspection is reasonably safe to persons and property.

Sec. 2. RCW 70.87.010 and 2009 c 128 s 1 are each reenacted and amended to read as follows:

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

(1) "Advisory committee" means the elevator advisory committee as described in this chapter.

(2) "Alteration" means any change to equipment, including its parts, components, and/or subsystems, other than maintenance, repair, or replacement.

(3) "Automobile parking elevator" means an elevator: (a) Located in either a stationary or horizontally moving hoistway; (b) used exclusively for parking automobiles where, during the parking process, each automobile is moved either under its own power or by means of a power-driven transfer device onto and off the elevator directly into parking spaces or cubicles in line with the elevator; and (c) in which persons are not normally stationed on any level except the receiving level.

(4) "Belt manlift" means a power driven endless belt provided with steps or platforms and a hand hold for the transportation of personnel from floor to floor.

(5) "Casket lift" means a lift that (a) is installed at a mortuary, (b) is designed exclusively for carrying of caskets, (c) moves in guides in a basically vertical direction, and (d) serves two or more floors or landings.

(6) "Conveyance" means an elevator, escalator, dumbwaiter, belt manlift, automobile parking elevator, moving walk, and other elevating devices, as defined in this section.

(7) "Conveyance work" means the alteration, construction, dismantling, erection, installation, maintenance, relocation, and wiring of a conveyance.

(8) "Department" means the department of labor and industries.

(9) "Director" means the director of the department or his or her representative.

(10) "Dumbwaiter" means a hoisting and lowering mechanism equipped with a car (a) that moves in guides in a substantially vertical direction, (b) the

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floor area of which does not exceed nine square feet, (c) the inside height of which does not exceed four feet, (d) the capacity of which does not exceed five hundred pounds, and (e) that is used exclusively for carrying materials.

(11) "Elevator" means a hoisting or lowering machine equipped with a car or platform that moves in guides and serves two or more floors or landings of a building or structure;

(a) "Passenger elevator" means an elevator (i) on which passengers are permitted to ride and (ii) that may be used to carry freight or materials when the load carried does not exceed the capacity of the elevator;

(b) "Freight elevator" means an elevator (i) used primarily for carrying freight and (ii) on which only the operator, the persons necessary for loading and unloading, and other employees approved by the department are permitted to ride;

(c) "Sidewalk elevator" means a freight elevator that: (i) Operates between a sidewalk or other area outside the building and floor levels inside the building below the outside area, (ii) does not have a landing opening into the building at its upper limit of travel, and (iii) is not used to carry automobiles;

(d) "Hand elevator" means an elevator utilizing manual energy to move the car;

(e) "Inclined elevator" means an elevator that travels at an angle of inclination of seventy degrees or less from the horizontal;

(f) "Multideck elevator" means an elevator having two or more compartments located one immediately above the other;

(g) "Observation elevator" means an elevator designed to permit exterior viewing by passengers while the car is traveling;

(h) "Power elevator" means an elevator utilizing energy other than gravitational or manual to move the car;

(i) "Electric elevator" means an elevator where the energy is applied by means of an electric driving machine;

(j) "Hydraulic elevator" means an elevator where the energy is applied by means of a liquid under pressure in a cylinder equipped with a plunger or pistor;

(k) "Direct-plunger hydraulic elevator" means a hydraulic elevator having a plunger or cylinder directly attached to the car frame or platform;

(l) "Electro-hydraulic elevator" means a direct-plunger elevator where liquid is pumped under pressure directly into the cylinder by a pump driven by an electric motor;

(m) "Maintained-pressure hydraulic elevator" means a direct-plunger elevator where liquid under pressure is available at all times for transfer into the cylinder;

(n) "Roped hydraulic elevator" means a hydraulic elevator having its plunger or piston connected to the car with wire ropes or indirectly coupled to the car by means of wire ropes and sheaves;

(o) "Rack and pinion elevator" means a power elevator, with or without a counterweight, that is supported, raised, and lowered by a motor or motors that drive a pinion or pinions on a stationary rack mounted in the hoistway;

(p) "Screw column elevator" means a power elevator having an uncounterweighted car that is supported, raised, and lowered by means of a screw thread;

(q) "Rooftop elevator" means a power passenger or freight elevator that operates between a landing at roof level and one landing below and opens onto the exterior roof level of a building through a horizontal opening;

(r) "Special purpose personnel elevator" means an elevator that is limited in size, capacity, and speed, and permanently installed in structures such as grain elevators, radio antenna, bridge towers, underground facilities, dams, power plants, and similar structures to provide vertical transportation of authorized personnel and their tools and equipment only;

(s) "Workmen's construction elevator" means an elevator that is not part of the permanent structure of a building and is used to raise and lower workers and other persons connected with, or related to, the building project;

(t) "Boat launching elevator" means a conveyance that serves a boat launching structure and a beach or water surface and is used for the carrying or handling of boats in which people ride;

(u) "Limited-use/limited-application elevator" means a power passenger elevator where the use and application is limited by size, capacity, speed, and rise, intended principally to provide vertical transportation for people with physical disabilities.

(12) "Elevator contractor" means any person, firm, or company that possesses an elevator contractor license in accordance with this chapter and who is engaged in the business of performing conveyance work covered by this chapter.

(13) "Elevator contractor license" means a license that is issued to an elevator contractor who has met the qualification requirements established in RCW 70.87.240.

(14) "Elevator helper/apprentice" means a person who works under the general direction of a licensed elevator mechanic. A license is not required to be an elevator helper/apprentice.

(15) "Elevator mechanic" means any person who possesses an elevator mechanic license in accordance with this chapter and who is engaged in performing conveyance work covered by this chapter.

(16) "Elevator mechanic license" means a license that is issued to a person who has met the qualification requirements established in RCW 70.87.240.

(17) "Escalator" means a power-driven, inclined, continuous stairway used for raising and lowering passengers.

(18) "Existing installations" means an installation defined as an "installation, existing" in this chapter or in rules adopted under this chapter.

(19) "Inspector" means an elevator inspector of the department or an elevator inspector of a municipality having in effect an elevator ordinance pursuant to RCW 70.87.200.

(20) "License" means a written license, duly issued by the department, authorizing a person, firm, or company to carry on the business of performing conveyance work or to perform conveyance work covered by this chapter.

(21) "Licensee" means the elevator mechanic or elevator contractor.

(22) "Maintenance" means a process of routine examination, lubrication, cleaning, servicing, and adjustment of parts, components, and/or subsystems for the purpose of ensuring performance in accordance with this chapter. "Maintenance" includes repair and replacement, but not alteration.

(23) "Material hoist" means a hoist that is not a part of a permanent structure used to raise or lower materials during construction, alteration, or demolition. It is not applicable to the temporary use of permanently installed personnel elevators as material hoists.

(24) "Material lift" means a lift that (a) is permanently installed, (b) is comprised of a car or platform that moves in guides, (c) serves two or more floors or landings, (d) travels in a vertical or inclined position, (e) is an isolated, self-contained lift, (f) is not part of a conveying system, and (g) is installed in a commercial or industrial area not accessible to the general public or intended to be operated by the general public.

(25) "Moving walk" means a passenger carrying device (a) on which passengers stand or walk and (b) on which the passenger carrying surface remains parallel to its direction of motion.

(26) "One-man capacity manlift" means a single passenger, hand-powered counterweighted device, or electric-powered device, that travels vertically in guides and serves two or more landings.

(27) "Owner" means any person having title to or control of a conveyance, as guardian, trustee, lessee, or otherwise.

(28) "Permit" means a permit issued by the department: (a) To perform conveyance work, other than maintenance; or (b) to operate a conveyance.

(29) "Person" means this state, a political subdivision, any public or private corporation, any firm, or any other entity as well as an individual.

(30) "Personnel hoist" means a hoist that is not a part of a permanent structure, is installed inside or outside buildings during construction, alteration, or demolition, and used to raise or lower workers and other persons connected with, or related to, the building project. The hoist may also be used for transportation of materials.

(31) "Platform" means a rigid surface that is maintained in a horizontal position at all times when in use, and upon which passengers stand or a load is carried.

(32) "Private residence conveyance" means a conveyance installed in or on the premises of a single-family dwelling and operated for transporting persons or property from one elevation to another.

(33) "Public agency" means a county, incorporated city or town, municipal corporation, state agency, institution of higher education, political subdivision, or other public agency and includes any department, bureau, office, board, commission or institution of such public entities.

(34) "Repair" means the reconditioning or renewal of parts, components, and/or subsystems necessary to keep equipment in compliance with this chapter.

(35) "Replacement" means the substitution of a device, component, and/or subsystem in its entirety with a unit that is basically the same as the original for the purpose of ensuring performance in accordance with this chapter.

(36) "Single-occupancy farm conveyance" means a hand-powered counterweighted single-occupancy conveyance that travels vertically in a grain elevator and is located on a farm that does not accept commercial grain.

(37) "Stairway chair lift" means a lift that travels in a basically inclined direction and is designed for use by individuals with disabilities.

(38) "Wheelchair lift" means a lift that travels in a vertical or inclined direction and is designed for use by individuals with disabilities.

(39) "Employee" means any person employed by an elevator contractor.

(40) "Whistleblower" means any employee who in good faith reports practices or opposes practices that may violate the provisions of this chapter or the rules promulgated hereunder, or of the safety, installation, repair, or maintenance policies of his or her employer. The term also means (a) an employee who is believed to have reported such practices but who, in fact, has not reported such practices or (b) an employee who has assisted in the reporting of practices or has provided testimony or information in connection with the reporting of practices.

(41) "Workplace reprisal or retaliatory action" includes actions such as discharge or in any manner discrimination against any employee who has reported or filed any complaint or instituted or caused to be instituted any proceeding under or related to this chapter, or has testified or is about to testify in any such proceeding or because of the exercise by such employee on behalf of himself or herself or others of any right or responsibility afforded by this chapter.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 70.87 RCW to read as follows:

(1) An employee who is a whistleblower and who as a result of being a whistleblower has been subjected to workplace reprisal or retaliatory action has the remedies provided under chapter 49.60 RCW.

(2) The identity of a whistleblower who reports, in good faith, to the department or to a political subdivision that regulates conveyances, practices that may violate the provisions of this chapter or the rules promulgated hereunder must remain confidential. The provisions of RCW 4.24.500 through 4.24.520, providing certain protections to persons who communicate to government agencies, apply to such reports.

Passed by the Senate February 13, 2012. Passed by the House February 29, 2012. Approved by the Governor March 19, 2012. Filed in Office of Secretary of State March 19, 2012.

CHAPTER 55

[Engrossed Substitute Senate Bill 5991]

CHILD ABUSE OR NEGLECT-REPORTING-HIGHER EDUCATION

AN ACT Relating to reporting child abuse or neglect; amending RCW 26.44.030; and adding a new section to chapter 28B.10 RCW.

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

Sec. 1. RCW 26.44.030 and 2009 c 480 s 1 are each amended to read as follows:

(1)(a) When any practitioner, county coroner or medical examiner, law enforcement officer, professional school personnel, registered or licensed nurse, social service counselor, psychologist, pharmacist, employee of the department of early learning, licensed or certified child care providers or their employees, employee of the department, juvenile probation officer, placement and liaison specialist, responsible living skills program staff, HOPE center staff, or state family and children's ombudsman or any volunteer in the ombudsman's office has reasonable cause to believe that a child has suffered abuse or neglect, he or

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she shall report such incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(b) When any person, in his or her official supervisory capacity with a nonprofit or for-profit organization, has reasonable cause to believe that a child has suffered abuse or neglect caused by a person over whom he or she regularly exercises supervisory authority, he or she shall report such incident, or cause a report to be made, to the proper law enforcement agency, provided that the person alleged to have caused the abuse or neglect is employed by, contracted by, or volunteers with the organization and coaches, trains, educates, or counsels a child or children or regularly has unsupervised access to a child or children as part of the employment, contract, or voluntary service. No one shall be required to report under this section when he or she obtains the information solely as a result of a privileged communication as provided in RCW 5.60.060.

Nothing in this subsection (1)(b) shall limit a person's duty to report under (a) of this subsection.

For the purposes of this subsection, the following definitions apply:

(i) "Official supervisory capacity" means a position, status, or role created, recognized, or designated by any nonprofit or for-profit organization, either for financial gain or without financial gain, whose scope includes, but is not limited to, overseeing, directing, or managing another person who is employed by, contracted by, or volunteers with the nonprofit or for-profit organization.

(ii) "Regularly exercises supervisory authority" means to act in his or her official supervisory capacity on an ongoing or continuing basis with regards to a particular person.

(c) The reporting requirement also applies to department of corrections personnel who, in the course of their employment, observe offenders or the children with whom the offenders are in contact. If, as a result of observations or information received in the course of his or her employment, any department of corrections personnel has reasonable cause to believe that a child has suffered abuse or neglect, he or she shall report the incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(d) The reporting requirement shall also apply to any adult who has reasonable cause to believe that a child who resides with them, has suffered severe abuse, and is able or capable of making a report. For the purposes of this subsection, "severe abuse" means any of the following: Any single act of abuse that causes physical trauma of sufficient severity that, if left untreated, could cause death; any single act of sexual abuse that causes significant bleeding, deep bruising, or significant external or internal swelling; or more than one act of physical abuse, each of which causes bleeding, deep bruising, significant external or internal swelling, or unconsciousness.

(e) The reporting requirement also applies to guardians ad litem, including court-appointed special advocates, appointed under Titles 11, 13, and 26 RCW, who in the course of their representation of children in these actions have reasonable cause to believe a child has been abused or neglected.

(f) The reporting requirement in (a) of this subsection also applies to administrative and academic or athletic department employees, including student employees, of institutions of higher education, as defined in RCW 28B.10.016, and of private institutions of higher education.

(g) The report must be made at the first opportunity, but in no case longer than forty-eight hours after there is reasonable cause to believe that the child has suffered abuse or neglect. The report must include the identity of the accused if known.

(2) The reporting requirement of subsection (1) of this section does not apply to the discovery of abuse or neglect that occurred during childhood if it is discovered after the child has become an adult. However, if there is reasonable cause to believe other children are or may be at risk of abuse or neglect by the accused, the reporting requirement of subsection (1) of this section does apply.

(3) Any other person who has reasonable cause to believe that a child has suffered abuse or neglect may report such incident to the proper law enforcement agency or to the department of social and health services as provided in RCW 26.44.040.

(4) The department, upon receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means or who has been subjected to alleged sexual abuse, shall report such incident to the proper law enforcement agency. In emergency cases, where the child's welfare is endangered, the department shall notify the proper law enforcement agency within twenty-four hours after a report is received by the department. In all other cases, the department shall notify the law enforcement agency within seventy-two hours after a report is received by the department. If the department makes an oral report, a written report must also be made to the proper law enforcement agency within five days thereafter.

(5) Any law enforcement agency receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means, or who has been subjected to alleged sexual abuse, shall report such incident in writing as provided in RCW 26.44.040 to the proper county prosecutor or city attorney for appropriate action whenever the law enforcement agency's investigation reveals that a crime may have been committed. The law enforcement agency shall also notify the department of all reports received and the law enforcement agency's disposition of them. In emergency cases, where the child's welfare is endangered, the law enforcement agency shall notify the department within twenty-four hours. In all other cases, the law enforcement agency shall notify the department within seventy-two hours after a report is received by the law enforcement agency.

(6) Any county prosecutor or city attorney receiving a report under subsection (5) of this section shall notify the victim, any persons the victim requests, and the local office of the department, of the decision to charge or decline to charge a crime, within five days of making the decision.

(7) The department may conduct ongoing case planning and consultation with those persons or agencies required to report under this section, with consultants designated by the department, and with designated representatives of Washington Indian tribes if the client information exchanged is pertinent to cases currently receiving child protective services. Upon request, the department shall conduct such planning and consultation with those persons required to report under this section if the department determines it is in the best interests of the child. Information considered privileged by statute and not directly related to reports required by this section must not be divulged without a valid written waiver of the privilege.

(8) Any case referred to the department by a physician licensed under chapter 18.57 or 18.71 RCW on the basis of an expert medical opinion that child abuse, neglect, or sexual assault has occurred and that the child's safety will be seriously endangered if returned home, the department shall file a dependency petition unless a second licensed physician of the parents' choice believes that such expert medical opinion is incorrect. If the parents fail to designate a second physician, the department may make the selection. If a physician finds that a child has suffered abuse or neglect but that such abuse or neglect does not constitute imminent danger to the child's health or safety, and the department agrees with the physician's assessment, the child may be left in the parents' home while the department proceeds with reasonable efforts to remedy parenting deficiencies.

(9) Persons or agencies exchanging information under subsection (7) of this section shall not further disseminate or release the information except as authorized by state or federal statute. Violation of this subsection is a misdemeanor.

(10) Upon receiving a report of alleged abuse or neglect, the department shall make reasonable efforts to learn the name, address, and telephone number of each person making a report of abuse or neglect under this section. The department shall provide assurances of appropriate confidentiality of the identification of persons reporting under this section. If the department is unable to learn the information required under this subsection, the department shall only investigate cases in which:

(a) The department believes there is a serious threat of substantial harm to the child;

(b) The report indicates conduct involving a criminal offense that has, or is about to occur, in which the child is the victim; or

(c) The department has a prior founded report of abuse or neglect with regard to a member of the household that is within three years of receipt of the referral.

(11)(a) For reports of alleged abuse or neglect that are accepted for investigation by the department, the investigation shall be conducted within time frames established by the department in rule. In no case shall the investigation extend longer than ninety days from the date the report is received, unless the investigation is being conducted under a written protocol pursuant to RCW 26.44.180 and a law enforcement agency or prosecuting attorney has determined that a longer investigation period is necessary. At the completion of the investigation, the department shall make a finding that the report of child abuse or neglect is founded or unfounded.

(b) If a court in a civil or criminal proceeding, considering the same facts or circumstances as are contained in the report being investigated by the department, makes a judicial finding by a preponderance of the evidence or higher that the subject of the pending investigation has abused or neglected the child, the department shall adopt the finding in its investigation.

(12) In conducting an investigation of alleged abuse or neglect, the department or law enforcement agency:

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(a) May interview children. The interviews may be conducted on school premises, at day-care facilities, at the child's home, or at other suitable locations outside of the presence of parents. Parental notification of the interview must occur at the earliest possible point in the investigation that will not jeopardize the safety or protection of the child or the course of the investigation. Prior to commencing the interview the department or law enforcement agency shall determine whether the child wishes a third party to be present for the interview and, if so, shall make reasonable efforts to accommodate the child's wishes. Unless the child objects, the department or law enforcement agency shall make reasonable efforts to include a third party in any interview so long as the presence of the third party will not jeopardize the course of the investigation; and

(b) Shall have access to all relevant records of the child in the possession of mandated reporters and their employees.

(13) If a report of alleged abuse or neglect is founded and constitutes the third founded report received by the department within the last twelve months involving the same child or family, the department shall promptly notify the office of the family and children's ombudsman of the contents of the report. The department shall also notify the ombudsman of the disposition of the report.

(14) In investigating and responding to allegations of child abuse and neglect, the department may conduct background checks as authorized by state and federal law.

(15) The department shall maintain investigation records and conduct timely and periodic reviews of all founded cases of abuse and neglect. The department shall maintain a log of screened-out nonabusive cases.

(16) The department shall use a risk assessment process when investigating alleged child abuse and neglect referrals. The department shall present the risk factors at all hearings in which the placement of a dependent child is an issue. Substance abuse must be a risk factor. The department shall, within funds appropriated for this purpose, offer enhanced community-based services to persons who are determined not to require further state intervention.

(17) Upon receipt of a report of alleged abuse or neglect the law enforcement agency may arrange to interview the person making the report and any collateral sources to determine if any malice is involved in the reporting.

(18) Upon receiving a report of alleged abuse or neglect involving a child under the court's jurisdiction under chapter 13.34 RCW, the department shall promptly notify the child's guardian ad litem of the report's contents. The department shall also notify the guardian ad litem of the disposition of the report. For purposes of this subsection, "guardian ad litem" has the meaning provided in RCW 13.34.030.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 28B.10 RCW to read as follows:

(1)(a) All employees of institutions of higher education, not considered academic or athletic department employees, who have reasonable cause to believe a child has suffered abuse or neglect, must report such abuse or neglect immediately to the appropriate administrator or supervisor, as designated by the institution. The administrator or supervisor to whom the report was made, if not already a mandatory reporter under RCW 26.44.030, must report the abuse or

neglect within forty-eight hours to a mandatory reporter designated by the institution for this purpose.

(b) For purposes of this section, "child" has the same meaning as in RCW 26.44.020(2).

(c) For purposes of this section, "abuse or neglect" has the same meaning as in RCW 26.44.020(1).

(2) Institutions of higher education must ensure that the employees covered by the provisions of RCW 26.44.030 and subsection (1)(a) of this section have knowledge of their reporting responsibilities through whatever means are most likely to succeed in providing this information to affected employees.

Passed by the Senate February 14, 2012. Passed by the House March 1, 2012. Approved by the Governor March 19, 2012. Filed in Office of Secretary of State March 19, 2012.

CHAPTER 56

[Engrossed Senate Bill 6155] THIRD-PARTY ACCOUNT ADMINISTRATORS

AN ACT Relating to third-party account administrators; amending RCW 18.28.010 and 18.28.080; adding new sections to chapter 19.230 RCW; and creating a new section.

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

Sec. 1. RCW 18.28.010 and 1999 c 151 s 101 are each amended to read as follows:

Unless a different meaning is plainly required by the context, the following words and phrases as hereinafter used in this chapter shall have the following meanings:

(1) "Debt adjusting" means the managing, counseling, settling, adjusting, prorating, or liquidating of the indebtedness of a debtor, or receiving funds for the purpose of distributing said funds among creditors in payment or partial payment of obligations of a debtor.

(2) "Debt adjuster", which includes any person known as a debt pooler, debt manager, debt consolidator, debt prorater, or credit counselor, is any person engaging in or holding himself or herself out as engaging in the business of debt adjusting for compensation. The term shall not include:

(a) Attorneys-at-law, escrow agents, accountants, broker-dealers in securities, or investment advisors in securities, while performing services solely incidental to the practice of their professions;

(b) Any person, partnership, association, or corporation doing business under and as permitted by any law of this state or of the United States relating to banks, consumer finance businesses, consumer loan companies, trust companies, mutual savings banks, savings and loan associations, building and loan associations, credit unions, crop credit associations, development credit corporations, industrial development corporations, title insurance companies, ((or)) insurance companies, or third-party account administrators;

(c) Persons who, as employees on a regular salary or wage of an employer not engaged in the business of debt adjusting, perform credit services for their employer;

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(d) Public officers while acting in their official capacities and persons acting under court order;

(e) Any person while performing services incidental to the dissolution, winding up or liquidation of a partnership, corporation, or other business enterprise;

(f) Nonprofit organizations dealing exclusively with debts owing from commercial enterprises to business creditors;

(g) Nonprofit organizations engaged in debt adjusting and which do not assess against the debtor a service charge in excess of fifteen dollars per month.

(3) "Debt adjusting agency" is any partnership, corporation, or association engaging in or holding itself out as engaging in the business of debt adjusting.

(4) "Financial institution" means any person doing business under the laws of any state or the United States relating to commercial banks, bank holding companies, savings banks, savings and loan associations, trust companies, or credit unions.

(5) "Third-party account administrator" means an independent entity that holds or administers a dedicated bank account for fees and payments to creditors, debt collectors, debt adjusters, or debt adjusting agencies in connection with the renegotiation, settlement, reduction, or other alteration of the terms of payment or other terms of a debt.

Sec. 2. RCW 18.28.080 and 1999 c 151 s 102 are each amended to read as follows:

(1) By contract a debt adjuster may charge a reasonable fee for debt adjusting services. The total fee for debt adjusting services, including, but not limited to, any fee charged by a financial institution or a third-party account administrator, may not exceed fifteen percent of the total debt listed by the debtor on the contract. The fee retained by the debt adjuster from any one payment made by or on behalf of the debtor may not exceed fifteen percent of the payment. The debt adjuster may make an initial charge of up to twenty-five dollars which shall be considered part of the total fee. If an initial charge is made, no additional fee may be retained which will bring the total fee retained to date to more than fifteen percent of the total payments made to date. No fee whatsoever shall be applied against rent and utility payments for housing.

In the event of cancellation or default on performance of the contract by the debtor prior to its successful completion, the debt adjuster may collect in addition to fees previously received, six percent of that portion of the remaining indebtedness listed on said contract which was due when the contract was entered into, but not to exceed twenty-five dollars.

(2) A debt adjuster shall not be entitled to retain any fee until notifying all creditors listed by the debtor that the debtor has engaged the debt adjuster in a program of debt adjusting.

(3) The department of financial institutions has authority to enforce compliance with this section.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 19.230 RCW to read as follows:

(1) A third-party account administrator must be licensed as a money transmitter under this chapter and comply with the following additional requirements:

(a) A debtor's funds must be held in an account at an insured financial institution;

(b) A debtor owns the funds held in the account and must be paid accrued interest on the account, if any;

(c) A third-party account administrator may not be owned or controlled by, or in any way affiliated with, a debt adjuster;

(d) A third-party account administrator may not give or accept any money or other compensation in exchange for referrals of business involving a debt adjuster;

(e) A debtor may withdraw from the service provided by a third-party account administrator at any time without penalty and must receive all funds in the account, other than funds earned by a debt adjuster in compliance with chapter 18.28 RCW, within seven business days of the debtor's request; and

(f) A contract between a third-party account administrator and a debtor must disclose in precise terms the rate and amount of all charges and fees. In addition, the contract must include a statement that is substantially similar to the following: "Under the Washington Debt Adjusting Act, the total fees you are charged for debt adjusting services may not exceed fifteen percent of the total amount of debt you listed on your contract with the debt adjuster. This includes fees charged by a debt adjuster, a third-party account administrator, and a financial institution." The disclosures required by this subsection (1)(f) must be on the front page of the contract and must be in at least twelve-point type.

(2) The legislature finds and declares that any violation of this section substantially affects the public interest and is an unfair and deceptive act or practice and unfair method of competition in the conduct of trade or commerce as set forth in RCW 19.86.020. In addition to all remedies available in chapter 19.86 RCW, a person injured by a violation of this section may bring a civil action to recover the actual damages proximately caused by a violation of this section, or one thousand dollars, whichever is greater.

(3) For purposes of this section and section 4 of this act:

(a) "Debt adjuster" has the same meaning as defined in RCW 18.28.010;

(b) "Third-party account administrator" means an independent entity that holds or administers a dedicated bank account for fees and payments to creditors, debt collectors, debt adjusters, or debt adjusting agencies in connection with the renegotiation, settlement, reduction, or other alteration of the terms of payment or other terms of a debt. "Third-party account administrator" does not include an entity that is otherwise exempt from this chapter under RCW 19.230.020.

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 19.230 RCW to read as follows:

(1) A third-party account administrator shall maintain the following records for at least five years:

(a) All contracts the third-party account administrator has entered into with debtors and debt adjusters;

(b) Account statements identifying and itemizing deposits, transfers, disbursements, and fees; and

(c) Any other records required in rule by the director.

(2) All records maintained by the third-party account administrator are open to inspection by the director or the director's designee. <u>NEW SECTION.</u> Sec. 5. (1) Any person or entity that provides debt adjusting services, as defined in RCW 18.28.010, in this state shall provide the following information to the department of financial institutions by September 1, 2012:

(a) The percentage of Washington debtors for whom the debt adjuster provides or provided debt adjusting services in the previous three years who canceled, terminated, or otherwise stopped using the debt adjuster's services without settlement of all of the debtor's debts;

(b) The total fees collected from Washington debtors during the previous three years; and

(c) For each debtor for whom the debt adjuster provides debt adjusting services:

(i) The number of debts included in the contract between the debt adjuster and the debtor;

(ii) The principal amount of each debt at the time the contract was signed;

(iii) Whether each debt is active, terminated, or settled;

(iv) If a debt has been settled, the settlement amount of the debt and the savings amount; and

(v) The total fees charged to the debtor and how the fees were calculated.

(2) The department of financial institutions shall submit a report to the appropriate committees of the legislature summarizing the information received under subsection (1) of this section by December 1, 2012.

<u>NEW SECTION.</u> Sec. 6. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed by the Senate March 3, 2012.

Passed by the House March 1, 2012.

Approved by the Governor March 19, 2012.

Filed in Office of Secretary of State March 19, 2012.

CHAPTER 57

[Senate Bill 6223]

EARLY SUPPLEMENTAL SECURITY INCOME TRANSITION PROJECT-REPEAL

AN ACT Relating to repealing the early supplemental security income transition project; and repealing RCW 74.04.652.

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

<u>NEW SECTION.</u> Sec. 1. RCW 74.04.652 (Early supplemental security income transition project—Implementation—Contracts—Report) and 2011 1st sp.s. c 36 s 23 & 2010 1st sp.s. c 8 s 7 are each repealed.

Passed by the Senate February 8, 2012.

Passed by the House March 6, 2012.

Approved by the Governor March 19, 2012.

Filed in Office of Secretary of State March 19, 2012.

CHAPTER 58

[Substitute Senate Bill 6328]

MENTAL HEALTH PROFESSIONALS-RETIRED ACTIVE LICENSES

AN ACT Relating to the creation of a retired active license for mental health professionals; and adding a new section to chapter 18.225 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 18.225 RCW to read as follows:

The secretary of the department of health shall promulgate rules relating to issuance of a retired active license under RCW 18.130.250 for mental health counselors, marriage and family therapists, advanced social workers, and independent clinical social workers.

Passed by the Senate March 5, 2012. Passed by the House March 1, 2012. Approved by the Governor March 19, 2012. Filed in Office of Secretary of State March 19, 2012.

CHAPTER 59

[Substitute House Bill 2149]

PROPERTY TAXES—WAIVER OF PENALTIES

AN ACT Relating to personal property tax assessment administration, authorizing waiver of penalties and interest under specified circumstances; amending RCW 84.40.130; and declaring an emergency.

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

Sec. 1. RCW 84.40.130 and 2004 c 79 s 5 are each amended to read as follows:

(1) If any person or corporation ((shall)) fails or refuses to deliver to the assessor, on or before the date specified in RCW 84.40.040, a list of the taxable personal property which is required to be listed under this chapter, unless it is shown that such failure is due to reasonable cause and not due to ((wilful)) willful neglect, there ((shall)) must be added to the amount of tax assessed against the taxpayer on account of such personal property five percent of the amount of such tax, not to exceed fifty dollars per calendar day, if the failure is for not more than one month, with an additional five percent for each additional month or fraction thereof during which such failure continues not exceeding twenty-five percent in the aggregate. Such penalty ((shall)) must be collected in the same manner as the tax to which it is added and distributed in the same manner as other property tax interest and penalties.

(2) If any person or corporation ((shall wilfully)) willfully gives a false or fraudulent list, schedule or statement required by this chapter, or ((shall)), with intent to defraud, fails or refuses to deliver any list, schedule or statement required by this chapter, such person or corporation ((shall be)) is liable for the additional tax properly due or, in the case of ((wilful)) willful failure or refusal to deliver such list, schedule or statement, the total tax properly due; and in addition such person or corporation ((shall be)) is liable for a penalty of one hundred percent of such additional tax or total tax as the case may be. Such penalty ((shall be)) is in lieu of the penalty provided for in subsection (1) of this

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section. A person or corporation giving a false list, schedule or statement $((\frac{\text{shall}}))$ is not $((\frac{\text{be}}))$ subject to this penalty if it is shown that the misrepresentations contained therein are entirely attributable to reasonable cause. The taxes and penalties provided for in this subsection $((\frac{\text{shall}}))$ <u>must</u> be recovered in an action in the name of the state of Washington on the complaint of the county assessor or the county legislative authority and $((\frac{\text{shall}}))$ <u>must</u>, when collected, be paid into the county treasury to the credit of the current expense fund. The provisions of this subsection $((\frac{\text{shall}}{\text{shall}}))$ <u>are</u> additional and supplementary to any other provisions of law relating to recovery of property taxes.

(3)(a) The county legislative authority may authorize the assessor to waive penalties otherwise due under this section for assessment years 2011 and prior for a person or corporation failing or refusing to deliver to the assessor a list of taxable personal property, if all of the following circumstances are met:

(i) On or before July 1, 2012, the taxpayer files with the assessor:

(A) A correct list and statement of the taxable personal property required to be listed under this chapter; and

(B) A completed application for penalty waiver in the form and manner prescribed by the assessor; and

(ii) On or before September 1, 2012, the taxpayer remits full payment to the county of the entire balance due on all tax liabilities for which a penalty waiver under this section is requested, other than the penalty amount eligible for waiver under this section.

(b) A taxpayer receiving penalty relief under this subsection (3) may not seek a refund or otherwise challenge the amount of any tax liability paid under (a)(ii) of this subsection (3). Personal property listed under (a)(i) of this subsection (3) is subject to verification by the assessor, and any unreported or misreported property discovered by the assessor remains subject to taxes, penalties, and interest.

<u>NEW SECTION.</u> Sec. 2. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House February 9, 2012.

Passed by the Senate March 8, 2012.

Approved by the Governor March 20, 2012.

Filed in Office of Secretary of State March 20, 2012.

CHAPTER 60

[Engrossed Substitute House Bill 2567] CONSERVATION DISTRICTS—RATES AND CHARGES

AN ACT Relating to authorizing an optional system of rates and charges for conservation districts; adding a new section to chapter 89.08 RCW; and declaring an emergency.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 89.08 RCW to read as follows:

(1) Any county legislative authority may approve by resolution revenues to a conservation district by fixing rates and charges. The county legislative

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authority may provide for this system of rates and charges as an alternative to, but not in addition to, a special assessment provided by RCW 89.08.400. In fixing rates and charges, the county legislative authority may in its discretion consider the information proposed to the county legislative authority by a conservation district consistent with this section.

(2) A conservation district, in proposing a system of rates and charges, may consider:

(a) Services furnished, to be furnished, or available to the landowner;

(b) Benefits received, to be received, or available to the property;

(c) The character and use of land;

(d) The nonprofit public benefit status, as defined in RCW 24.03.490, of the land user;

(e) The income level of persons served or provided benefits under this chapter, including senior citizens and disabled persons; or

(f) Any other matters that present a reasonable difference as a ground for distinction.

(3)(a) The system of rates and charges may include an annual per acre amount, an annual per parcel amount, or an annual per parcel amount plus an annual per acre amount. If included in the system of rates and charges, the maximum annual per acre rate or charge shall not exceed ten cents per acre. The maximum annual per parcel rate shall not exceed five dollars, except that for counties with a population of over one million five hundred thousand persons, the maximum annual per parcel rate shall not exceed ten dollars.

(b) Public land, including lands owned or held by the state, shall be subject to rates and charges to the same extent as privately owned lands. The procedures provided in chapter 79.44 RCW shall be followed if lands owned or held by the state are subject to the rates and charges of a conservation district.

(c) Forest lands used solely for the planting, growing, or harvesting of trees may be subject to rates and charges if such lands are served by the activities of the conservation district. However, if the system of rates and charges includes an annual per acre amount or an annual per parcel amount plus an annual per acre amount, the per acre rate or charge on such forest lands shall not exceed one-tenth of the weighted average per acre rate or charge on all other lands within the conservation district that are subject to rates and charges. The calculation of the weighted average per acre shall be a ratio calculated as follows: (i) The numerator shall be the total amount of money estimated to be derived from the per acre special rates and charges on the nonforest lands in the conservation district; and (ii) the denominator shall be the total number of nonforest land acres in the conservation district that are served by the activities of the conservation district and that are subject to the rates or charges of the conservation district. No more than ten thousand acres of such forest lands that is both owned by the same person or entity and is located in the same conservation district may be subject to the rates and charges that are imposed for that conservation district in any year. Per parcel charges shall not be imposed on forest land parcels. However, in lieu of a per parcel charge, a charge of up to three dollars per forest landowner may be imposed on each owner of forest lands whose forest lands are subject to a per acre rate or charge.

(4) The consideration, development, adoption, and implementation of a system of rates and charges shall follow the same public notice and hearing

process and be subject to the same procedure and authority of RCW 89.08.400(2).

(5)(a) Following the adoption of a system of rates and charges, the conservation district board of supervisors shall establish by resolution a process providing for landowner appeals of the individual rates and charges as applicable to a parcel or parcels.

(b) Any appeal must be filed by the landowner with the conservation district no later than twenty-one days after the date property taxes are due. The decision of the board of supervisors regarding any appeal shall be final and conclusive.

(c) Any appeal of the decision of the board shall be to the superior court of the county in which the district is located, and served and filed within twentyone days of the date of the board's written decision.

(6) A conservation district shall prepare a roll that implements the system of rates and charges approved by the county legislative authority. The rates and charges from the roll shall be spread by the county assessor as a separate item on the tax rolls and shall be collected and accounted for with property taxes by the county treasurer. The amount of the rates and charges shall constitute a lien against the land that shall be subject to the same conditions as a tax lien, and collected by the treasurer in the same manner as delinquent real property taxes, and subject to the same interest and penalty as for delinquent property taxes. The county treasurer shall deduct an amount from the collected rates and charges, as established by the county legislative authority, to cover the costs incurred by the county assessor and county treasurer in spreading and collecting the rates and charges, but not to exceed the actual costs of such work. All remaining funds collected under this section shall be transferred to the conservation district and used by the conservation district in accordance with this section.

(7) The rates and charges for a conservation district shall not be spread on the tax rolls and shall not be allocated with property tax collections in the following year if, after the system of rates and charges has been approved by the county legislative authority but before the fifteenth day of December in that year, a petition has been filed with the county legislative authority objecting to the imposition of such rates and charges, which petition has been signed by at least twenty percent of the owners of land that would be subject to the rate or charge to be imposed for a conservation district.

<u>NEW SECTION.</u> Sec. 2. 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.

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

Passed by the House March 5, 2012. Passed by the Senate February 29, 2012. Approved by the Governor March 20, 2012. Filed in Office of Secretary of State March 20, 2012.

CHAPTER 61

[Senate Bill 5981]

SEED DEALERS—LICENSE FEES

AN ACT Relating to seed dealer license fees; and amending RCW 15.49.380.

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

Sec. 1. RCW 15.49.380 and 2010 c 8 s 6064 are each amended to read as follows:

(1) No person shall distribute seeds without having obtained a dealer's license for each regular place of business: PROVIDED, That no license shall be required of a person who distributes seeds only in sealed packages of eight ounces or less, packed by a seed labeling registrant and bearing the name and address of the registrant: PROVIDED FURTHER, That a license shall not be required of any grower selling seeds of his or her own production exclusively. Such seed sold by such grower must be properly labeled as provided in this chapter. Each dealer's license shall cost <u>one hundred</u> twenty-five dollars, shall be issued through the master license system, shall bear the date of issue, shall expire on the master license expiration date, and shall be prominently displayed in each place of business.

(2) Persons custom conditioning and/or custom treating seeds for others for remuneration shall be considered dealers for the purpose of this chapter.

(3) Application for a license to distribute seed shall be through the master license system and shall include the name and address of the person applying for the license, the name of a person domiciled in this state authorized to receive and accept service or legal notices of all kinds, and any other reasonable and practical information prescribed by the department necessary to carry out the purposes and provisions of this chapter.

Passed by the Senate February 14, 2012. Passed by the House March 1, 2012. Approved by the Governor March 20, 2012. Filed in Office of Secretary of State March 20, 2012.

CHAPTER 62

[Engrossed Second Substitute House Bill 2238]

ENVIRONMENTAL MITIGATION—EXISTING ENVIRONMENTAL PROGRAMS

AN ACT Relating to pairing required investments in compensatory environmental mitigation, including the mitigation of transportation projects, with existing programs currently referenced in Title 76 RCW that enhance natural environmental functions; amending RCW 47.01.300, 90.74.005, 90.74.010, 90.74.020, and 90.74.030; adding a new section to chapter 90.74 RCW; adding a new section to chapter 76.09 RCW; creating a new section; and providing an expiration date.

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

Sec. 1. RCW 47.01.300 and 1994 c 258 s 4 are each amended to read as follows:

The department shall, in cooperation with environmental regulatory authorities:

(1) Identify and document environmental resources in the development of the statewide multimodal plan under RCW 47.06.040;

(2) Allow for public comment regarding changes to the criteria used for prioritizing projects under chapter 47.05 RCW before final adoption of the changes by the commission;

(3) Use an environmental review as part of the project prospectus identifying potential environmental impacts, mitigation, <u>theutilization of the mitigation option available in section 5 of this act</u>, and costs during the early project identification and selection phase, submit the prospectus to the relevant environmental regulatory authorities, and maintain a record of comments and proposed revisions received from the authorities;

(4) Actively work with the relevant environmental regulatory authorities during the design alternative analysis process and seek written concurrence from the authorities that they agree with the preferred design alternative selected;

(5) Develop a uniform methodology, in consultation with relevant environmental regulatory authorities, for submitting plans and specifications detailing project elements that impact environmental resources, and proposed mitigation measures <u>including the mitigation option available in section 5 of this</u> <u>act</u>, to the relevant environmental regulatory authorities during the preliminary specifications and engineering phase of project development;

(6) Screen construction projects to determine which projects will require complex or multiple permits. The permitting authorities shall develop methods for initiating review of the permit applications for the projects before the final design of the projects;

(7) Conduct special prebid meetings for those projects that are environmentally complex; and

(8) Review environmental considerations related to particular projects during the preconstruction meeting held with the contractor who is awarded the bid.

Sec. 2. RCW 90.74.005 and 1997 c 424 s 1 are each amended to read as follows:

(1) The legislature finds that:

(a) The state lacks a clear policy relating to the mitigation of wetlands and aquatic habitat for infrastructure development;

(b) Regulatory agencies have generally required project proponents to use compensatory mitigation only at the site of the project's impacts and to mitigate narrowly for the habitat or biological functions impacted by a project;

(c) This practice of considering traditional on-site, in-kind mitigation may provide fewer environmental benefits when compared to innovative mitigation proposals that provide benefits in advance of a project's planned impacts and that restore functions or habitat other than those impacted at a project site; ((and))

(d) Regulatory decisions on development proposals that attempt to incorporate innovative mitigation measures take an unreasonably long period of time and are subject to a great deal of uncertainty and additional expenses; and

(e) Greater environmental benefits may be achievable through compensatory environmental mitigation when the collective mitigation investments of project proponents is paired with the structure of successful state programs that are referenced in statute and are designed to enhance and preserve aquatic and riparian functions when there is a clear linkage between the environmental impacts and the goals of the state program. Programs such as the forestry riparian easement program, the family forest fish passage program, and the riparian open space program created pursuant to RCW 76.09.040 may have a logical and physical nexus with many underlying projects, especially road projects, and are proven to create a sustained benefit in the aquatic environment.

(2) The legislature therefore declares that it is the policy of the state to authorize innovative mitigation measures by requiring state regulatory agencies to consider mitigation proposals for ((infrastructure)) projects that are timed, designed, and located in a manner to provide equal or better biological functions and values compared to traditional on-site, in-kind mitigation proposals.

(3) It is the intent of the legislature to authorize local governments to accommodate the goals of this chapter. It is not the intent of the legislature to: (a) Restrict the ability of a project proponent to pursue project specific mitigation; or (b) create any new authority for regulating wetlands or aquatic habitat beyond what is specifically provided for in this chapter.

Sec. 3. RCW 90.74.010 and 1997 c 424 s 2 are each amended to read as follows:

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

(1) "Mitigation" means sequentially avoiding impacts, minimizing impacts, or compensating for remaining unavoidable impacts.

(2) "Compensatory mitigation" means the restoration, creation, enhancement, or preservation of uplands, wetlands, or other aquatic resources for the purposes of compensating for unavoidable adverse impacts that remain after all appropriate and practicable avoidance and minimization has been achieved. "Compensatory mitigation" includes mitigation that:

(a) Occurs at the same time as, or in advance of, a project's planned environmental impacts;

(b) Is located in a site either on, near, or distant from the project's impacts; and

(c) Provides either the same or different biological functions and values as the functions and values impacted by the project.

(3) "Infrastructure development" means an action that is critical for the maintenance or expansion of an existing infrastructure feature such as a highway, rail line, airport, marine terminal, utility corridor, harbor area, or hydroelectric facility and is consistent with an approved land use planning process. This planning process may include the growth management act, chapter 36.70A RCW, or the shoreline management act, chapter 90.58 RCW, in areas covered by those chapters.

(4) "Mitigation plan" means a document or set of documents developed through joint discussions between a project proponent and environmental regulatory agencies that describe the unavoidable wetland or aquatic resource impacts of ((the)) <u>a</u> proposed infrastructure development <u>or noninfrastructure</u> <u>development</u> and the proposed compensatory mitigation for those impacts.

(5) "Project proponent" means a public or private entity responsible for preparing a mitigation plan.

(6) "Watershed" means an area identified as a state of Washington water resource inventory area under WAC 173-500-040 as it exists on ((July 27, 1997)) the effective date of this section.

(7) "Family forest fish passage program" means the program administered by the recreation and conservation office created pursuant to RCW 76.09.410 that provides public cost assistance to small forest landowners associated with the road maintenance and abandonment processes.

(8) "Forestry riparian easement program" means the program established in RCW 76.13.120.

(9) "Noninfrastructure development" means a development project that requires the completion of compensatory mitigation that does not meet the definition of "infrastructure development" and is consistent with an approved land use planning process. This planning process may include the growth management act, chapter 36.70A RCW, or the shoreline management act, chapter 90.58 RCW, in areas covered by those chapters.

(10) "Riparian open space program" means the program created pursuant to RCW 76.09.040.

Sec. 4. RCW 90.74.020 and 1997 c 424 s 3 are each amended to read as follows:

(1) Project proponents may use a mitigation plan to propose compensatory mitigation within a watershed. A mitigation plan shall:

(a) Contain provisions that guarantee the long-term viability of the created, restored, enhanced, or preserved habitat, including assurances for protecting any essential biological functions and values defined in the mitigation plan;

(b) Contain provisions for long-term monitoring of any created, restored, or enhanced mitigation site; and

(c) Be consistent with the local comprehensive land use plan and any other applicable planning process in effect for the development area, such as an adopted subbasin or watershed plan.

(2)(a) The departments of ecology and fish and wildlife may not limit the scope of options in a mitigation plan to areas on or near the project site, or to habitat types of the same type as contained on the project site. The departments of ecology and fish and wildlife shall fully review and give due consideration to compensatory mitigation proposals that improve the overall biological functions and values of the watershed or bay and accommodate the mitigation needs of the infrastructure development or noninfrastructure development, including proposals or portions of proposals that are explored or developed in section 5 of this act.

(b) The departments of ecology and fish and wildlife are not required to grant approval to a mitigation plan that the departments find does not provide equal or better biological functions and values within the watershed or bay.

(3) When making a permit or other regulatory decision under the guidance of this chapter, the departments of ecology and fish and wildlife shall consider whether the mitigation plan provides equal or better biological functions and values, compared to the existing conditions, for the target resources or species identified in the mitigation plan. This consideration shall be based upon the following factors:

(a) The relative value of the mitigation for the target resources, in terms of the quality and quantity of biological functions and values provided;

(b) The compatibility of the proposal with the intent of broader resource management and habitat management objectives and plans, such as existing resource management plans, watershed plans, critical areas ordinances, the forestry riparian easement program, the riparian open space program, the family forest fish passage program, and shoreline master programs;

(c) The ability of the mitigation to address scarce functions or values within a watershed;

(d) The benefits of the proposal to broader watershed landscape, including the benefits of connecting various habitat units or providing population-limiting habitats or functions for target species;

(e) The benefits of early implementation of habitat mitigation for projects that provide compensatory mitigation in advance of the project's planned impacts; and

(f) The significance of any negative impacts to nontarget species or resources.

(4) A mitigation plan may be approved through a memorandum of agreement between the project proponent and either the department of ecology or the department of fish and wildlife, or both.

<u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 90.74 RCW to read as follows:

(1)(a) To the degree that resources are deemed available by the affected departments, the department of ecology and the department of fish and wildlife shall allow, when appropriate, programs that are related to environmental mitigation, or explore the potential of developing new programs, to utilize the forestry riparian easement program, the riparian open space program, or the family forest fish passage program to mitigate for environmental impacts from projects conducted in the state where compatible with existing regulations. The use of these programs may not be additive to existing compensatory mitigation requirements.

(b) In implementing this subsection, the department of natural resources may be used as a resource, consistent with section 8 of this act, to assist in identifying potential projects that can be used for the mitigation of infrastructure and noninfrastructure development.

(2) The department of ecology and the department of fish and wildlife are authorized to seek federal or private funds and in-kind contributions to implement this section. The scope of effort in implementing this section may be defined by the success of the department of ecology and the department of fish and wildlife in securing specific funding.

<u>NEW SECTION.</u> Sec. 6. (1) The department of ecology and the department of fish and wildlife must provide a report to the legislature, consistent with RCW 43.01.036, by December 31, 2012, on:

(a) Any successes in using existing programs to mitigate impacts for infrastructure and noninfrastructure development, as those terms are defined in RCW 90.74.010, as provided in section 5 of this act; and

(b) Any constraints discovered that limits the applicability of section 5 of this act.

(2) The department of ecology and the department of fish and wildlife must provide a report to the legislature, consistent with RCW 43.01.036, by December 31, 2013, on:

(a) The identification of any additional programs that may be appropriate for inclusion in an environmental mitigation plan;

(b) The feasibility of developing new programs that may be appropriate for inclusion in an environmental mitigation plan, including the identification of:

(i) How often a program would be suitable for inclusion;

(ii) When and where a new program would be suitable for inclusion;

(iii) Constraints on the suitability of any new program; and

(iv) Timelines, implementation costs, agency resource needs, and requests for new legal authority.

(3) The report required in subsection (2) of this section should, if deemed appropriate and funding allows, be developed in consultation with the department of transportation, the department of natural resources, the department of commerce, affected federally recognized Indian tribes, and private sector stakeholders such as forest landowners, environmental interests, and the development community.

(4) The authority provided in section 5(2) of this act relating to the acceptance of nonstate money may be utilized to fund the implementation of this section. The scope of effort in implementing this section may be defined by the success of the department of ecology and the department of fish and wildlife in securing specific funding.

(5) This section expires July 30, 2014.

Sec. 7. RCW 90.74.030 and 1997 c 424 s 4 are each amended to read as follows:

(1) In making regulatory decisions relating to wetland or aquatic resource mitigation, the departments of ecology and fish and wildlife shall, at the request of the project proponent, follow the guidance of (($\frac{RCW - 90.74.005}{90.74.020}$)) this chapter.

(2) If the department of ecology or the department of fish and wildlife receives multiple requests for review of mitigation plans, each department may schedule its review of these proposals to conform to available budgetary resources.

<u>NEW SECTION.</u> Sec. 8. A new section is added to chapter 76.09 RCW to read as follows:

The department and, when appropriate, the small forest landowner office established in RCW 76.13.110 must assist in identifying potential projects that can be used for the mitigation of infrastructure and noninfrastructure development, as those terms are defined in RCW 90.74.010, as provided in section 5 of this act.

Passed by the House February 13, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 63

[Substitute House Bill 2422] AVIATION BIOFUELS PRODUCTION

AN ACT Relating to aviation biofuels production; reenacting and amending RCW 43.157.010; adding a new section to chapter 43.180 RCW; adding a new section to chapter 43.333 RCW; creating a new section; and providing an expiration date.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that Washington is becoming a leader in the development and commercialization of aviation biofuels due to its strong tradition of market innovation, a concentrated demand for sustainable aviation fuels, leading expertise and research capacity, an established aviation manufacturing sector, and the availability of a diverse range of feedstocks for the production of biofuels. The legislature also finds that the development of aviation biofuels has the potential to reduce dependence on foreign sources of fossil fuels, reduce greenhouse gas emissions, and promote economic development of commercial-scale aviation biofuels production facilities in Washington by facilitating and streamlining the permitting process for new facilities and the expansion of existing facilities and by providing access to low-cost financing through the issuance of revenue bonds.

The legislature finds that the 2012 Washington state energy strategy calls for a targeted, strategic policy focus on sustainable aviation biofuels to encourage the realization of Washington's potential. The legislature also finds that a regional stakeholder effort to explore the opportunities and challenges surrounding the production of sustainable aviation fuels, known as sustainable aviation biofuels northwest, urged policymakers in the Northwest to develop supportive public policies that will jump start the industry, attract investment, and accelerate industry growth. In order to provide focus and develop policy recommendations to support the sustainable aviation biofuels sector in Washington, the legislature intends to establish a sustainable aviation biofuels work group. Additionally, the legislature intends Innovate Washington, designated in 2011 as the lead agency for coordinating clean energy-related initiatives targeted at growing the clean energy sector, to convene the appropriate stakeholders and facilitate the opportunity for the state to realize the full economic growth impact to the state's economy.

Sec. 2. RCW 43.157.010 and 2009 c 565 s 34 and 2009 c 421 s 2 are each reenacted and amended to read as follows:

((For purposes of)) <u>The definitions in this section apply throughout</u> this chapter and RCW 28A.525.166, 28B.76.210, 28C.18.080, 43.21A.350, and 90.58.100, unless the context requires otherwise:

(1)(a) ((A)) <u>"Project of statewide significance ((is)) " means</u>:

(i) A border crossing project that involves both private and public investments carried out in conjunction with adjacent states or provinces;

(ii) A development project that will provide a net environmental benefit;

(iii) A development project in furtherance of the commercialization of innovations; ((or))

(iv) A private industrial development with private capital investment in manufacturing or research and development<u>; or</u>

(v) An aviation biofuels production facility.

(b) To qualify for designation under RCW 43.157.030 as a project of statewide significance:

(i) The project must be completed after January 1, 2009;

(ii) The applicant must submit an application to the department for designation as a project of statewide significance to the department of commerce; and

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(iii) Except for an aviation biofuels production facility, the project must have:

(A) In counties with a population less than or equal to twenty thousand, a capital investment of five million dollars;

(B) In counties with a population greater than twenty thousand but no more than fifty thousand, a capital investment of ten million dollars;

(C) In counties with a population greater than fifty thousand but no more than one hundred thousand, a capital investment of fifteen million dollars;

(D) In counties with a population greater than one hundred thousand but no more than two hundred thousand, a capital investment of twenty million dollars;

(E) In counties with a population greater than two hundred thousand but no more than four hundred thousand, a capital investment of thirty million dollars;

(F) In counties with a population greater than four hundred thousand but no more than one million, a capital investment of forty million dollars;

(G) In counties with a population greater than one million, a capital investment of fifty million dollars;

(H) In rural counties as defined by RCW 82.14.370, projected full-time employment positions after completion of construction of fifty or greater;

(I) In counties other than rural counties as defined by RCW 82.14.370, projected full-time employment positions after completion of construction of one hundred or greater; or

(J) Been qualified by the director of the department as a project of statewide significance either because:

(I) The economic circumstances of the county merit the additional assistance such designation will bring;

(II) The impact on a region due to the size and complexity of the project merits such designation;

(III) The project resulted from or is in furtherance of innovation activities at a public research institution in the state or is in or resulted from innovation activities within an innovation partnership zone; or

(IV) The project will provide a net environmental benefit as evidenced by plans for design and construction under green building standards or for the creation of renewable energy technology or components or under other environmental criteria established by the director in consultation with the director of the department of ecology.

A project may be qualified under this subsection (1)(b)(iii)(J) only after consultation on the availability of staff resources of the office of regulatory assistance.

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

(3) "Manufacturing" shall have the meaning assigned it in RCW 82.62.010.

(4) "Research and development" shall have the meaning assigned it in RCW 82.62.010.

(5) "Applicant" means a person applying to the department for designation of a development project as a project of statewide significance.

(6) "Aviation biofuels production facility" means a facility primarily for the processing of nonfossil biogenic feedstocks to produce aviation fuels that meet the fuel quality technical standards of the American society for testing materials for aviation fuels and coproducts.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 43.180 RCW, to be codified prior to the subchapter that begins with RCW 43.180.300, to read as follows:

(1) The commission may:

(a) Issue bonds for the purpose of financing all or part of the project costs of facilities that are primarily for the production, processing, or handling of aviation biofuels or for the production, processing, or handling of nonfossil biogenic feedstocks to be used in the production of aviation biofuels;

(b) Make or purchase loans for financing of these facilities; or

(c) Enter into financing documents relating to the repayment of those loans or the provision of, or security for, debt service on the bonds.

(2) In connection with the financing of project costs of facilities that are primarily for the production, processing, or handling of aviation biofuels, the commission may exercise the other powers granted the commission under this chapter, including the requirements under RCW 43.180.170 and 43.180.180.

(3) For the purposes of this section:

(a) "Aviation biofuels" means fuels for aviation from nonfossil biogenic feedstocks that meet the fuel quality technical standards of the American society for testing materials for aviation fuels and coproducts.

(b) "Facilities" means land, rights in land, buildings, structures, equipment, landscaping, utilities, approaches, roadways and parking, handling and storage areas, and similar ancillary facilities.

(c) "Financing document" means a lease, sublease, installment sale agreement, conditional sale agreement, loan agreement, mortgage, deed of trust guaranty agreement, or other agreement for the purpose of providing funds to pay or secure debt service on bonds.

(d) "Project costs" means costs of:

(i) Acquisition, construction, and improvement of any facilities included in a facility;

(ii) Architectural, engineering, consulting, accounting, and legal costs related directly to the development, financing, and construction of a facility, including costs of studies assessing the feasibility of a facility;

(iii) Finance costs, including discounts, if any, the costs of issuing bonds, and costs incurred in carrying out any trust agreement;

(iv) Interest during construction and during the six months after estimated completion of construction, and capitalized debt service or repair and replacement or other appropriate reserves;

(v) The refunding of any outstanding obligations incurred for any of the costs outlined in this subsection; and

(vi) Other costs incidental to any of the costs listed in this section.

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 43.333 RCW to read as follows:

(1) Innovate Washington shall convene a sustainable aviation biofuels work group.

(2) The purpose of the work group is to:

(a) Further the development of sustainable aviation fuel as a productive industry in Washington, using as a foundation the regional assessment prepared by the collaborative known as the sustainable aviation fuels northwest; (b) Facilitate communication and coordination among aviation biofuels stakeholders;

(c) Provide a forum for discussion and problem-solving regarding potential and current barriers related to technology development, production, distribution, supply chain development, and commercialization of aviation biofuels; and

(d) Provide recommendations to the legislature on potential legislation that will facilitate the technology development, production, distribution, and commercialization of aviation biofuels.

(3) Innovate Washington, in consultation with the legislative members, shall designate work group members that represent sectors involved in sustainable aviation biofuels research, development, production, and utilization. The work group shall include but not be limited to representatives from the following:

(a) The Washington state senate;

(b) The Washington state house of representatives;

(c) An agriculture advocacy organization;

(d) An airline operator;

(e) An airplane manufacturer;

(f) An airport operator located in western Washington and an airport operator located in eastern Washington;

(g) Biofuels feedstock producers;

(h) Two biofuels producers;

(i) The department of agriculture;

(j) The department of commerce;

(k) The department of natural resources;

(1) A sustainable energy advocacy organization;

(m) The United States department of defense;

(n) The University of Washington;

(o) Washington State University;

(p) The Pacific Northwest national laboratory; and

(q) A member of the board of directors of Innovate Washington.

(4) The work group shall choose its chair from among its membership.

(5) The work group may not meet more than twice a year.

(6) The work group shall provide an annual update of its findings and recommendations to the governor and the appropriate committees of the legislature by December 1st of each year through 2014.

(7) This section expires June 30, 2015.

Passed by the House February 9, 2012.

Passed by the Senate February 24, 2012.

Approved by the Governor March 23, 2012.

Filed in Office of Secretary of State March 23, 2012.

CHAPTER 64

[Senate Bill 6412]

DISCONTINUATION OF INDIVIDUAL HEALTH COVERAGE— APPLICATION FOR COVERAGE

AN ACT Relating to applying for health insurance coverage when an insurance carrier discontinues all individual health benefit plan coverage; amending RCW 48.43.018 and 48.43.015; adding a new section to chapter 70.47 RCW; and declaring an emergency.

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

Sec. 1. RCW 48.43.018 and 2010 c 277 s 1 are each amended to read as follows:

(1) Except as provided in (a) through (g) of this subsection, a health carrier may require any person applying for an individual health benefit plan and the health care authority shall require any person applying for nonsubsidized enrollment in the basic health plan to complete the standard health questionnaire designated under chapter 48.41 RCW.

(a) If a person is seeking an individual health benefit plan or enrollment in the basic health plan as a nonsubsidized enrollee due to his or her change of residence from one geographic area in Washington state to another geographic area in Washington state where his or her current health plan is not offered, completion of the standard health questionnaire shall not be a condition of coverage if application for coverage is made within ninety days of relocation.

(b) If a person is seeking an individual health benefit plan or enrollment in the basic health plan as a nonsubsidized enrollee:

(i) Because a health care provider with whom he or she has an established care relationship and from whom he or she has received treatment within the past twelve months is no longer part of the carrier's provider network under his or her existing Washington individual health benefit plan; and

(ii) His or her health care provider is part of another carrier's or a basic health plan managed care system's provider network; and

(iii) Application for a health benefit plan under that carrier's provider network individual coverage or for basic health plan nonsubsidized enrollment is made within ninety days of his or her provider leaving the previous carrier's provider network; then completion of the standard health questionnaire shall not be a condition of coverage.

(c) If a person is seeking an individual health benefit plan or enrollment in the basic health plan as a nonsubsidized enrollee due to his or her having exhausted continuation coverage provided under 29 U.S.C. Sec. 1161 et seq., completion of the standard health questionnaire shall not be a condition of coverage if application for coverage is made within ninety days of exhaustion of continuation coverage. A health carrier or the health care authority as administrator of basic health plan nonsubsidized coverage shall accept an application without a standard health questionnaire from a person currently covered by such continuation coverage if application is made within ninety days prior to the date the continuation coverage would be exhausted and the effective date of the individual coverage applied for is the date the continuation coverage would be exhausted, or within ninety days thereafter.

(d) If a person is seeking an individual health benefit plan or enrollment in the basic health plan as a nonsubsidized enrollee due to a change in employment status that would qualify him or her to purchase continuation coverage provided under 29 U.S.C. Sec. 1161 et seq., but the person's employer is exempt under federal law from the requirement to offer such coverage, completion of the standard health questionnaire shall not be a condition of coverage if: (i) Application for coverage is made within ninety days of a qualifying event as defined in 29 U.S.C. Sec. 1163; and (ii) the person had at least twenty-four months of continuous group coverage immediately prior to the qualifying event. A health carrier shall accept an application without a standard health

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questionnaire from a person with at least twenty-four months of continuous group coverage if application is made no more than ninety days prior to the date of a qualifying event and the effective date of the individual coverage applied for is the date of the qualifying event, or within ninety days thereafter.

(e) If a person is seeking an individual health benefit plan, completion of the standard health questionnaire shall not be a condition of coverage if: (i) The person had at least twenty-four months of continuous basic health plan coverage under chapter 70.47 RCW immediately prior to disenrollment; and (ii) application for coverage is made within ninety days of disenrollment from the basic health plan. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous basic health plan coverage if application is made no more than ninety days prior to the date of disenrollment and the effective date of the individual coverage applied for is the date of disenrollment, or within ninety days thereafter.

(f) If a person is seeking an individual health benefit plan due to a change in employment status that would qualify him or her to purchase continuation coverage provided under 29 U.S.C. Sec. 1161 et seq., completion of the standard health questionnaire is not a condition of coverage if: (i) Application for coverage is made within ninety days of a qualifying event as defined in 29 U.S.C. Sec. 1163; and (ii) the person had at least twenty-four months of continuous group coverage immediately prior to the qualifying event. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous group coverage if application is made no more than ninety days prior to the date of a qualifying event and the effective date of the individual coverage applied for is the date of the qualifying event, or within ninety days thereafter.

(g) If a person is seeking an individual health benefit plan due to their terminating continuation coverage under 29 U.S.C. Sec. 1161 et seq., completion of the standard health questionnaire shall not be a condition of coverage if: (i) Application for coverage is made within ninety days of terminating the continuation coverage; and (ii) the person had at least twenty-four months of continuous group coverage immediately prior to the termination. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous group coverage and the effective date of termination of the continuation coverage and the effective date of the individual coverage applied for is the date the continuation coverage is terminated, or within ninety days thereafter.

(h) If a person is seeking an individual health benefit plan because his or her employer, or former employer, discontinues group coverage due to the closure of the business, completion of the standard health questionnaire shall not be a condition of coverage if: (i) Application for coverage is made within ninety days of the employer discontinuing group coverage due to closure of the business; and (ii) the person had at least twenty-four months of continuous group coverage immediately prior to the termination. A health carrier shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous group coverage if application is made no more than ninety days prior to the date of discontinuation of group coverage, and the effective date of the individual coverage applied for is the date the group coverage is discontinued, or within ninety days thereafter.

(i) If a person is seeking an individual health benefit plan, or enrollment in the basic health plan as a nonsubsidized enrollee, because his or her health carrier is discontinuing all individual health benefit plan coverage by July 1, 2012, completion of the standard health questionnaire shall not be a condition of coverage if: (i) Application for coverage is made within ninety days of the carrier discontinuing individual health benefit plan coverage; (ii) the person had at least twenty-four months of continuous health benefit plan coverage immediately prior to the termination; and (iii) benefits under the previous plan provide equivalent or greater overall benefit coverage than that provided in the health benefit plan, or basic health coverage, the person seeks to purchase. A health carrier, or the basic health plan, shall accept an application without a standard health questionnaire from a person with at least twenty-four months of continuous health benefit plan coverage if application is made no more than ninety days prior to the date of discontinuation of individual health benefit plan coverage, the person's prior coverage provided equivalent or greater overall benefits than the plan, or basic health coverage, the person seeks to purchase, and the effective date of the individual coverage applied for is the date the individual health benefit plan coverage is discontinued, or within ninety days thereafter.

(2) If, based upon the results of the standard health questionnaire, the person qualifies for coverage under the Washington state health insurance pool, the following shall apply:

(a) The carrier may decide not to accept the person's application for enrollment in its individual health benefit plan and the health care authority, as administrator of basic health plan nonsubsidized coverage, shall not accept the person's application for enrollment as a nonsubsidized enrollee; and

(b) Within fifteen business days of receipt of a completed application, the carrier or the health care authority as administrator of basic health plan nonsubsidized coverage shall provide written notice of the decision not to accept the person's application for enrollment to both the person and the administrator of the Washington state health insurance pool. The notice to the person shall state that the person is eligible for health insurance provided by the Washington state health insurance pool, and shall include information about the Washington state health insurance pool and an application for such coverage. If the carrier or the health care authority as administrator of basic health plan nonsubsidized coverage does not provide or postmark such notice within fifteen business days, the application is deemed approved.

(3) If the person applying for an individual health benefit plan: (a) Does not qualify for coverage under the Washington state health insurance pool based upon the results of the standard health questionnaire; (b) does qualify for coverage under the Washington state health insurance pool based upon the results of the standard health questionnaire and the carrier elects to accept the person for enrollment; or (c) is not required to complete the standard health questionnaire designated under this chapter under subsection (1)(a) or (b) of this section, the carrier or the health care authority as administrator of basic health plan nonsubsidized coverage, whichever entity administered the standard health questionnaire, shall accept the person for enrollment if he or she resides within

the carrier's or the basic health plan's service area and provide or assure the provision of all covered services regardless of age, sex, family structure, ethnicity, race, health condition, geographic location, employment status, socioeconomic status, other condition or situation, or the provisions of RCW 49.60.174(2). The commissioner may grant a temporary exemption from this subsection if, upon application by a health carrier, the commissioner finds that the clinical, financial, or administrative capacity to serve existing enrollees will be impaired if a health carrier is required to continue enrollment of additional eligible individuals.

Sec. 2. RCW 48.43.015 and 2004 c 192 s 5 are each amended to read as follows:

(1) For a health benefit plan offered to a group, every health carrier shall reduce any preexisting condition exclusion, limitation, or waiting period in the group health plan in accordance with the provisions of section 2701 of the federal health insurance portability and accountability act of 1996 (42 U.S.C. Sec. 300gg).

(2) For a health benefit plan offered to a group other than a small group:

(a) If the individual applicant's immediately preceding health plan coverage terminated during the period beginning ninety days and ending sixty-four days before the date of application for the new plan and such coverage was similar and continuous for at least three months, then the carrier shall not impose a waiting period for coverage of preexisting conditions under the new health plan.

(b) If the individual applicant's immediately preceding health plan coverage terminated during the period beginning ninety days and ending sixty-four days before the date of application for the new plan and such coverage was similar and continuous for less than three months, then the carrier shall credit the time covered under the immediately preceding health plan toward any preexisting condition waiting period under the new health plan.

(c) For the purposes of this subsection, a preceding health plan includes an employer-provided self-funded health plan, the basic health plan's offering to health coverage tax credit eligible enrollees as established by chapter 192, Laws of 2004, and plans of the Washington state health insurance pool.

(3) For a health benefit plan offered to a small group:

(a) If the individual applicant's immediately preceding health plan coverage terminated during the period beginning ninety days and ending sixty-four days before the date of application for the new plan and such coverage was similar and continuous for at least nine months, then the carrier shall not impose a waiting period for coverage of preexisting conditions under the new health plan.

(b) If the individual applicant's immediately preceding health plan coverage terminated during the period beginning ninety days and ending sixty-four days before the date of application for the new plan and such coverage was similar and continuous for less than nine months, then the carrier shall credit the time covered under the immediately preceding health plan toward any preexisting condition waiting period under the new health plan.

(c) For the purpose of this subsection, a preceding health plan includes an employer-provided self-funded health plan, the basic health plan's offering to health coverage tax credit eligible enrollees as established by chapter 192, Laws of 2004, and plans of the Washington state health insurance pool.

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(4)(a) Except as provided in (b) of this subsection, for a health benefit plan offered to an individual, other than an individual to whom subsection (5) of this section applies, every health carrier shall credit any preexisting condition waiting period in that plan for a person who was enrolled at any time during the sixty-three day period immediately preceding the date of application for the new health plan in a group health benefit plan or an individual health benefit plan, other than a catastrophic health plan, and $\left(\left(\frac{(a)}{a}\right)\right)$ (i) the benefits under the previous plan provide equivalent or greater overall benefit coverage than that provided in the health benefit plan the individual seeks to purchase; or (((b))) (ii) the person is seeking an individual health benefit plan due to his or her change of residence from one geographic area in Washington state to another geographic area in Washington state where his or her current health plan is not offered, if application for coverage is made within ninety days of relocation; or (((c))) (iii) the person is seeking an individual health benefit plan: (((i))) (A) Because a health care provider with whom he or she has an established care relationship and from whom he or she has received treatment within the past twelve months is no longer part of the carrier's provider network under his or her existing Washington individual health benefit plan; and (((ii))) (B) his or her health care provider is part of another carrier's provider network; and (((iii))) (C) application for a health benefit plan under that carrier's provider network individual coverage is made within ninety days of his or her provider leaving the previous carrier's provider network. The carrier must credit the period of coverage the person was continuously covered under the immediately preceding health plan toward the waiting period of the new health plan. For the purposes of this subsection (4), a preceding health plan includes an employer-provided selffunded health plan, the basic health plan's offering to health coverage tax credit eligible enrollees as established by chapter 192, Laws of 2004, and plans of the Washington state health insurance pool.

(b) A carrier shall credit an applicant's period of coverage in his or her preceding catastrophic health plan toward any preexisting condition waiting period in the catastrophic health plan the applicant seeks to purchase if:

(i) The preceding catastrophic health plan was discontinued by a carrier that is discontinuing all individual plan coverage by July 1, 2012;

(ii) The applicant was enrolled in the previous catastrophic health plan during the sixty-three day period immediately preceding his or her application date for the new catastrophic health plan; and

(iii) The benefits under the preceding catastrophic health plan provide equivalent or greater overall benefit coverage than that provided in the catastrophic health plan the applicant seeks to purchase.

(5) Every health carrier shall waive any preexisting condition waiting period in its individual plans for a person who is an eligible individual as defined in section 2741(b) of the federal health insurance portability and accountability act of 1996 (42 U.S.C. Sec. 300gg-41(b)).

(6) Subject to the provisions of subsections (1) through (5) of this section, nothing contained in this section requires a health carrier to amend a health plan to provide new benefits in its existing health plans. In addition, nothing in this section requires a carrier to waive benefit limitations not related to an individual or group's preexisting conditions or health history.

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<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 70.47 RCW to read as follows:

If a person was previously enrolled in a group health benefit plan, an individual health benefit plan, or a catastrophic health plan that is discontinued by the carrier by July 1, 2012, at any time during the sixty-three day period immediately preceding their application date for nonsubsidized coverage in the basic health plan as a nonsubsidized enrollee, the basic health plan must credit the applicant's period of prior coverage toward any preexisting condition waiting period applicable under the basic health plan if the benefits under the previous plan provide equivalent or greater overall benefit coverage than that provided in the basic health plan for nonsubsidized enrollees.

<u>NEW SECTION.</u> Sec. 4. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the Senate March 3, 2012.

Passed by the House February 27, 2012.

Approved by the Governor March 23, 2012.

Filed in Office of Secretary of State March 23, 2012.

CHAPTER 65

[Substitute House Bill 2299] SPECIAL LICENSE PLATES

AN ACT Relating to special license plates; reenacting and amending RCW 46.18.200, 46.17.220, 46.68.420, and 46.18.060; adding new sections to chapter 46.04 RCW; and providing an effective date.

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

Sec. 1. RCW 46.18.200 and 2011 c 229 s 1, 2011 c 225 s 1, and 2011 c 171 s 69 are each reenacted and amended to read as follows:

(1) Special license plate series reviewed and approved by the department:

(a) May be issued in lieu of standard issue or personalized license plates for vehicles required to display one and two license plates unless otherwise specified;

(b) Must be issued under terms and conditions established by the department;

(c) Must not be issued for vehicles registered under chapter 46.87 RCW; and

(d) Must display a symbol or artwork approved by the department.

(2) The department approves and shall issue the following special license plates:

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LICENSE PLATE 4-H	DESCRIPTION, SYMBOL, OR ARTWORK Displays the "4-H" logo.
Armed forces collection	Recognizes the contribution of veterans, active duty military personnel, reservists, and members of the national guard, and includes six separate designs, each containing a symbol representing a different branch of the armed forces to include army, navy, air force, marine corps, coast guard, and national guard.
Endangered wildlife	Displays a symbol or artwork, approved by the special license plate review board and the legislature.
Gonzaga University alumni association	Recognizes the Gonzaga University alumni association.
Helping kids speak	Recognizes an organization that supports programs that provide no-cost speech pathology programs to children.
Keep kids safe	Recognizes efforts to prevent child abuse and neglect.
Law enforcement memorial	Honors law enforcement officers in Washington killed in the line of duty.
Music matters	Displays the "Music Matters" logo.
Professional firefighters and paramedics	Recognizes professional firefighters and paramedics who are members of the Washington state council of firefighters.
Share the road	Recognizes an organization that promotes bicycle safety and awareness education.
Ski & ride Washington	Recognizes the Washington snowsports industry.
State flower	Recognizes the Washington state flower.
Volunteer firefighters	Recognizes volunteer firefighters.
Washington lighthouses	Recognizes an organization that supports selected Washington state lighthouses and provides environmental education programs.
Washington state parks	Recognizes Washington state parks as premier destinations of uncommon quality that preserve significant natural, cultural, historical, and recreational resources.

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Washington's national park fund	Builds awareness of Washington's national parks and supports priority park programs and projects in Washington's national parks, such as enhancing visitor experience, promoting volunteerism, engaging communities, and providing educational opportunities related to Washington's national parks.
Washington's wildlife collection	Recognizes Washington's wildlife.
We love our pets	Recognizes an organization that assists local member agencies of the federation of animal welfare and control agencies to promote and perform spay/ neuter surgery on Washington state pets to reduce pet overpopulation.
Wild on Washington	Symbolizes wildlife viewing in Washington state.

(3) Applicants for initial and renewal professional firefighters and paramedics special license plates must show proof eligibility by providing a certificate of current membership from the Washington state council of firefighters.

(4) Applicants for initial volunteer firefighters special license plates must (a) have been a volunteer firefighter for at least ten years or be a volunteer firefighter for one or more years and (b) have documentation of service from the district of the appropriate fire service. If the volunteer firefighter leaves firefighting service before ten years of service have been completed, the volunteer firefighter shall surrender the license plates to the department on the registration renewal date. If the volunteer firefighter stays in service for at least ten years and then leaves, the license plate may be retained by the former volunteer firefighter and as long as the license plate is retained for use the person will continue to pay the future registration renewals. A qualifying volunteer firefighter may have no more than one set of license plates per vehicle, and a maximum of two sets per applicant, for their personal vehicles. If the volunteer firefighter is convicted of a violation of RCW 46.61.502 or a felony, the license plates must be surrendered upon conviction.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 46.04 RCW to read as follows:

"4-H license plates" means special license plates issued under RCW 46.18.200 that display the "4-H" logo.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 46.04 RCW to read as follows:

"State flower license plates" means special license plates issued under RCW 46.18.200 that display the Washington state flower.

Sec. 4. RCW 46.17.220 and 2011 c 229 s 3, 2011 c 225 s 2, and 2011 c 171 s 58 are each reenacted and amended to read as follows:

(1) In addition to all fees and taxes required to be paid upon application for a vehicle registration in chapter 46.16A RCW, the holder of a special license plate shall pay the appropriate special license plate fee as listed in this section.

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PLATE TYPE	INITIAL FEE	RENEWAL FEE	DISTRIBUTED UNDER
(a) 4-H	\$ 40.00	\$ 30.00	RCW 46.68.420
(b) Amateur radio license	\$ 5.00	N/A	RCW 46.68.070
(((b))) (c) Armed forces	\$ 40.00	\$ 30.00	RCW 46.68.425
(((c))) <u>(d)</u> Baseball stadium	\$ 40.00	\$ 30.00	Subsection (2) of this section
((((d)))) (e) Collector vehicle	\$ 35.00	N/A	RCW 46.68.030
(((e))) <u>(f)</u> Collegiate	\$ 40.00	\$ 30.00	RCW 46.68.430
(((f))) (g) Endangered wildlife	\$ 40.00	\$ 30.00	RCW 46.68.425
(((g))) <u>(h)</u> Gonzaga University alumni association	\$ 40.00	\$ 30.00	RCW 46.68.420
((((h))) (<u>i)</u> Helping kids speak	\$ 40.00	\$ 30.00	RCW 46.68.420
((((i))) (j) Horseless carriage	\$ 35.00	N/A	RCW 46.68.030
(((j))) <u>(k)</u> Keep kids safe	\$ 45.00	\$ 30.00	RCW 46.68.425
(((k))) <u>(1)</u> Law enforcement memorial	\$ 40.00	\$ 30.00	RCW 46.68.420
(((1))) <u>(m)</u> Military affiliate radio system	\$ 5.00	N/A	RCW 46.68.070
((((m)))) (n) Music matters	\$ 40.00	\$ 30.00	RCW 46.68.420
((((n))) (<u>o)</u> Professional firefighters and paramedics	\$ 40.00	\$ 30.00	RCW 46.68.420
(((0))) <u>(p)</u> Ride share	\$ 25.00	N/A	RCW 46.68.030
(((p))) <u>(q)</u> Share the road	\$ 40.00	\$ 30.00	RCW 46.68.420
(((q))) <u>(r)</u> Ski & ride Washington	\$ 40.00	\$ 30.00	RCW 46.68.420
((((r))) (s) Square dancer	\$ 40.00	N/A	RCW 46.68.070
((((s))) (t) State flower	\$ 40.00	<u>\$ 30.00</u>	<u>RCW 46.68.420</u>
(u) Volunteer firefighters	\$ 40.00	\$ 30.00	RCW 46.68.420
(((t))) <u>(v)</u> Washington lighthouses	\$ 40.00	\$ 30.00	RCW 46.68.420
(((u))) <u>(w)</u> Washington state parks	\$ 40.00	\$ 30.00	RCW 46.68.425
(((v))) <u>(x)</u> Washington's national parks	\$ 40.00	\$ 30.00	RCW 46.68.420
(((w))) (<u>y)</u> Washington's wildlife collection	\$ 40.00	\$ 30.00	RCW 46.68.425
(((x))) (z) We love our pets	\$ 40.00	\$ 30.00	RCW 46.68.420
(((y))) <u>(aa)</u> Wild on Washington	\$ 40.00	\$ 30.00	RCW 46.68.425

(2) After deducting administration and collection expenses for the sale of baseball stadium license plates, the remaining proceeds must be distributed to a county for the purpose of paying the principal and interest payments on bonds issued by the county to construct a baseball stadium, as defined in RCW 82.14.0485, including reasonably necessary preconstruction costs, while the taxes are being collected under RCW 82.14.360. After this date, the state treasurer shall credit the funds to the state general fund.

Sec. 5. RCW 46.68.420 and 2011 c 229 s 4, 2011 c 225 s 3, and 2011 c 171 s 87 are each reenacted and amended to read as follows:

(1) The department shall:

(a) Collect special license plate fees established under RCW 46.17.220;

(b) Deduct an amount not to exceed twelve dollars for initial issue and two dollars for renewal issue for administration and collection expenses incurred by it; and

(c) Remit the remaining proceeds to the custody of the state treasurer with a proper identifying detailed report.

(2) The state treasurer shall credit the proceeds to the motor vehicle account until the department determines that the state has been reimbursed for the cost of implementing the special license plate. Upon determination by the department that the state has been reimbursed, the state treasurer shall credit the remaining special license plate fee amounts for each special license plate to the following appropriate account as created in this section in the custody of the state treasurer:

ACCOUNT	CONDITIONS FOR USE OF FUNDS
<u>4-H programs</u>	Support Washington 4-H programs
Gonzaga University alumni association	Scholarship funds to needy and qualified students attending or planning to attend Gonzaga University
Helping kids speak	Provide free diagnostic and therapeutic services to families of children who suffer from a delay in language or speech development
Law enforcement memorial	Provide support and assistance to survivors and families of law enforcement officers in Washington killed in the line of duty and to organize, finance, fund, construct, utilize, and maintain a memorial on the state capitol grounds to honor those fallen officers
Lighthouse environmental programs	Support selected Washington state lighthouses that are accessible to the public and staffed by volunteers; provide environmental education programs; provide grants for other Washington lighthouses to assist in funding infrastructure preservation and restoration; encourage and support interpretive programs by lighthouse docents
Music matters awareness	Promote music education in schools throughout Washington
Share the road	Promote bicycle safety and awareness education in communities throughout Washington

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Ski & ride Washington	Promote winter snowsports, such as skiing and snowboarding, and related programs, such as ski and ride safety programs, underprivileged youth ski and ride programs, and active, healthy lifestyle programs
State flower	Support Meerkerk Rhododendron Gardens and provide for grants to other qualified nonprofit organizations' efforts to preserve rhododendrons
Volunteer firefighters	Receive and disseminate funds for purposes on behalf of volunteer firefighters, their families, and others deemed in need
Washington state council of firefighters benevolent fund	Receive and disseminate funds for charitable purposes on behalf of members of the Washington state council of firefighters, their families, and others deemed in need
Washington's national park fund	Build awareness of Washington's national parks and support priority park programs and projects in Washington's national parks, such as enhancing visitor experience, promoting volunteerism, engaging communities, and providing educational opportunities related to Washington's national parks
We love our pets	Support and enable the Washington federation of animal welfare and control agencies to promote and perform spay/neuter surgery of Washington state pets in order to reduce pet population

(3) Only the director or the director's designee may authorize expenditures from the accounts described in subsection (2) of this section. The accounts are subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(4) Funds in the special license plate accounts described in subsection (2) of this section must be disbursed subject to the conditions described in subsection (2) of this section and under contract between the department and qualified nonprofit organizations that provide the services described in subsection (2) of this section.

(5) For the purposes of this section, a "qualified nonprofit organization" means a not-for-profit corporation operating in Washington that has received a determination of tax exempt status under 26 U.S.C. Sec. 501(c)(3). The qualified nonprofit organization must meet all the requirements under RCW 46.18.100(1).

Sec. 6. RCW 46.18.060 and 2011 c 367 s 703, 2011 c 229 s 5, 2011 c 225 s 4, and 2011 c 171 s 66 are each reenacted and amended to read as follows:

(1) The department must review and either approve or reject special license plate applications submitted by sponsoring organizations.

(2) Duties of the department include, but are not limited to, the following:

(a) Review and approve the annual financial reports submitted by sponsoring organizations with active special license plate series and present those annual financial reports to the joint transportation committee;

(b) Report annually to the joint transportation committee on the special license plate applications that were considered by the department;

(c) Issue approval and rejection notification letters to sponsoring organizations, the executive committee of the joint transportation committee, and the legislative sponsors identified in each application. The letters must be issued within seven days of making a determination on the status of an application; and

(d) Review annually the number of plates sold for each special license plate series created after January 1, 2003. The department may submit a recommendation to discontinue a special plate series to the executive committee of the joint transportation committee.

(3) Except as provided in RCW 46.18.245, in order to assess the effects and impact of the proliferation of special license plates, the legislature declares a temporary moratorium on the issuance of any additional plates until July 1, 2013. During this period of time, the department is prohibited from accepting, reviewing, processing, or approving any applications. Additionally, a special license plate may not be enacted by the legislature during the moratorium, unless the proposed license plate has been approved by the former special license plate review board before February 15, 2005.

(4) ((The volunteer firefighters license plates created under RCW 46.18.200 are exempt from the requirements of subsection (3) of this section.

(5) The Music Matters license plates created under RCW 46.18.200 are exempt from the requirements of subsection (3) of this section)) The limitations under subsection (3) of this section do not apply to the following special license plates:

(a) 4-H license plates created under RCW 46.18.200;

(b) Music Matters license plates created under RCW 46.18.200;

(c) State flower license plates created under RCW 46.18.200;

(d) Volunteer firefighter license plates created under RCW 46.18.200.

<u>NEW SECTION.</u> Sec. 7. This act takes effect January 1, 2013.

Passed by the House March 3, 2012.

Passed by the Senate February 28, 2012.

Approved by the Governor March 23, 2012.

Filed in Office of Secretary of State March 23, 2012.

CHAPTER 66

[Substitute House Bill 2673]

TRANSPORTATION WORKFORCE DEVELOPMENT

AN ACT Relating to transportation workforce development; and adding a new section to chapter 47.01 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 47.01 RCW to read as follows:

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(1) The department shall expend federal funds received by the department, and funds that may be available to the department, under 23 U.S.C. Sec. 140(b) to increase diversity in the highway construction workforce and prepare individuals interested in entering the highway construction workforce by conducting activities in subsection (4) of this section.

(2) The requirements contained in subsection (1) of this section do not apply to or reduce the federal funds that would be otherwise allocated to local government agencies.

(3) The department shall, to the greatest extent practicable, in coordination with the apprenticeship and training council described in chapter 49.04 RCW, expend moneys from other sources than those specified in subsection (1) of this section for the activities in subsection (4) of this section.

(4) The department shall coordinate with the apprenticeship and training council to provide any portion of the following services:

(a) Preapprenticeship programs approved by the apprenticeship and training council;

(b) Preemployment counseling;

(c) Orientations on the highway construction industry, including outreach to women, minorities, and other disadvantaged individuals;

(d) Basic skills improvement classes;

(e) Career counseling;

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(f) Remedial training;

(g) Entry requirements for training programs;

(h) Supportive services and assistance with transportation;

(i) Child care and special needs;

(j) Job site mentoring and retention services; and

(k) Assistance with tools, protective clothing, and other related support for employment costs.

(5) The department, in coordination with the apprenticeship and training council, shall submit a report to the transportation committees of the legislature by December 1st of each year beginning in 2012. The report must contain:

(a) An analysis of the results of the activities in subsection (4) of this section;

(b) The amount available to the department from federal funds for the activities in subsection (4) of this section and the amount expended for those activities; and

(c) The performance outcomes achieved from each activity, including the number of persons receiving services, training, and employment.

Passed by the House March 3, 2012.

Passed by the Senate March 1, 2012.

Approved by the Governor March 23, 2012.

Filed in Office of Secretary of State March 23, 2012.

CHAPTER 67

[Substitute House Bill 1700]

TRANSPORTATION RESOURCES—BICYCLES AND PEDESTRIANS

AN ACT Relating to modifying the requirements related to designing various transportation projects; amending RCW 35.75.060, 35.78.030, 36.82.145, and 43.32.020; adding a new section to chapter 35.78 RCW; adding a new section to chapter 36.82 RCW; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. It is the intent of the legislature that the Washington state department of transportation shall provide for the needs of drivers, public transportation vehicles and patrons, bicyclists, and pedestrians of all ages and abilities in all planning, programming, design, construction, reconstruction, retrofit, operations, and maintenance activities and products.

It is also the intent of the legislature that the department shall view all transportation improvements as opportunities to improve safety, access, and mobility for all travelers in Washington and recognize bicycle, pedestrian, and transit modes as integral elements of the transportation system.

The increase in Washington's older adult population, which is up to forty percent of total population in some counties, increases the need for locally based transportation options and a statewide transportation system less reliant on the automobile.

Washington is committed to providing community-based options for individuals with disabilities who require access to a broader range of transportation options.

Washington believes the full integration of all modes in the design of streets and roadways will increase the capacity and efficiency of the road network, reduce traffic congestion, improve mobility options, and limit greenhouse gas emissions.

Washington believes regular walking and bicycling improves physical health, increases mental well-being, and helps reduce the risk of cardiovascular disease, Type 2 diabetes, some cancers, and other chronic diseases. Increased physical activity is also critical to combating the obesity crisis in Washington.

Sec. 2. RCW 35.75.060 and 1982 c 55 s 1 are each amended to read as follows:

Any city or town may use any funds available for street or road construction, maintenance, or improvement for building, improving, and maintaining bicycle paths, lanes, roadways, and routes, and for improvements to make existing streets and roads more suitable and safe for bicycle traffic: PROVIDED, That any such paths, lanes, roadways, routes, or streets for which any such street or road funds are expended shall be suitable for bicycle transportation purposes and not solely for recreation purposes. Bicycle facilities constructed or modified after ((June 10, 1982)) December 31, 2012, shall meet or exceed the standards ((of the state department of transportation)) adopted by the design standards committee under RCW 35.78.030.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 35.78 RCW to read as follows:

Any city or town may use any funds available for street or road construction, maintenance, or improvement for building, improving, and maintaining a pedestrian right-of-way and for improvements to make existing

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streets and roads more suitable and safe for pedestrian travel. Any such paths, lanes, roadways, routes, or streets for which any such street or road funds are expended must be suitable for pedestrian travel purposes and not solely for recreation purposes. A pedestrian right-of-way constructed or modified after December 31, 2012, must meet or exceed the standards adopted by the design standards committee under RCW 35.78.030.

Sec. 4. RCW 35.78.030 and 1965 c 7 s 35.78.030 are each amended to read as follows:

(1) The design standards committee shall from time to time adopt uniform design standards for major arterial and secondary arterial streets.

(2) By July 1, 2012, and from time to time thereafter, the design standards committee shall adopt standards for bicycle and pedestrian facilities.

Sec. 5. RCW 36.82.145 and 1982 c 55 s 3 are each amended to read as follows:

Any funds deposited in the county road fund may be used for the construction, maintenance, or improvement of bicycle paths, lanes, routes, and roadways, and for improvements to make existing streets and roads more suitable and safe for bicycle traffic. Bicycle facilities constructed or modified after ((June 10, 1982)) December 31, 2012, shall meet or exceed the standards ((of the state department of transportation)) adopted by the design standards committee under RCW 43.32.020.

<u>NEW SECTION.</u> Sec. 6. A new section is added to chapter 36.82 RCW to read as follows:

Any county may use any funds available for street or road construction, maintenance, or improvement for building, improving, and maintaining a pedestrian right-of-way and for improvements to make existing streets and roads more suitable and safe for pedestrian travel. Any such paths, lanes, roadways, routes, or streets for which any such street or road funds are expended must be suitable for pedestrian travel purposes and not solely for recreation purposes. A pedestrian right-of-way constructed or modified after December 31, 2012, must meet or exceed the standards adopted by the design standards committee under RCW 43.32.020.

Sec. 7. RCW 43.32.020 and 1965 c 8 s 43.32.020 are each amended to read as follows:

(1) On or before January 1, 1950, and from time to time thereafter, the design standards committee shall adopt uniform design standards for the county primary road systems.

(2) By July 1, 2012, and from time to time thereafter, the design standards committee shall adopt standards for bicycle and pedestrian facilities.

Passed by the House March 3, 2012.

Passed by the Senate February 28, 2012.

Approved by the Governor March 23, 2012.

Filed in Office of Secretary of State March 23, 2012.

CHAPTER 68

[Substitute House Bill 2252]

TRANSPORTATION FARES—PROOF OF PAYMENT

AN ACT Relating to proof of payment for certain transportation fares; amending RCW 35.58.580, 36.57A.230, 81.112.220, and 42.56.330; and prescribing penalties.

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

Sec. 1. RCW 35.58.580 and 2008 c 123 s 1 are each amended to read as follows:

(1) Persons traveling on public transportation operated by a metropolitan municipal corporation or a city-owned transit system shall pay the fare established by the metropolitan municipal corporation or the city-owned transit system and shall produce proof of payment in accordance with the terms of use established by the metropolitan municipal corporation or the city-owned transit system. Such persons shall produce proof of payment. The required manner of producing proof of payment specified in the terms of use established by the metropolitan municipal corporation or the city-owned transit system. Such persons shall produce proof of payment when requested by a person designated to monitor fare payment. The required manner of producing proof of payment specified in the terms of use established by the metropolitan municipal corporation or the city-owned transit system may include, but is not limited to, requiring a person using an electronic fare payment card to validate the card by presenting the card to an electronic card reader before or upon entering a public transportation vehicle or a restricted fare paid area.

(2) The following constitute civil infractions punishable according to the schedule of fines and penalties established by a metropolitan municipal corporation or a city-owned transit system under RCW 35.58.585:

(a) Failure to pay the required fare, except when a metropolitan municipal corporation or a city-owned transit system under RCW 35.58.585 fails to meet the requirements of subsection (3) of this section;

(b) Failure to ((display)) produce proof of payment in the manner required by the terms of use established by the metropolitan municipal corporation or the city-owned transit system including, but not limited to, the failure to produce a validated fare payment card when requested to do so by a person designated to monitor fare payment; and

(c) Failure to depart the bus or other mode of public transportation when requested to do so by a person designated to monitor fare payment.

(3) If fare payment is required before entering a transit vehicle, as defined in RCW 9.91.025(2)(b), or before entering a fare paid area in a transit facility, as defined in RCW 9.91.025(2)(a), signage must be conspicuously posted at the place of boarding or within ten feet of the nearest entrance to a transit facility that clearly indicates: (a) The locations where tickets or fare media may be purchased; and (b) that a person using an electronic fare payment card must present the card to an electronic card reader before entering a transit vehicle or before entering a restricted fare paid area.

Sec. 2. RCW 36.57A.230 and 2008 c 123 s 6 are each amended to read as follows:

(1) Persons traveling on public transportation operated by a public transportation benefit area shall pay the fare established by the public transportation benefit area and shall produce proof of payment in accordance with the terms of use established by the public transportation benefit area. Such persons shall produce proof of payment when requested by a person designated

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to monitor fare payment. The required manner of producing proof of payment specified in the terms of use established by the public transportation benefit area may include, but is not limited to, requiring a person using an electronic fare payment card to validate the card by presenting the card to an electronic card reader before or upon entering a public transportation vehicle or a restricted fare paid area.

(2) The following constitute civil infractions punishable according to the schedule of fines and penalties established by a public transportation benefit area under RCW 36.57A.235:

(a) Failure to pay the required fare, except when a public transportation benefit area fails to meet the requirements of subsection (3) of this section;

(b) Failure to ((display)) produce proof of payment in the manner required by the terms of use established by the public transportation benefit area including, but not limited to, the failure to produce a validated fare payment card when requested to do so by a person designated to monitor fare payment; and

(c) Failure to depart the bus or other mode of public transportation when requested to do so by a person designated to monitor fare payment.

(3) If fare payment is required before entering a transit vehicle, as defined in RCW 9.91.025(2)(b), or before entering a fare paid area in a transit facility, as defined in RCW 9.91.025(2)(a), signage must be conspicuously posted at the place of boarding or within ten feet of the nearest entrance to a transit facility that clearly indicates: (a) The locations where tickets or fare media may be purchased; and (b) that a person using an electronic fare payment card must present the card to an electronic card reader before entering a transit vehicle or before entering a restricted fare paid area.

Sec. 3. RCW 81.112.220 and 2009 c 279 s 6 are each amended to read as follows:

(1) Persons traveling on facilities operated by an authority shall pay the fare established by the authority and shall produce proof of payment in accordance with the terms of use established by the authority. Such persons shall produce proof of payment when requested by a person designated to monitor fare payment. The required manner of producing proof of payment specified in the terms of use established by the authority may include, but is not limited to, requiring a person using an electronic fare payment card to validate the card by presenting the card to an electronic card reader before or upon entering a public transportation vehicle or a restricted fare paid area.

(2) The following constitute civil infractions punishable according to the schedule of fines and penalties established by the authority under RCW 81.112.210(1):

(a) Failure to pay the required fare, except when the authority fails to meet the requirements of subsection (3) of this section;

(b) Failure to ((display)) produce proof of payment in the manner required by the terms of use established by the authority including, but not limited to, the failure to produce a validated fare payment card when requested to do so by a person designated to monitor fare payment; and

(c) Failure to depart the facility when requested to do so by a person designated to monitor fare payment.

(3) If fare payment is required before entering a transit vehicle, as defined in RCW 9.91.025(2)(b), or before entering a fare paid area in a transit facility, as

defined in RCW 9.91.025(2)(a), signage must be conspicuously posted at the place of boarding or within ten feet of the nearest entrance to a transit facility that clearly indicates: (a) The locations where tickets or fare media may be purchased; and (b) that a person using an electronic fare payment card must present the card to an electronic card reader before entering a transit vehicle or before entering a restricted fare paid area.

Sec. 4. RCW 42.56.330 and 2010 c 128 s 8 are each amended to read as follows:

The following information relating to public utilities and transportation is exempt from disclosure under this chapter:

(1) Records filed with the utilities and transportation commission or attorney general under RCW 80.04.095 that a court has determined are confidential under RCW 80.04.095;

(2) The residential addresses and residential telephone numbers of the customers of a public utility contained in the records or lists held by the public utility of which they are customers, except that this information may be released to the division of child support or the agency or firm providing child support enforcement for another state under Title IV-D of the federal social security act, for the establishment, enforcement, or modification of a support order;

(3) The names, residential addresses, residential telephone numbers, and other individually identifiable records held by an agency in relation to a vanpool, carpool, or other ride-sharing program or service; however, these records may be disclosed to other persons who apply for ride-matching services and who need that information in order to identify potential riders or drivers with whom to share rides;

(4) The personally identifying information of current or former participants or applicants in a paratransit or other transit service operated for the benefit of persons with disabilities or elderly persons;

(5) The personally identifying information of persons who acquire and use transit passes ((and)) or other fare payment media including, but not limited to, stored value smart cards and magnetic strip cards, except that an agency may disclose ((this)) personally identifying information to a person, employer, educational institution, or other entity that is responsible, in whole or in part, for payment of the cost of acquiring or using a transit pass or other fare payment media for the purpose of preventing fraud, or to the news media when reporting on public transportation or public safety. As used in this subsection, "personally identifying information or use information pertaining to a specific, individual transit pass or fare payment media.

(a) ((This)) Information regarding the acquisition or use of transit passes or fare payment media may be disclosed in aggregate form if the data does not contain any personally identifying information.

(b) Personally identifying information may be released to law enforcement agencies if the request is accompanied by a court order;

(6) Any information obtained by governmental agencies that is collected by the use of a motor carrier intelligent transportation system or any comparable information equipment attached to a truck, tractor, or trailer; however, the information may be given to other governmental agencies or the owners of the truck, tractor, or trailer from which the information is obtained. As used in this subsection, "motor carrier" has the same definition as provided in RCW 81.80.010;

(7) The personally identifying information of persons who acquire and use transponders or other technology to facilitate payment of tolls. This information may be disclosed in aggregate form as long as the data does not contain any personally identifying information. For these purposes aggregate data may include the census tract of the account holder as long as any individual personally identifying information is not released. Personally identifying information may be released to law enforcement agencies only for toll enforcement agencies for other purposes only if the request is accompanied by a court order; and

(8) The personally identifying information of persons who acquire and use a driver's license or identicard that includes a radio frequency identification chip or similar technology to facilitate border crossing. This information may be disclosed in aggregate form as long as the data does not contain any personally identifying information. Personally identifying information may be released to law enforcement agencies only for United States customs and border protection enforcement agencies for other purposes only if the request is accompanied by a court order.

Passed by the House March 3, 2012. Passed by the Senate February 28, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 69

[Substitute House Bill 2312] MILITARY SERVICE AWARD EMBLEMS

AN ACT Relating to military service award emblems; amending RCW 46.18.295 and 46.16A.215; and providing an effective date.

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

Sec. 1. RCW 46.18.295 and 2011 c 171 s 73 are each amended to read as follows:

(1) Veterans discharged under honorable conditions (veterans) and individuals serving on active duty in the United States armed forces (active duty military personnel) may purchase a veterans remembrance emblem (($\frac{\text{or}}{\text{or}}$), campaign medal emblem, or military service award emblem. The emblem is to be displayed on license plates in the manner described by the department, existing vehicular registration procedures, and current laws.

(2) Veterans and active duty military personnel who served during periods of war or armed conflict may purchase a remembrance emblem depicting campaign ribbons which they were awarded.

(3) The following campaign ribbon remembrance emblems are available:

(a) World War I victory medal;

(b) World War II Asiatic-Pacific campaign medal;

(c) World War II European-African Middle East campaign medal;

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(d) World War II American campaign medal;

(e) Korean service medal;

(f) Vietnam service medal;

(g) Armed forces expeditionary medal awarded after 1958; and

(h) Southwest Asia medal.

The director may issue additional campaign ribbon emblems by rule as authorized decorations by the United States department of defense.

(4) The following military service award emblems are available:

(a) Distinguished Service Cross;

(b) Navy Cross;

(c) Air Force Cross;

(d) Silver Star medal; and

(e) Bronze Star medal.

(5) Veterans or active duty military personnel requesting a veteran remembrance emblem $((\frac{\text{or}}{\text{or}}))_{\text{c}}$ campaign medal emblem, or military service award emblem or emblems must:

(a) Pay a prescribed fee set by the department; and

(b) Show proof of eligibility through:

(i) Providing a DD-214 or discharge papers if a veteran;

(ii) Providing a copy of orders awarding a campaign ribbon if an individual serving on military active duty; ((or))

(iii) Providing a copy of orders awarding a military service award; or

(iv) Attesting in a notarized affidavit of their eligibility as required under this section.

 $((\frac{(5)}{)})$ (6) Veterans or active duty military personnel who purchase a veteran remembrance emblem $((\frac{(or a)}{a}))$, campaign medal emblem, or military service award emblem must be the legal or registered owner of the vehicle on which the emblem is to be displayed.

Sec. 2. RCW 46.16A.215 and 2011 c 171 s 48 are each amended to read as follows:

(1) The director may adopt fees to be charged by the department for emblems issued by the department under RCW 46.18.295.

(2) The fee for each remembrance emblem and military service award emblem issued under RCW 46.18.295 shall be in an amount sufficient to offset the costs of production of remembrance emblems and military service award emblems and the administration of that program by the department plus an amount for use by the department of veterans affairs, not to exceed a total fee of twenty-five dollars per emblem.

(3) The veterans' emblem account is created in the custody of the state treasurer. All receipts by the department from the issuance of remembrance emblems and military service award emblems under RCW 46.18.295 shall be deposited into this fund. Expenditures from the fund may be used only for the costs of production of remembrance emblems and military service award emblems and administration of the program by the department of licensing, with the balance used only by the department of veterans affairs for projects that pay tribute to those living veterans and to those who have died defending freedom in our nation's wars and conflicts and for the upkeep and operations of existing memorials, as well as for planning, acquiring land for, and constructing future memorials. Only the director of licensing, the director of veterans affairs, or

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their designees may authorize expenditures from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

<u>NEW SECTION.</u> Sec. 3. This act takes effect January 1, 2013.

Passed by the House February 8, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 70

[House Bill 2459]

COMMERCIAL VEHICLE LICENSE PLATES—CONFISCATION

AN ACT Relating to the confiscation of commercial motor vehicle license plates when operated with a revoked registration; and amending RCW 46.32.100.

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

Sec. 1. RCW 46.32.100 and 2011 c 227 s 5 are each amended to read as follows:

(1)(a) In addition to all other penalties provided by law, and except as provided otherwise in (a)(i), (ii), or (iii) of this subsection, a commercial motor vehicle that is subject to compliance reviews under this chapter and an officer, agent, or employee of a company operating a commercial motor vehicle who violates or who procures, aids, or abets in the violation of this title or any order or rule of the state patrol is liable for a penalty of one hundred dollars for each violation.

(i) It is a violation of this chapter for a person operating a commercial motor vehicle to fail to comply with the requirements of 49 C.F.R. Pt. 382, controlled substances and alcohol use and testing, 49 C.F.R. Sec. 391.15, disqualification of drivers, and 49 C.F.R. Sec. 396.9(c)(2), moving a vehicle placed out of service before the out of service defects have been satisfactorily repaired. For each violation the person is liable for a penalty of five hundred dollars.

(ii) The driver of a commercial motor vehicle who is convicted of violating an out-of-service order is liable for a penalty of at least two thousand five hundred dollars for a first violation, and not less than five thousand dollars for $((\frac{a}{a}))$ a second or subsequent violation.

(iii) An employer who allows the operation of a commercial motor vehicle when there is an out-of-service order is liable for a penalty of at least two thousand seven hundred fifty dollars but not more than twenty-five thousand dollars for each violation.

(iv) Each violation under this subsection (1)(a) is a separate and distinct offense, and in case of a continuing violation every day's continuance is a separate and distinct violation.

(b) In addition to all other penalties provided by law, any motor carrier, company, or any officer or agent of a motor carrier or company operating a commercial motor vehicle subject to compliance reviews under this chapter who refuses entry or to make the required records, documents, and vehicles available to a duly authorized agent of the state patrol is liable for a penalty of at least five thousand dollars as well as an out-of-service order being placed on the

department of transportation number, as defined in RCW 46.16A.010, and vehicle registration to operate. Each violation is a separate and distinct offense, and in case of a continuing violation every day's continuance is a separate and distinct violation.

(c) A motor carrier operating a commercial motor vehicle after receiving a final unsatisfactory rating or being placed out of service is liable for a penalty of not more than eleven thousand dollars for each violation. Each violation is a separate and distinct offense, and in case of a continuing violation every day's continuance is a separate and distinct violation.

(d) A high-risk carrier is liable for double the amount of the penalty of a prior violation if the high-risk carrier repeats the same violation during a followup compliance review. Each repeat violation is a separate and distinct offense, and in case of a repeat continuing violation every day's continuance is a separate and distinct violation.

(2) The Washington state patrol may place an out-of-service order on a department of transportation number, as defined in RCW 46.16A.010, for violations of this chapter or for nonpayment of any monetary penalties assessed by the state patrol or the utilities and transportation commission, as a result of compliance reviews, or for violations of cease and desist orders issued by the utilities and transportation commission. The state patrol shall notify the department of licensing when an out-of-service order has been placed on a motor carrier's department of transportation number. The state patrol shall notify the motor carrier when there has been an out-of-service order placed on the motor carrier's department of transportation number and the vehicle registrations have been revoked by sending a notice by first-class mail using the last known address for the registered or legal owner or owners, and recording the transmittal on an affidavit of first-class mail. Notices under this section fulfill the requirements of RCW 46.12.550. Motor carriers may not be eligible for a new department of transportation number, vehicle registration, or temporary permits to operate unless the violations that resulted in the out-of-service order have been corrected. The Washington state patrol or other law enforcement agency must confiscate and may recycle or destroy the license plates from a motor carrier who operates a commercial motor vehicle while the vehicle registration is revoked, suspended, or canceled. The confiscation of license plates under this subsection only applies to trucks, truck tractors, and tractors.

(3) Any penalty provided in this section is due and payable when the person incurring it receives a notice in writing from the state patrol describing the violation and advising the person that the penalty is due.

(a)(i) Any motor carrier who incurs a penalty as provided in this section, except for a high-risk carrier that incurs a penalty for a repeat violation during a follow-up compliance review, may, upon written application, request that the state patrol mitigate the penalty. An application for mitigation must be received by the state patrol within twenty days of the receipt of notice.

(ii) The state patrol may decline to consider any application for mitigation.

(b) Any motor carrier who incurs a penalty as provided in this section has a right to an administrative hearing under chapter 34.05 RCW to contest the violation or the penalty imposed, or both. In all such hearings, the procedure and rules of evidence are as specified in chapter 34.05 RCW except as otherwise provided in this chapter. Any request for an administrative hearing must be

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made in writing and must be received by the state patrol within twenty days after the later of (i) receipt of the notice imposing the penalty, or (ii) disposition of a request for mitigation, or the right to a hearing is waived.

(c) All penalties recovered under this section shall be paid into the state treasury and credited to the state patrol highway account of the motor vehicle fund.

Passed by the House February 9, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 71

[Substitute House Bill 2574]

PERSONS WITH DISABILITIES—SPECIAL LICENSE PLATES

AN ACT Relating to special license plates with a special year tab for persons with disabilities; amending RCW 46.19.060; and providing an effective date.

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

Sec. 1. RCW 46.19.060 and 2011 c 171 s 75 are each amended to read as follows:

(1) An additional fee may not be charged for special license plates for persons with disabilities except for any other fees and taxes required to be paid upon registration of a motor vehicle.

(2) A registered owner who qualifies for special parking privileges as described in RCW 46.19.010 may apply to the department for special license plates for persons with disabilities or special license plates with a special year tab for persons with disabilities. Special license plates with a special year tab for persons with disabilities are available on ((the following)) any special license plate ((designs:

PLATE TYPE	ISSUED UNDER
Armed forces collection	RCW 46.18.210
Baseball stadium	RCW 46.18.215
Collegiate	RCW 46.18.225
Disabled American veteran	RCW-46.18.235
Endangered wildlife	RCW-46.18.200
Former prisoner of war	RCW 46.18.235
Helping kids speak	RCW-46.18.200
Keep kids safe	RCW-46.18.200
Law enforcement memorial	RCW-46.18.200
Pearl Harbor survivor	RCW 46.18.270
Personalized	RCW-46.18.275
Professional firefighters and paramedics	RCW 46.18.200
Purple Heart	RCW 46.18.280

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Share the road	RCW 46.18.200
Ski & ride Washington	RCW-46.18.200
Square dancer	RCW 46.18.290
Washington lighthouses	RCW-46.18.200
Washington's national park fund	RCW-46.18.200
Washington state parks	RCW-46.18.200
Washington's wildlife collection	RCW-46.18.200
We love our pets	RCW 46.18.200
Wild on Washington	RCW-46.18.200))

created under chapter 46.18 RCW, except the collector vehicle, horseless carriage, and ride share special license plates.

(3) A registered owner who chooses to purchase special license plates as described in subsection (2) of this section shall pay the applicable special license plate fee, in addition to any other fees or taxes required for registering a motor vehicle.

(4) Special license plates for persons with disabilities or special license plates with a special year tab for persons with disabilities must be renewed in the same manner and at the time required for the renewal of standard motor vehicle license plates under chapter 46.16A RCW.

(5) Special license plates for persons with disabilities or special license plates with a special year tab for persons with disabilities may be transferred from one motor vehicle to another motor vehicle owned by the person with the parking privilege upon application to the department, county auditor or other agent, or subagent appointed by the director.

(6) Special license plates for persons with disabilities or special license plates with a special year tab for persons with disabilities must be removed from the motor vehicle when the person with disabilities transfers or assigns his or her interest in the motor vehicle.

NEW SECTION. Sec. 2. This act takes effect January 1, 2013.

Passed by the House February 9, 2012. Passed by the Senate February 29, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 72

[Engrossed Senate Bill 5159]

STATE PATROL RETIREMENT SYSTEM—SERVICE CREDIT

AN ACT Relating to transferring service credit and contributions into the Washington state patrol retirement system by members who served as commercial vehicle enforcement officers and communications officers and then became commissioned troopers in the Washington state patrol; and adding a new section to chapter 41.40 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 41.40 RCW under the subchapter heading "plan 2" to read as follows:

(1) Active members of the Washington state patrol retirement system who have previously established service credit in the public employees' retirement system plan 2 while employed in the state patrol as either (a) a commercial vehicle enforcement officer who then became a commissioned officer on or before July 16, 2000, or (b) a communications officer who then became a commissioned officer, have the following options:

(i) Remain a member of the public employees' retirement system; or

(ii) Transfer service credit earned under the retirement system as a communications officer or commercial vehicle enforcement officer to the Washington state patrol retirement system by making an irrevocable choice filed in writing with the department of retirement systems within one year of the department's announcement of the ability to make such a transfer.

(2)(a) Any commissioned officer choosing to transfer under this section shall have transferred from the retirement system to the Washington state patrol retirement system:

(i) All the employee's applicable accumulated contributions plus interest, and an equal amount of employer contributions attributed to that employee; and

(ii) All applicable months of service as a communications officer or commercial vehicle enforcement officer credited to the employee under this chapter as though that service was rendered as a member of the Washington state patrol retirement system.

(b) For the applicable period of service, the employee shall pay:

(i) The difference between the contributions the employee paid to the retirement system and the contributions that would have been paid by the employee had the employee been a member of the Washington state patrol retirement system, plus interest as determined by the director. This payment shall be made no later than December 31, 2019, or the date of retirement, whichever comes first;

(ii) The difference between the employer contributions paid to the public employees' retirement system, and the employer contributions that would have been payable to the Washington state patrol retirement system; and

(iii) An amount sufficient to ensure that the funding status of the Washington state patrol retirement system will not change due to this transfer.

(c) If the payment required by this subsection is not paid in full by the deadline, the transferred service credit shall not be used to determine eligibility for benefits nor to calculate benefits under the Washington state patrol retirement system. In such a case, the employee's accumulated contributions plus interest transferred under this subsection, and any payments made under this subsection, shall be refunded to the employee. The employer shall be entitled to a credit for the employer contributions transferred under this subsection.

(d) An individual who transfers service credit and contributions under this subsection is permanently excluded from the public employees' retirement system for all service as a communications officer or commercial vehicle enforcement officer.

Passed by the Senate February 10, 2012. Passed by the House March 2, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

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CHAPTER 73

[Substitute Senate Bill 5246]

DRIVING RECORD ABSTRACTS—EMPLOYER REVIEW

AN ACT Relating to employer review of abstracts of driving records; and amending RCW 46.52.130.

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

Sec. 1. RCW 46.52.130 and 2010 c 253 s 1 are each amended to read as follows:

Upon a proper request, the department may furnish an abstract of a person's driving record as permitted under this section.

(1) **Contents of abstract of driving record.** An abstract of a person's driving record, whenever possible, must include:

(a) An enumeration of motor vehicle accidents in which the person was driving, including:

(i) The total number of vehicles involved;

(ii) Whether the vehicles were legally parked or moving;

(iii) Whether the vehicles were occupied at the time of the accident; and

(iv) Whether the accident resulted in a fatality;

(b) Any reported convictions, forfeitures of bail, or findings that an infraction was committed based upon a violation of any motor vehicle law;

(c) The status of the person's driving privilege in this state; and

(d) Any reports of failure to appear in response to a traffic citation or failure to respond to a notice of infraction served upon the named individual by an arresting officer.

(2) **Release of abstract of driving record.** An abstract of a person's driving record may be furnished to the following persons or entities:

(a) **Named individuals.** (i) An abstract of the full driving record maintained by the department may be furnished to the individual named in the abstract.

(ii) Nothing in this section prevents a court from providing a copy of the driver's abstract to the individual named in the abstract, provided that the named individual has a pending or open infraction or criminal case in that court. A pending case includes criminal cases that have not reached a disposition by plea, stipulation, trial, or amended charge. An open infraction or criminal case includes cases on probation, payment agreement or subject to, or in collections. Courts may charge a reasonable fee for the production and copying of the abstract for the individual.

(b) **Employers or prospective employers.** (i)(A) An abstract of the full driving record maintained by the department may be furnished to an employer or prospective employer or an agent acting on behalf of an employer or prospective employer of the named individual for purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer.

(((ii))) (B) Release of an abstract of the driving record of an employee or prospective employee requires a statement signed by: (((-A))) (I) The employee or prospective employee that authorizes the release of the record; and (((-B))) (II) the employer attesting that the information is necessary for employment purposes related to driving by the individual as a condition of employment or

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otherwise at the direction of the employer. If the employer or prospective employer authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

(((iii))) (C) Upon request of the person named in the abstract provided under this subsection, and upon that same person furnishing copies of court records ruling that the person was not at fault in a motor vehicle accident, the department must indicate on any abstract provided under this subsection that the person was not at fault in the motor vehicle accident.

(ii) In addition to the methods described in (b)(i) of this subsection, the director may enter into a contractual agreement with an employer or its agent for the purpose of reviewing the driving records of existing employees for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that will not result in a net revenue loss to the state. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.

(c) **Volunteer organizations.** (i) An abstract of the full driving record maintained by the department may be furnished to a volunteer organization or an agent for a volunteer organization for which the named individual has submitted an application for a position that would require driving by the individual at the direction of the volunteer organization.

(ii) Release of an abstract of the driving record of a prospective volunteer requires a statement signed by: (A) The prospective volunteer that authorizes the release of the record; and (B) the volunteer organization attesting that the information is necessary for purposes related to driving by the individual at the direction of the volunteer organization. If the volunteer organization authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

(d) **Transit authorities.** An abstract of the full driving record maintained by the department may be furnished to an employee or agent of a transit authority checking prospective volunteer vanpool drivers for insurance and risk management needs.

(e) **Insurance carriers.** (i) An abstract of the driving record maintained by the department covering the period of not more than the last three years may be furnished to an insurance company or its agent:

(A) That has motor vehicle or life insurance in effect covering the named individual;

(B) To which the named individual has applied; or

(C) That has insurance in effect covering the employer or a prospective employer of the named individual.

(ii) The abstract provided to the insurance company must:

(A) Not contain any information related to actions committed by law enforcement officers or firefighters, as both terms are defined in RCW 41.26.030, or by Washington state patrol officers, while driving official vehicles in the performance of their occupational duty. This does not apply to any situation where the vehicle was used in the commission of a misdemeanor or felony; (B) Include convictions under RCW 46.61.5249 and 46.61.525, except that the abstract must report the convictions only as negligent driving without reference to whether they are for first or second degree negligent driving; and

(C) Exclude any deferred prosecution under RCW 10.05.060, except that if a person is removed from a deferred prosecution under RCW 10.05.090, the abstract must show the deferred prosecution as well as the removal.

(iii) Any policy of insurance may not be canceled, nonrenewed, denied, or have the rate increased on the basis of information regarding an accident included in the abstract of a driving record, unless the policyholder was determined to be at fault.

(iv) Any insurance company or its agent, for underwriting purposes relating to the operation of commercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of motor vehicles while not engaged in such employment. Any insurance company or its agent, for underwriting purposes relating to the operation of noncommercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of commercial motor vehicles.

(v) The director may enter into a contractual agreement with an insurance company or its agent for the limited purpose of reviewing the driving records of existing policyholders for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that will not result in a net revenue loss to the state. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.

(f) **Alcohol/drug assessment or treatment agencies.** An abstract of the driving record maintained by the department covering the period of not more than the last five years may be furnished to an alcohol/drug assessment or treatment agency approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment, for purposes of assisting employees in making a determination as to what level of treatment, if any, is appropriate, except that the abstract must:

(i) Also include records of alcohol-related offenses, as defined in RCW 46.01.260(2), covering a period of not more than the last ten years; and

(ii) Indicate whether an alcohol-related offense was originally charged as a violation of either RCW 46.61.502 or 46.61.504.

(g) **City attorneys and county prosecuting attorneys.** An abstract of the full driving record maintained by the department, including whether a recorded violation is an alcohol-related offense, as defined in RCW 46.01.260(2), that was originally charged as a violation of either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys or county prosecuting attorneys. City attorneys and county prosecuting attorneys may provide the driving record to alcohol/drug assessment or treatment agencies approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment.

(h) **State colleges, universities, or agencies, or units of local government.** An abstract of the full driving record maintained by the department may be furnished to (i) state colleges, universities, or agencies for employment and risk management purposes or (ii) units of local government authorized to self-insure under RCW 48.62.031 for employment and risk management purposes.

(i) **Superintendent of public instruction.** An abstract of the full driving record maintained by the department may be furnished to the superintendent of public instruction for review of public school bus driver records. The superintendent or superintendent's designee may discuss information on the driving record with an authorized representative of the employing school district for employment and risk management purposes.

(3) **Release to third parties prohibited.** Any person or entity receiving an abstract of a person's driving record under subsection (2)(b) through (i) of this section shall use the abstract exclusively for his, her, or its own purposes or as otherwise expressly permitted under this section, and shall not divulge any information contained in the abstract to a third party.

(4) **Fee.** The director shall collect a ten-dollar fee for each abstract of a person's driving record furnished by the department. Fifty percent of the fee must be deposited in the highway safety fund, and fifty percent of the fee must be deposited according to RCW 46.68.038.

(5) **Violation.** (a) Any negligent violation of this section is a gross misdemeanor.

(b) Any intentional violation of this section is a class C felony.

Passed by the Senate March 3, 2012.

Passed by the House March 1, 2012.

Approved by the Governor March 23, 2012.

Filed in Office of Secretary of State March 23, 2012.

CHAPTER 74

[Engrossed House Bill 2660] TRANSPORTATION REVENUE

AN ACT Relating to transportation revenue; amending RCW 46.17.100, 46.17.140, 46.17.200, 46.20.293, 46.29.050, 46.52.130, 46.70.061, 46.70.180, 46.10.420, 46.12.675, and 46.16A.320; reenacting and amending RCW 88.02.640; adding a new section to chapter 46.68 RCW; adding a new section to chapter 46.17 RCW; creating a new section; providing an effective date; providing an expiration date; and providing a contingent expiration date.

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

Sec. 1. RCW 46.17.100 and 2010 c 161 s 508 are each amended to read as follows:

Before accepting an application for a certificate of title as required in this title, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay a ((five)) <u>fifteen</u> dollar application fee in addition to any other fees and taxes required by law.

(1) Five dollars of the certificate of title application fee must be distributed under RCW 46.68.020.

(2) Ten dollars of the certificate of title application fee must be credited to the transportation 2003 account (nickel account) created in RCW 46.68.280.

Sec. 2. RCW 46.17.140 and 2010 c 161 s 512 are each amended to read as follows:

The penalty for a late transfer under RCW 46.12.650(7) is ((twenty-five)) <u>fifty</u> dollars assessed on the sixteenth day after the date of delivery and two

dollars for each additional day thereafter, but the total penalty must not exceed one hundred <u>twenty-five</u> dollars. The penalty must be distributed under RCW 46.68.020.

Sec. 3. RCW 46.17.200 and 2011 c 171 s 56 are each amended to read as follows:

(1) In addition to all other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director shall charge:

(a) The following license plate fees for each license plate, unless the owner or type of vehicle is exempt from payment:

FEE TYPE	FEE	DISTRIBUTION
Original issue	<u>\$ 10.00</u>	<u>RCW 46.68.070</u>
Reflectivity	\$ 2.00	RCW 46.68.070
Replacement	\$ 10.00	RCW 46.68.070
Original issue,	<u>\$ 4.00</u>	<u>RCW 46.68.070</u>
motorcycle		
Replacement,	((\$ 2.00))	RCW 46.68.070
motorcycle	<u>\$ 4.00</u>	
Original issue, moped	\$1.50	RCW 46.68.070

(b) A license plate retention fee, as required under RCW 46.16A.200(10)(((a)(iii))) (c), of twenty dollars if the owner wishes to retain the current license plate number upon license plate replacement, unless the owner or type of vehicle is exempt from payment. The twenty dollar fee must be deposited in the multimodal transportation account created in RCW 47.66.070.

(c) A ten dollar license plate transfer fee, as required under RCW 46.16A.200(8)(a), when transferring standard issue license plates from one vehicle to another, unless the owner or type of vehicle is exempt from payment. The ten dollar license plate transfer fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

(d) Former prisoner of war license plates, as described in RCW 46.18.235, may be transferred to a replacement vehicle upon payment of a five dollar license plate fee, in addition to any other fee required by law.

(2) The department may, upon request, provide license plates that have been used and returned to the department to individuals for nonvehicular use. The department may charge a fee of up to five dollars per license plate to cover costs or recovery for postage and handling. The department may waive the fee for license plates used in educational projects and may, by rule, provide standards for the fee waiver and restrictions on the number of license plates provided to any one person. The fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

Sec. 4. RCW 46.20.293 and 2007 c 424 s 1 are each amended to read as follows:

The department is authorized to provide juvenile courts with the department's record of traffic charges compiled under RCW 46.52.101 and 13.50.200, against any minor upon the request of any state juvenile court or duly authorized officer of any juvenile court of this state. Further, the department is

authorized to provide any juvenile court with any requested service which the department can reasonably perform which is not inconsistent with its legal authority which substantially aids juvenile courts in handling traffic cases and which promotes highway safety.

The department is authorized to furnish to the parent, parents, or guardian of any person under eighteen years of age who is not emancipated from such parent, parents, or guardian, the department records of traffic charges compiled against the person and shall collect for the copy a fee of ((ten)) thirteen dollars, fifty percent of which must be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.

Sec. 5. RCW 46.29.050 and 2010 c 8 s 9028 are each amended to read as follows:

(1) The department shall upon request furnish any person or his or her attorney a certified abstract of his or her driving record, which abstract shall include enumeration of any motor vehicle accidents in which such person has been involved. Such abstract shall (a) indicate the total number of vehicles involved, whether the vehicles were legally parked or moving, and whether the vehicles were occupied at the time of the accident; and (b) contain reference to any convictions of the person for violation of the motor vehicle laws as reported to the department, reference to any findings that the person has committed a traffic infraction which have been reported to the department, and a record of any vehicles registered in the name of the person. The department shall collect for each abstract the sum of ((ten)) thirteen dollars, fifty percent of which shall be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.

(2) The department shall upon request furnish any person who may have been injured in person or property by any motor vehicle, with an abstract of all information of record in the department pertaining to the evidence of the ability of any driver or owner of any motor vehicle to respond in damages. The department shall collect for each abstract the sum of ((ten)) thirteen dollars, fifty percent of which shall be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.

Sec. 6. RCW 46.52.130 and 2010 c 253 s 1 are each amended to read as follows:

Upon a proper request, the department may furnish an abstract of a person's driving record as permitted under this section.

(1) **Contents of abstract of driving record.** An abstract of a person's driving record, whenever possible, must include:

(a) An enumeration of motor vehicle accidents in which the person was driving, including:

(i) The total number of vehicles involved;

(ii) Whether the vehicles were legally parked or moving;

(iii) Whether the vehicles were occupied at the time of the accident; and

(iv) Whether the accident resulted in a fatality;

(b) Any reported convictions, forfeitures of bail, or findings that an infraction was committed based upon a violation of any motor vehicle law;

(c) The status of the person's driving privilege in this state; and

(d) Any reports of failure to appear in response to a traffic citation or failure to respond to a notice of infraction served upon the named individual by an arresting officer.

(2) **Release of abstract of driving record.** An abstract of a person's driving record may be furnished to the following persons or entities:

(a) **Named individuals.** (i) An abstract of the full driving record maintained by the department may be furnished to the individual named in the abstract.

(ii) Nothing in this section prevents a court from providing a copy of the driver's abstract to the individual named in the abstract, provided that the named individual has a pending or open infraction or criminal case in that court. A pending case includes criminal cases that have not reached a disposition by plea, stipulation, trial, or amended charge. An open infraction or criminal case includes cases on probation, payment agreement or subject to, or in collections. Courts may charge a reasonable fee for the production and copying of the abstract for the individual.

(b) **Employers or prospective employers.** (i) An abstract of the full driving record maintained by the department may be furnished to an employer or prospective employer or an agent acting on behalf of an employer or prospective employer of the named individual for purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer.

(ii) Release of an abstract of the driving record of an employee or prospective employee requires a statement signed by: (A) The employee or prospective employee that authorizes the release of the record; and (B) the employer attesting that the information is necessary for employment purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer. If the employer or prospective employer authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

(iii) Upon request of the person named in the abstract provided under this subsection, and upon that same person furnishing copies of court records ruling that the person was not at fault in a motor vehicle accident, the department must indicate on any abstract provided under this subsection that the person was not at fault in the motor vehicle accident.

(c) **Volunteer organizations.** (i) An abstract of the full driving record maintained by the department may be furnished to a volunteer organization or an agent for a volunteer organization for which the named individual has submitted an application for a position that would require driving by the individual at the direction of the volunteer organization.

(ii) Release of an abstract of the driving record of a prospective volunteer requires a statement signed by: (A) The prospective volunteer that authorizes the release of the record; and (B) the volunteer organization attesting that the information is necessary for purposes related to driving by the individual at the direction of the volunteer organization. If the volunteer organization authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

(d) **Transit authorities.** An abstract of the full driving record maintained by the department may be furnished to an employee or agent of a transit authority checking prospective volunteer vanpool drivers for insurance and risk management needs.

(e) **Insurance carriers.** (i) An abstract of the driving record maintained by the department covering the period of not more than the last three years may be furnished to an insurance company or its agent:

(A) That has motor vehicle or life insurance in effect covering the named individual;

(B) To which the named individual has applied; or

(C) That has insurance in effect covering the employer or a prospective employer of the named individual.

(ii) The abstract provided to the insurance company must:

(A) Not contain any information related to actions committed by law enforcement officers or firefighters, as both terms are defined in RCW 41.26.030, or by Washington state patrol officers, while driving official vehicles in the performance of their occupational duty. This does not apply to any situation where the vehicle was used in the commission of a misdemeanor or felony;

(B) Include convictions under RCW 46.61.5249 and 46.61.525, except that the abstract must report the convictions only as negligent driving without reference to whether they are for first or second degree negligent driving; and

(C) Exclude any deferred prosecution under RCW 10.05.060, except that if a person is removed from a deferred prosecution under RCW 10.05.090, the abstract must show the deferred prosecution as well as the removal.

(iii) Any policy of insurance may not be canceled, nonrenewed, denied, or have the rate increased on the basis of information regarding an accident included in the abstract of a driving record, unless the policyholder was determined to be at fault.

(iv) Any insurance company or its agent, for underwriting purposes relating to the operation of commercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of motor vehicles while not engaged in such employment. Any insurance company or its agent, for underwriting purposes relating to the operation of noncommercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of commercial motor vehicles.

(v) The director may enter into a contractual agreement with an insurance company or its agent for the limited purpose of reviewing the driving records of existing policyholders for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that will not result in a net revenue loss to the state. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.

(f) Alcohol/drug assessment or treatment agencies. An abstract of the driving record maintained by the department covering the period of not more than the last five years may be furnished to an alcohol/drug assessment or treatment agency approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment, for purposes of assisting employees in making a determination as to what level of treatment, if any, is appropriate, except that the abstract must:

(i) Also include records of alcohol-related offenses, as defined in RCW 46.01.260(2), covering a period of not more than the last ten years; and

(ii) Indicate whether an alcohol-related offense was originally charged as a violation of either RCW 46.61.502 or 46.61.504.

(g) **City attorneys and county prosecuting attorneys.** An abstract of the full driving record maintained by the department, including whether a recorded violation is an alcohol-related offense, as defined in RCW 46.01.260(2), that was originally charged as a violation of either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys or county prosecuting attorneys. City attorneys and county prosecuting attorneys may provide the driving record to alcohol/drug assessment or treatment agencies approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment.

(h) **State colleges, universities, or agencies, or units of local government.** An abstract of the full driving record maintained by the department may be furnished to (i) state colleges, universities, or agencies for employment and risk management purposes or (ii) units of local government authorized to self-insure under RCW 48.62.031 for employment and risk management purposes.

(i) **Superintendent of public instruction.** An abstract of the full driving record maintained by the department may be furnished to the superintendent of public instruction for review of public school bus driver records. The superintendent or superintendent's designee may discuss information on the driving record with an authorized representative of the employing school district for employment and risk management purposes.

(3) **Release to third parties prohibited.** Any person or entity receiving an abstract of a person's driving record under subsection (2)(b) through (i) of this section shall use the abstract exclusively for his, her, or its own purposes or as otherwise expressly permitted under this section, and shall not divulge any information contained in the abstract to a third party.

(4) **Fee.** The director shall collect a ((ten)) <u>thirteen</u> dollar fee for each abstract of a person's driving record furnished by the department. Fifty percent of the fee must be deposited in the highway safety fund, and fifty percent of the fee must be deposited according to RCW 46.68.038.

(5) **Violation.** (a) Any negligent violation of this section is a gross misdemeanor.

(b) Any intentional violation of this section is a class C felony.

Sec. 7. RCW 46.70.061 and 2002 c 352 s 23 are each amended to read as follows:

(1) The annual fees for original licenses issued for twelve consecutive months from the date of issuance under this chapter shall be:

(a) Vehicle dealers, principal place of business for each and every license classification: ((Seven)) Nine hundred ((fifty)) seventy-five dollars;

(b) Vehicle dealers, each subagency, and temporary subagency: One hundred dollars;

(c) Vehicle manufacturers: Five hundred dollars.

(2) The annual fee for renewal of any license issued pursuant to this chapter shall be:

(a) Vehicle dealers, principal place of business for each and every license classification: ((Two)) <u>Three</u> hundred ((fifty)) <u>twenty-five</u> dollars;

(b) Vehicle dealer, each and every subagency: Twenty-five dollars;

(c) Vehicle manufacturers: Two hundred fifty dollars.

If any licensee fails or neglects to apply for such renewal within thirty days after the expiration of the license, or assigned renewal date under a staggered licensing system, the license shall be declared canceled by the director, in which case the licensee will be required to apply for an original license and pay the fee required for the original license.

(3) The fee for the transfer to another location of any license classification issued pursuant to this chapter shall be twenty-five dollars.

(4) The fee for vehicle dealer license plates and manufacturer license plates shall be the amount required by law for vehicle license plates exclusive of excise tax and gross weight and tonnage fees.

(5) All fees collected under this chapter shall be deposited in the state treasury and credited to the motor vehicle fund.

(6) The fees prescribed in this section are in addition to any excise taxes imposed by chapter 82.44 RCW.

Sec. 8. RCW 46.70.180 and 2010 c 161 s 1136 are each amended to read as follows:

Each of the following acts or practices is unlawful:

(1) To cause or permit to be advertised, printed, displayed, published, distributed, broadcasted, televised, or disseminated in any manner whatsoever, any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to the following:

(a) That no down payment is required in connection with the sale of a vehicle when a down payment is in fact required, or that a vehicle may be purchased for a smaller down payment than is actually required;

(b) That a certain percentage of the sale price of a vehicle may be financed when such financing is not offered in a single document evidencing the entire security transaction;

(c) That a certain percentage is the amount of the service charge to be charged for financing, without stating whether this percentage charge is a monthly amount or an amount to be charged per year;

(d) That a new vehicle will be sold for a certain amount above or below cost without computing cost as the exact amount of the factory invoice on the specific vehicle to be sold;

(e) That a vehicle will be sold upon a monthly payment of a certain amount, without including in the statement the number of payments of that same amount which are required to liquidate the unpaid purchase price.

(2)(a)(i) To incorporate within the terms of any purchase and sale or lease agreement any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to terms that include as an added cost to the selling price or capitalized cost of a vehicle an amount for licensing or transfer of title of that vehicle which is not actually due to the state, unless such amount has in fact been paid by the dealer prior to such sale.

(ii) However, an amount not to exceed ((the applicable amount provided in (iii)(A) and (B) of this subsection (2)(a))) one hundred fifty dollars per vehicle sale or lease may be charged by a dealer to recover administrative costs for

collecting motor vehicle excise taxes, licensing and registration fees and other agency fees, verifying and clearing titles, transferring titles, perfecting, releasing, or satisfying liens or other security interests, and other administrative and documentary services rendered by a dealer in connection with the sale or lease of a vehicle and in carrying out the requirements of this chapter or any other provisions of state law.

(((iii) A dealer may charge under (a)(ii) of this subsection:

(A) As of July 26, 2009, through June 30, 2014, an amount not to exceed one hundred fifty dollars; and

(B) As of July 1, 2014, an amount not to exceed fifty dollars.))

(b) A dealer may charge the documentary service fee in (a) of this subsection under the following conditions:

(i) The documentary service fee is disclosed in writing to a prospective purchaser or lessee before the execution of a purchase and sale or lease agreement;

(ii) The dealer discloses to the purchaser or lessee in writing that the documentary service fee is a negotiable fee. The disclosure must be written in a typeface that is at least as large as the typeface used in the standard text of the document that contains the disclosure and that is bold faced, capitalized, underlined, or otherwise set out from the surrounding material so as to be conspicuous. The dealer shall not represent to the purchaser or lessee that the fee or charge is required by the state to be paid by either the dealer or prospective purchaser or lessee:

(iii) The documentary service fee is separately designated from the selling price or capitalized cost of the vehicle and from any other taxes, fees, or charges; and

(iv) Dealers disclose in any advertisement that a documentary service fee in an amount ((provided in (iv)(A) and (B) of this subsection (2)(b))) up to one hundred fifty dollars may be added to the sale price or the capitalized cost((:

(A) As of July 26, 2009, through June 30, 2014, an amount up to one hundred fifty dollars; and

(B) As of July 1, 2014, an amount up to fifty dollars)).

For the purposes of this subsection (2), the term "documentary service fee" means the optional amount charged by a dealer to provide the services specified in (a) of this subsection.

(3) To set up, promote, or aid in the promotion of a plan by which vehicles are to be sold or leased to a person for a consideration and upon further consideration that the purchaser or lessee agrees to secure one or more persons to participate in the plan by respectively making a similar purchase and in turn agreeing to secure one or more persons likewise to join in said plan, each purchaser or lessee being given the right to secure money, credits, goods, or something of value, depending upon the number of persons joining the plan.

(4) To commit, allow, or ratify any act of "bushing" which is defined as follows: Entering into a written contract, written purchase order or agreement, retail installment sales agreement, note and security agreement, or written lease agreement, hereinafter collectively referred to as contract or lease, signed by the prospective buyer or lessee of a vehicle, which:

(a) Is subject to any conditions or the dealer's or his or her authorized representative's future acceptance, and the dealer fails or refuses within four

calendar days, exclusive of Saturday, Sunday, or legal holiday, and prior to any further negotiations with said buyer or lessee to inform the buyer or lessee either: (i) That the dealer unconditionally accepts the contract or lease, having satisfied, removed, or waived all conditions to acceptance or performance, including, but not limited to, financing, assignment, or lease approval; or (ii) that the dealer rejects the contract or lease, thereby automatically voiding the contract or lease, as long as such voiding does not negate commercially reasonable contract or lease provisions pertaining to the return of the subject vehicle and any physical damage, excessive mileage after the demand for return of the vehicle, and attorneys' fees authorized by law, and tenders the refund of any initial payment or security made or given by the buyer or lessee, including, but not limited to, any down payment, and tenders return of the trade-in vehicle, key, other trade-in, or certificate of title to a trade-in. Tender may be conditioned on return of the subject vehicle if previously delivered to the buyer or lessee.

The provisions of this subsection (4)(a) do not impair, prejudice, or abrogate the rights of a dealer to assert a claim against the buyer or lessee for misrepresentation or breach of contract and to exercise all remedies available at law or in equity, including those under chapter 62A.9A RCW, if the dealer, bank, or other lender or leasing company discovers that approval of the contract or financing or approval of the lease was based upon material misrepresentations made by the buyer or lessee, including, but not limited to, misrepresentations regarding income, employment, or debt of the buyer or lessee, as long as the dealer, or his or her staff, has not, with knowledge of the material misrepresentation, aided, assisted, encouraged, or participated, directly or indirectly, in the misrepresentation. A dealer shall not be in violation of this subsection (4)(a) if the buyer or lessee made a material misrepresentation to the dealer, as long as the dealer, or his or her staff, has not, with knowledge of the material misrepresentation, aided, assisted, encouraged, or participated, directly or indirectly, in the misrepresentation.

When a dealer informs a buyer or lessee under this subsection (4)(a) regarding the unconditional acceptance or rejection of the contract, lease, or financing by an electronic mail message, the dealer must also transmit the communication by any additional means;

(b) Permits the dealer to renegotiate a dollar amount specified as trade-in allowance on a vehicle delivered or to be delivered by the buyer or lessee as part of the purchase price or lease, for any reason except:

(i) Failure to disclose that the vehicle's certificate of title has been branded for any reason, including, but not limited to, status as a rebuilt vehicle as provided in RCW 46.12.540 and 46.12.560; or

(ii) Substantial physical damage or latent mechanical defect occurring before the dealer took possession of the vehicle and which could not have been reasonably discoverable at the time of the taking of the order, offer, or contract; or

(iii) Excessive additional miles or a discrepancy in the mileage. "Excessive additional miles" means the addition of five hundred miles or more, as reflected on the vehicle's odometer, between the time the vehicle was first valued by the dealer for purposes of determining its trade-in value and the time of actual delivery of the vehicle to the dealer. "A discrepancy in the mileage" means (A) a discrepancy between the mileage reflected on the vehicle's odometer and the

stated mileage on the signed odometer statement; or (B) a discrepancy between the mileage stated on the signed odometer statement and the actual mileage on the vehicle; or

(c) Fails to comply with the obligation of any written warranty or guarantee given by the dealer requiring the furnishing of services or repairs within a reasonable time.

(5) To commit any offense relating to odometers, as such offenses are defined in RCW 46.37.540, 46.37.550, 46.37.560, and 46.37.570. A violation of this subsection is a class C felony punishable under chapter 9A.20 RCW.

(6) For any vehicle dealer or vehicle salesperson to refuse to furnish, upon request of a prospective purchaser or lessee, for vehicles previously registered to a business or governmental entity, the name and address of the business or governmental entity.

(7) To commit any other offense under RCW 46.37.423, 46.37.424, or 46.37.425.

(8) To commit any offense relating to a dealer's temporary license permit, including but not limited to failure to properly complete each such permit, or the issuance of more than one such permit on any one vehicle. However, a dealer may issue a second temporary permit on a vehicle if the following conditions are met:

(a) The lienholder fails to deliver the vehicle title to the dealer within the required time period;

(b) The dealer has satisfied the lien; and

(c) The dealer has proof that payment of the lien was made within two calendar days, exclusive of Saturday, Sunday, or a legal holiday, after the sales contract has been executed by all parties and all conditions and contingencies in the sales contract have been met or otherwise satisfied.

(9) For a dealer, salesperson, or mobile home manufacturer, having taken an instrument or cash "on deposit" from a purchaser or lessee prior to the delivery of the bargained-for vehicle, to commingle the "on deposit" funds with assets of the dealer, salesperson, or mobile home manufacturer instead of holding the "on deposit" funds as trustee in a separate trust account until the purchaser or lessee has taken delivery of the bargained-for vehicle. Delivery of a manufactured home shall be deemed to occur in accordance with RCW 46.70.135(5). Failure, immediately upon receipt, to endorse "on deposit" instruments to such a trust account, or to set aside "on deposit" cash for deposit in such trust account, and failure to deposit such instruments or cash in such trust account by the close of banking hours on the day following receipt thereof, shall be evidence of intent to commit this unlawful practice: PROVIDED, HOWEVER, That a motor vehicle dealer may keep a separate trust account which equals his or her customary total customer deposits for vehicles for future delivery. For purposes of this section, "on deposit" funds received from a purchaser of a manufactured home means those funds that a seller requires a purchaser to advance before ordering the manufactured home, but does not include any loan proceeds or moneys that might have been paid on an installment contract.

(10) For a dealer or manufacturer to fail to comply with the obligations of any written warranty or guarantee given by the dealer or manufacturer requiring the furnishing of goods and services or repairs within a reasonable period of time, or to fail to furnish to a purchaser or lessee, all parts which attach to the Ch. 74

manufactured unit including but not limited to the undercarriage, and all items specified in the terms of a sales or lease agreement signed by the seller and buyer or lessee.

(11) For a vehicle dealer to pay to or receive from any person, firm, partnership, association, or corporation acting, either directly or through a subsidiary, as a buyer's agent for consumers, any compensation, fee, purchase moneys or funds that have been deposited into or withdrawn out of any account controlled or used by any buyer's agent, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle.

(12) For a buyer's agent, acting directly or through a subsidiary, to pay to or to receive from any motor vehicle dealer any compensation, fee, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle. In addition, it is unlawful for any buyer's agent to engage in any of the following acts on behalf of or in the name of the consumer:

(a) Receiving or paying any purchase moneys or funds into or out of any account controlled or used by any buyer's agent;

(b) Signing any vehicle purchase orders, sales contracts, leases, odometer statements, or title documents, or having the name of the buyer's agent appear on the vehicle purchase order, sales contract, lease, or title; or

(c) Signing any other documentation relating to the purchase, sale, lease, or transfer of any new motor vehicle.

It is unlawful for a buyer's agent to use a power of attorney obtained from the consumer to accomplish or effect the purchase, sale, lease, or transfer of ownership documents of any new motor vehicle by any means which would otherwise be prohibited under (a) through (c) of this subsection. However, the buyer's agent may use a power of attorney for physical delivery of motor vehicle license plates to the consumer.

Further, it is unlawful for a buyer's agent to engage in any false, deceptive, or misleading advertising, disseminated in any manner whatsoever, including but not limited to making any claim or statement that the buyer's agent offers, obtains, or guarantees the lowest price on any motor vehicle or words to similar effect.

(13) For a buyer's agent to arrange for or to negotiate the purchase, or both, of a new motor vehicle through an out-of-state dealer without disclosing in writing to the customer that the new vehicle would not be subject to chapter 19.118 RCW. This subsection also applies to leased vehicles. In addition, it is unlawful for any buyer's agent to fail to have a written agreement with the customer that: (a) Sets forth the terms of the parties' agreement; (b) discloses to the customer to the buyer's agent for the agent's services; and (c) further discloses whether the fee or any portion of the fee is refundable.

(14) Being a manufacturer, other than a motorcycle manufacturer governed by chapter 46.93 RCW, to:

(a) Coerce or attempt to coerce any vehicle dealer to order or accept delivery of any vehicle or vehicles, parts or accessories, or any other commodities which have not been voluntarily ordered by the vehicle dealer: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute coercion; (b) Cancel or fail to renew the franchise or selling agreement of any vehicle dealer doing business in this state without fairly compensating the dealer at a fair going business value for his or her capital investment which shall include but not be limited to tools, equipment, and parts inventory possessed by the dealer on the day he or she is notified of such cancellation or termination and which are still within the dealer's possession on the day the cancellation or termination is effective, if: (i) The capital investment has been entered into with reasonable and prudent business judgment for the purpose of fulfilling the franchise; and (ii) the cancellation or nonrenewal was not done in good faith. Good faith is defined as the duty of each party to any franchise to act in a fair and equitable manner towards each other, so as to guarantee one party freedom from coercion, intimidation, or threats of coercion or intimidation from the other party: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute a lack of good faith;

(c) Encourage, aid, abet, or teach a vehicle dealer to sell or lease vehicles through any false, deceptive, or misleading sales or financing practices including but not limited to those practices declared unlawful in this section;

(d) Coerce or attempt to coerce a vehicle dealer to engage in any practice forbidden in this section by either threats of actual cancellation or failure to renew the dealer's franchise agreement;

(e) Refuse to deliver any vehicle publicly advertised for immediate delivery to any duly licensed vehicle dealer having a franchise or contractual agreement for the retail sale or lease of new and unused vehicles sold or distributed by such manufacturer within sixty days after such dealer's order has been received in writing unless caused by inability to deliver because of shortage or curtailment of material, labor, transportation, or utility services, or by any labor or production difficulty, or by any cause beyond the reasonable control of the manufacturer;

(f) To provide under the terms of any warranty that a purchaser or lessee of any new or unused vehicle that has been sold or leased, distributed for sale or lease, or transferred into this state for resale or lease by the vehicle manufacturer may only make any warranty claim on any item included as an integral part of the vehicle against the manufacturer of that item.

Nothing in this section may be construed to impair the obligations of a contract or to prevent a manufacturer, distributor, representative, or any other person, whether or not licensed under this chapter, from requiring performance of a written contract entered into with any licensee hereunder, nor does the requirement of such performance constitute a violation of any of the provisions of this section if any such contract or the terms thereof requiring performance, have been freely entered into and executed between the contracting parties. This paragraph and subsection (14)(b) of this section do not apply to new motor vehicle manufacturers governed by chapter 46.96 RCW.

(15) Unlawful transfer of an ownership interest in a motor vehicle as defined in RCW 19.116.050.

(16) To knowingly and intentionally engage in collusion with a registered owner of a vehicle to repossess and return or resell the vehicle to the registered owner in an attempt to avoid a suspended license impound under chapter 46.55 RCW. However, compliance with chapter 62A.9A RCW in repossessing, selling, leasing, or otherwise disposing of the vehicle, including providing redemption rights to the debtor, is not a violation of this section.

(17)(a) For a dealer to enter into a new motor vehicle sales contract without disclosing in writing to a buyer of the new motor vehicle, or to a dealer in the case of an unregistered motor vehicle, any known damage and repair to the new motor vehicle if the damage exceeds five percent of the manufacturer's suggested retail price as calculated at the dealer's authorized warranty rate for labor and parts, or one thousand dollars, whichever amount is greater. A manufacturer or new motor vehicle dealer is not required to disclose to a dealer or buyer that glass, tires, bumpers, or cosmetic parts of a new motor vehicle were damaged at any time if the damaged item has been replaced with original or comparable equipment. A replaced part is not part of the cumulative damage required to be disclosed under this subsection.

(b) A manufacturer is required to provide the same disclosure to a dealer of any known damage or repair as required in (a) of this subsection.

(c) If disclosure of any known damage or repair is not required under this section, a buyer may not revoke or rescind a sales contract due to the fact that the new motor vehicle was damaged and repaired before completion of the sale.

(d) As used in this section:

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(i) "Cosmetic parts" means parts that are attached by and can be replaced in total through the use of screws, bolts, or other fasteners without the use of welding or thermal cutting, and includes windshields, bumpers, hoods, or trim panels.

(ii) "Manufacturer's suggested retail price" means the retail price of the new motor vehicle suggested by the manufacturer, and includes the retail delivered price suggested by the manufacturer for each accessory or item of optional equipment physically attached to the new motor vehicle at the time of delivery to the new motor vehicle dealer that is not included within the retail price suggested by the manufacturer for the new motor vehicle.

<u>NEW SECTION.</u> Sec. 9. A new section is added to chapter 46.68 RCW to read as follows:

The public transportation 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 grants to aid transit authorities with operations.

<u>NEW SECTION.</u> Sec. 10. A new section is added to chapter 46.17 RCW to read as follows:

(1) Before accepting an application for an annual vehicle registration renewal for an electric vehicle that uses propulsion units powered solely by electricity, the department, county auditor or other agent, or subagent appointed by the director must require the applicant to pay a one hundred dollar fee in addition to any other fees and taxes required by law. The one hundred dollar fee is due only at the time of annual registration renewal.

(2) This section only applies to:

(a) A vehicle that is designed to have the capability to drive at a speed of more than thirty-five miles per hour; and

(b) An annual vehicle registration renewal that is due on or after February 1, 2013.

(3)(a) The fee under this section is imposed to provide funds to mitigate the impact of vehicles on state roads and highways and for the purpose of evaluating the feasibility of transitioning from a revenue collection system based on fuel taxes to a road user assessment system, and is separate and distinct from other vehicle license fees. Proceeds from the fee must be used for highway purposes, and must be deposited in the motor vehicle fund created in RCW 46.68.070, subject to (b) of this subsection.

(b) If in any year the amount of proceeds from the fee collected under this section exceeds one million dollars, the excess amount over one million dollars must be deposited as follows:

(i) Seventy percent to the motor vehicle fund created in RCW 46.68.070;

(ii) Fifteen percent to the transportation improvement account created in RCW 47.26.084; and

(iii) Fifteen percent to the rural arterial trust account created in RCW 36.79.020.

<u>NEW SECTION.</u> Sec. 11. Section 10 of this act expires on the effective date of legislation enacted by the legislature that imposes a vehicle miles traveled fee or tax.

<u>NEW SECTION.</u> Sec. 12. The department of licensing must provide written notice of the expiration date of section 10 of this act to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the department.

Sec. 13. RCW 46.10.420 and 2010 c 161 s 231 are each amended to read as follows:

(1) Each dealer of snowmobiles in this state shall obtain a snowmobile dealer license from the department in a manner prescribed by the department. Upon receipt of an application for a snowmobile dealer's license and the fee provided in subsection (2) of this section, the dealer is licensed and a snowmobile dealer license number must be assigned.

(2) The annual license fee for a snowmobile dealer is twenty-five dollars, which covers all of the snowmobiles offered by a dealer for sale and not rented on a regular, commercial basis. Snowmobiles rented on a regular commercial basis by a snowmobile dealer must be registered separately under RCW 46.10.310, 46.10.400, 46.10.430, and 46.10.440.

(3) Upon the issuance of a snowmobile dealer license, a snowmobile dealer may purchase, at a cost to be determined by the department, snowmobile dealer license plates of a size and color to be determined by the department. The snowmobile dealer license plates must contain the snowmobile license number assigned to the dealer. Each snowmobile operated by a dealer, dealer representative, or prospective customer for the purposes of demonstration or testing shall display snowmobile dealer license plates in a clearly visible manner.

(4) Only a dealer, dealer representative, or prospective customer may display a snowmobile dealer plate, and only a dealer, dealer representative, or prospective customer may use a snowmobile dealer's license plate for the purposes described in subsection (3) of this section.

(5) Snowmobile dealer licenses are nontransferable.

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(6) It is unlawful for any snowmobile dealer to sell a snowmobile at wholesale or retail, or to test or demonstrate any snowmobile, within the state, unless the dealer has a snowmobile dealer license as required under this section.

(7) When a snowmobile is sold by a snowmobile dealer, the dealer:

(a) Shall apply for licensing in the purchaser's name ((within fifteen days following the sale)) as provided by rules adopted by the department; and

(b) May issue a temporary license as provided by rules adopted by the department.

Sec. 14. RCW 46.12.675 and 2010 c 161 s 316 are each amended to read as follows:

(1) A security interest in a vehicle other than one held as inventory by a manufacturer or a dealer and for which a certificate of title is required is perfected only by:

(a) Complying with the requirements of RCW 46.12.660 or this section;

(b) Receipt by the department, county auditor or other agent, or subagent appointed by the director of:

(i) The existing certificate of title, if any;

(ii) An application for a certificate of title containing the name and address of the secured party; and

(iii) Payment of the required fees.

(2) A security interest is perfected when it is created if the secured party's name and address appear on the most recently issued certificate of title or, if not, it is created when the department, county auditor or other agent, or subagent appointed by the director receives the certificate of title or an application for a certificate of title and the fees required in subsection (1) of this section.

(3) If a vehicle is subject to a security interest when brought into this state, perfection of the security interest is determined by the law of the jurisdiction where the vehicle was when the security interest was attached, subject to the following:

(a) The security interest continues perfected in this state if the name of the secured party is shown on the existing certificate of title issued by that jurisdiction. The name of the secured party must be shown on the certificate of title issued for the vehicle by this state. The security interest continues perfected in this state when the department issues the certificate of title.

(b) If the security interest was not perfected under the law of the jurisdiction where the vehicle was when the security interest was attached, it may be perfected in this state. Perfection begins when the department receives the information and fees required in subsection (1) of this section.

(4)(a) After a certificate of title has been issued, the registered owner or secured party must apply to the department, county auditor or other agent, or subagent appointed by the director for a new certificate of title when a security interest is granted on a vehicle. Within ten days after creating a security agreement, the registered owner or secured party must submit:

(i) An application for a certificate of title;

(ii) The certificate of title last issued for the vehicle, or other documentation required by the department; and

(iii) The fee required in RCW 46.17.100.

(b) If satisfied that a certificate of title should be reissued, the department shall change the vehicle record and issue a new certificate of title to the secured party.

(5) A secured party shall release the security interest when the conditions within the security agreement have been met and there is no further secured obligation. The secured party must either:

(a) Assign the certificate of title to the registered owner or the registered owner's designee and send the certificate of title to the department, county auditor or other agent, or subagent appointed by the director with the fee required in RCW 46.17.100; or

(b) Assign the certificate of title to the person acquiring the vehicle from the registered owner with the registered owner's release of interest.

(6) The department shall issue a new certificate of title to the registered owner when the department receives the release of interest and required fees as provided in subsection (5)(a) of this section.

(7) A secured party is liable for one hundred dollars payable to the registered owner or person acquiring the vehicle from the registered owner when:

(a) The secured party fails to either assign the certificate of title to the registered owner or to the person acquiring the vehicle from the registered owner or apply for a new certificate of title within ten days after proper demand; and

(b) The failure of the secured party to act as described in (a) of this subsection results in a loss to the registered owner or person acquiring the vehicle from the registered owner.

Sec. 15. RCW 46.16A.320 and 2010 c 161 s 425 are each amended to read as follows:

(1)(a) A vehicle owner may operate an unregistered vehicle on public highways under the authority of a trip permit issued by this state. For purposes of trip permits, a vehicle is considered unregistered if:

(i) Under reciprocal relations with another jurisdiction, the owner would be required to register the vehicle in this state;

(ii) Not registered when registration is required under this chapter;

(iii) The license tabs have expired; or

(((iii))) (iv) The current gross weight license is insufficient for the load being carried. The licensed gross weight may not exceed eighty thousand pounds for a combination of vehicles or forty thousand pounds for a single unit vehicle with three or more axles.

(b) Trip permits are required to move mobile homes or park model trailers and may only be issued if property taxes are paid in full.

(2) Trip permits may not be:

(a) Issued to vehicles registered under RCW 46.16A.455(5) in lieu of further registration within the same registration year; or

(b) Used for commercial motor vehicles owned by a motor carrier subject to RCW 46.32.080 if the motor carrier's department of transportation number has been placed out of service by the Washington state patrol. A violation of or a failure to comply with this subsection is a gross misdemeanor, subject to a minimum monetary penalty of two thousand five hundred dollars for the first violation and five thousand dollars for each subsequent violation.

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(3)(a) Each trip permit authorizes the operation of a single vehicle at the maximum legal weight limit for the vehicle for a period of three consecutive days beginning with the day of first use. No more than three trip permits may be used for any one vehicle in any thirty consecutive day period. No more than two trip permits may be used for any one recreational vehicle, as defined in RCW 43.22.335, in a one-year period. Every trip permit must:

(i) Identify the vehicle for which it is issued;

(ii) Be completed in its entirety;

(iii) Be signed by the operator before operation of the vehicle on the public highways of this state;

(iv) Not be altered or corrected. Altering or correcting data on the trip permit invalidates the trip permit; and

(v) Be displayed on the vehicle for which it is issued as required by the department.

(b) Vehicles operating under the authority of trip permits are subject to all laws, rules, and regulations affecting the operation of similar vehicles in this state.

(4) Prorate operators operating commercial vehicles on trip permits in Washington shall retain the customer copy of each permit for four years.

(5) Trip permits may be obtained from field offices of the department of transportation, department of licensing, county auditors or other agents, and subagents appointed by the department for the fee provided in RCW 46.17.400(1)(h). Exchanges, credits, or refunds may not be given for trip permits after they have been purchased.

(6) Except as provided in subsection (2)(b) of this section, a violation of or a failure to comply with this section is a gross misdemeanor.

(7) The department may adopt rules necessary to administer this section.

Sec. 16. RCW 88.02.640 and 2011 c 326 s 5, 2011 c 171 s 134, and 2011 c 169 s 1 are each reenacted and amended to read as follows:

(1) In addition to any other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director shall charge the following vessel fees and surcharge:

FEE	AMOUNT	AUTHORITY	DISTRIBUTION
(a) Dealer temporary permit	\$5.00	RCW 88.02.800(2)	General fund
(b) Derelict vessel and invasive species removal	Subsection (3) of this section	Subsection (3) of this section	Subsection (3) of this section
(c) Derelict vessel removal surcharge	\$1.00	Subsection (4) of this section	Subsection (4) of this section
(d) <u>Duplicate certificate</u> of title	<u>\$1.25</u>	<u>RCW 88.02.530(1)(c)</u>	General fund
(e) Duplicate registration	\$1.25	RCW 88.02.590(1)(c)	General fund
(((e))) <u>(f)</u> Filing	RCW 46.17.005	RCW ((46.17.005)) 88.02.560(2)	RCW 46.68.400
(((f))) <u>(g)</u> License plate technology	RCW 46.17.015	RCW ((46.17.015)) 88.02.560(2)	RCW 46.68.370
(((g))) (<u>h)</u> License service	RCW 46.17.025	RCW ((46.17.025)) 88.02.560(2)	RCW 46.68.220

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(((h))) <u>(i)</u> Nonresident vessel permit	\$25.00	RCW 88.02.620(3)	Subsection (5) of this section
(((i))) <u>(j)</u> Quick title service	\$50.00	RCW 88.02.540(3)	Subsection (7) of this section
((((j))) (k) Registration	\$10.50	RCW 88.02.560(2)	RCW 88.02.650
(((k))) <u>(1)</u> Replacement decal	\$1.25	RCW 88.02.595(1)(c)	General fund
(((l))) <u>(m)</u> Title application	\$5.00	RCW 88.02.515	General fund
(((m))) <u>(n)</u> Transfer	\$1.00	RCW 88.02.560(7)	General fund
(((n))) <u>(o)</u> Vessel visitor permit	\$30.00	RCW 88.02.610(3)	Subsection (6) of this section

(2) The five dollar dealer temporary permit fee required in subsection (1) of this section must be credited to the payment of registration fees at the time application for registration is made.

(3)(a) The derelict vessel and invasive species removal fee required in subsection (1) of this section is five dollars and must be distributed as follows:

(i) One dollar and fifty cents must be deposited in the aquatic invasive species prevention account created in RCW 77.12.879;

(ii) One dollar must be deposited into the aquatic algae control account created in RCW 43.21A.667;

(iii) Fifty cents must be deposited into the aquatic invasive species enforcement account created in RCW 43.43.400; and

(iv) Two dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100.

(b) If the department of natural resources indicates that the balance of the derelict vessel removal account, not including any transfer or appropriation of funds into the account or funds deposited into the account collected under subsection (5) of this section reaches one million dollars as of March 1st of any year, the collection of the two dollars of the derelict vessel and invasive species removal fee that is deposited into the derelict vessel removal account as authorized in (a)(iv) of this subsection must be suspended for the following fiscal year.

(4) Until January 1, 2014, an annual derelict vessel removal surcharge of one dollar must be charged with each vessel registration. The surcharge:

(a) Is to address the significant backlog of derelict vessels accumulated in Washington state waters that pose a threat to the health and safety of the people and to the environment;

(b) Is to be used only for the removal of vessels that are less than seventyfive feet in length; and

(c) Must be deposited into the derelict vessel removal account created in RCW 79.100.100.

(5) The twenty-five dollar nonresident vessel permit fee must be paid by the vessel owner to the department for the cost of providing the identification document by the department. Any moneys remaining from the fee after the payment of costs must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650.

(6) The thirty dollar vessel visitor permit fee must be distributed as follows:

(a) Five dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100;

(b) The department may keep an amount to cover costs for providing the vessel visitor permit;

(c) Any moneys remaining must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650; and

(d) Any fees required for licensing agents under RCW 46.17.005 are in addition to any other fee or tax due for the titling and registration of vessels.

(7)(a) The fifty dollar quick title service fee must be distributed as follows:

(i) If the fee is paid to the director, the fee must be deposited to the general fund.

(ii) If the fee is paid to the participating county auditor or other agent or subagent appointed by the director, twenty-five dollars must be deposited to the general fund. The remainder must be retained by the county treasurer in the same manner as other fees collected by the county auditor.

(b) For the purposes of this subsection, "quick title" has the same meaning as in RCW 88.02.540.

<u>NEW SECTION.</u> Sec. 17. Sections 1 through 12 of this act take effect October 1, 2012.

<u>NEW SECTION.</u> Sec. 18. Section 9 of this act expires July 1, 2015.

Passed by the House March 8, 2012.

Passed by the Senate March 8, 2012.

Approved by the Governor March 23, 2012.

Filed in Office of Secretary of State March 23, 2012.

CHAPTER 75

[Substitute Senate Bill 6112] ALTERNATIVE TRACTION TIRES

AN ACT Relating to the use of alternative traction devices on tires under certain conditions; and amending RCW 46.37.420.

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

Sec. 1. RCW 46.37.420 and 2007 c 140 s 2 are each amended to read as follows:

(1) It is unlawful to operate a vehicle upon the public highways of this state unless it is completely equipped with pneumatic rubber tires except vehicles equipped with temporary-use spare tires that meet federal standards that are installed and used in accordance with the manufacturer's instructions.

(2) No tire on a vehicle moved on a highway may have on its periphery any block, flange, cleat, or spike or any other protuberance of any material other than rubber which projects beyond the tread of the traction surface of the tire, except that it is permissible to use farm machinery equipped with pneumatic tires or solid rubber tracks having protuberances that will not injure the highway, and except also that it is permissible to use tire chains, alternative traction devices, or metal studs imbedded within the tire of reasonable proportions and of a type conforming to rules adopted by the state patrol, upon any vehicle when required for safety because of snow, ice, or other conditions tending to cause a vehicle to skid. It is unlawful to use metal studs imbedded within the tire between April 1st

and November 1st, except that a vehicle may be equipped year-round with tires that have retractable studs if: (a) The studs retract pneumatically or mechanically to below the wear bar of the tire when not in use; and (b) the retractable studs are engaged only between November 1st and April 1st. Retractable studs may be made of metal or other material and are not subject to the lightweight stud weight requirements under RCW 46.04.272. The state department of transportation may, from time to time, determine additional periods in which the use of tires with metal studs imbedded therein is lawful.

(3) The state department of transportation and local authorities in their respective jurisdictions may issue special permits authorizing the operation upon a highway of traction engines or tractors having movable tracks with transverse corrugations upon the periphery of the movable tracks or farm tractors or other farm machinery, the operation of which upon a highway would otherwise be prohibited under this section.

(4) Tires with metal studs imbedded therein may be used between November 1st and April 1st upon school buses and fire department vehicles, any law or regulation to the contrary notwithstanding.

Passed by the Senate February 8, 2012. Passed by the House March 1, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 76

[Substitute Senate Bill 6600]

PROPERTY TAXES—EXEMPTIONS

AN ACT Relating to extending property tax exemptions to property used exclusively by certain nonprofit organizations that is leased from an entity that acquired the property from a previously exempt nonprofit organization; and amending RCW 84.36.031.

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

Sec. 1. RCW 84.36.031 and 2006 c 305 s 2 are each amended to read as follows:

(1) Except as provided otherwise in subsection (2) of this section, property leased, loaned, sold with the option to repurchase, or otherwise made available to organizations described in RCW 84.36.030 ((above shall)) is not ((be)) exempt from taxation. ((However,))

(2) Property ((that)) remains eligible for the exemption under RCW 84.36.030, if:

(a) The property is owned by an organization exempt under RCW <u>84.36.020</u> or 84.36.030 ((may)) that loans, leases, or rents the property to another organization for the ((same)) exempt purposes ((as set out)) provided in RCW 84.36.030; or

(b) The property is owned by an entity formed exclusively for the purpose of leasing the property to an organization that will use the property for the exempt purpose provided in RCW 84.36.030, if:

(i) The lessee uses the property for the exempt purposes provided in RCW 84.36.030;

(ii) The immediate previous owner of the property had received an exemption under RCW 84.36.020 or 84.36.030 for the property; and

(iii) The benefit of the exemption inures to the benefit of the lessee organization.

Passed by the Senate March 2, 2012. Passed by the House March 8, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 77

[Substitute Senate Bill 6073]

HIGHWAY 16 PROJECTS—SALES AND USE TAXES

AN ACT Relating to sales and use taxes related to the state route number 16 corridor improvements project; and amending RCW 47.46.060.

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

Sec. 1. RCW 47.46.060 and 2002 c 114 s 18 are each amended to read as follows:

(1) Any person, including the department of transportation and any private entity or entities, may apply for deferral of taxes on the site preparation for, the construction of, the acquisition of any related machinery and equipment ((which will)) that becomes a part of, and the rental of equipment for use in the state route number 16 corridor improvements project under this chapter. Application ((shall)) <u>must</u> be made to the department of revenue in a form and manner prescribed by the department of revenue. The application ((shall)) <u>must</u> contain information regarding estimated or actual costs, time schedules for completion and operation, and other information required by the department of revenue. The department of revenue ((shall)) <u>must</u> approve the application within sixty days if it meets the requirements of this section.

(2) The department of revenue ((shall)) <u>must</u> issue a sales and use tax deferral certificate for state and local sales and use taxes due under chapters 82.08, 82.12, and 82.14 RCW on the project.

(3) The department of transportation or a private entity granted a tax deferral under this section ((shall)) <u>must</u> begin paying the deferred taxes in the ((fifth)) eleventh year after the date certified by the department of revenue as the date on which the project is operationally complete. The first payment is due on December 31st of the ((fifth)) eleventh calendar year after such certified date, with subsequent annual payments due on December 31st of the following nine years. Each payment ((shall)) <u>must</u> equal ten percent of the deferred tax. The project is operationally complete under this section when the collection of tolls is commenced for the state route number 16 improvements covered by the deferral.

(4) The department of revenue may authorize an accelerated repayment schedule upon request of the department of transportation or a private entity granted a deferral under this section.

(5) Interest (($\frac{1}{2}$)) may not be charged on any taxes deferred under this section for the period of deferral, although all other penalties and interest applicable to delinquent excise taxes may be assessed and imposed for delinquent payments under this section. The debt for deferred taxes is not

extinguished by insolvency or other failure of the private entity. Transfer of ownership does not terminate the deferral.

(6) Applications and any other information received by the department of revenue under this section are not confidential and are subject to disclosure. Chapter 82.32 RCW applies to the administration of this section.

Passed by the Senate March 5, 2012. Passed by the House March 8, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 78

[Substitute Senate Bill 6081]

FERRIES—VESSEL REPLACEMENT SURCHARGE

AN ACT Relating to the imposition of a vessel replacement surcharge on certain ferry fares; and adding a new section to chapter 36.54 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 36.54 RCW to read as follows:

A county or ferry district operating ferries under this chapter may impose a vessel replacement surcharge on every ferry fare sold. The surcharge must be at least equal to the surcharge amount included in Washington state ferry fares identified in RCW 47.60.315(7). Revenues generated from the surcharge 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. The surcharge must be clearly indicated to ferry passengers and drivers and, if possible, on the fare media itself.

Passed by the Senate February 11, 2012. Passed by the House March 6, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 79

[Substitute Senate Bill 6138] MAXIMUM VEHICLE LENGTHS—EXCEPTION

AN ACT Relating to maximum vehicle lengths; and amending RCW 46.44.030.

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

Sec. 1. RCW 46.44.030 and 2005 c 189 s 2 are each amended to read as follows:

It is unlawful for any person to operate upon the public highways of this state any vehicle having an overall length, with or without load, in excess of forty feet. This restriction does not apply to (1) a municipal transit vehicle, (2) auto stage, private carrier bus, school bus, or motor home with an overall length not to exceed forty-six feet, $((\sigma r))$ (3) an articulated auto stage with an overall length not to exceed sixty-one feet, or (4) an auto recycling carrier up to forty-two feet in length manufactured prior to 2005.

It is unlawful for any person to operate upon the public highways of this state any combination consisting of a tractor and semitrailer that has a semitrailer length in excess of fifty-three feet or a combination consisting of a tractor and two trailers in which the combined length of the trailers exceeds sixty-one feet, with or without load.

It is unlawful for any person to operate on the highways of this state any combination consisting of a truck and trailer, or log truck and stinger-steered pole trailer, with an overall length, with or without load, in excess of seventyfive feet. "Stinger-steered," as used in this section, means the coupling device is located behind the tread of the tires of the last axle of the towing vehicle.

These length limitations do not apply to vehicles transporting poles, pipe, machinery, or other objects of a structural nature that cannot be dismembered and operated by a public utility when required for emergency repair of public service facilities or properties, but in respect to night transportation every such vehicle and load thereon shall be equipped with a sufficient number of clearance lamps on both sides and marker lamps upon the extreme ends of any projecting load to clearly mark the dimensions of the load.

Excluded from the calculation of length are certain devices that provide added safety, energy conservation, or are otherwise necessary, and are not designed or used to carry cargo. The length-exclusive devices must be identified in rules adopted by the department of transportation under RCW 46.44.101.

Passed by the Senate March 6, 2012. Passed by the House March 2, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 80

[Engrossed Substitute Senate Bill 6150] DRIVER'S LICENSES, PERMITS, IDENTICARDS— FACIAL RECOGNITION MATCHING SYSTEM

AN ACT Relating to supporting the driver's license, permit, and identicard system, including the administration of a facial recognition matching system; amending RCW 46.20.037, 46.20.055, 46.20.117, 46.20.120, 46.20.161, 46.20.181, 46.20.200, 46.20.049, 46.20.308, and 46.20.505; adding a new section to chapter 46.20 RCW; adding a new section to chapter 46.04 RCW; repealing RCW 46.20.038; providing an effective date; and providing an expiration date.

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

Sec. 1. RCW 46.20.037 and 2006 c 292 s 1 are each amended to read as follows:

(1) ((No later than two years after full implementation of the provisions of Title II of P.L. 109-13, improved security for driver's licenses and personal identification cards (Real ID), as passed by Congress May 10, 2005,)) The department ((shall)) may implement a ((voluntary biometric)) facial recognition matching system for ((driver's)) drivers' licenses, permits, and identicards. ((A biometric)) Any facial recognition matching system ((shall)) selected by the department must be used only to verify the identity of an applicant for <u>or holder</u> of a ((renewal or duplicate)) driver's license, permit, or identicard ((by matching a biometric identifier submitted by the applicant against the biometric identifier submitted when the license was last issued. This project requires a full review

by the information services board using the criteria for projects of the highest visibility and risk)) to determine whether the person has been issued a driver's license, permit, or identicard under a different name or names.

(2) Any ((biometric)) facial recognition matching system selected by the department ((shall)) must be capable of highly accurate matching, and ((shall)) must be compliant with ((biometric)) appropriate standards established by the American association of motor vehicle administrators that exist on the effective date of this section, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section.

(3) ((The biometric matching system selected by the department must incorporate a process that allows the owner of a driver's license or identicard to present a personal identification number or other code along with the driver's license or identicard before the information may be verified by a third party, including a governmental entity.

(4) Upon the establishment of a biometric driver's license and identicard system as described in this section, the department shall allow every person applying for an original, renewal, or duplicate driver's license or identicard to voluntarily submit a biometric identifier. Each applicant shall be informed of all ways in which the biometric identifier may be used, all parties to whom the identifier may be disclosed and the conditions of disclosure, the expected error rates for the biometric matching system which shall be regularly updated as the technology changes or empirical data is collected, and the potential consequences of those errors. The department shall adopt rules to allow applicants to verify the accuracy of the system at the time that biometric information is submitted, including the use of at least two separate devices.

(5) The department may not disclose biometric information to the public or any governmental entity except when authorized by court order.

(6))) The department shall post notices in conspicuous locations at all department driver licensing offices, make written information available to all applicants at department driver licensing offices, and provide information on the department's web site regarding the facial recognition matching system. The notices, written information, and information on the web site must address how the facial recognition matching system works, all ways in which the department may use results from the facial recognition matching system, how an investigation based on results from the facial recognition matching system would be conducted, and a person's right to appeal any determinations made under this chapter.

(4) Results from the facial recognition matching system:

(a) Are not available for public inspection and copying under chapter 42.56 <u>RCW;</u>

(b) May only be disclosed when authorized by a court order;

(c) May only be disclosed to a federal government agency if specifically required under federal law; and

(d) May only be disclosed by the department to a government agency, including a court or law enforcement agency, for use in carrying out its functions if the department has determined that person has committed one of the prohibited practices listed in RCW 46.20.0921 and this determination has been confirmed by a hearings examiner under this chapter or the person declined a hearing or did not attend a scheduled hearing.

(5) All ((biometric)) personally identifying information ((shall)) derived from the facial recognition matching system must be stored with appropriate security safeguards((, including but not limited to encryption)). The office of the chief information officer shall develop the appropriate security standards for the department's use of the facial recognition matching system, subject to approval and oversight by the technology services board.

(((7))) (6) The department shall develop procedures to handle instances in which the ((biometrie)) facial recognition matching system fails to verify the identity of an applicant for a renewal or duplicate driver's license, permit, or identicard. These procedures ((shall)) must allow an applicant to prove identity without using ((a biometric identifier.))

(8) Any person who has voluntarily submitted a biometric identifier may choose to discontinue participation in the biometric matching program at any time, provided that the department utilizes a secure procedure to prevent fraudulent requests for a renewal or duplicate driver's license or identicard. When the person discontinues participation, any previously collected biometric information shall be destroyed.

(9) This section does not apply when an applicant renews his or her driver's license or identicard by mail or electronic commerce)) the facial recognition matching system.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 46.20 RCW to read as follows:

(1) The department shall report to the governor and the legislature by October 1st of each year, beginning October 1, 2012, on the following numbers during the previous fiscal year: The number of investigations initiated by the department based on results from the facial recognition matching system; the number of determinations made that a person has committed one of the prohibited practices in RCW 46.20.0921 after the completion of an investigation; the number of determinations that were confirmed by a hearings examiner and the number that were overturned by a hearings examiner; the number of cases where a person declined a hearing or did not attend a scheduled hearing; and the number of determinations that were referred to law enforcement.

(2) This section expires June 30, 2017.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 46.04 RCW to read as follows:

"Facial recognition matching system" means a system that compares the biometric template derived from an image of an applicant or holder of a driver's license, permit, or identicard with the biometric templates derived from the images in the department's negative file.

<u>NEW SECTION.</u> Sec. 4. RCW 46.20.038 (Biometric matching system— Funding) and 2004 c 273 s 4 are each repealed.

Sec. 5. RCW 46.20.055 and 2010 c 223 s 1 are each amended to read as follows:

(1) **Driver's instruction permit**. The department may issue a driver's instruction permit with or without a photograph to an applicant who has successfully passed all parts of the examination other than the driving test,

provided the information required by RCW 46.20.091, paid ((a)) an application fee of twenty-five dollars, and meets the following requirements:

(a) Is at least fifteen and one-half years of age; or

(b) Is at least fifteen years of age and:

(i) Has submitted a proper application; and

(ii) Is enrolled in a traffic safety education program offered, approved, and accredited by the superintendent of public instruction or offered by a driver training school licensed and inspected by the department of licensing under chapter 46.82 RCW, that includes practice driving.

(2) **Waiver of written examination for instruction permit**. The department may waive the written examination, if, at the time of application, an applicant is enrolled in:

(a) A traffic safety education course as defined by RCW 28A.220.020(2); or

(b) A course of instruction offered by a licensed driver training school as defined by RCW 46.82.280.

The department may require proof of registration in such a course as it deems necessary.

(3) **Effect of instruction permit**. A person holding a driver's instruction permit may drive a motor vehicle, other than a motorcycle, upon the public highways if:

(a) The person has immediate possession of the permit;

(b) The person is not using a wireless communications device, unless the person is using the device to report illegal activity, summon medical or other emergency help, or prevent injury to a person or property; and

(c) An approved instructor, or a licensed driver with at least five years of driving experience, occupies the seat beside the driver.

(4) **Term of instruction permit**. A driver's instruction permit is valid for one year from the date of issue.

(a) The department may issue one additional one-year permit.

(b) The department may issue a third driver's permit if it finds after an investigation that the permittee is diligently seeking to improve driving proficiency.

(c) A person applying ((to renew)) for an <u>additional</u> instruction permit must submit the application to the department in person <u>and pay an application fee of</u> twenty-five dollars for each issuance.

Sec. 6. RCW 46.20.117 and 2005 c 314 s 305 are each amended to read as follows:

(1) **Issuance**. The department shall issue an identicard, containing a picture, if the applicant:

(a) Does not hold a valid Washington driver's license;

(b) Proves his or her identity as required by RCW 46.20.035; and

(c) Pays the required fee. Except as provided in subsection (5) of this section, the fee is ((twenty)) forty-five dollars from October 1, 2012, to June 30, 2013, and fifty-four dollars after June 30, 2013, unless an applicant is a recipient of continuing public assistance grants under Title 74 RCW, who is referred in writing by the secretary of social and health services. For those persons the fee must be the actual cost of production of the identicard.

(2) **Design and term**. The identicard must:

(a) Be distinctly designed so that it will not be confused with the official driver's license; and

(b) Except as provided in subsection (5) of this section, expire on the ((fifth)) sixth anniversary of the applicant's birthdate after issuance.

(3) **Renewal**. An application for identicard renewal may be submitted by means of:

(a) Personal appearance before the department; or

(b) Mail or electronic commerce, if permitted by rule of the department and if the applicant did not renew his or her identicard by mail or by electronic commerce when it last expired. ((However, the department may accept an application for renewal of an identicard submitted by means of mail or electronic commerce only if specific authority and funding is provided for this purpose by June 30, 2004, in the omnibus transportation appropriations act.))

An identicard may not be renewed by mail or by electronic commerce unless the renewal issued by the department includes a photograph of the identicard holder.

(4) **Cancellation**. The department may cancel an identicard if the holder of the identicard used the card or allowed others to use the card in violation of RCW 46.20.0921.

(5) Alternative issuance/renewal/extension. The department may issue or renew an identicard for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, or may extend by mail or electronic commerce an identicard that has already been issued, in order to evenly distribute, as nearly as possible, the yearly renewal rate of identicard holders. The fee for an identicard issued or renewed for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, or that has been extended by mail or electronic commerce, is nine dollars for each year that the identicard is issued, renewed, or extended. The department may adopt any rules as are necessary to carry out this subsection.

Sec. 7. RCW 46.20.120 and 2011 c 370 s 4 are each amended to read as follows:

An applicant for a new or renewed driver's license must successfully pass a driver licensing examination to qualify for a driver's license. The department must ensure that examinations are given at places and times reasonably available to the people of this state. If the department does not administer driver licensing examinations as a routine part of its licensing services within a department region because adequate testing sites are provided by driver training schools or school districts within that region, the department shall, at a minimum, administer driver licensing examinations by appointment to applicants eighteen years of age and older in at least one licensing office within that region.

(1) Waiver. The department may waive:

(a) All or any part of the examination of any person applying for the renewal of a driver's license unless the department determines that the applicant is not qualified to hold a driver's license under this title; or

(b) All or any part of the examination involving operating a motor vehicle if the applicant:

(i) Surrenders a valid driver's license issued by the person's previous home state; or

(ii) Provides for verification a valid driver's license issued by a foreign driver licensing jurisdiction with which the department has an informal agreement under RCW 46.20.125; and

(iii) Is otherwise qualified to be licensed.

(2) **Fee**. Each applicant for a new license must pay an examination fee of ((twenty)) thirty-five dollars.

(a) The examination fee is in addition to the fee charged for issuance of the license.

(b) "New license" means a license issued to a driver:

(i) Who has not been previously licensed in this state; or

(ii) Whose last previous Washington license has been expired for more than ((five)) six years.

(3) An application for driver's license renewal may be submitted by means of:

(a) Personal appearance before the department; or

(b) Mail or electronic commerce, if permitted by rule of the department and if the applicant did not renew his or her license by mail or by electronic commerce when it last expired.

(4) A person whose license expired or will expire while he or she is living outside the state, may:

(a) Apply to the department to extend the validity of his or her license for no more than twelve months. If the person establishes to the department's satisfaction that he or she is unable to return to Washington before the date his or her license expires, the department shall extend the person's license. The department may grant consecutive extensions, but in no event may the cumulative total of extensions exceed twelve months. An extension granted under this section does not change the expiration date of the license for purposes of RCW 46.20.181. The department shall charge a fee of five dollars for each license extension;

(b) Apply to the department to renew his or her license by mail or, if permitted by rule of the department, by electronic commerce even if subsection (3)(b) of this section would not otherwise allow renewal by that means. If the person establishes to the department's satisfaction that he or she is unable to return to Washington within twelve months of the date that his or her license expires, the department shall renew the person's license by mail or, if permitted by rule of the department, by electronic commerce.

(5) If a qualified person submits an application for renewal under subsection (3)(b) or (4)(b) of this section, he or she is not required to pass an examination nor provide an updated photograph. A license renewed by mail or by electronic commerce that does not include a photograph of the licensee must be labeled "not valid for identification purposes."

(6) Driver training schools licensed by the department under chapter 46.82 RCW may administer the portions of the driver licensing examination that test the applicant's knowledge of traffic laws and ability to safely operate a motor vehicle.

(7) School districts that offer a traffic safety education program under chapter 28A.220 RCW may administer the portions of the driver licensing examination that test the applicant's knowledge of traffic laws and ability to safely operate a motor vehicle.

Sec. 8. RCW 46.20.161 and 2000 c 115 s 6 are each amended to read as follows:

The department, upon receipt of a fee of ((twenty-five)) forty-five dollars from October 1, 2012, to June 30, 2013, and fifty-four dollars after June 30, 2013, unless the driver's license is issued for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, in which case the fee shall be ((five)) nine dollars for each year that the license is issued, which includes the fee for the required photograph, shall issue to every qualifying applicant a driver's license. A driver's license issued to a person under the age of eighteen is an intermediate license, subject to the restrictions imposed under RCW 46.20.075, until the person reaches the age of eighteen. The license must include a distinguishing number assigned to the licensee, the name of record, date of birth, Washington residence address, photograph, a brief description of the licensee, and either a facsimile of the signature of the licensee or a space upon which the licensee shall write his or her usual signature with pen and ink immediately upon receipt of the license. No license is valid until it has been so signed by the licensee.

Sec. 9. RCW 46.20.181 and 1999 c 308 s 3 are each amended to read as follows:

(1) Except as provided in subsection (4) $\underline{\text{or}(5)}$ of this section, every driver's license expires on the ((fifth)) sixth anniversary of the licensee's birthdate following the issuance of the license.

(2) A person may renew his or her license on or before the expiration date by submitting an application as prescribed by the department and paying a fee of ((twenty-five)) forty-five dollars from October 1, 2012, to June 30, 2013, and fifty-four dollars after June 30, 2013. This fee includes the fee for the required photograph.

(3) A person renewing his or her driver's license more than sixty days after the license has expired shall pay a penalty fee of ten dollars in addition to the renewal fee, unless his or her license expired when:

(a) The person was outside the state and he or she renews the license within sixty days after returning to this state; or

(b) The person was incapacitated and he or she renews the license within sixty days after the termination of the incapacity.

(4) ((During the period from July 1, 2000, to July 1, 2006,)) The department may issue or renew a driver's license for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, or may extend by mail or electronic commerce a license that has already been issued, in order to evenly distribute, as nearly as possible, the yearly renewal rate of licensed drivers. The fee for a driver's license issued or renewed for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, or six years after june 30, 2013, or that has been extended by mail or electronic commerce, is ((five)) nine dollars for each year that the license is issued, renewed, or extended. The department may adopt any rules as are necessary to carry out this subsection.

(5) A driver's license that includes a hazardous materials endorsement under chapter 46.25 RCW may expire on an anniversary of the licensee's birthdate other than the sixth year following issuance or renewal of the license in order to match, as nearly as possible, the validity of certification from the federal

transportation security administration that the licensee has been determined not to pose a security risk. The fee for a driver's license issued or renewed for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, is nine dollars for each year that the license is issued or renewed, not including any endorsement fees. The department may adjust the expiration date of a driver's license that has previously been issued to conform to the provisions of this subsection if a hazardous materials endorsement is added to the license subsequent to its issuance. If the validity of the driver's license is extended, the licensee must pay a fee of nine dollars for each year that the license is extended.

(6) The department may adopt any rules as are necessary to carry out this section.

Sec. 10. RCW 46.20.200 and 2002 c 352 s 14 are each amended to read as follows:

(1) If an instruction permit, identicard, or a driver's license is lost or destroyed, the person to whom it was issued may obtain a duplicate of it upon furnishing proof of such fact satisfactory to the department and payment of a fee of ((fifteen)) twenty dollars to the department.

(2) A replacement permit, identicard, or driver's license may be obtained to change or correct material information upon payment of a fee of ten dollars and surrender of the permit, identicard, or driver's license being replaced.

Sec. 11. RCW 46.20.049 and 2011 c 227 s 6 are each amended to read as follows:

There shall be an additional fee for issuing any class of commercial driver's license in addition to the prescribed fee required for the issuance of the original driver's license. The additional fee for each class shall be ((sixty-one)) eighty-five dollars from October 1, 2012, to June 30, 2013, and one hundred two dollars after June 30, 2013, for the original commercial driver's license or subsequent renewals. If the commercial driver's license is issued, renewed, or extended for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, the fee for each class shall be ((twelve)) seventeen dollars ((and twenty cents)) for each year that the commercial driver's license is issued, renewed, or extended. The fee shall be deposited in the highway safety fund.

Sec. 12. RCW 46.20.308 and 2008 c 282 s 2 are each amended to read as follows:

(1) Any person who operates a motor vehicle within this state is deemed to have given consent, subject to the provisions of RCW 46.61.506, to a test or tests of his or her breath or blood for the purpose of determining the alcohol concentration or presence of any drug in his or her breath or blood if arrested for any offense where, at the time of the arrest, the arresting officer has reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle while under the influence of intoxicating liquor or any drug or was in violation of RCW 46.61.503. Neither consent nor this section precludes a police officer from obtaining a search warrant for a person's breath or blood.

(2) The test or tests of breath shall be administered at the direction of a law enforcement officer having reasonable grounds to believe the person to have been driving or in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or any drug or the person to have

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been driving or in actual physical control of a motor vehicle while having alcohol in a concentration in violation of RCW 46.61.503 in his or her system and being under the age of twenty-one. However, in those instances where the person is incapable due to physical injury, physical incapacity, or other physical limitation, of providing a breath sample or where the person is being treated in a hospital, clinic, doctor's office, emergency medical vehicle, ambulance, or other similar facility or where the officer has reasonable grounds to believe that the person is under the influence of a drug, a blood test shall be administered by a qualified person as provided in RCW 46.61.506(5). The officer shall inform the person of his or her right to refuse the breath or blood test, and of his or her right to have additional tests administered by any qualified person of his or her choosing as provided in RCW 46.61.506. The officer shall warn the driver, in substantially the following language, that:

(a) If the driver refuses to take the test, the driver's license, permit, or privilege to drive will be revoked or denied for at least one year; and

(b) If the driver refuses to take the test, the driver's refusal to take the test may be used in a criminal trial; and

(c) If the driver submits to the test and the test is administered, the driver's license, permit, or privilege to drive will be suspended, revoked, or denied for at least ninety days if the driver is age twenty-one or over and the test indicates the alcohol concentration of the driver's breath or blood is 0.08 or more, or if the driver is under age twenty-one and the test indicates the alcohol concentration of the driver's breath or blood is 0.02 or more, or if the driver is under age twenty-one and the test indicates the alcohol concentration of the driver's breath or blood is 0.02 or more, or if the driver is under age twenty-one and the driver is in violation of RCW 46.61.502 or 46.61.504; and

(d) If the driver's license, permit, or privilege to drive is suspended, revoked, or denied the driver may be eligible to immediately apply for an ignition interlock driver's license.

(3) Except as provided in this section, the test administered shall be of the breath only. If an individual is unconscious or is under arrest for the crime of vehicular homicide as provided in RCW 46.61.520 or vehicular assault as provided in RCW 46.61.522, or if an individual is under arrest for the crime of driving while under the influence of intoxicating liquor or drugs as provided in RCW 46.61.502, which arrest results from an accident in which there has been serious bodily injury to another person, a breath or blood test may be administered without the consent of the individual so arrested.

(4) Any person who is dead, unconscious, or who is otherwise in a condition rendering him or her incapable of refusal, shall be deemed not to have withdrawn the consent provided by subsection (1) of this section and the test or tests may be administered, subject to the provisions of RCW 46.61.506, and the person shall be deemed to have received the warnings required under subsection (2) of this section.

(5) If, following his or her arrest and receipt of warnings under subsection (2) of this section, the person arrested refuses upon the request of a law enforcement officer to submit to a test or tests of his or her breath or blood, no test shall be given except as authorized under subsection (3) or (4) of this section.

(6) If, after arrest and after the other applicable conditions and requirements of this section have been satisfied, a test or tests of the person's blood or breath is administered and the test results indicate that the alcohol concentration of the

person's breath or blood is 0.08 or more if the person is age twenty-one or over, or 0.02 or more if the person is under the age of twenty-one, or the person refuses to submit to a test, the arresting officer or other law enforcement officer at whose direction any test has been given, or the department, where applicable, if the arrest results in a test of the person's blood, shall:

(a) Serve notice in writing on the person on behalf of the department of its intention to suspend, revoke, or deny the person's license, permit, or privilege to drive as required by subsection (7) of this section;

(b) Serve notice in writing on the person on behalf of the department of his or her right to a hearing, specifying the steps he or she must take to obtain a hearing as provided by subsection (8) of this section and that the person waives the right to a hearing if he or she receives an ignition interlock driver's license;

(c) Mark the person's Washington state driver's license or permit to drive, if any, in a manner authorized by the department;

(d) Serve notice in writing that the marked license or permit, if any, is a temporary license that is valid for sixty days from the date of arrest or from the date notice has been given in the event notice is given by the department following a blood test, or until the suspension, revocation, or denial of the person's license, permit, or privilege to drive is sustained at a hearing pursuant to subsection (8) of this section, whichever occurs first. No temporary license is valid to any greater degree than the license or permit that it replaces; and

(e) Immediately notify the department of the arrest and transmit to the department within seventy-two hours, except as delayed as the result of a blood test, a sworn report or report under a declaration authorized by RCW 9A.72.085 that states:

(i) That the officer had reasonable grounds to believe the arrested person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or drugs, or both, or was under the age of twenty-one years and had been driving or was in actual physical control of a motor vehicle while having an alcohol concentration in violation of RCW 46.61.503;

(ii) That after receipt of the warnings required by subsection (2) of this section the person refused to submit to a test of his or her blood or breath, or a test was administered and the results indicated that the alcohol concentration of the person's breath or blood was 0.08 or more if the person is age twenty-one or over, or was 0.02 or more if the person is under the age of twenty-one; and

(iii) Any other information that the director may require by rule.

(7) The department of licensing, upon the receipt of a sworn report or report under a declaration authorized by RCW 9A.72.085 under subsection (6)(e) of this section, shall suspend, revoke, or deny the person's license, permit, or privilege to drive or any nonresident operating privilege, as provided in RCW 46.20.3101, such suspension, revocation, or denial to be effective beginning sixty days from the date of arrest or from the date notice has been given in the event notice is given by the department following a blood test, or when sustained at a hearing pursuant to subsection (8) of this section, whichever occurs first.

(8) A person receiving notification under subsection (6)(b) of this section may, within twenty days after the notice has been given, request in writing a formal hearing before the department. The person shall pay a fee of (($\frac{1}{100}$)) three hundred seventy-five dollars as part of the request. If the request is mailed,

it must be postmarked within twenty days after receipt of the notification. Upon timely receipt of such a request for a formal hearing, including receipt of the required ((two)) three hundred seventy-five dollar fee, the department shall afford the person an opportunity for a hearing. The department may waive the required ((two)) three hundred seventy-five dollar fee if the person is an indigent as defined in RCW 10.101.010. Except as otherwise provided in this section, the hearing is subject to and shall be scheduled and conducted in accordance with RCW 46.20.329 and 46.20.332. The hearing shall be conducted in the county of the arrest, except that all or part of the hearing may, at the discretion of the department, be conducted by telephone or other electronic means. The hearing shall be held within sixty days following the arrest or following the date notice has been given in the event notice is given by the department following a blood test, unless otherwise agreed to by the department and the person, in which case the action by the department shall be stayed, and any valid temporary license marked under subsection (6)(c) of this section extended, if the person is otherwise eligible for licensing. For the purposes of this section, the scope of the hearing shall cover the issues of whether a law enforcement officer had reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or any drug or had been driving or was in actual physical control of a motor vehicle within this state while having alcohol in his or her system in a concentration of 0.02 or more if the person was under the age of twenty-one, whether the person was placed under arrest, and (a) whether the person refused to submit to the test or tests upon request of the officer after having been informed that such refusal would result in the revocation of the person's license, permit, or privilege to drive, or (b) if a test or tests were administered, whether the applicable requirements of this section were satisfied before the administration of the test or tests, whether the person submitted to the test or tests, or whether a test was administered without express consent as permitted under this section, and whether the test or tests indicated that the alcohol concentration of the person's breath or blood was 0.08 or more if the person was age twenty-one or over at the time of the arrest, or 0.02 or more if the person was under the age of twenty-one at the time of the arrest. The sworn report or report under a declaration authorized by RCW 9A.72.085 submitted by a law enforcement officer is prima facie evidence that the officer had reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or drugs, or both, or the person had been driving or was in actual physical control of a motor vehicle within this state while having alcohol in his or her system in a concentration of 0.02 or more and was under the age of twenty-one and that the officer complied with the requirements of this section.

A hearing officer shall conduct the hearing, may issue subpoenas for the attendance of witnesses and the production of documents, and shall administer oaths to witnesses. The hearing officer shall not issue a subpoena for the attendance of a witness at the request of the person unless the request is accompanied by the fee required by RCW 5.56.010 for a witness in district court. The sworn report or report under a declaration authorized by RCW 9A.72.085 of the law enforcement officer and any other evidence accompanying the report shall be admissible without further evidentiary foundation and the

certifications authorized by the criminal rules for courts of limited jurisdiction shall be admissible without further evidentiary foundation. The person may be represented by counsel, may question witnesses, may present evidence, and may testify. The department shall order that the suspension, revocation, or denial either be rescinded or sustained.

(9) If the suspension, revocation, or denial is sustained after such a hearing, the person whose license, privilege, or permit is suspended, revoked, or denied has the right to file a petition in the superior court of the county of arrest to review the final order of revocation by the department in the same manner as an appeal from a decision of a court of limited jurisdiction. Notice of appeal must be filed within thirty days after the date the final order is served or the right to appeal is waived. Notwithstanding RCW 46.20.334, RALJ 1.1, or other statutes or rules referencing de novo review, the appeal shall be limited to a review of the record of the administrative hearing. The appellant must pay the costs associated with obtaining the record of the hearing before the hearing officer. The filing of the appeal does not stay the effective date of the suspension, revocation, or denial. A petition filed under this subsection must include the petitioner's grounds for requesting review. Upon granting petitioner's request for review, the court shall review the department's final order of suspension, revocation, or denial as expeditiously as possible. The review must be limited to a determination of whether the department has committed any errors of law. The superior court shall accept those factual determinations supported by substantial evidence in the record: (a) That were expressly made by the department; or (b) that may reasonably be inferred from the final order of the department. The superior court may reverse, affirm, or modify the decision of the department or remand the case back to the department for further proceedings. The decision of the superior court must be in writing and filed in the clerk's office with the other papers in the case. The court shall state the reasons for the decision. If judicial relief is sought for a stay or other temporary remedy from the department's action, the court shall not grant such relief unless the court finds that the appellant is likely to prevail in the appeal and that without a stay the appellant will suffer irreparable injury. If the court stays the suspension, revocation, or denial it may impose conditions on such stay.

(10)(a) If a person whose driver's license, permit, or privilege to drive has been or will be suspended, revoked, or denied under subsection (7) of this section, other than as a result of a breath or blood test refusal, and who has not committed an offense for which he or she was granted a deferred prosecution under chapter 10.05 RCW, petitions a court for a deferred prosecution on criminal charges arising out of the arrest for which action has been or will be taken under subsection (7) of this section, or notifies the department of licensing of the intent to seek such a deferred prosecution, then the license suspension or revocation shall be stayed pending entry of the deferred prosecution. The stay shall not be longer than one hundred fifty days after the date charges are filed, or two years after the date of the arrest, whichever time period is shorter. If the court stays the suspension, revocation, or denial, it may impose conditions on such stay. If the person is otherwise eligible for licensing, the department shall issue a temporary license, or extend any valid temporary license marked under subsection (6) of this section, for the period of the stay. If a deferred prosecution treatment plan is not recommended in the report made under RCW 10.05.050, or

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if treatment is rejected by the court, or if the person declines to accept an offered treatment plan, or if the person violates any condition imposed by the court, then the court shall immediately direct the department to cancel the stay and any temporary marked license or extension of a temporary license issued under this subsection.

(b) A suspension, revocation, or denial imposed under this section, other than as a result of a breath or blood test refusal, shall be stayed if the person is accepted for deferred prosecution as provided in chapter 10.05 RCW for the incident upon which the suspension, revocation, or denial is based. If the deferred prosecution is terminated, the stay shall be lifted and the suspension, revocation, or denial reinstated. If the deferred prosecution is completed, the stay shall be lifted and the suspension, revocation, or denial canceled.

(c) The provisions of (b) of this subsection relating to a stay of a suspension, revocation, or denial and the cancellation of any suspension, revocation, or denial do not apply to the suspension, revocation, denial, or disqualification of a person's commercial driver's license or privilege to operate a commercial motor vehicle.

(11) When it has been finally determined under the procedures of this section that a nonresident's privilege to operate a motor vehicle in this state has been suspended, revoked, or denied, the department shall give information in writing of the action taken to the motor vehicle administrator of the state of the person's residence and of any state in which he or she has a license.

Sec. 13. RCW 46.20.505 and 2007 c 97 s 1 are each amended to read as follows:

Every person applying for a special endorsement of a driver's license authorizing such person to drive a two or three-wheeled motorcycle or a motordriven cycle shall pay a fee of five dollars, which is not refundable. In addition, the endorsement fee for the initial motorcycle endorsement shall not exceed ((ten)) twelve dollars((-, and)), unless the endorsement is issued for a period other than six years, in which case the endorsement fee shall not exceed two dollars for each year the initial motorcycle endorsement is issued. The subsequent renewal endorsement fee shall not exceed ((ten)) thirty dollars, unless the endorsement fee shall not exceed two dollars for each year the subsequent renewal endorsement fee shall not exceed five dollars for each year that the endorsement fee shall not exceed five dollars for each year that the endorsement is renewed or extended. Fees collected under this section shall be deposited in the motorcycle safety education account of the highway safety fund.

<u>NEW SECTION.</u> Sec. 14. Sections 5 through 13 of this act take effect October 1, 2012.

Passed by the Senate March 8, 2012. Passed by the House March 8, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 81

[Senate Bill 6171]

PILOTAGE ACT—EXEMPTIONS—VESSEL WEIGHT RESTRICTION

AN ACT Relating to the weight limitation for certain vessels exempt from the pilotage act; and amending RCW 88.16.070.

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

Sec. 1. RCW 88.16.070 and 2008 c 128 s 3 are each amended to read as follows:

Every vessel not exempt under this section that operates in the waters of the Puget Sound pilotage district or Grays Harbor pilotage district is subject to compulsory pilotage under this chapter.

(1) A United States vessel on a voyage in which it is operating exclusively on its coastwise endorsement, its fishery endorsement (including catching and processing its own catch outside United States waters and economic zone for delivery in the United States), and/or its recreational (or pleasure) endorsement, and all United States and Canadian vessels engaged exclusively in the coasting trade on the west coast of the continental United States (including Alaska) and/or British Columbia shall be exempt from the provisions of this chapter unless a pilot licensed under this chapter be actually employed, in which case the pilotage rates provided for in this chapter shall apply.

(2) The board may, upon the written petition of any interested party, and upon notice and opportunity for hearing, grant an exemption from the provisions of this chapter to any vessel that the board finds is (a) a small passenger vessel that is not more than five hundred gross tons (international), does not exceed two hundred feet in overall length, and is operated exclusively in the waters of the Puget Sound pilotage district and lower British Columbia, or (b) a yacht that is not more than ((five)) seven hundred fifty gross tons (international) and does not exceed two hundred feet in overall length. Such an exemption shall not be detrimental to the public interest in regard to safe operation preventing loss of human lives, loss of property, and protecting the marine environment of the state of Washington. Such petition shall set out the general description of the vessel, the contemplated use of same, the proposed area of operation, and the name and address of the vessel's owner. The board shall annually, or at any other time when in the public interest, review any exemptions granted to this specified class of small vessels to insure that each exempted vessel remains in compliance with the original exemption. The board shall have the authority to revoke such exemption where there is not continued compliance with the requirements for exemption. The board shall maintain a file which shall include all petitions for exemption, a roster of vessels granted exemption, and the board's written decisions which shall set forth the findings for grants of exemption. Each applicant for exemption or annual renewal shall pay a fee, payable to the pilotage account. Fees for initial applications and for renewals shall be established by rule, and shall not exceed one thousand five hundred dollars. The board shall report annually to the legislature on such exemptions.

(3) Every vessel not exempt under subsection (1) or (2) of this section shall, while navigating the Puget Sound and Grays Harbor pilotage districts, employ a pilot licensed under the provisions of this chapter and shall be liable for and pay pilotage rates in accordance with the pilotage rates herein established or which

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may hereafter be established under the provisions of this chapter: PROVIDED, That any vessel inbound to or outbound from Canadian ports is exempt from the provisions of this section, if said vessel actually employs a pilot licensed by the Pacific pilotage authority (the pilot licensing authority for the western district of Canada), and if it is communicating with the vessel traffic system and has appropriate navigational charts, and if said vessel uses only those waters east of the international boundary line which are west of a line which begins at the southwestern edge of Point Roberts then to Alden Point (Patos Island), then to Skipjack Island light, then to Turn Point (Stuart Island), then to Kellet Bluff (Henry Island), then to Lime Kiln (San Juan Island) then to the intersection of one hundred twenty-three degrees seven minutes west longitude and forty-eight degrees twenty-five minutes north latitude then to the international boundary. The board shall correspond with the Pacific pilotage authority from time to time to ensure the provisions of this section are enforced. If any exempted vessel does not comply with these provisions it shall be deemed to be in violation of this section and subject to the penalties provided in RCW 88.16.150 as now or hereafter amended and liable to pilotage fees as determined by the board. The board shall investigate any accident on the waters covered by this chapter involving a Canadian pilot and shall include the results in its annual report.

Passed by the Senate February 14, 2012. Passed by the House March 1, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 82

[Engrossed Second Substitute Senate Bill 6284] NONSAFETY CIVIL TRAFFIC INFRACTIONS—PROCESS

AN ACT Relating to reforming Washington's approach to certain nonsafety civil traffic infractions by authorizing a civil collection process for unpaid traffic fines and removing the requirement for law enforcement intervention for the failure to appear and pay a traffic ticket; amending RCW 46.63.110, 46.20.391, 46.20.289, and 46.64.025; adding a new section to chapter 46.20 RCW; and providing an effective date.

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

Sec. 1. RCW 46.63.110 and 2010 c 252 s 5 are each amended to read as follows:

(1) A person found to have committed a traffic infraction shall be assessed a monetary penalty. No penalty may exceed two hundred and fifty dollars for each offense unless authorized by this chapter or title.

(2) The monetary penalty for a violation of (a) RCW 46.55.105(2) is two hundred fifty dollars for each offense; (b) RCW 46.61.210(1) is five hundred dollars for each offense. No penalty assessed under this subsection (2) may be reduced.

(3) The supreme court shall prescribe by rule a schedule of monetary penalties for designated traffic infractions. This rule shall also specify the conditions under which local courts may exercise discretion in assessing fines and penalties for traffic infractions. The legislature respectfully requests the supreme court to adjust this schedule every two years for inflation.

(4) There shall be a penalty of twenty-five dollars for failure to respond to a notice of traffic infraction except where the infraction relates to parking as defined by local law, ordinance, regulation, or resolution or failure to pay a monetary penalty imposed pursuant to this chapter. A local legislative body may set a monetary penalty not to exceed twenty-five dollars for failure to respond to a notice of traffic infraction relating to parking as defined by local law, ordinance, regulation, or resolution. The local court, whether a municipal, police, or district court, shall impose the monetary penalty set by the local legislative body.

(5) Monetary penalties provided for in chapter 46.70 RCW which are civil in nature and penalties which may be assessed for violations of chapter 46.44 RCW relating to size, weight, and load of motor vehicles are not subject to the limitation on the amount of monetary penalties which may be imposed pursuant to this chapter.

(6) Whenever a monetary penalty, fee, cost, assessment, or other monetary obligation is imposed by a court under this chapter, it is immediately payable and is enforceable as a civil judgment under Title 6 RCW. If the court determines, in its discretion, that a person is not able to pay a monetary obligation in full, and not more than one year has passed since the later of July 1, 2005, or the date the monetary obligation initially became due and payable, the court shall enter into a payment plan with the person, unless the person has previously been granted a payment plan with respect to the same monetary obligation, or unless the person is in noncompliance of any existing or prior payment plan, in which case the court may, at its discretion, implement a payment plan. If the court has notified the department that the person has failed to pay or comply and the person has subsequently entered into a payment plan and made an initial payment, the court shall notify the department that the infraction has been adjudicated, and the department shall rescind any suspension of the person's driver's license or driver's privilege based on failure to respond to that infraction. "Payment plan," as used in this section, means a plan that requires reasonable payments based on the financial ability of the person to pay. The person may voluntarily pay an amount at any time in addition to the payments required under the payment plan.

(a) If a payment required to be made under the payment plan is delinquent or the person fails to complete a community restitution program on or before the time established under the payment plan, unless the court determines good cause therefor and adjusts the payment plan or the community restitution plan accordingly, the court ((shall notify the department of the person's failure to meet the conditions of the plan, and the department shall suspend the person's driver's license or driving privilege)) may refer the unpaid monetary penalty, fee, cost, assessment, or other monetary obligation for civil enforcement until all monetary obligations, including those imposed under subsections (3) and (4) of this section, have been paid, and court authorized community restitution has been completed, or until the ((department has been notified that the)) court has entered into a new time payment or community restitution agreement with the person. For those infractions subject to suspension under RCW 46.20.289, the court shall notify the department of the person's failure to meet the conditions of the plan, and the department shall suspend the person's driver's license or driving privileges.

(b) If a person has not entered into a payment plan with the court and has not paid the monetary obligation in full on or before the time established for payment, the court ((shall notify the department of the delinquency. The department shall suspend the person's driver's license or driving privilege)) may refer the unpaid monetary penalty, fee, cost, assessment, or other monetary obligation to a collections agency until all monetary obligations have been paid, including those imposed under subsections (3) and (4) of this section, or until the person has entered into a payment plan under this section. For those infractions subject to suspension under RCW 46.20.289, the court shall notify the department of the person's delinquency, and the department shall suspend the person's driver's license or driving privileges.

(c) If the payment plan is to be administered by the court, the court may assess the person a reasonable administrative fee to be wholly retained by the city or county with jurisdiction. The administrative fee shall not exceed ten dollars per infraction or twenty-five dollars per payment plan, whichever is less.

(d) Nothing in this section precludes a court from contracting with outside entities to administer its payment plan system. When outside entities are used for the administration of a payment plan, the court may assess the person a reasonable fee for such administrative services, which fee may be calculated on a periodic, percentage, or other basis.

(e) If a court authorized community restitution program for offenders is available in the jurisdiction, the court may allow conversion of all or part of the monetary obligations due under this section to court authorized community restitution in lieu of time payments if the person is unable to make reasonable time payments.

(7) In addition to any other penalties imposed under this section and not subject to the limitation of subsection (1) of this section, a person found to have committed a traffic infraction shall be assessed:

(a) A fee of five dollars per infraction. Under no circumstances shall this fee be reduced or waived. Revenue from this fee shall be forwarded to the state treasurer for deposit in the emergency medical services and trauma care system trust account under RCW 70.168.040;

(b) A fee of ten dollars per infraction. Under no circumstances shall this fee be reduced or waived. Revenue from this fee shall be forwarded to the state treasurer for deposit in the Washington auto theft prevention authority account; and

(c) A fee of two dollars per infraction. Revenue from this fee shall be forwarded to the state treasurer for deposit in the traumatic brain injury account established in RCW 74.31.060.

(8)(a) In addition to any other penalties imposed under this section and not subject to the limitation of subsection (1) of this section, a person found to have committed a traffic infraction other than of RCW 46.61.527 or 46.61.212 shall be assessed an additional penalty of twenty dollars. The court may not reduce, waive, or suspend the additional penalty unless the court finds the offender to be indigent. If a court authorized community restitution program for offenders is available in the jurisdiction, the court shall allow offenders to offset all or a part of the penalty due under this subsection (8) by participation in the court authorized community restitution program.

(b) Eight dollars and fifty cents of the additional penalty under (a) of this subsection shall be remitted to the state treasurer. The remaining revenue from the additional penalty must be remitted under chapters 2.08, 3.46, 3.50, 3.62, 10.82, and 35.20 RCW. Money remitted under this subsection to the state treasurer must be deposited in the state general fund. The balance of the revenue received by the county or city treasurer under this subsection must be deposited into the county or city current expense fund. Moneys retained by the city or county under this subsection shall constitute reimbursement for any liabilities under RCW 43.135.060.

(9) If a legal proceeding, such as garnishment, has commenced to collect any delinquent amount owed by the person for any penalty imposed by the court under this section, the court may, at its discretion, enter into a payment plan.

(10) The monetary penalty for violating RCW 46.37.395 is: (a) Two hundred fifty dollars for the first violation; (b) five hundred dollars for the second violation; and (c) seven hundred fifty dollars for each violation thereafter.

Sec. 2. RCW 46.20.391 and 2010 c 269 s 2 are each amended to read as follows:

(1) Any person licensed under this chapter who is convicted of an offense relating to motor vehicles for which suspension or revocation of the driver's license is mandatory, other than vehicular homicide, vehicular assault, driving while under the influence of intoxicating liquor or any drug, or being in actual physical control of a motor vehicle while under the influence of intoxicating liquor or any drug, may submit to the department an application for a temporary restricted driver's license. The department, upon receipt of the prescribed fee and upon determining that the petitioner is eligible to receive the license, may issue a temporary restricted driver's license and may set definite restrictions as provided in RCW 46.20.394.

(2)(a) A person licensed under this chapter whose driver's license is suspended administratively due to failure to appear or pay a traffic ticket under RCW 46.20.289; a violation of the financial responsibility laws under chapter 46.29 RCW; or for multiple violations within a specified period of time under RCW 46.20.291, may apply to the department for an occupational driver's license.

(b) ((If the suspension is for failure to respond, pay, or comply with a notice of traffic infraction or conviction, the applicant must enter into a payment plan with the court.

(c))) An occupational driver's license issued to an applicant described in (a) of this subsection shall be valid for the period of the suspension or revocation.

(3) An applicant for an occupational or temporary restricted driver's license who qualifies under subsection (1) or (2) of this section is eligible to receive such license only if:

(a) Within seven years immediately preceding the date of the offense that gave rise to the present conviction or incident, the applicant has not committed vehicular homicide under RCW 46.61.520 or vehicular assault under RCW 46.61.522; and

(b) The applicant demonstrates that it is necessary for him or her to operate a motor vehicle because he or she:

(i) Is engaged in an occupation or trade that makes it essential that he or she operate a motor vehicle;

(ii) Is undergoing continuing health care or providing continuing care to another who is dependent upon the applicant;

(iii) Is enrolled in an educational institution and pursuing a course of study leading to a diploma, degree, or other certification of successful educational completion;

(iv) Is undergoing substance abuse treatment or is participating in meetings of a twelve-step group such as Alcoholics Anonymous that requires the petitioner to drive to or from the treatment or meetings;

(v) Is fulfilling court-ordered community service responsibilities;

(vi) Is in a program that assists persons who are enrolled in a WorkFirst program pursuant to chapter 74.08A RCW to become gainfully employed and the program requires a driver's license;

(vii) Is in an apprenticeship, on-the-job training, or welfare-to-work program; or

(viii) Presents evidence that he or she has applied for a position in an apprenticeship or on-the-job training program for which a driver's license is required to begin the program, provided that a license granted under this provision shall be in effect for no longer than fourteen days; and

(c) The applicant files satisfactory proof of financial responsibility under chapter 46.29 RCW; and

(d) Upon receipt of evidence that a holder of an occupational driver's license granted under this subsection is no longer enrolled in an apprenticeship or onthe-job training program, the director shall give written notice by first-class mail to the driver that the occupational driver's license shall be canceled. If at any time before the cancellation goes into effect the driver submits evidence of continued enrollment in the program, the cancellation shall be stayed. If the cancellation becomes effective, the driver may obtain, at no additional charge, a new occupational driver's license upon submittal of evidence of enrollment in another program that meets the criteria set forth in this subsection; and

(e) The department shall not issue an occupational driver's license under (b)(iv) of this subsection if the applicant is able to receive transit services sufficient to allow for the applicant's participation in the programs referenced under (b)(iv) of this subsection.

(4) A person aggrieved by the decision of the department on the application for an occupational or temporary restricted driver's license may request a hearing as provided by rule of the department.

(5) The director shall cancel an occupational or temporary restricted driver's license after receiving notice that the holder thereof has been convicted of operating a motor vehicle in violation of its restrictions, no longer meets the eligibility requirements, or has been convicted of or found to have committed a separate offense or any other act or omission that under this chapter would warrant suspension or revocation of a regular driver's license. The department must give notice of the cancellation as provided under RCW 46.20.245. A person whose occupational or temporary restricted driver's license has been canceled under this section may reapply for a new occupational or temporary restricted driver's license if he or she is otherwise qualified under this section and pays the fee required under RCW 46.20.380.

Sec. 3. RCW 46.20.289 and 2005 c 288 s 5 are each amended to read as follows:

The department shall suspend all driving privileges of a person when the department receives notice from a court under RCW 46.63.070(6), 46.63.110(6), or 46.64.025 that the person has failed to respond to a notice of traffic infraction for a moving violation, failed to appear at a requested hearing for a moving violation, violated a written promise to appear in court for a notice of infraction for a moving violation, or has failed to comply with the terms of a notice of traffic infraction or citation for a moving violation, or when the department receives notice from another state under Article IV of the nonresident violator compact under RCW 46.23.010 or from a jurisdiction that has entered into an agreement with the department under RCW 46.23.020, other than for a standing, stopping, or parking violation, provided that the traffic infraction or traffic offense is committed on or after July 1, 2005. A suspension under this section takes effect pursuant to the provisions of RCW 46.20.245, and remains in effect until the department has received a certificate from the court showing that the case has been adjudicated, and until the person meets the requirements of RCW 46.20.311. In the case of failure to respond to a traffic infraction issued under RCW 46.55.105, the department shall suspend all driving privileges until the person provides evidence from the court that all penalties and restitution have been paid. A suspension under this section does not take effect if, prior to the effective date of the suspension, the department receives a certificate from the court showing that the case has been adjudicated.

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 46.20 RCW to read as follows:

The department of licensing in consultation with the administrative office of the courts must adopt and maintain rules, by November 1, 2012, in accordance with chapter 34.05 RCW that define a moving violation for the purposes of this act. "Moving violation" shall be defined pursuant to Title 46 RCW. Upon adoption of these rules, the department must provide written notice to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the department.

Sec. 5. RCW 46.64.025 and 2006 c 270 s 4 are each amended to read as follows:

Whenever any person served with a traffic citation willfully fails to appear ((for a scheduled court hearing)) at a requested hearing for a moving violation or fails to comply with the terms of a notice of traffic citation for a moving violation, the court in which the defendant failed to appear shall promptly give notice of such fact to the department of licensing. Whenever thereafter the case in which the defendant failed to appear is adjudicated, the court hearing the case shall promptly file with the department a certificate showing that the case has been adjudicated. For the purposes of this section, "moving violation" is defined by rule pursuant to section 4 of this act.

<u>NEW SECTION.</u> Sec. 6. Except for section 4 of this act, this act takes effect June 1, 2013. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2012, in the transportation appropriations act, this act is null and void.

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CHAPTER 83

[Substitute Senate Bill 6444]

ALASKAN WAY VIADUCT REPLACEMENT—TOLL FACILITY

AN ACT Relating to eligible toll facilities; amending RCW 46.63.075 and 46.63.170; reenacting and amending RCW 43.84.092 and 46.16A.120; adding new sections to chapter 47.56 RCW; creating a new section; and repealing 2010 c 161 s 1126.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that there is an urgent need to replace the central waterfront section of state route number 99, known as the Alaskan Way viaduct, because the viaduct is vulnerable to closure, damage, or catastrophic failure as a result of earthquakes or other events. In 2009, the legislature determined that the finance plan for the Alaskan Way viaduct replacement project should include no more than four hundred million dollars in toll funding for the project.

Therefore, it is the intent of the legislature to authorize tolling on the Alaskan Way viaduct replacement project, both to help finance the Alaskan Way viaduct replacement project and to help maintain travel time, speed, and reliability on the portion of state route number 99 that would be replaced by this project.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 47.56 RCW under the subchapter heading "toll facilities created after July 1, 2008" to read as follows:

(1) The initial imposition of tolls on the portion of state route number 99 that is the deep bore tunnel under First Avenue from the vicinity of the sports stadiums in Seattle to Aurora Avenue north of the Battery Street tunnel is authorized, this portion of state route number 99 is designated an eligible toll facility, and toll revenue generated from this facility must only be expended as allowed under RCW 47.56.820.

(2) The toll imposed under this section must be charged only for travel on the portion of state route number 99 that is a deep bore tunnel.

(3)(a) In setting toll rates for the deep bore tunnel portion of state route number 99 pursuant to RCW 47.56.850, the tolling authority shall set a variable schedule of toll rates to maintain travel time, speed, and reliability on this facility and generate the necessary revenue as required under (b) of this subsection.

(b) The tolling authority may adjust the variable schedule of toll rates at least annually to reflect inflation as measured by the consumer price index to meet the redemption of bonds, to meet the obligations of the tolling authority under RCW 47.56.850, and interest payments on bonds and for those costs that are eligible under RCW 47.56.820.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 47.56 RCW under the subchapter heading "toll facilities created after July 1, 2008" to read as follows:

A special account to be known as the Alaskan Way viaduct replacement project account is created in the state treasury.

(1) Deposits to the account must include:

(a) All proceeds of bonds issued for construction of the Alaskan Way viaduct replacement project, including any capitalized interest;

(b) All of the tolls and other revenues received from the operation of the Alaskan Way viaduct replacement project as a toll facility, to be deposited at least monthly;

(c) Any interest that may be earned from the deposit or investment of those revenues;

(d) Notwithstanding RCW 47.12.063, proceeds from the sale of any surplus real property acquired for the purpose of building the Alaskan Way viaduct replacement project; and

(e) All damages, liquidated or otherwise, collected under any contract involving the construction of the Alaskan Way viaduct replacement project.

(2) Subject to the covenants made by the state in the bond proceedings authorizing the issuance and sale of bonds for the construction of the Alaskan Way viaduct replacement project, toll charges, other revenues, and interest received from the operation of the Alaskan Way viaduct replacement project as a toll facility may be used to:

(a) Pay any required costs allowed under RCW 47.56.820; and

(b) Repay amounts to the motor vehicle fund as required.

(3) When repaying the motor vehicle fund, the state treasurer shall transfer funds from the Alaskan Way viaduct replacement project account to the motor vehicle fund on or before each debt service date for bonds issued for the construction of the Alaskan Way viaduct replacement project in an amount sufficient to repay the motor vehicle fund for amounts transferred from that fund to the highway bond retirement fund to provide for any bond principal and interest due on that date. The state treasurer may establish subaccounts for the purpose of segregating toll charges, bond sale proceeds, and other revenues.

Sec. 4. RCW 43.84.092 and 2011 1st sp.s. c 16 s 6, 2011 1st sp.s. c 7 s 22, 2011 c 369 s 6, 2011 c 339 s 1, 2011 c 311 s 9, 2011 c 272 s 3, 2011 c 120 s 3, and 2011 c 83 s 7 are each reenacted and amended to read as follows:

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

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

as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

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

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

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the Alaskan Way viaduct replacement project account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the county arterial preservation account, the county criminal justice assistance account, the county sales and use tax equalization account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight congestion relief account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the health system capacity account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety account, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile home park relocation fund, the

motor vehicle fund, the motorcycle safety education account, the multiagency permitting team account, the multimodal transportation account, the municipal criminal justice assistance account, the municipal sales and use tax equalization account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public transportation systems account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puyallup tribal settlement account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state economic development commission account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving fund, and the Western Washington University capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, and the state university permanent fund shall be allocated to their respective beneficiary accounts.

(b) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the state treasury that deposits funds into a WASHINGTON LAWS, 2012

fund or account in the state treasury pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

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

Sec. 5. RCW 46.16A.120 and 2011 c 375 s 9 and 2011 c 375 s 8 are each reenacted and amended to read as follows:

(1) Each court and government agency located in this state having jurisdiction over standing, stopping, and parking violations, the use of a photo toll system under RCW 46.63.160, the use of automated traffic safety cameras under RCW 46.63.170, and the use of automated school bus safety cameras under RCW 46.63.180 may forward to the department any outstanding:

(a) Standing, stopping, and parking violations;

(b) Civil penalties for toll nonpayment detected through the use of photo toll systems issued under RCW 46.63.160;

(c) Automated traffic safety camera infractions issued under RCW 46.63.030(1)(d); and

(d) Automated school bus safety camera infractions issued under RCW ((46.63.160)) 46.63.030(1)(e).

(2) Violations, civil penalties, and infractions described in subsection (1) of this section must be reported to the department in the manner described in RCW 46.20.270(3).

(3) The department shall:

(a) Record the violations, civil penalties, and infractions on the matching vehicle records; and

(b) Send notice approximately one hundred twenty days in advance of the current vehicle registration expiration date to the registered owner listing the dates and jurisdictions in which the violations, civil penalties, and infractions occurred, the amounts of unpaid fines and penalties, and the surcharge to be collected. Only those violations, civil penalties, and infractions received by the department one hundred twenty days or more before the current vehicle registration expiration date will be included in the notice. Violations, civil penalties, and infractions received by the department later than one hundred twenty days before the current vehicle registration expiration date while registration expiration date that are not satisfied will be delayed until the next vehicle registration expiration date.

(4) The department, county auditor or other agent, or subagent appointed by the director shall not renew a vehicle registration if there are any outstanding standing, stopping, and parking violations, and other civil penalties issued under RCW 46.63.160 for the vehicle unless:

(a) The outstanding standing, stopping, or parking violations and civil penalties were received by the department within one hundred twenty days before the current vehicle registration expiration;

(b) There is a change in registered ownership; or

(c) The registered owner presents proof of payment of each violation, civil penalty, and infraction provided in this section and the registered owner pays the surcharge required under RCW 46.17.030.

(5) The department shall:

(a) Forward a change in registered ownership information to the court or government agency who reported the outstanding violations, civil penalties, or infractions; and

(b) Remove the outstanding violations, civil penalties, and infractions from the vehicle record.

Sec. 6. RCW 46.63.075 and 2011 c 375 s 7 are each amended to read as follows:

(1) In a traffic infraction case involving an infraction detected through the use of an automated traffic safety camera under RCW 46.63.170 or detected through the use of an automated school bus safety camera under RCW 46.63.180, proof that the particular vehicle described in the notice of traffic infraction was in violation of any such provision of RCW 46.63.170 and 46.63.180, together with proof that the person named in the notice of traffic infraction was at the time of the violation the registered owner of the vehicle, constitutes in evidence a prima facie presumption that the registered owner of the vehicle was the person in control of the vehicle at the point where, and for the time during which, the violation occurred.

(2) This presumption may be overcome only if the registered owner states, under oath, in a written statement to the court or in testimony before the court that the vehicle involved was, at the time, stolen or in the care, custody, or control of some person other than the registered owner.

Sec. 7. RCW 46.63.170 and 2011 c 367 s 704 are each amended to read as follows:

(1) The use of automated traffic safety cameras for issuance of notices of infraction is subject to the following requirements:

(a) The appropriate local legislative authority must first enact an ordinance allowing for their use to detect one or more of the following: Stoplight, railroad crossing, or school speed zone violations. At a minimum, the local ordinance must contain the restrictions described in this section and provisions for public notice and signage. Cities and counties using automated traffic safety cameras before July 24, 2005, are subject to the restrictions described in this section, but are not required to enact an authorizing ordinance.

(b) Use of automated traffic safety cameras is restricted to two-arterial intersections, railroad crossings, and school speed zones only.

(c) During the 2011-2013 fiscal biennium, automated traffic safety cameras may be used to detect speed violations for the purposes of section 201(2), chapter 367, Laws of 2011 if the local legislative authority first enacts an ordinance authorizing the use of cameras to detect speed violations.

(d) Automated traffic safety cameras may only take pictures of the vehicle and vehicle license plate and only while an infraction is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle.

(e) A notice of infraction must be mailed to the registered owner of the vehicle within fourteen days of the violation, or to the renter of a vehicle within fourteen days of establishing the renter's name and address under subsection (3)(a) of this section. The law enforcement officer issuing the notice of infraction shall include with it a certificate or facsimile thereof, based upon inspection of photographs, microphotographs, or electronic images produced by an automated traffic safety camera, stating the facts supporting the notice of

infraction. This certificate or facsimile is prima facie evidence of the facts contained in it and is admissible in a proceeding charging a violation under this chapter. The photographs, microphotographs, or electronic images evidencing the violation must be available for inspection and admission into evidence in a proceeding to adjudicate the liability for the infraction. A person receiving a notice of infraction based on evidence detected by an automated traffic safety camera may respond to the notice by mail.

(f) The registered owner of a vehicle is responsible for an infraction under RCW 46.63.030(1)(((e))) (d) unless the registered owner overcomes the presumption in RCW 46.63.075, or, in the case of a rental car business, satisfies the conditions under subsection (3) of this section. If appropriate under the circumstances, a renter identified under subsection (3)(a) of this section is responsible for an infraction.

(g) Notwithstanding any other provision of law, all photographs, microphotographs, 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 unless the action or proceeding relates to a violation under this section. No photograph, microphotograph, or electronic image may be used for any purpose other than enforcement of violations under this section nor retained longer than necessary to enforce this section.

(h) All locations where an automated traffic safety camera is used must be clearly marked by placing signs in locations that clearly indicate to a driver that he or she is entering a zone where traffic laws are enforced by an automated traffic safety camera.

(i) If a county or city has established an authorized automated traffic safety camera program under this section, the compensation paid to the manufacturer or vendor of the equipment used must be based only upon the value of the equipment and services provided or rendered in support of the system, and may not be based upon a portion of the fine or civil penalty imposed or the revenue generated by the equipment.

(2) Infractions detected through the use of automated traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120. Additionally, infractions generated by the use of automated traffic safety cameras under this section shall be processed in the same manner as parking infractions, including for the purposes of RCW 3.50.100, 35.20.220, 46.16A.120, and 46.20.270(3). However, the amount of the fine issued for an infraction generated through the use of an automated traffic safety camera shall not exceed the amount of a fine issued for other parking infractions within the jurisdiction.

(3) If the registered owner of the vehicle is a rental car business, the law enforcement agency shall, before a notice of infraction being issued under this section, provide a written notice to the rental car business that a notice of infraction may be issued to the rental car business if the rental car business does not, within eighteen days of receiving the written notice, provide to the issuing agency by return mail:

(a) A statement under oath stating the name and known mailing address of the individual driving or renting the vehicle when the infraction occurred; or (b) A statement under oath that the business is unable to determine who was driving or renting the vehicle at the time the infraction occurred because the vehicle was stolen at the time of the infraction. A statement provided under this subsection must be accompanied by a copy of a filed police report regarding the vehicle theft; or

(c) In lieu of identifying the vehicle operator, the rental car business may pay the applicable penalty.

Timely mailing of this statement to the issuing law enforcement agency relieves a rental car business of any liability under this chapter for the notice of infraction.

(4) Nothing in this section prohibits a law enforcement officer from issuing a notice of traffic infraction to a person in control of a vehicle at the time a violation occurs under RCW 46.63.030(1) (a), (b), or (c).

(5) For the purposes of this section, "automated traffic safety camera" means a device that uses a vehicle sensor installed to work in conjunction with an intersection traffic control system, a railroad grade crossing control system, or a speed measuring device, and a camera synchronized to automatically record one or more sequenced photographs, microphotographs, or electronic images of the rear of a motor vehicle at the time the vehicle fails to stop when facing a steady red traffic control signal or an activated railroad grade crossing control signal, or exceeds a speed limit in a school speed zone as detected by a speed measuring device. During the 2011-2013 fiscal biennium, an automated traffic safety camera includes a camera used to detect speed violations for the purposes of section 201(2), chapter 367, Laws of 2011.

(6) During the 2011-2013 fiscal biennium, this section does not apply to automated traffic safety cameras for the purposes of section 216(5), chapter 367, Laws of 2011.

<u>NEW SECTION.</u> Sec. 8. 2010 c 161 s 1126 is repealed.

Passed by the Senate February 11, 2012.

Passed by the House March 3, 2012.

Approved by the Governor March 23, 2012.

Filed in Office of Secretary of State March 23, 2012.

CHAPTER 84

[Engrossed House Bill 2814]

STATE ROUTE NUMBER 520 BRIDGE REPLACEMENT

AN ACT Relating to the replacement of certain elements of the state route number 520 corridor; amending RCW 90.58.140; creating a new section; providing an expiration date; and declaring an emergency.

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

<u>NEW SECTION.</u> Sec. 1. In adopting the shoreline management act in 1971, the legislature declared that it is the policy of the state to provide for the management of the shorelines of the state by planning for and fostering all reasonable and appropriate uses, to ensure the development of these shorelines in a manner that will promote and enhance the public interest, and to protect against adverse effects to the public health, the land and its vegetation and wildlife, and the waters of the state and their aquatic life, while protecting

generally public rights of navigation and corollary rights incidental thereto. The legislature declares that the policies recognized in 1971 are still vital to the protection of shorelines of the state.

The legislature recognizes that the replacement of the Evergreen Point bridge affects shorelines of the state and shorelines of statewide significance. However, the legislature finds that the state route number 520 corridor, including the Evergreen Point bridge, is a critical component of the state highway system and of the Puget Sound region's transportation infrastructure and is essential to maintaining and improving the region's and the state's economy.

The legislature further finds that the Evergreen Point bridge and its approaches are in danger of structural failure and that it is highly likely that the bridge will sustain serious structural damage from an earthquake or windstorm over the next fifteen years. The floating span sustained serious damage during the 1993 storm, which required major repair and retrofit. Retrofitting the span has added weight, which causes the floating span to sit lower in the water, increasing the likelihood of waves breaking over the span and causing traffic hazards. The floating span cannot be further retrofitted to withstand severe windstorms. Recent storms have continued to cause damage to the floating span, including cracks in the pontoons that allow water to enter the pontoons.

The legislature further finds that replacement of the floating span and its approaches presents unique challenges in that it is subject to narrow windows in which work on Lake Washington can be performed because of weather and environmental constraints.

The legislature further finds that significant delays in replacing the floating span and east approach of the Evergreen Point bridge must be avoided in order to: Avoid the catastrophic loss of the bridge; protect the safety of the traveling public; prevent injury, loss of life, and property damage; and provide for a strong economy in the Puget Sound region and in Washington state. In the past, the legislature has only provided exemptions to the shoreline management act for bridges that have sunk, and it is the intent of the legislature to only allow this exemption to the automatic stay provision of the shoreline management act because the Evergreen Point floating bridge is in danger of further damage and sinking.

Sec. 2. RCW 90.58.140 and 2011 c 277 s 3 are each amended to read as follows:

(1) A development shall not be undertaken on the shorelines of the state unless it is consistent with the policy of this chapter and, after adoption or approval, as appropriate, the applicable guidelines, rules, or master program.

(2) A substantial development shall not be undertaken on shorelines of the state without first obtaining a permit from the government entity having administrative jurisdiction under this chapter.

A permit shall be granted:

(a) From June 1, 1971, until such time as an applicable master program has become effective, only when the development proposed is consistent with: (i) The policy of RCW 90.58.020; and (ii) after their adoption, the guidelines and rules of the department; and (iii) so far as can be ascertained, the master program being developed for the area;

(b) After adoption or approval, as appropriate, by the department of an applicable master program, only when the development proposed is consistent with the applicable master program and this chapter.

(3) The local government shall establish a program, consistent with rules adopted by the department, for the administration and enforcement of the permit system provided in this section. The administration of the system so established shall be performed exclusively by the local government.

(4) Except as otherwise specifically provided in subsection (11) of this section, the local government shall require notification of the public of all applications for permits governed by any permit system established pursuant to subsection (3) of this section by ensuring that notice of the application is given by at least one of the following methods:

(a) Mailing of the notice to the latest recorded real property owners as shown by the records of the county assessor within at least three hundred feet of the boundary of the property upon which the substantial development is proposed;

(b) Posting of the notice in a conspicuous manner on the property upon which the project is to be constructed; or

(c) Any other manner deemed appropriate by local authorities to accomplish the objectives of reasonable notice to adjacent landowners and the public.

The notices shall include a statement that any person desiring to submit written comments concerning an application, or desiring to receive notification of the final decision concerning an application as expeditiously as possible after the issuance of the decision, may submit the comments or requests for decisions to the local government within thirty days of the last date the notice is to be published pursuant to this subsection. The local government shall forward, in a timely manner following the issuance of a decision, a copy of the decision to each person who submits a request for the decision.

If a hearing is to be held on an application, notices of such a hearing shall include a statement that any person may submit oral or written comments on an application at the hearing.

(5) The system shall include provisions to assure that construction pursuant to a permit will not begin or be authorized until twenty-one days from the date the permit decision was filed as provided in subsection (6) of this section; or until all review proceedings are terminated if the proceedings were initiated within twenty-one days from the date of filing as defined in subsection (6) of this section except as follows:

(a) In the case of any permit issued to the state of Washington, department of transportation, for the construction and modification of SR 90 (I-90) on or adjacent to Lake Washington, the construction may begin after thirty days from the date of filing, and the permits are valid until December 31, 1995;

(b)(i) In the case of any permit or decision to issue any permit to the state of Washington, department of transportation, for the replacement of the floating bridge and landings of the state route number 520 Evergreen Point bridge on or adjacent to Lake Washington, the construction may begin twenty-one days from the date of filing. Any substantial development permit granted for the floating bridge and landings is deemed to have been granted on the date that the local government's decision to grant the permit is issued. This authorization to construct is limited to only those elements of the floating bridge and landings

that do not preclude the department of transportation's selection of a four-lane alternative for state route number 520 between Interstate 5 and Medina. Additionally, the Washington state department of transportation shall not engage in or contract for any construction on any portion of state route number 520 between Interstate 5 and the western landing of the floating bridge until the legislature has authorized the imposition of tolls on the Interstate 90 floating bridge and/or other funding sufficient to complete construction of the state route number 520 bridge replacement and HOV program. For the purposes of this subsection (5)(b), the "western landing of the floating bridge" means the least amount of new construction necessary to connect the new floating bridge to the existing state route number 520 and anchor the west end of the new floating bridge;

(ii) Nothing in this subsection (5)(b) precludes the shorelines hearings board from concluding that the project or any element of the project is inconsistent with the goals and policies of the shoreline management act or the local shoreline master program;

(iii) This subsection (5)(b) applies retroactively to any appeals filed after January 1, 2012, and to any appeals filed on or after the effective date of this section, and expires June 30, 2014.

(c) Except as authorized in (b) of this subsection, construction may be commenced no sooner than thirty days after the date of the appeal of the board's decision is filed if a permit is granted by the local government and (i) the granting of the permit is appealed to the shorelines hearings board within twenty-one days of the date of filing, (ii) the hearings board approves the granting of the permit by the local government or approves a portion of the substantial development for which the local government issued the permit, and (iii) an appeal for judicial review of the hearings board decision is filed pursuant to chapter 34.05 RCW. The appellant may request, within ten days of the filing of the appeal with the court, a hearing before the court to determine whether construction pursuant to the permit approved by the hearings board or to a revised permit issued pursuant to the order of the hearings board should not commence. If, at the conclusion of the hearing, the court finds that construction pursuant to such a permit would involve a significant, irreversible damaging of the environment, the court shall prohibit the permittee from commencing the construction pursuant to the approved or revised permit until all review proceedings are final. Construction pursuant to a permit revised at the direction of the hearings board may begin only on that portion of the substantial development for which the local government had originally issued the permit, and construction pursuant to such a revised permit on other portions of the substantial development may not begin until after all review proceedings are terminated. In such a hearing before the court, the burden of proving whether the construction may involve significant irreversible damage to the environment and demonstrating whether such construction would or would not be appropriate is on the appellant;

(((e))) (d) Except as authorized in (b) of this subsection, if the permit is for a substantial development meeting the requirements of subsection (11) of this section, construction pursuant to that permit may not begin or be authorized until twenty-one days from the date the permit decision was filed as provided in subsection (6) of this section.

If a permittee begins construction pursuant to (a), (b), $((\overline{or}))$ (c), or (d) of this subsection, the construction is begun at the permittee's own risk. If, as a result of judicial review, the courts order the removal of any portion of the construction or the restoration of any portion of the environment involved or require the alteration of any portion of a substantial development constructed pursuant to a permit, the permittee is barred from recovering damages or costs involved in adhering to such requirements from the local government that granted the permit, the hearings board, or any appellant or intervener.

(6) Any decision on an application for a permit under the authority of this section, whether it is an approval or a denial, shall, concurrently with the transmittal of the ruling to the applicant, be filed with the department and the attorney general. This shall be accomplished by return receipt requested mail. A petition for review of such a decision must be commenced within twenty-one days from the date of filing of the decision.

(a) With regard to a permit other than a permit governed by subsection (10) of this section, "date of filing" as used in this section refers to the date of actual receipt by the department of the local government's decision.

(b) With regard to a permit for a variance or a conditional use governed by subsection (10) of this section, "date of filing" means the date the decision of the department is transmitted by the department to the local government.

(c) When a local government simultaneously transmits to the department its decision on a shoreline substantial development with its approval of either a shoreline conditional use permit or variance, or both, "date of filing" has the same meaning as defined in (b) of this subsection.

(d) The department shall notify in writing the local government and the applicant of the date of filing by telephone or electronic means, followed by written communication as necessary, to ensure that the applicant has received the full written decision.

(7) Applicants for permits under this section have the burden of proving that a proposed substantial development is consistent with the criteria that must be met before a permit is granted. In any review of the granting or denial of an application for a permit as provided in RCW 90.58.180 (1) and (2), the person requesting the review has the burden of proof.

(8) Any permit may, after a hearing with adequate notice to the permittee and the public, be rescinded by the issuing authority upon the finding that a permittee has not complied with conditions of a permit. If the department is of the opinion that noncompliance exists, the department shall provide written notice to the local government and the permittee. If the department is of the opinion that the noncompliance continues to exist thirty days after the date of the notice, and the local government has taken no action to rescind the permit, the department may petition the hearings board for a rescission of the permit upon written notice of the petition to the local government and the permittee if the request by the department is made to the hearings board within fifteen days of the termination of the thirty-day notice to the local government.

(9) The holder of a certification from the governor pursuant to chapter 80.50 RCW shall not be required to obtain a permit under this section.

(10) Any permit for a variance or a conditional use issued with approval by a local government under their approved master program must be submitted to the department for its approval or disapproval. (11)(a) An application for a substantial development permit for a limited utility extension or for the construction of a bulkhead or other measures to protect a single-family residence and its appurtenant structures from shoreline erosion shall be subject to the following procedures:

(i) The public comment period under subsection (4) of this section shall be twenty days. The notice provided under subsection (4) of this section shall state the manner in which the public may obtain a copy of the local government decision on the application no later than two days following its issuance;

(ii) The local government shall issue its decision to grant or deny the permit within twenty-one days of the last day of the comment period specified in (a)(i) of this subsection; and

(iii) If there is an appeal of the decision to grant or deny the permit to the local government legislative authority, the appeal shall be finally determined by the legislative authority within thirty days.

(b) For purposes of this section, a limited utility extension means the extension of a utility service that:

(i) Is categorically exempt under chapter 43.21C RCW for one or more of the following: Natural gas, electricity, telephone, water, or sewer;

(ii) Will serve an existing use in compliance with this chapter; and

(iii) Will not extend more than twenty-five hundred linear feet within the shorelines of the state.

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

Passed by the House February 29, 2012. Passed by the Senate March 2, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 85

[Engrossed Second Substitute Senate Bill 5188] TRAFFIC CONTROL SIGNALS—HARMONIZING

AN ACT Relating to harmonizing certain traffic control signal provisions relative to yellow change intervals, certain fine amount limitations, and certain signage and reporting requirements; amending RCW 46.63.170; adding a new section to chapter 47.36 RCW; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that it is in the interests of the driving public to continue to provide for a uniform system of traffic control signals, including provisions relative to yellow light durations, fine amounts for certain traffic control signal violations, and signage and reporting requirements at certain traffic control signal locations. The legislature further finds that a uniform system of traffic control signals greatly enhances the public's confidence in a safe and equitable highway network. Therefore, it is the intent of the legislature to harmonize and make uniform certain legal provisions relating to traffic control signals.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 47.36 RCW to read as follows:

The duration of a yellow change interval at any traffic control signal must be at least as long as the minimum yellow change interval identified in the manual of uniform traffic control devices for streets and highways as adopted by the department under this chapter.

Sec. 3. RCW 46.63.170 and 2011 c 367 s 704 are each amended to read as follows:

(1) The use of automated traffic safety cameras for issuance of notices of infraction is subject to the following requirements:

(a) The appropriate local legislative authority must ((first enact)) prepare an analysis of the locations within the jurisdiction where automated traffic safety cameras are proposed to be located: (i) Before enacting an ordinance allowing for ((their use)) the initial use of automated traffic safety cameras; and (ii) before adding additional cameras or relocating any existing camera to a new location within the jurisdiction. Automated traffic safety cameras may be used to detect one or more of the following: Stoplight, railroad crossing, or school speed zone violations. At a minimum, the local ordinance must contain the restrictions described in this section and provisions for public notice and signage. Cities and counties using automated traffic safety cameras before July 24, 2005, are subject to the restrictions described in this section, but are not required to enact an authorizing ordinance. Beginning one year after the effective date of this section, cities and counties using automated traffic safety cameras must post an annual report of the number of traffic accidents that occurred at each location where an automated traffic safety camera is located as well as the number of notices of infraction issued for each camera and any other relevant information about the automated traffic safety cameras that the city or county deems appropriate on the city's or county's web site.

(b) Use of automated traffic safety cameras is restricted to ((two arterial)) the following locations only: (i) Intersections(($_7$)) of two arterials with traffic control signals that have yellow change interval durations in accordance with section 2 of this act, which interval durations may not be reduced after placement of the camera; (ii) railroad crossings(($_7$)); and (iii) school speed zones ((only)).

(c) During the 2011-2013 fiscal biennium, automated traffic safety cameras may be used to detect speed violations for the purposes of section 201(2), chapter 367, Laws of 2011 if the local legislative authority first enacts an ordinance authorizing the use of cameras to detect speed violations.

(d) Automated traffic safety cameras may only take pictures of the vehicle and vehicle license plate and only while an infraction is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle. <u>The primary purpose of camera placement is to take pictures of the vehicle and vehicle license plate when an infraction is occurring. Cities and counties shall consider installing cameras in a manner that minimizes the impact of camera flash on drivers.</u>

(e) A notice of infraction must be mailed to the registered owner of the vehicle within fourteen days of the violation, or to the renter of a vehicle within fourteen days of establishing the renter's name and address under subsection (3)(a) of this section. The law enforcement officer issuing the notice of infraction shall include with it a certificate or facsimile thereof, based upon inspection of photographs, microphotographs, or electronic images produced by

an automated traffic safety camera, stating the facts supporting the notice of infraction. This certificate or facsimile is prima facie evidence of the facts contained in it and is admissible in a proceeding charging a violation under this chapter. The photographs, microphotographs, or electronic images evidencing the violation must be available for inspection and admission into evidence in a proceeding to adjudicate the liability for the infraction. A person receiving a notice of infraction based on evidence detected by an automated traffic safety camera may respond to the notice by mail.

(f) The registered owner of a vehicle is responsible for an infraction under RCW 46.63.030(1)(((e))) (d) unless the registered owner overcomes the presumption in RCW 46.63.075, or, in the case of a rental car business, satisfies the conditions under subsection (3) of this section. If appropriate under the circumstances, a renter identified under subsection (3)(a) of this section is responsible for an infraction.

(g) Notwithstanding any other provision of law, all photographs, microphotographs, 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 unless the action or proceeding relates to a violation under this section. No photograph, microphotograph, or electronic image may be used for any purpose other than enforcement of violations under this section nor retained longer than necessary to enforce this section.

(h) All locations where an automated traffic safety camera is used must be clearly marked <u>at least thirty days prior to activation of the camera</u> by placing signs in locations that clearly indicate to a driver that he or she is entering a zone where traffic laws are enforced by an automated traffic safety camera. <u>Signs</u> placed in automated traffic safety camera locations after the effective date of this section must follow the specifications and guidelines under the manual of uniform traffic control devices for streets and highways as adopted by the department of transportation under chapter 47.36 RCW.

(i) If a county or city has established an authorized automated traffic safety camera program under this section, the compensation paid to the manufacturer or vendor of the equipment used must be based only upon the value of the equipment and services provided or rendered in support of the system, and may not be based upon a portion of the fine or civil penalty imposed or the revenue generated by the equipment.

(2) Infractions detected through the use of automated traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120. Additionally, infractions generated by the use of automated traffic safety cameras under this section shall be processed in the same manner as parking infractions, including for the purposes of RCW 3.50.100, 35.20.220, 46.16A.120, and 46.20.270(3). ((However,)) The amount of the fine issued for an infraction generated through the use of an automated traffic safety camera shall not exceed the amount of a fine issued for other parking infractions within the jurisdiction. However, the amount of the fine issued for a traffic control signal violation detected through the use of an automated traffic safety camera shall not exceed the monetary penalty for a violation of RCW 46.61.050 as provided under RCW 46.63.110, including all applicable statutory assessments.

(3) If the registered owner of the vehicle is a rental car business, the law enforcement agency shall, before a notice of infraction being issued under this section, provide a written notice to the rental car business that a notice of infraction may be issued to the rental car business if the rental car business does not, within eighteen days of receiving the written notice, provide to the issuing agency by return mail:

(a) A statement under oath stating the name and known mailing address of the individual driving or renting the vehicle when the infraction occurred; or

(b) A statement under oath that the business is unable to determine who was driving or renting the vehicle at the time the infraction occurred because the vehicle was stolen at the time of the infraction. A statement provided under this subsection must be accompanied by a copy of a filed police report regarding the vehicle theft; or

(c) In lieu of identifying the vehicle operator, the rental car business may pay the applicable penalty.

Timely mailing of this statement to the issuing law enforcement agency relieves a rental car business of any liability under this chapter for the notice of infraction.

(4) Nothing in this section prohibits a law enforcement officer from issuing a notice of traffic infraction to a person in control of a vehicle at the time a violation occurs under RCW 46.63.030(1) (a), (b), or (c).

(5) For the purposes of this section, "automated traffic safety camera" means a device that uses a vehicle sensor installed to work in conjunction with an intersection traffic control system, a railroad grade crossing control system, or a speed measuring device, and a camera synchronized to automatically record one or more sequenced photographs, microphotographs, or electronic images of the rear of a motor vehicle at the time the vehicle fails to stop when facing a steady red traffic control signal or an activated railroad grade crossing control signal, or exceeds a speed limit in a school speed zone as detected by a speed measuring device. During the 2011-2013 fiscal biennium, an automated traffic safety camera includes a camera used to detect speed violations for the purposes of section 201(2), chapter 367, Laws of 2011.

(6) During the 2011-2013 fiscal biennium, this section does not apply to automated traffic safety cameras for the purposes of section 216(5), chapter 367, Laws of 2011.

Passed by the Senate February 8, 2012. Passed by the House March 2, 2012. Approved by the Governor March 23, 2012. Filed in Office of Secretary of State March 23, 2012.

CHAPTER 86

[Engrossed Substitute House Bill 2190] SUPPLEMENTAL TRANSPORTATION BUDGET

AN ACT Relating to transportation funding and appropriations; amending RCW 43.19.642, 46.12.630, and 46.44.0915; amending 2011 c 367 ss 101, 103, 105, 106, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 401, 402, 403, 404, 405, 406, 407, 502, 503, 505, 603, and 608 (uncodified); adding a new section to chapter 47.76 RCW; adding a new section to chapter 72.09 RCW; adding new sections to 2011 c 367 (uncodified); creating new sections; repealing 2011 1st

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sp.s. c 50 ss 718, 719, 720, and 721 (uncodified); making appropriations and authorizing expenditures for capital improvements; providing effective dates; and declaring an emergency.

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

2011-2013 FISCAL BIENNIUM GENERAL GOVERNMENT AGENCIES—OPERATING

Sec. 101. 2011 c 367 s 101 (uncodified) is amended to read as follows: FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation is provided solely for staffing costs to be dedicated to state transportation activities. Staff hired to support transportation activities must have practical experience with complex construction projects.

*Sec. 102. 2011 c 367 s 103 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT
Motor Vehicle Account—State Appropriation
\$2,128,000
Puget Sound Ferry Operations Account—State
Appropriation
<u>\$1,260,000</u>
Multimodal Transportation Account—State
Appropriation\$350,000
TOTAL APPROPRIATION
\$3,738,000

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

(1) The office of financial management, in consultation with the transportation committees of the legislature, shall conduct a budget evaluation study for the new traffic management center proposed by the department of transportation. The study must consider data resulting from the plan identified in section 604 of this act. The budget evaluation study team approach using value engineering techniques must be utilized by the office of financial management in conducting the study. The office of financial management shall select the budget evaluation study team members, contract for the study, and report the results to the transportation committees of the legislature and the department of transportation in a timely manner following the study. Options reviewed must include use of existing facilities, including the Wheeler building data center in Olympia. Funds allocated for the new traffic management center must be used by the office of financial management through an interagency agreement with the department of transportation to cover the cost of the study.

(2) ((\$4,480,000 of the Puget Sound ferry operations account state appropriation is provided solely for marine insurance. The appropriation is intended to fully fund a two-year policy, and the office of financial management shall increase the deductible to \$10,000,000 and reduce components of the policy in order to keep the total cost of the two-year policy at or below the appropriation in this subsection.

(5))) \$1,116,000 of the Puget Sound ferry operations account—state appropriation is provided solely for marine insurance. The amount in this subsection as well as the amount in section 103(2) of this act is intended to fully fund a two-year policy. For fiscal year 2012, the office of financial management shall increase the deductible to ten million dollars and reduce components of the policy in order to keep the total cost of the two-year policy at or below the appropriation in this subsection and section 103(2) of this act.

(3) \$840,000 of the motor vehicle account—state appropriation is provided out of funds set aside out of statewide fuel taxes distributed to counties according to RCW 46.68.120(3) solely for the office of financial management to contract with the Washington state association of counties to identify, evaluate, and implement performance measures associated with county transportation activities. The performance measures must include, at a minimum, those related to safety, system preservation, mobility, environmental protection, and project completion. A report on the county transportation performance implementation project must be provided to the transportation committees of the legislature by December 31, 2012.

(((6))) (4) \$169,000 of the motor vehicle account—state appropriation is provided solely for the office of regulatory assistance integrated permitting project.

(((7))) (5) \$40,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the state's share of the marine salary survey.

(((8))) (<u>6</u>) The office of financial management shall study the available data regarding statewide transit, bicycle, and pedestrian trips and recommend additional performance measures that will effectively measure the state's performance in increasing transit ridership and bicycle and pedestrian trips. The office of financial management shall report its findings and recommendations to the transportation committees of the legislature by November 15, 2011, and integrate the new performance measures into the report prepared by the office of financial management pursuant to RCW 47.04.280 regarding progress towards achieving Washington state's transportation system policy goals.

(7) \$350,000 of the multimodal transportation account—state appropriation is provided solely for the office of financial management to contract with a statewide organization representing Washington cities and a statewide organization representing Washington counties to work with the Washington state governor's office of regulatory assistance to:

(a) Fulfill completion of recent iPRMT enhancements developed to consolidate applications and expedite local, state, and regional transportation and public works maintenance permitting related to (i) general hydraulic project approval permits issued consistent with section 103(3), chapter 247, Laws of 2010 and (ii) section 106 consultations completed under the national historic preservation act;

(b) Work with local, state, and regional transportation and public works maintenance agencies to continue to support development of iPRMT enhancements and customizations based on applicant needs; and (c) Provide outreach and training to advance the state's interest in continuing to leverage iPRMT web infrastructure to support and accelerate local, regional, and state transportation and public works planning, permitting, and compliance.

(8) \$400,000 of the motor vehicle account—state appropriation is from the cities statewide fuel tax distributions under RCW 46.68.110(2) for the department of transportation to contract with the department of fish and wildlife to inventory, assess, and prioritize fish passage barriers associated with city roads and streets in the Puget Sound region. The department of transportation shall submit the results to the office of financial management and the transportation committees of the legislature by December 31, 2013.

(9) The office of financial management through the chief information officer shall conduct a technical review of the Washington state patrol's conversion to narrowbanding and the decision to utilize the United States department of justice's integrated wireless network for that transition. The technical review must include an analysis of whether the conversion constitutes an appropriate opportunity for the state to leverage existing infrastructure, mitigates any communication gaps, provides for a risk mitigation strategy, provides opportunities to move to future emerging technologies, and is consistent with the elements of the chief information officer's state technology strategy. The chief information officer must provide a report of findings to the joint transportation committee by September 1, 2012. The recommendations must include any essential elements of the conversion that are necessary to ensure the existence of a comprehensive, interoperable, and reliable communication system within the United States department of justice's integrated wireless network with appropriate risk *mitigation plans in place.*

*Sec. 102 was partially vetoed. See message at end of chapter.

<u>NEW SECTION.</u> Sec. 103. A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Appropriation	\$3,360,000
TOTAL APPROPRIATION	\$3,822,000

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

(1) \$462,000 of the motor vehicle account—state appropriation is provided solely for the transportation executive information system.

(2) \$3,360,000 of the Puget Sound ferry operations account—state appropriation is provided solely for marine insurance. The amount in this subsection as well as the amount in section 102(2) of this act is intended to fully fund a two-year policy. For fiscal year 2013, the department of enterprise services shall increase the deductible to ten million dollars and reduce components of the policy in order to keep the total cost of the two-year policy at or below the appropriation in this subsection and section 102(2) of this act.

<u>NEW SECTION.</u> Sec. 104. A new section is added to 2011 c 367 (uncodified) to read as follows:

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FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION

Puget Sound Ferry Operations Account—State

The appropriation in this section is subject to the following conditions and limitations: \$75,000 of the Puget Sound ferry operations account—state appropriation is provided solely for implementing chapter 16, Laws of 2011 1st sp. sess. (Washington state ferry system). \$43,200 of the appropriation is provided solely for closing out the marine employees' commission lease agreement in fiscal year 2012, and the remainder of the appropriation is provided solely for costs associated with marine employees' commission commissioner payments and travel.

Sec. 105. 2011 c 367 s 105 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE

Motor Vehicle Account-	-State Appropriation	$\dots \dots \dots \dots \dots \dots ((\$1,210,000))$
		<u>\$1,185,000</u>

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

(1) \$351,000 of the motor vehicle account—state appropriation is provided solely for costs associated with the motor fuel quality program.

(2) \$686,000 of the motor vehicle account—state appropriation is provided solely to test the quality of biofuel. The department must test fuel quality at the biofuel manufacturer, distributor, and retailer.

Sec. 106. 2011 c 367 s 106 (uncodified) is amended to read as follows:

FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

Motor Vehicle Account—State Appropriation	((\$513,000))
	<u>\$494,000</u>

TRANSPORTATION AGENCIES—OPERATING

Sec. 201. 2011 c 367 s 201 (uncodified) is amended to read as follows:

FOR THE WASHINGTON TRAFFIC SAFETY COMM	lission
Highway Safety Account—State Appropriation	((\$3,003,000))
	\$2,983,000

<u>\$2,983,000</u>
Highway Safety Account—Federal Appropriation
<u>\$42,507,000</u>
Highway Safety Account— <u>Private/Local Appropriation</u> \$50,000
School Zone Safety Account—State Appropriation\$3,340,000
TOTAL APPROPRIATION
<u>\$48,880,000</u>

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

(1) \$1,673,900 of the highway safety account—federal appropriation is provided solely for the conclusion of the target zero trooper pilot program, which the commission has developed and implemented in collaboration with the Washington state patrol. The pilot program must continue to demonstrate the

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effectiveness of intense, high visibility, driving under the influence enforcement in Washington. The commission shall continue to apply to the national highway traffic safety administration for federal highway safety grants to cover the cost of the pilot program. <u>State funding is provided in section 207 of this act for the</u> <u>state patrol to continue the target zero trooper program in fiscal year 2013</u>.

(2) The commission may oversee pilot projects implementing the use of automated traffic safety cameras to detect speed violations within cities west of the Cascade mountains that have a population over one hundred ninety-five thousand. For the purposes of pilot projects in this subsection, no more than one automated traffic safety camera may be used to detect speed violations within any one jurisdiction.

(a) The commission shall comply with RCW 46.63.170 in administering the pilot projects.

(b) In order to ensure adequate time in the 2011-2013 fiscal biennium to evaluate the effectiveness of the pilot projects, any projects authorized by the commission must be authorized by December 31, 2011.

(c) By January 1, 2013, the commission shall provide a report to the legislature regarding the use, public acceptance, outcomes, and other relevant issues regarding automated traffic safety cameras demonstrated by the pilot projects.

(3) \$460,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ... (Engrossed Second Substitute House Bill No. 1789), Laws of 2011 (addressing DUI accountability). If chapter ... (Engrossed Second Substitute House Bill No. 1789), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

(4) The commission shall conduct a review of the literature on potential safety benefits realized from drivers using their headlights and windshield wipers simultaneously and shall report to the transportation committees of the legislature by December 1, 2011.

(5) \$22,000,000 of the highway safety account—federal appropriation is provided solely for federal funds that may be obligated to the commission pursuant to 23 U.S.C. Sec. 164 during the 2011-2013 fiscal biennium.

Sec. 202. 2011 c 367 s 202 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State Appropriation	((\$948,000))
	<u>\$915,000</u>
Motor Vehicle Account—State Appropriation	
	<u>\$2,088,000</u>
County Arterial Preservation Account—State	
Appropriation	
	<u>\$1,428,000</u>
TOTAL APPROPRIATION	
	<u>\$4,431,000</u>

The appropriations in this section are subject to the following conditions and limitations: The county road administration board shall submit a report to the transportation committees of the legislature by December 1, 2011, on the implementation of the recommendations that resulted from the evaluation of efficiencies in the delivery of transportation funding and services to local governments that was required under section 204(8), chapter 247, Laws of 2010. The report must include a description of how recommendations were implemented, what efficiencies were achieved, and an explanation of any recommendations that were not implemented.

Sec. 203. 2011 c 367 s 203 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD

Transportation Improvement Account—State

Appropriation	 $\dots \dots $
	\$3,625,000

The appropriation in this section is subject to the following conditions and limitations: The transportation improvement board shall submit a report to the transportation committees of the legislature by December 1, 2011, on the implementation of the recommendations that resulted from the evaluation of efficiencies in the delivery of transportation funding and services to local governments that was required under section 204(8), chapter 247, Laws of 2010. The report must include a description of how recommendations were implemented, what efficiencies were achieved, and an explanation of any recommendations that were not implemented.

Sec. 204. 2011 c 367 s 204 (uncodified) is amended to read as follows:

FOR THE JOINT TRANSPORTATION COMMITTEE

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

(1) \$200,000 of the motor vehicle account—state appropriation is for a study of Washington state ferries fares that recommends the most appropriate fare media for use with the reservation system and the implementation of demand management pricing and interoperability with other payment methods. The study must include direct collaboration with transportation commission members.

(((3))) (2) \$200,000 of the motor vehicle account—state appropriation is from the cities statewide fuel tax distributions under RCW 46.68.110(2) for the joint transportation committee to study and make recommendations on RCW 90.03.525. The study must include: (a) An inventory of state highways subject to the federal clean water act (40 C.F.R. Parts 122 through 124) (national pollutant discharge elimination system) that are within city boundaries; (b) a survey of cities that impose storm water fees or charges to the department of transportation, or otherwise manage storm water runoff from state highways within their jurisdiction; (c) case studies from a representative cross-section of cities on how the department and cities have used RCW 90.03.525; and (d) recommendations on how to achieve efficiencies in the cost and management of state highway storm water runoff within cities under RCW 90.03.525.

(((4))) (3) \$425,000 of the motor vehicle account—state appropriation is for the joint transportation committee to conduct a study to evaluate the potential for financing state transportation projects using public-private partnerships. The study must compare the costs, advantages, and disadvantages of various forms of public-private partnerships with conventional financing. Projects to be

evaluated include Interstate 405, state route number 509, state route number 167, the Columbia River crossing, and the Monroe bypass. At a minimum, the study must identify the public interest in the financing and construction of transportation projects, the public interest in the operation of transportation projects, and the provisions in public-private partnership agreements that best protect the public interest. To the extent possible, the study must identify the lowest-cost and best-value model for each project that best protects the public interest. In addition, the study must evaluate whether public-private partnerships serve the defined public interest including, but not limited to, the advantage and disadvantage of risk allocation, the effects of private versus public financing on the state's bonding capacity, the state's ability to retain public ownership of the asset, the process that would allow for the most transparency during the negotiation of terms of a public-private partnership agreement, and the state's ability to oversee the private entity's management of the asset. The study must identify any barriers to the implementation of funding models that best protect the public interest, including statutory and constitutional barriers. The committee shall issue a report of its evaluation to the house of representatives and senate transportation committees by December 16, 2011.

(((5))) (4) \$100,000 of the motor vehicle account—state appropriation is for an investigation of the use of liquid natural gas on existing Washington state ferry vessels as well as the 144-car class vessels and report to the legislature by December 31, 2011.

(5) The joint transportation committee shall convene a study group to evaluate the most appropriate organization for the aviation search and rescue program, currently operating from the department of transportation's aviation division. The joint transportation committee shall invite a representative from the following organizations to participate in meetings in the city of Olympia: The aircraft owners and pilots association; the Washington pilots association; the Washington wing of the civil air patrol; the civil air patrol - United States air force; the Washington department of transportation, aviation division; the emergency management division of the military department; the Washington association of search and rescue; and the Washington state patrol. The committee shall issue a report of its findings to the legislature by December 14, 2012, to include the following information:

(a) Where should aviation search and rescue operations be located to provide the maximum benefit for these searches?

(b) How should the duplication of services and training be addressed?

(c) Is the current structure the best use of state and federal funding?

(d) If aviation search and rescue is relocated, what should be the source of funding?

(6) The joint transportation committee shall convene a series of meetings between representatives of the Washington state ferries and British Columbia ferries services as well as the respective shipyard contractors for new vessel construction for each system. The purpose of the meetings is to explore joint procurement of additional 144-car capacity ferry vessels for use in either ferry system. Benefits from this joint procurement include, but are not limited to, construction savings accruing to both ferry systems due to the economies of scale of purchasing multiple vessels, additional relief vessel capacity available to

both ferry systems, and enhanced service on the international route connecting Washington and British Columbia.

(7) The Columbia River Crossing bridge project is a major initiative to address congestion problems on Interstate 5 between Portland, Oregon and Vancouver, Washington that requires support by not only the governors of both states but the legislatures as well. The joint transportation committee must convene a subcommittee for legislative oversight of the I-5/Columbia River Crossing bridge replacement project. The Columbia River Crossing legislative oversight subcommittee must be made up of six members, two appointed by the chair and ranking member of the senate transportation committee, two appointed by the chair and ranking member of the house of representatives transportation committee, one designee of the governor, and one citizen jointly appointed by the four members of the joint transportation executive committee. The citizen appointee must be a Washington state resident of the area served by the bridge. At least two of the legislative members must be from the legislative districts served by the bridge. In addition to reviewing project and financing information, the subcommittee must also coordinate with the Oregon legislative oversight committee for the Columbia River Crossing bridge.

(8)(a) The joint transportation committee shall convene a study group to evaluate the effectiveness, transparency, and priorities by which the department of transportation expends federal transportation funds. The study group must include representatives from the department of transportation, the office of financial management, and local representatives of the federal highway administration. The study group shall make recommendations on how to:

(i) Make the process for programming federal funds more transparent;

(ii) Evaluate assumptions used to predict the availability of federal funds in future biennia and how those funds will be programmed between different federal funding programs;

(iii) Develop a process for linking statewide priorities to distributing federal funds from project savings and the redistribution of federal funds from other states; and

(iv) Develop a process for incorporating stakeholder feedback when developing federal grant and loan applications.

(b) The joint transportation committee shall issue a report of its evaluation to the house of representatives and senate transportation committees by December 16, 2012.

(9) Within the amounts provided in this section, the joint transportation committee shall conduct research to evaluate the fiscal health of public transportation in Washington. With the assistance of staff from the standing transportation committees of the legislature, the joint transportation committee shall collect and review known and conventional sources of transit financial and operational data as it pertains to Washington transit entities. The joint transportation committee shall evaluate changes to the fiscal and operational status of transit entities over the last fifteen years. The joint transportation committee shall compare fiscal results in aggregate during selected years of the time period examined with state funding for transportation in the same years. The joint transportation committee shall report its findings to the standing transportation committees of the legislature by December 1, 2012.

Sec. 205. 2011 c 367 s 205 (uncodified) is amended to read as follows:

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FOR THE TRANSPORTATION COMMISSION

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Motor Vehicle Account—State Appropriation	.((\$2,142,000))
	\$3,028,000
Multimodal Transportation Account—State Appropriation	\$112,000
TOTAL APPROPRIATION	.((\$2,254,000))
	<u>\$3,140,000</u>

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

(1) Consistent with RCW 43.135.055, 47.60.290, and 47.60.315, during the 2011-2013 fiscal biennium, the legislature authorizes the transportation commission to periodically review and, if necessary, adjust the schedule of fares for the Washington state ferry system only in amounts not greater than those sufficient to generate the amount of revenue required by the biennial transportation budget. When adjusting ferry fares, the commission must consider input from affected ferry users by public hearing and by review with the affected ferry advisory committees, in addition to the data gathered from the current ferry user survey.

(2) Consistent with RCW 43.135.055 and 47.46.100, during the 2011-2013 fiscal biennium, the legislature authorizes the transportation commission to periodically review and, if necessary, adjust the schedule of toll charges applicable to the Tacoma Narrows bridge only in amounts not greater than those sufficient to support (a) any required costs for operating and maintaining the toll bridge, including the cost of insurance, (b) any amount required by law to meet the redemption of bonds and applicable interest payments, and (c) repayment of the motor vehicle fund.

(((4))) (3) Consistent with its authority in RCW 47.56.840, the transportation commission shall consider the need for a citizen advisory group that provides oversight on new tolled facilities.

(4) \$775,000 of the motor vehicle account—state appropriation is provided solely to determine the feasibility of transitioning from the gas tax to a road user assessment system of paying for transportation.

(a) The transportation commission, with direction from the steering committee created in (b) of this subsection, must: Review relevant reports and data related to models of road user assessments and methods of transitioning to a road user assessment system; analyze the research to identify issues for policy decisions in Washington; make recommendations for the design of systemwide trials; develop a plan to assess public perspectives and educate the public on the current transportation funding system and options for a new system; and perform other tasks as deemed necessary by the steering committee.

(b) The transportation commission must convene a steering committee to provide direction to and guide the transportation commission's work. Membership of the steering committee must include, but is not limited to, members representing the following interests: The trucking industry; business; cities and counties; public transportation; environmental; user fee technology; auto and light truck manufacturers; and the motoring public. In addition, a member from each of the two largest caucuses of the senate, appointed by the president of the senate, and a member from each of the two largest caucuses of the house of representatives, appointed by the speaker of the house of representatives, must serve on the steering committee.

(c) The transportation commission must update the governor and the legislature on this work by January 1, 2013. In addition, this update must include a plan and budget request for work to be completed during the 2013-2015 fiscal biennium.

(5) \$160,000 of the motor vehicle account—state appropriation is provided solely for the transportation commission to establish a statewide transportation survey panel and conduct two surveys on transportation funding and policy issues during the 2011-2013 fiscal biennium. At a minimum, the results of the first survey must be submitted to the legislature by January 2013.

Sec. 206. 2011 c 367 s 206 (uncodified) is amended to read as follows:

 FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

 Motor Vehicle Account—State Appropriation
 ((\$702,000))

 \$781,000

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

(1) \$100,000 of the motor vehicle account—state appropriation is provided solely for an additional staff person for the freight mobility strategic investment board.

(2) The freight mobility strategic investment board shall submit a report to the transportation committees of the legislature by December 1, 2011, on the implementation of the recommendations that resulted from the evaluation of efficiencies in the delivery of transportation funding and services to local governments that was required under section 204(8), chapter 247, Laws of 2010. The report must include a description of how recommendations were implemented, what efficiencies were achieved, and an explanation of any recommendations that were not implemented.

Sec. 207. 2011 c 367 s 207 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

((Vehicle Licensing Fraud Account—State Appropriation\$100,000))
Multimodal Transportation Account—State Appropriation
Ignition Interlock Device Revolving Account
State Appropriation
State Patrol Highway Account—State
Appropriation
<u>\$350,605,000</u>
State Patrol Highway Account—Federal
Appropriation
State Patrol Highway Account—Private/Local
Appropriation
<u>\$3,494,000</u>
Highway Safety Account—State Appropriation\$432,000
TOTAL APPROPRIATION
<u>\$365,778,000</u>

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

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(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. Cessna pilots funded from the state patrol highway account who are certified to fly the King Airs may pilot those aircraft for general fund purposes with the general fund reimbursing the state patrol highway account an hourly rate to cover the costs incurred during the flights since the aviation section is no longer part of the Washington state patrol cost allocation system as of July 1, 2009.

(2) The Washington state patrol shall continue to collaborate with the Washington traffic safety commission on the target zero trooper pilot program referenced in section 201(1) of this act.

(3) \$370,000 of the state patrol highway account—state appropriation is provided solely for costs associated with the pilot program described under section 216(5) of this act. The Washington state patrol may incur costs related only to the assignment of cadets and necessary computer equipment and to the reimbursement of the Washington state department of transportation for contract costs. The appropriation in this subsection must be funded from the portion of the automated traffic safety camera fines deposited into the state patrol highway account; however, if the fines deposited into the state patrol highway account from automated traffic safety camera infractions do not reach three hundred seventy thousand dollars, the department of transportation shall remit funds necessary to the Washington state patrol to ensure the completion of the pilot program. The Washington state patrol may not incur overtime as a result of this pilot program. The Washington state patrol shall not assign troopers to operate or deploy the pilot program equipment used in the roadway construction zones.

(4) ((\$12,655,000)) \$12,160,000 of the total appropriation is provided solely for automobile fuel in the 2011-2013 fiscal biennium. The Washington state patrol shall analyze their fuel consumption and submit a report to the legislative transportation committees by December 31, 2011, on fuel conservation methods that could be used to minimize costs and ensure that the Washington state patrol is managing fuel consumption effectively.

(5) ((\$7,421,000)) \$7,672,000 of the total appropriation is provided solely for the purchase of pursuit vehicles.

(6) ((\$6,611,000)) \$6,686,000 of the total appropriation is provided solely for vehicle repair and maintenance costs of vehicles used for highway purposes.

(7) \$1,724,000 of the total appropriation is provided solely for the purchase of mission vehicles used for highway purposes in the commercial vehicle and traffic investigation sections of the Washington state patrol.

(8) \$1,200,000 of the total appropriation is provided solely for outfitting officers. The Washington state patrol shall prepare a cost-benefit analysis of the standard trooper uniform as compared to a battle dress uniform and uniforms used by other states and jurisdictions. The Washington state patrol shall report the results of the analysis to the transportation committees of the legislature by December 1, 2011.

(9) The Washington state patrol shall not account for or record locally provided DUI cost reimbursement payments as expenditure credits to the state patrol highway account. The patrol shall report the amount of expected locally provided DUI cost reimbursements to the office of financial management and transportation committees of the legislature by September 30th of each year.

(10) During the 2011-2013 fiscal biennium, the Washington state patrol shall continue to perform traffic accident investigations on Thurston county roads, and shall work with Thurston county to transition the traffic accident investigations on Thurston county roads to Thurston county by July 1, 2013.

(11) ((\$100,000 of the vehicle licensing fraud account state appropriation is provided solely to support the transportation portion of the vehicle license fraud program during the 2011-2013 fiscal biennium)) <u>\$2,187,000 of the state patrol highway account—state appropriation is provided solely for mobile office platforms.</u>

(12) \$2,731,000 of the state patrol highway account—state appropriation is provided solely for the continuation of the target zero trooper program.

(13) \$432,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Second Substitute House Bill No. 2443), Laws of 2012 (DUI accountability). If chapter . . . (Second Substitute House Bill No. 2443), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses. Additionally, the total highway safety account—state appropriation in this section assumes the revenue generated by the fees that the Washington state patrol is authorized to charge manufacturers, technicians, and other providers under Second Substitute House Bill No. 2443. Within the amounts provided in this subsection is funding for three additional troopers to provide oversight of the ignition interlock industry.

(14) \$212,000 of the ignition interlock device revolving account—state appropriation is provided solely for two additional troopers to provide oversight of the ignition interlock industry. If chapter . . . (Second Substitute House Bill No. 2443), Laws of 2012 is enacted by June 30, 2012, the amount provided in this subsection lapses.

(15) \$132,000 of the multimodal transportation account—state appropriation is provided solely for the implementation of chapter ... (Engrossed Substitute House Bill No. 1820), Laws of 2012 (blue alert system). If chapter ... (Engrossed Substitute House Bill No. 1820), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

Sec. 208. 2011 c 367 s 208 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING
Marine Fuel Tax Refund Account—State Appropriation\$32,000
Motorcycle Safety Education Account—State
Appropriation
<u>\$4,367,000</u>
Wildlife Account—State Appropriation
<u>\$826,000</u>
Highway Safety Account—State Appropriation((\$149,904,000))
<u>\$148,666,000</u>
Highway Safety Account—Federal Appropriation
<u>\$4,299,000</u>

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Highway Safety Account—Private/Local Appropriation\$200,000
Motor Vehicle Account—State Appropriation
\$76,511,000
Motor Vehicle Account—Private/Local Appropriation
<u>\$1,714,000</u>
Motor Vehicle Account—Federal Appropriation
<u>\$380,000</u>
Department of Licensing Services Account—State
Appropriation
<u>\$6,095,000</u>
Ignition Interlock Device Revolving Account—State
Appropriation
<u>\$1,971,000</u>
TOTAL APPROPRIATION
<u>\$245,061,000</u>

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

(1) ((\$62,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter ... (Engrossed Substitute Senate Bill No. 5251), Laws of 2011 (electric vehicle fee). If chapter ... (Engrossed Substitute Senate Bill No. 5251), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

(2))) \$231,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter ... (Substitute Senate Bill No. 5800), Laws of 2011 (off-road motorcycles). If chapter ... (Substitute Senate Bill No. 5800), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

(((3))) (2) \$193,000 of the department of licensing services account—state appropriation is provided solely for a phased implementation of chapter ... (Substitute House Bill No. 1046), Laws of 2011 (vehicle and vessel quick titles). Funding is contingent upon revenues associated with the vehicle and vessel quick title program paying all direct and indirect expenditures associated with the department's implementation of this subsection. If chapter ... (Substitute House Bill No. 1046), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

(((4) The department may seek federal funds to implement a driver's license and identicard biometric matching system pilot program to verify the identity of applicants for, and holders of, drivers' licenses and identicards if applicants are provided the opportunity to opt out of participating in the program, which meets the requirement of RCW 46.20.037 that such a program be voluntary. If funds are received, the department shall report any benefits or problems identified during the course of the pilot program to the transportation committees of the legislature upon the completion of the program.

(5) \$1,938,000)) (3) \$4,299,000 of the highway safety account—federal appropriation is for federal funds that may be received during the 2011-2013 fiscal biennium. Upon receipt of the funds, the department shall provide a report on the use of the funds to the transportation committees of the legislature and the office of financial management.

(((6))) (4) By December 31, 2011, the department shall submit to the office of financial management and the transportation committees of the legislature draft legislation that rewrites the tow truck statutes (chapter 46.55 RCW) in plain language and is revenue and policy neutral.

(((7))) (5) \$128,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ... (Engrossed Substitute House Bill No. 1635), Laws of 2011 (driver's license exams). If chapter ... (Engrossed Substitute House Bill No. 1635), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

(((8))) (<u>6</u>) \$68,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ... (Engrossed Second Substitute House Bill No. 1789), Laws of 2011 (((driving under the influence))) (addressing DUI accountability). If chapter ... (Engrossed Second Substitute House Bill No. 1789), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

(((9))) (7) \$63,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ... (Substitute House Bill No. 1237), Laws of 2011 (selective service system). If chapter ... (Substitute House Bill No. 1237), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

(((10))) (8) \$340,000 of the motor vehicle account—private/local appropriation is provided solely for the implementation of chapter ... (Engrossed Substitute Senate Bill No. 5457), Laws of 2011 (congestion reduction charge). If chapter ... (Engrossed Substitute Senate Bill No. 5457), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

 $(((\frac{12})))$ (9) \$1,738,000 of the department of licensing services account state appropriation is provided solely for purchasing equipment for field licensing service offices and subagent offices.

(10) \$2,500,000 of the highway safety account—state appropriation is provided solely for information technology field system modernization.

(11) \$963,000 of the highway safety account—state appropriation is provided solely for implementation of chapter 374, Laws of 2011 (limousine carriers) and chapter 298, Laws of 2011 (master license service program).

(12) \$99,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter ... (Substitute House Bill No. 2299), Laws of 2012 (special license plates). If chapter ... (Substitute House Bill No. 2299), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

(13) \$174,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 6075), Laws of 2012 (vehicle owner information). If chapter . . . (Substitute Senate Bill No. 6075), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses. Additionally, the total appropriation in this section assumes the revenue generated by the fee established in Substitute Senate Bill No. 6075. Within the amounts provided in this subsection, the department must improve on the information that the department makes publicly available to victims of domestic violence and sexual assault on how to better protect their personal information, especially their residential addresses. Specifically, the department must provide a link to the secretary of state's address confidentiality program web site. The department also must provide information regarding a person's ability to provide a mailing address in addition to the person's residential address when registering a vehicle with the department.

(14) \$289,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ... (Engrossed Substitute Senate Bill No. 6150), Laws of 2012 (facial recognition matching system). If chapter ... (Engrossed Substitute Senate Bill No. 6150), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

(15) \$397,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter ... (Engrossed Substitute Senate Bill No. 6284), Laws of 2012 (civil traffic infractions). If chapter ... (Engrossed Substitute Senate Bill No. 6284), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses. Additionally, the total highway safety account—state appropriation in this section assumes the revenue generated by the policy changes in chapter ... (Engrossed Substitute Senate Bill No. 6284), Laws of 2012.

(16) \$222,000 of the motor vehicle account—state appropriation and \$36,000 of the highway safety account—state appropriation are provided solely for the implementation of chapter ... (Engrossed Substitute Senate Bill No. 6455), Laws of 2012 (transportation revenue). If chapter ... (Engrossed Substitute Senate Bill No. 6455), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

(17) \$274,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute Senate Bill No. 6582), Laws of 2012 (local transportation revenue options). If chapter . . . (Engrossed Substitute Senate Bill No. 6582), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

(18) Within the amounts provided in this section, the department must develop a transition plan for moving to a paperless renewal notice for drivers' licenses and vehicle registrations. The plan must consider people that do not have access to the internet and must include an opportunity for people to opt-in to a paper renewal notice. Prior to the implementation of a paperless renewal system, the department must consult with the joint transportation committee.

(19) Within existing resources, the department shall develop a plan to transition to a ten-year license plate replacement cycle. At a minimum, the plan must include the following provisions: (a) A ten-year replacement cycle for license plates only on vehicles that are subject to annual vehicle registration renewal; (b) a requirement that new license plates and registration, including all fees and taxes due upon annual registration, are required when a vehicle changes ownership, except when a vehicle is sold to a vehicle dealer for resale, in which case they are due only when the dealer sells the vehicle; (c) an original issue license plate fee that is equal to the current license plate replacement fee; and (d) an estimate of the plan's costs to implement and revenues generated. The department shall submit the plan with draft legislation implementing the plan to the transportation committees of the legislature by December 31, 2012.

(20) Consistent with RCW 43.135.055 and 43.24.086, during the 2011-2013 fiscal biennium, the legislature authorizes the department to adjust the business

and vehicle fees for the for hire licensing program in amounts sufficient to recover the costs of administering the for hire licensing program.

(21) The legislature intends to establish a veteran designation for drivers' licenses and identicards issued under chapter 46.20 RCW, as proposed under House Bill No. 2378, during the 2013 legislative session. The designation would serve to establish a person's service in the armed forces and be granted to a person who provides a United States department of defense discharge document, DD Form 214, that shows a discharge status of "honorable" or "general under honorable conditions." The department shall report to the transportation committees of the legislature by December 1, 2012, with a plan to implement the designation. The plan must include the most cost-effective options for implementation, a proposed fee amount to cover the costs of the designation.

(22) \$59,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter ... (Substitute House Bill No. 2312), Laws of 2012 (military service award emblems). If chapter ... (Substitute House Bill No. 2312), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

(23) \$656,000 of the ignition interlock device revolving account—state appropriation is provided solely for the implementation of chapter . . . (Second Substitute House Bill No. 2443), Laws of 2012 (DUI accountability). If chapter . . . (Second Substitute House Bill No. 2443), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

(24) \$134,000 of the highway safety account—state appropriation and \$134,000 of the motor vehicle account—state appropriation are provided solely for the implementation of chapter . . . (Engrossed Second Substitute House Bill No. 2373), Laws of 2012 (state recreational resources). If chapter . . . (Engrossed Second Substitute House Bill No. 2373), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

Sec. 209. 2011 c 367 s 209 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—TOLL OPERATIONS AND MAINTENANCE—PROGRAM B

High Occupancy	Toll Lange	Onerations	Account State	
HIGH OCCUDANCY	TOH Lanes	Oberations a	Account—State	

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

(1) The department shall make detailed quarterly expenditure reports available to the transportation commission and to the public on the department's web site using current department 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.

(2) ((\$4,622,000)) \$3.622,000 of the state route number 520 civil penalties account—state appropriation and \$1,458,000 of the Tacoma Narrows toll bridge account—state appropriation are provided solely for expenditures related to the toll adjudication process. All costs associated with the toll adjudication process are anticipated to be covered by revenue collected from the toll adjudication process. The department shall report quarterly on the civil penalty process to the office of financial management and the house of representatives and senate transportation committees beginning September 30, 2011. The reports must include a summary table for each toll facility that includes: The number of notices of civil penalty issued; the number of recipients who pay before the notice becomes a penalty; the number of recipients who request a hearing and the number who do not respond; workload costs related to hearings; the cost and effectiveness of debt collection activities; and revenues generated from notices of civil penalty.

(3) It is the intent of the legislature that transitioning to a statewide tolling operations center and preparing for all-electronic tolling on certain toll facilities will have no adverse revenue or expenditure impact on the Tacoma Narrows toll bridge account. Any increased costs related to this transition shall not be allocated to the Tacoma Narrows toll bridge account. All costs associated with the toll adjudication process are anticipated to be covered by revenue collected from the toll adjudication process.

(4) The department shall ensure that, at no cost to the Tacoma Narrows toll bridge account, new electronic tolling tag readers are installed on the Tacoma Narrows bridge as soon as practicable that are able to read existing and new electronic tolling tags.

(5) \$17,786,000 of the state route number 520 corridor account—state appropriation is provided solely for nonvendor costs associated with tolling the state route number 520 bridge. Funds from the state route number 520 corridor account—state appropriation shall not be used to pay for items prohibited by Executive Order No. 1057, including subscriptions to technical publications, employee educational expenses, professional membership dues and fees, employee recognition and safety awards, meeting meals and light refreshments, commute trip reduction incentives, and employee travel.

Sec. 210. 2011 c 367 s 210 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—INFORMATION TECHNOLOGY—PROGRAM C

Motor Vehicle Account—State Appropriation	(\$69,107,000))
	<u>\$67,398,000</u>
Transportation Partnership Account—State	
Appropriation	\$1,460,000

Multimodal Transportation Account—State	
Appropriation	\$363,000
Transportation 2003 Account (Nickel Account)—State	
Appropriation	1,460,000
TOTAL APPROPRIATION	390,000))
\$70	0,681,000

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

(1) The department shall consult with the office of financial management and the department of ((information)) <u>enterprise</u> services to: (a) Ensure that the department's current and future system development is consistent with the overall direction of other key state systems; and (b) when possible, use or develop common statewide information systems to encourage coordination and integration of information used by the department and other state agencies and to avoid duplication.

(2) \$1,460,000 of the transportation partnership account—state appropriation and \$1,460,000 of the transportation 2003 account (nickel account)—state appropriation are provided solely for maintaining the department's project management reporting system.

(3) \$210,000 of the motor vehicle account—state appropriation is provided solely for the department's compliance with its national pollution discharge elimination system permit.

(((5))) (4) \$502,000 of the motor vehicle account—state appropriation is provided solely to provide support for the transportation executive information system.

Sec. 211. 2011 c 367 s 211 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—FACILITY MAINTENANCE, OPERATIONS AND CONSTRUCTION—PROGRAM D—OPERATING

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

(1) The department shall submit a predesign proposal for a new traffic management center to the office of financial management consistent with the process followed by nontransportation capital construction projects. The department shall not award a contract for construction of a new traffic management center until the predesign proposal has been submitted and the office of financial management has completed a budget evaluation study that indicates a new building is the recommended option for accommodating additional traffic management operations.

(2) \$850,000 of the motor vehicle account—state appropriation is provided solely for the department's compliance with its national pollution discharge elimination system permit.

*Sec. 212. 2011 c 367 s 212 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—AVIATION—PROGRAM F

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Aeronautics Account—State Appropriation	((\$6,066,000))
	\$6,002,000
Aeronautics Account—Federal Appropriation	\$2,150,000
TOTAL APPROPRIATION	
	\$8,152,000

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

(1) \$200,000 of the aeronautics account—state appropriation is a reappropriation provided solely to complete runway preservation projects.

(2) The department of transportation's aviation stakeholder forum shall submit a final report regarding the possible move of the aviation division from Arlington, Washington to Olympia, Washington by December 31, 2012, to the legislature. The legislature shall consider the recommendations and make a final determination on the proposed move during the 2013 legislative session. Until that decision has been made, the aviation division must remain in its existing location.

*Sec. 212 was partially vetoed. See message at end of chapter.

Sec. 213. 2011 c 367 s 213 (uncodified) is amended to read as follows:

FOR	THE	DEPARTMENT	OF	TRANSPORTATI	ON—PROGRAM
DELI	VERY	MANAGEMENT A	ND S	SUPPORT-PROGE	RAM H
Motor	Vehicle	Account—State An	propr	iation	((\$47-418-000))

which we have $A = 3$ and $A = 3$ and $A = 3$
\$45,796,000
Motor Vehicle Account—Federal Appropriation\$500,000
Multimodal Transportation Account—State
Appropriation\$250,000
TOTAL APPROPRIATION
\$46.546.000
<u>\$40,540,000</u>

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

(1) ((The department shall provide updated information on six project milestones for all active projects, funded in part or in whole with 2005 transportation partnership account funds or 2003 nickel account funds, on a quarterly basis in the transportation executive information system. The department shall also provide updated information on six project milestones for projects funded with preexisting funds and that are agreed to by the legislature, office of financial management, and the department, on a quarterly basis.

(2))) \$3,754,000 of the motor vehicle account—state appropriation is provided solely for the department's compliance with its national pollution discharge elimination system permit.

(((3))) (2) It is the intent of the legislature that the real estate services division of the department will recover the cost of its efforts from future sale proceeds.

(((4))) (3) The legislature recognizes that the Dryden pit site (WSDOT Inventory Control (IC) No. 2-04-00103) is unused state-owned real property under the jurisdiction of the department of transportation, and that the public would benefit significantly from the complete enjoyment of the natural scenic beauty and recreational opportunities available at the site. Therefore, pursuant to

RCW 47.12.080, the legislature declares that transferring the property to the department of fish and wildlife for recreational use and fish and wildlife restoration efforts is consistent with the public interest in order to preserve the area for the use of the public and the betterment of the natural environment. The department of transportation shall work with the department of fish and wildlife, and shall transfer and convey the Dryden pit site to the department of fish and wildlife as is for an adjusted fair market value reflecting site conditions, the proceeds of which must be deposited in the motor vehicle fund. The department of transportation is not responsible for any costs associated with the cleanup or transfer of this property. By July 1, 2011, and annually thereafter until the entire Dryden pit property has been transferred, the department shall submit a status report regarding the transaction to the chairs of the legislative transportation committees.

(4) The legislature recognizes that the trail known as the Apple Capital Loop, and its extensions, serve to separate motor vehicle traffic from pedestrians and bicyclists, increasing motor vehicle safety on existing state route number 28. Consistent with chapter 47.30 RCW and pursuant to RCW 47.12.080, the legislature declares that transferring portions of WSDOT Inventory Control (IC) Nos. 2-09-04537 and 2-09-04569 to Douglas county and the city of East Wenatchee is consistent with the public interest. The legislature directs the department to transfer the property to Douglas county and the city of East Wenatchee. 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. Douglas county and the city of East Wenatchee must agree to accept responsibility for trail segments within their respective jurisdictions and sign an agreement with the state that the transfer of these parcels to their respective jurisdictions extinguishes any state obligations to improve, maintain, or be in any way responsible for these assets. The department shall report to the transportation committees of the legislature by June 30, 2013, and annually thereafter, on the status of the transfer until complete.

Sec. 214. 2011 c 367 s 214 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—ECONOMIC PARTNERSHIPS—PROGRAM K

Motor Vehicle Account—State Appropriation	(\$622,000))
	<u>\$827,000</u>
Multimodal Transportation Account—State Appropriation	\$110,000
TOTAL APPROPRIATION	(\$732,000))
	\$937,000

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

(1)(a) \$225,000 of the motor vehicle account—state appropriation is provided solely to carry out work related to assessing the operational feasibility of a road user assessment, including technology, agency administration, multistate and federal standards, and other necessary elements. This work must be carried out under the guidance of the steering committee and in coordination with the transportation commission's policy assessment and public outreach planning authorized in section 205(4) of this act. (b) If subsequent appropriations are provided, the department may conduct a limited scope pilot project to test the feasibility of a road user assessment system to be applied to electric vehicles. The pilot project must be carried out under the guidance of the steering committee described under section 205(4) of this act and in coordination with the transportation commission.

(2) The department shall conduct a study on the potential to generate revenue from off-premise outdoor advertising signs that are erected or maintained adjacent and visible to the interstate system highways, primary system highways, or scenic system highways. The study must provide an evaluation of the market for outdoor advertising signs, including an evaluation of the number of potential advertisers and the amount charged by other jurisdictions for sign permits, and must provide a recommendation for a revised fee structure that recognizes the market value for off-premise signs and considers charging differential fees based on the size, type, and location of the sign.

(3) The public-private partnerships office must explore retail partnerships at state-owned park-and-ride facilities, as authorized in RCW 47.04.295, and if feasible, solicit proposals to implement a retail partnership pilot project at one park-and-ride facility by June 30, 2013.

Sec. 215. 2011 c 367 s 215 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M

Motor Vehicle Account—State Appropriation
<u>\$373,709,000</u>
Motor Vehicle Account—Federal Appropriation \$7,000,000
TOTAL APPROPRIATION
<u>\$380,709,000</u>

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

(1) The department shall request an unanticipated receipt for any federal moneys received for emergency snow and ice removal and shall place an equal amount of the motor vehicle account—state appropriation into unallotted status. This exchange shall not affect the amount of funding available for snow and ice removal.

(2) \$7,000,000 of the motor vehicle account—state appropriation is provided solely for third-party damages to the highway system where the responsible party is known and reimbursement is anticipated. The department shall request additional appropriation authority for any funds received for reimbursements of third-party damages that are in excess of this appropriation.

(3) \$7,000,000 of the motor vehicle account—federal appropriation is for unanticipated federal funds that may be received during the 2011-2013 fiscal biennium. Upon receipt of the funds, the department shall provide a report on the use of the funds to the transportation committees of the legislature and the office of financial management.

(4) The department may work with the department of corrections to utilize corrections crews for the purposes of litter pickup on state highways.

(5) \$4,530,000 of the motor vehicle account—state appropriation is provided solely for the department's compliance with its national pollution discharge elimination system permit.

(6) The department shall continue to report maintenance accountability process (MAP) targets and achievements on an annual basis. The department shall use available funding to target and deliver a minimum MAP grade of C for the activity of roadway striping.

(7) \$6,884,000 of the motor vehicle account—state appropriation is provided solely for the high priority maintenance backlog. Addressing the maintenance backlog must result in increased levels of service. If chapter . . . (Engrossed Substitute Senate Bill No. 5251), Laws of 2011 (electric vehicle fee) is not enacted by June 30, 2011, \$500,000 of the appropriation provided in this subsection lapses.

(8) ((\$317,000 of the motor vehicle account state appropriation is provided solely for maintaining a new active traffic management system on Interstate 5, Interstate 90, and state route number 520.)) The department shall track the costs associated with ((these)) active traffic management systems on a corridor basis and report to the transportation committees of the legislature on the costs and benefits of the systems by December 1, ((2011)) 2012.

*Sec. 216. 2011 c 367 s 216 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—OPERATING

Motor Vehicle Account—State Appropriation)
<u>\$48,818,000</u>)
Motor Vehicle Account—Federal Appropriation \$2,050,000)
Motor Vehicle Account—Private/Local Appropriation)
\$250,000)
TOTAL APPROPRIATION)
\$51,118,000)

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. <u>Of this amount, \$10,000 of the</u> <u>motor vehicle account—state appropriation is provided solely for the department</u> to install additional farm machinery signs to promote safety in agricultural areas <u>along state highways</u>. The department shall give priority to low-cost enhancement projects that improve safety or provide congestion relief. The department shall prioritize low-cost enhancement projects on a statewide rather than regional basis. By September 1st of each even-numbered year, the department shall provide a report to the legislature listing all low-cost enhancement projects prioritized on a statewide rather than regional basis completed in the prior year.

(2) \$145,000 of the motor vehicle account—state appropriation is provided solely for the department to continue a pilot tow truck incentive program and to expand the program to other areas of the state. The department may provide incentive payments to towing companies that meet clearance goals on accidents that involve heavy trucks.

(3) During the 2011-2013 fiscal biennium, the department shall implement 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: (a) Auto transportation company vehicles regulated under chapter 81.68 RCW; (b) 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; (c) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and (d) 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. By June 30, 2013, the department shall report to the transportation committees of the legislature on whether private transportation provider use of high occupancy vehicle lanes under the pilot program reduces the speeds of high occupancy vehicle lanes. 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. If chapter ... (Substitute Senate Bill No. 5836), Laws of 2011 is enacted by June 30, 2011, this subsection is null and void.

(4) \$9,000,000 of the motor vehicle account—state appropriation is provided solely for the department's incident response program.

(5) The department, in consultation with the Washington state patrol, must continue a pilot program for the patrol to issue infractions based on information from automated traffic safety cameras in roadway construction zones on state highways. The department must report to the joint transportation committee by January 1, 2012, and January 1, 2013, on the status of this pilot program. For the purpose of this pilot program, during the 2011-2013 fiscal biennium, a roadway construction zone includes areas where public employees or private contractors may be present or where a driving condition exists that would make it unsafe to drive at higher speeds, such as, when the department is redirecting or realigning lanes on any public roadway pursuant to ongoing construction. The department shall use the following guidelines to administer the program:

(a) Automated traffic safety cameras may only take pictures of the vehicle and vehicle license plate and only while an infraction is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle;

(b) The department shall plainly mark the locations where the automated traffic safety cameras are used by placing signs on locations that clearly indicate to a driver that he or she is entering a roadway construction zone where traffic laws are enforced by an automated traffic safety camera;

(c) Notices of infractions must be mailed to the registered owner of a vehicle within fourteen days of the infraction occurring;

(d) The owner of the vehicle is not responsible for the violation if the owner of the vehicle, within fourteen days of receiving notification of the violation, mails to the patrol, a declaration under penalty of perjury, stating that the vehicle

involved was, at the time, stolen or in the care, custody, or control of some person other than the registered owner, or any other extenuating circumstances;

(e) For purposes of the 2011-2013 fiscal biennium pilot program, infractions detected through the use of automated traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120. Additionally, infractions generated by the use of automated traffic safety cameras must be processed in the same manner as parking infractions for the purposes of RCW 3.50.100, 35.20.220, 46.16A.120, and 46.20.270(3). However, the amount of the fine issued under this subsection (5) for an infraction generated through the use of an automated traffic safety camera is one hundred thirty-seven dollars. The court shall remit thirty-two dollars of the fine to the state treasurer for deposit into the state patrol highway account; and

(f) If a notice of infraction is sent to the registered owner and the registered owner is a rental car business, the infraction must be dismissed against the business if it mails to the patrol, within fourteen days of receiving the notice, a declaration under penalty of perjury of the name and known mailing address of the individual driving or renting the vehicle when the infraction occurred. If the business is unable to determine who was driving or renting the vehicle at the time the infraction occurred, the business must sign a declaration under penalty of perjury to this effect. The declaration must be mailed to the patrol within fourteen days of receiving the notice of traffic infraction. Timely mailing of this declaration to the issuing agency relieves a rental car business of any liability under this section for the notice of infraction. A declaration form suitable for this purpose must be included with each automated traffic infraction notice issued, along with instructions for its completion and use.

(6) The department shall track the costs associated with active traffic management systems on a corridor basis and report to the transportation committees of the legislature on the cost and benefits of the systems by December 1, 2011.

(7) State university research and extension centers serve as important research hubs for university graduate students and, as such, there is a safety concern with any centers being located on a state highway. Therefore, consistent with RCW 46.61.415, and upon request of a county with a state university research and extension center located on a state highway within its respective jurisdiction, the secretary of transportation shall approve a reduction of the maximum speed limit on the state highway in the vicinity of the center. The speed on the state highway may be less than the maximum speed permitted under RCW 46.61.400(2).

*Sec. 216 was partially vetoed. See message at end of chapter.

Sec. 217. 2011 c 367 s 217 (uncodified) is amended to read as follows:

		~ -	TRANSPORTATION—
TRANSPORTAT	ION MANAGEMENT	AND SUI	PPORT—PROGRAM S
Motor Vehicle Acc	count—State Appropriat	ion	((\$28,430,000))
			\$27,389,000
Motor Vehicle Acc	count—Federal Appropr	iation	\$30,000
Multimodal Transp	portation Account—Stat	e	
Appropriation	· · · · · · · · · · · · · · · · · · ·		\$973,000
TOTAL A	APPROPRIATION		
			<u>\$28,392,000</u>

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The appropriations in this section are subject to the following conditions and limitations: The department shall utilize existing resources and customer service staff to develop and implement new policies and procedures to ensure compliance with new federal passenger vessel Americans with disabilities act requirements.

Sec. 218. 2011 c 367 s 218 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT	OF		SPORTATION-
TRANSPORTATION PLANNING	, DATA,	AND	RESEARCH—
PROGRAM T			
Motor Vehicle Account—State Appropr	iation		
			<u>\$22,304,000</u>
Motor Vehicle Account—Federal Appro	priation		\$21,885,000
Multimodal Transportation Account—S	tate		
Appropriation			\$662,000
Multimodal Transportation Account—F	ederal		
Appropriation			\$3,559,000
Multimodal Transportation Account—P			
Appropriation			\$100.000
TOTAL APPROPRIATION			
			\$48,510,000

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

(1) \$70,000 of the motor vehicle account—state appropriation is a reappropriation provided solely for a corridor study of state route number 516 from the eastern border of Maple Valley to state route number 167 to determine whether improvements are needed and the costs of any needed improvements.

(2) \$200,000 of the motor vehicle account—state appropriation is provided solely for extending the freight database pilot project that began in 2009. Global positioning system (GPS) data is intended to help guide freight investment decisions and track highway project effectiveness as it relates to freight traffic.

(3) Within available resources, the department must collaborate with the affected metropolitan planning organizations, regional transportation planning organizations, transit agencies, and private transportation providers to develop a plan to reduce vehicle demand, increase public transportation options, and reduce vehicle miles traveled on corridors affected by growth at Joint Base Lewis-McChord.

(4) As part of their ongoing regional transportation planning, the regional transportation planning organizations across the state shall work together to provide a comprehensive framework for sources and uses of next-stage investments in transportation needed to improve structural conditions and ongoing operations and lay the groundwork for the transportation systems to support the long-term economic vitality of the state. This planning must include all forms of transportation to reflect the state's interests, including: Highways, streets, and roads; ferries; public transportation; systems for freight; and walking and biking systems. The department shall support this planning by providing information on potential state transportation uses and an analysis of potential sources of revenue to implement investments. In carrying out this planning, regional transportation planning organizations must be broadly inclusive of

business, civic, labor, governmental, and environmental interests in regional communities across the state.

(5) \$190,000 of the motor vehicle account—state appropriation is provided solely for the regional transportation planning organizations across the state to implement the comprehensive transportation planning and data framework. The framework must provide regional transportation planning organizations with the ability to identify the spatial and temporal status of current and future high priority projects, and the next stage investment necessary to implement those projects. The framework must be accessible to the public and provide transparency and accountability to the regional transportation planning process.

(6) Within existing resources, the department shall work with the department of archaeology and historic preservation to develop a statewide policy regarding the curation of artifacts and the use of museums and information centers as potential mitigation under the national environmental policy act. This policy must address the following issues: How to minimize costs associated with information centers and museums; when to use existing facilities to preserve and display artifacts; how to minimize the time that standalone facilities are needed; and how to transfer artifacts and other items to facilities that are not owned or rented by the department. A report regarding this policy must be submitted to the joint transportation committee by September 1, 2012.

Sec. 219. 2011 c 367 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	((\$85,209,000))
	\$74,734,000
Motor Vehicle Account—Federal Appropriation	\$400,000
Multimodal Transportation Account—State	
Appropriation	((\$3,320,000))
	<u>\$1,798,000</u>
TOTAL APPROPRIATION	
	<u>\$76,932,000</u>

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

(1) The ((office of financial management)) <u>department of enterprise services</u> must provide a detailed accounting of the revenues and expenditures of the self-insurance fund to the transportation committees of the legislature on December 31st and June 30th of each year.

(2) Payments in this section represent charges from other state agencies to the department of transportation.

(((a) FOR PAYMENT OF OFFICE OF FINANCIAL MANAGEMENT

(c) FOR PAYMENT OF SELF-INSURANCE LIABILITY
PREMIUMS AND ADMINISTRATION \$44,418,000
(f) FOR ARCHIVES AND RECORDS MANAGEMENT\$623,000
(g) FOR OFFICE OF MINORITIES AND WOMEN BUSINESS
(g) FOR OFFICE OF MINORITIES AND WOMEN BUSINESS ENTERPRISES\$1,008,000
(h) FOR USE OF FINANCIAL AND REPORTING SYSTEMS
PROVIDED BY THE OFFICE OF FINANCIAL MANAGEMENT-\$1,143,000
(i) FOR POLICY AND SYSTEM ASSISTANCE FROM THE
DEPARTMENT OF INFORMATION SERVICES\$1,980,000
(j) FOR LEGAL SERVICE PROVIDED BY THE ATTORNEY
GENERAL'S OFFICE
(k) FOR LEGAL SERVICE PROVIDED BY THE ATTORNEY
GENERAL'S OFFICE FOR THE SECOND PHASE OF THE BOLDT
LITIGATION
(a) TO THE SECRETARY OF STATE—ARCHIVES AND
RECORDS MANAGEMENT\$512,000
(b) TO THE OFFICE OF THE STATE AUDITOR—AUDITOR
SERVICES
GENERAL—ATTORNEY GENERAL SERVICES \$7,127,000
(d) TO THE OFFICE OF FINANCIAL MANAGEMENT-LABOR
RELATIONS SERVICES \$266,000
(e) TO THE OFFICE OF FINANCIAL
MANAGEMENT-OFFICE OF CHIEF INFORMATION OFFICER . \$473,000
(f) TO THE OFFICE OF MINORITY AND WOMEN'S
BUSINESS ENTERPRISES\$840,000
BUSINESS ENTERPRISES
(h) TO THE DEPARTMENT OF ENTERPRISE
SERVICES—HUMAN RESOURCE MANAGEMENT SYSTEM . \$3,495,000
(1) TO THE DEPARTMENT OF ENTERPRISE SERVICES—PRODUCTION SUPPORT
(i) TO THE DEPARTMENT OF ENTERPRISE
(j) TO THE DEPARTMENT OF ENTERPRISE SERVICES—REAL ESTATE SERVICES\$108,000
(k) TO THE DEPARTMENT OF ENTERPRISE
SERVICES—PUBLICATIONS AND HISTORICAL SERVICES \$691,000
(1) TO THE DEPARTMENT OF ENTERPRISE
SERVICES—CAMPUS RENT \$3.293.000
<u>SERVICES—CAMPUS RENT</u>
SERVICES—CAPITAL PROJECT SURCHARGE
(n) TO THE DEPARTMENT OF ENTERPRISE
SERVICES—PERSONAL SERVICE CONTRACTS
(o) TO THE DEPARTMENT OF ENTERPRISE
SERVICES—SECURE FILE TRANSFER SERVICES
(p) TO THE DEPARTMENT OF ENTERPRISE
SERVICES—ACCESS SERVICES
(q) TO THE DEPARTMENT OF ENTERPRISE
(q) TO THE DEPARTMENT OF ENTERPRISE SERVICES—RISK MANAGEMENT SERVICES
(q) TO THE DEPARTMENT OF ENTERPRISE

Sec. 220. 2011 c 367 s 220 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC
TRANSPORTATION—PROGRAM V
Motor Vehicle Account—Federal Appropriation
State Vehicle Parking Account—State Appropriation\$452,000
Regional Mobility Grant Program Account—State
Appropriation
Multimodal Transportation Account—State
Appropriation
\$42,939,000
Multimodal Transportation Account—Federal
Appropriation
Multimodal Transportation Account—Private/Local
Appropriation
Rural Mobility Grant Program Account—State
Appropriation
TOTAL APPROPRIATION
\$113,102,000

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

(1) \$25,000,000 of the multimodal transportation account—state appropriation is provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation.

(a) \$5,500,000 of the ((amount provided in this subsection)) <u>multimodal</u> <u>transportation account—state appropriation</u> 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.

(b) \$19,500,000 of the ((amount provided in this subsection)) 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 have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special based on the amount expended for demand response service and route deviated service in calendar year 2009 as reported in the "Summary of Public Transportation - 2009" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions.

(2) Funds are provided for the rural mobility grant program as follows:

(a) \$8,500,000 of the rural mobility grant program account—state appropriation is provided solely for grants for those transit systems serving small cities and rural areas as identified in the "Summary of Public Transportation - 2009" published by the department of transportation. Noncompetitive grants must be distributed to the transit systems serving small cities and rural areas in a manner similar to past disparity equalization programs. If the funding provided in this subsection (2)(a) exceeds the amount required for recipient counties to

reach eighty percent of the average per capita sales tax, funds in excess of that amount may be used for the competitive grant process established in (b) of this subsection.

(b) \$8,500,000 of the rural mobility grant program account—state appropriation is provided solely to providers of rural mobility service in areas not served or underserved by transit agencies through a competitive grant process.

(3)(a) \$6,000,000 of the multimodal transportation account—state appropriation is provided solely for a vanpool grant program for: (a) Public transit agencies to add vanpools or replace vans; and (b) 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.

(c) \$520,000 of the amount provided in this subsection is provided solely for the purchase of additional vans for use by vanpools serving soldiers and civilian employees at Joint Base Lewis-McChord.

(4) \$8,942,000 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 (($\frac{2007 \text{ B}}{3007 \text{ B}}$, as developed April 20, 2007, or LEAP Transportation Document 2009-B, as developed April 24, 2009)) 2012-1 ALL PROJECTS -Public Transportation -Program (V) as developed March 8, 2012. The department shall continue to review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. The department shall promptly close out grants when projects have been completed, and any remaining funds must be used only to fund projects identified in((:)) the LEAP Transportation Document ((2007 B, as developed April 20, 2007; LEAP Transportation Document 2009-B, as developed April 24, 2009; or LEAP Transportation Document 2011 B, as developed April 19, 2011) referenced in this subsection. 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 and that all funds in the regional mobility grant program be used as soon as practicable to advance eligible projects.

(5)(a) \$40,000,000 of the regional mobility grant program account—state appropriation is provided solely for the regional mobility grant projects identified in LEAP Transportation Document ((2011-B, as developed April 19, 2014)) 2012-1 ALL PROJECTS - Public Transportation - Program (V) as developed March 8, 2012. 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 <u>the</u> LEAP Transportation Document ((2011-B, as developed April 19, 2011)) referenced in this subsection. The department shall provide annual status reports on December 15, 2011, and December 15, 2012, 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.

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2011-2013 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) \$2,309,000 of the multimodal transportation account—state appropriation is provided solely for the tri-county connection service for Island, Skagit, and Whatcom transit agencies.

(7) \$200,000 of the multimodal transportation account—state appropriation is contingent on the timely development of an annual report summarizing the status of public transportation systems as identified under RCW 35.58.2796.

(8) Funds provided for the commute trip reduction program may also be used for the growth and transportation efficiency center program.

(9) An affected urban growth area that has not previously implemented a commute trip reduction program is exempt from the requirements in RCW 70.94.527 if a solution to address the state highway deficiency that exceeds the person hours of delay threshold has been funded and is in progress during the 2011-2013 fiscal biennium.

(10) \$300,000 of the multimodal transportation account—state appropriation is provided solely for the continuation of state support for the Whatcom smart trips commute trip reduction program.

(11) \$818,000 of the multimodal transportation account—state appropriation is provided solely for state support of the Everett connector bus service.

(12) The department shall contact all transit agencies with a nonvoting member recommended by a labor organization and request information regarding the participation of board members, both voting and nonvoting, for all transit agency meetings in 2012 and the three previous calendar years. The department shall provide a report to the transportation committees of the legislature regarding the findings of this survey, which must include the transit agencies, if any, that refuse to respond either in whole or in part, by January 15, 2013.

(13) \$250,000 of the multimodal transportation account-state appropriation is provided solely for the Clark county public transportation

benefit area to comply with the requirements of RCW 81.104.110 regarding the formation of an expert review panel to provide an independent technical review of any plan that relies on any voter-approved local funding options.

(14) \$100,000 of the multimodal transportation account—state appropriation is provided solely for community transit to conduct a federally mandated alternatives analysis study to allow a second swift line to be funded through the federal transit administration's new starts or small starts process.

(15) \$160,000 of the motor vehicle account—federal appropriation is provided solely for King county metro to study demand potential for a state route number 18 and Interstate 90 park-and-ride location, to size the facilities appropriately, to perform site analysis, and to develop preliminary design concepts.

Sec. 221. 2011 c 367 s 221 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X

Puget Sound Ferry Operations Account-State

Appropriation	 (\$467,773,000))
	\$468,135,000

The appropriation in this section is 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 2011-2013 supplemental and 2013-2015 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) When purchasing uniforms that are required by collective bargaining agreements, the department shall contract with the lowest cost provider.

(((5))) (3) Until a reservation system is operational on the San Juan islands inner-island route, the department shall provide the same priority loading benefits on the San Juan islands inner-island route to home health care workers as are currently provided to patients traveling for purposes of receiving medical treatment.

(((6))) (4) The department shall request from the United States coast guard variable minimum staffing levels on all of its vessels by December 31, 2011.

(((10))) (5) The department shall continue to provide service to Sidney, British Columbia and shall explore the option of purchasing a foreign built vehicle and passenger ferry vessel either with safety of life at sea (SOLAS) certification or the ability to be retrofitted for SOLAS certification to operate solely on the Anacortes to Sidney, British Columbia route currently served by vessels of the Washington state ferries fleet. The vessel should have the capability of carrying at least one hundred standard vehicles and approximately four hundred to five hundred passengers. Further, the department shall explore the possibilities of contracting a commercial company to operate the vessel exclusively on this route so long as the contractor's employees assigned to the vessel are represented by the same employee organizations as the Washington state ferries. The department shall report back to the transportation committees of the legislature regarding: The availability of a vessel; the cost of the vessel, including transport to the Puget Sound region; and the need for any statutory changes for the operation of the Sydney, British Columbia service by a private company.

(((11))) (6) For the 2011-2013 fiscal biennium, the department of transportation may enter into a distributor controlled fuel hedging program and other methods of hedging approved by the fuel hedging committee.

(((12) The department shall target service reductions totaling \$4,000,000, such that the shortening of shoulder seasons and eliminations of off-peak runs on all routes are considered. Prior to implementing the reductions, the department shall consult with ferry employees and ferry advisory committees to determine which reductions would impact the fewest number of riders. The reductions must be identified and implementation must begin no later than the fall 2011 schedule.

(13) \$135,248,000)) (7) \$136,648,000 of the Puget Sound ferry operations account—state appropriation is provided solely for auto ferry vessel operating fuel in the 2011-2013 fiscal biennium. The amount provided in this appropriation represents the fuel budget for the purposes of calculating any ferry fare fuel surcharge.

(((14))) (8) \$150,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the department to increase recreation and tourist ridership by entering into agreements for marketing and outreach strategies with local economic development agencies. The department shall identify the number of tourist and recreation riders on the applicable ferry routes both before and after implementation of marketing and outreach strategies developed through the agreements. The department shall report results of the marketing and outreach strategies to the transportation committees of the legislature by October 15, 2012.

(((15))) (9) The Washington state ferries shall participate in the facilities plan included in section 604 of this act and shall include an investigation and identification of less costly relocation options for the Seattle headquarters office. The department shall include relocation options for the Washington state ferries Seattle headquarters office in the facilities plan. Until September 1, 2012, the department may not enter into a lease renewal for the Seattle headquarters office.

(((16))) (10) The department, office of financial management, and transportation committees of the legislature shall make recommendations regarding an appropriate budget structure for the Washington state ferries. The recommendation may include a potential restructuring of the Washington state ferries budget. The recommendation must facilitate transparency in reporting and budgeting as well as provide the opportunity to link revenue sources with expenditures. Findings and recommendations must be reported to the office of financial management and the joint transportation committee by September 1, 2011.

(((17))) (11) Two Kwa-di-tabil class ferry vessels must be placed on the Port Townsend/Coupeville (Keystone) route to provide service at the same levels provided when the steel electric vessels were in service. After the vessels as funded under section 308(((7))) (5) of this act are in service, the two most appropriate of these vessels for the Port Townsend/Coupeville (Keystone) route must be placed on the route. \$100,000 of the Puget Sound ferry operations

account—state appropriation is provided solely for the additional staffing required to maintain a reservation system at this route when the second vessel is in service.

(((19))) (12) \$706,000 of the Puget Sound ferry operations account—state appropriation is provided solely for terminal operations to implement new federal passenger vessel Americans with disabilities act requirements.

 $(((\frac{20}{20})))$ (13) \$152,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the department's compliance with its national pollution discharge elimination system permit.

(((21) If chapter ... (Substitute House Bill No. 2053), Laws of 2011 (additive transportation funding) is not enacted by June 30, 2011, the \$4,000,000 in service reductions identified in subsection (12) of this section must be restored and an identical amount must be reduced from the amount provided for the second 144-car vessel identified in section 308(8) of this act.))

Sec. 222. 2011 c 367 s 222 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—RAIL— PROGRAM Y—OPERATING

Multimodal Transportation Account—State	
Appropriation	
<u>\$33,642,</u>	,000
Multimodal Transportation Account—Federal	
Appropriation	00))
<u>\$400,</u>	,000
TOTAL APPROPRIATION	00))
<u>\$34,042</u> ,	,000

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

(1) ((\$24,091,000)) \$27,816,000 of the multimodal transportation account—state appropriation is provided solely for the Amtrak service contract and Talgo maintenance contract associated with providing and maintaining state-supported passenger rail service. The department is directed to continue to pursue efforts to reduce costs, increase ridership, and review fares or 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 for increased revenue due to higher ridership, 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. Upon completion of the rail platform project in the city of Stanwood, the department shall continue to provide daily Amtrak Cascades service to the city.

(2) Amtrak Cascade runs may not be eliminated.

(3) The department shall plan for a third roundtrip Cascades train between Seattle and Vancouver, B.C.

(4) The department shall conduct a pilot program by partnering with the travel industry on the Amtrak Cascades service between Vancouver, British Columbia, and Seattle to test opportunities for increasing ridership, maximizing farebox recovery, and stimulating private investment. The pilot program must

run from July 1, 2011, to June 30, 2012. The department shall report on the results of the pilot program to the office of financial management and the legislature by September 30, 2012.

(5) \$300,000 of the multimodal transportation account—state appropriation is provided solely for the department to conduct a study to examine the interconnectivity benefits of, and potential for, a future Amtrak Cascades stop in the vicinity of the city of Auburn. As part of its consideration, the department shall conduct a thorough market analysis of the potential for adding or changing stops on the Amtrak Cascades route.

Sec. 223. 2011 c 367 s 223 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING

Motor Vehicle Account—State Appropriation	; ,853,000))
	\$8,518,000
Motor Vehicle Account—Federal Appropriation	\$2,567,000
TOTAL APPROPRIATION	. ,420,000))
<u>\$</u>	11,085,000

The appropriations in this section are subject to the following conditions and limitations: The department shall submit a report to the transportation committees of the legislature by December 1, 2011, on the implementation of the recommendations that resulted from the evaluation of efficiencies in the delivery of transportation funding and services to local governments that was required under section 204(8), chapter 247, Laws of 2010. The report must include a description of how recommendations were implemented, what efficiencies were achieved, and an explanation of any recommendations that were not implemented.

TRANSPORTATION AGENCIES—CAPITAL

Sec. 301. 2011 c 367 s 301 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

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

(1) ((\$653,000)) <u>\$1,357,000</u> of the state patrol highway account—state appropriation is provided solely for the following minor works projects: \$200,000 for emergency infrastructure repairs; \$75,000 for water and sewer upgrades; \$210,000 for emergency backup system replacement; \$85,000 for chiller replacement; ((and)) \$83,000 for roof replacements<u>: \$128,000 for septic system repairs; and \$576,000 for HVAC replacement and energy upgrades</u>.

(2) ((\$3,226,000)) <u>\$4,903,000</u> of the state patrol highway account—state appropriation is provided solely for the Shelton academy of the Washington state patrol for the new waste water treatment lines, waste water plants, water lines, and water systems. ((However, \$2,129,000 of this amount is contingent on the department of corrections receiving funding for its portion of the regional water project in the 2011-2013 omnibus capital appropriations act. If this funding is

not provided by June 30, 2011, \$2,129,000 of the appropriation provided in this subsection lapses.)) Of the amount provided in this subsection, \$1,758,000 is for the Washington state patrol's portion of the costs associated with constructing a water line to the Shelton academy and \$2,047,000 is for the department of corrections' portion to construct the water line as far as the Washington state patrol's Shelton academy. If funding is provided in the 2012 supplemental omnibus capital appropriations act for any portion of the project to construct a water line to the Washington state patrol's Shelton academy, that portion of the funds included in this subsection lapses.

(3) \$421,000 of the state patrol highway account—state appropriation is provided solely for the reappropriation of the Shelton regional water project.

(4) ((\$2,187,000 of the total appropriation is provided solely for mobile office platforms.

(5))) It is the intent of the legislature that the omnibus operating appropriations act provide funding for the portion of any applicable debt service payments, resulting from financial contracts identified under section 601 of this act, that are attributable to the general fund as identified in the Washington state patrol's cost allocation model.

Sec. 302. 2011 c 367 s 302 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD
Motor Vehicle Account—State Appropriation
Rural Arterial Trust Account—State Appropriation
<u>\$62,510,000</u>
County Arterial Preservation Account—State
Appropriation\$29,360,000
TOTAL APPROPRIATION
<u>\$92,744,000</u>

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

(1) \$874,000 of the motor vehicle account—state appropriation may be used for county ferry projects as developed pursuant to RCW 47.56.725(4).

(2) ((\$37,417,000)) <u>\$62,510,000</u> of the rural arterial trust account—state appropriation is provided solely for county road preservation grant projects as approved by the county road administration board. These funds may be used to assist counties recovering from federally declared emergencies by providing capitalization advances and local match for federal emergency funding, and may only be made using existing fund balances. It is the intent of the legislature that the rural arterial trust account be managed based on cash flow. The county road administration board shall specifically identify any of the selected projects and shall include information concerning the selected projects in its next annual report to the legislature.

Sec. 303. 2011 c 367 s 303 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD Small City Pavement and Sidewalk Account—State

mail City Pavement and Sidewalk Account—State	
Appropriation	.((\$3,812,000))

\$5,270,000

Transportation Improvement Account-State

Appropriation	((\$201,050,000))
	<u>\$237,545,000</u>
TOTAL APPROPRIATION	((\$204,862,000))
	\$242,815,000

The appropriations in this section are subject to the following conditions and limitations: The transportation improvement account—state appropriation includes up to \$22,143,000 in proceeds from the sale of bonds authorized in RCW 47.26.500.

Sec. 304. 2011 c 367 s 304 (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 Appro	$((\frac{5}{,}433,000))$
	\$5,545,000

Transportation Partnership Account—State

Appropriation	\$1,575,000
TOTAL APPROPRIATION	\$7,120,000

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

(1) \$1,364,000 of the motor vehicle account—state appropriation is provided solely for the Olympic region site acquisition debt service payments and administrative costs associated with capital improvement and preservation project and financial management.

(2) $((\frac{33,669,000}))$ $\frac{33,781,000}{5}$ of the motor vehicle account—state appropriation is provided solely for high priority safety projects that are directly linked to employee safety, environmental risk, or minor works that prevent facility deterioration.

(3) \$400,000 of the motor vehicle account—state appropriation is provided solely for the department's compliance with its national pollution discharge elimination system permit.

(4) \$1,575,000 of the transportation partnership account—state appropriation is provided solely for the traffic management center (100010T).

Sec. 305. 2011 c 367 s 305 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION— IMPROVEMENTS—PROGRAM I
((Multimodal Transportation Account—State
Appropriation\$1,000))
Transportation Partnership Account—State
Appropriation
<u>\$1,636,316,000</u>
Motor Vehicle Account—State Appropriation
<u>\$103,889,000</u>
Motor Vehicle Account—Federal Appropriation
<u>\$790,703,000</u>

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Motor Vehicle Account—Private/Local	
Appropriation	((\$50,485,000))
	\$124,917,000
Transportation 2003 Account (Nickel Account)—State	
Appropriation	((\$436,005,000))
	<u>\$416,125,000</u>
State Route Number 520 Corridor Account—State	
Appropriation	
	<u>\$1,752,138,000</u>
Special Category C Account—State Appropriation	<u>\$124,000</u>
Tacoma Narrows Toll Bridge Account—State	
Appropriation	<u>\$5,791,000</u>
TOTAL APPROPRIATION	((\$4,034,328,000))
	<u>\$4,830,003,000</u>

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

(1) Except as provided otherwise in this section, the entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document ((2011-1)) 2012-2 as developed ((April 19, 2011)) March 8, 2012, Program - Highway Improvement 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 603 of this act.

(2) ((The department shall, on a quarterly basis beginning July 1, 2011, provide to the office of financial management and the legislature reports providing the status on each active project funded in part or whole by the transportation 2003 account (nickel account) or the transportation partnership account. Funding provided at a programmatic level for transportation partnership account and transportation 2003 account (nickel account) projects relating to bridge rail, guard rail, fish passage barrier removal, and roadside safety projects must be reported on a programmatic basis. Projects within this programmatic level funding must be completed on a priority basis and scoped to be completed within the current programmatic budget. Report formatting and elements must be consistent with the October 2009 quarterly project report. The department shall also provide the information required under this subsection on a quarterly basis.

(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.

(((4))) (3) The department shall apply for surface transportation program enhancement funds to be expended in lieu of or in addition to state funds for eligible costs of projects in programs I and P including, but not limited to, the state route number 518, state route number 520, Columbia river crossing, and Alaskan Way viaduct projects.

(((5))) (4) The department shall apply for the competitive portion of federal transit administration funds for eligible transit-related costs of the state route

number 520 bridge replacement and HOV project and the Columbia river crossing project. The federal funds described in this subsection must not include those federal transit administration funds distributed by formula. The department shall provide a report regarding this effort to the legislature by October 1, 2011.

(((7))) (5) The department shall work with the department of archaeology and historic preservation to ensure that the cultural resources investigation is properly conducted on all mega-highway projects and large ferry terminal projects. These projects must be conducted with active archaeological management. Additionally, the department shall establish a scientific peer review of independent archaeologists that are knowledgeable about the region and its cultural resources.

(((8))) (6) For highway construction projects where the department considers agricultural lands of long-term commercial significance, as defined in RCW 36.70A.030, in reviewing and selecting sites to meet environmental mitigation requirements under the national environmental policy act (42 U.S.C. Sec. 4321 et seq.) and the state environmental policy act (chapter 43.21C RCW), the department shall, to the greatest extent possible, consider using public land first. If public lands are not available that meet the required environmental mitigation needs, the department may use other sites while making every effort to avoid any net loss of agricultural lands that have a designation of long-term commercial significance.

 $((\frac{9}{361,000}))$ (7) \$561,000 of the transportation partnership account state appropriation and $((\frac{1,245,000}{51,245,000}))$ §1,176,000 of the transportation 2003 account (nickel account)—state appropriation are provided solely for project OBI4ENV, Environmental Mitigation Reserve -Nickel/TPA project, as indicated in the LEAP transportation document referenced in subsection (1) of this section. Funds may be used only for environmental mitigation work that is required by permits that were issued for projects funded by the transportation partnership account or transportation 2003 account (nickel account). ((As part of the 2012 budget submittal, the department shall provide a list of all projects and associated amounts that are being charged to project OBI4ENV during the 2011-2013 fiscal biennium.

(10)) (8) The transportation 2003 account (nickel account)—state appropriation includes up to ((\$361,005,000)) \$339,608,000 in proceeds from the sale of bonds authorized by RCW 47.10.861.

(((11))) (9) The transportation partnership account—state appropriation includes up to ((\$1,427,696,000)) \$972,392,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

 $(((\frac{12})))$ (10) The motor vehicle account—state appropriation includes up to $((\frac{66,373,000}))$ $\frac{55,870,000}{55,870,000}$ in proceeds from the sale of bonds authorized in RCW 47.10.843.

(((13))) (11) The state route number 520 corridor account—state appropriation includes up to ((\$987,717,000)) \$1,779,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.879.

(((14) \$391,000)) (12) \$767,000 of the motor vehicle account—state appropriation and ((\$4,027,000)) \$3,736,000 of the motor vehicle account—federal appropriation are provided solely for the US 2 High Priority Safety project (100224I). Expenditure of these funds is for safety projects on state

route number 2 between Monroe and Gold Bar, which may include median rumble strips, traffic cameras, and electronic message signs.

(((15) \$687,000)) (13) \$820,000 of the motor vehicle account—federal appropriation, \$16,308,000 of the motor vehicle account—private/local appropriation, and ((\$22,000)) \$48,000 of the motor vehicle account—state appropriation are provided solely for the US 2/Bickford Avenue - Intersection Safety Improvements project (100210E).

(((16) \$435,000)) (14) \$1,025,000 of the motor vehicle account—state appropriation is provided solely for environmental work on the Belfair Bypass project (300344C).

(((17) \$108,000)) (15) \$372,000 of the motor vehicle account—federal appropriation and ((\$3,000)) \$9,000 of the motor vehicle account—state appropriation are provided solely for the I-5/Vicinity of Joint Base Lewis-McChord - Install Ramp Meters project (300596M).

(((18) \$253,444,000)) (16) \$202.863,000 of the transportation partnership account—state appropriation and ((\$66,034,000)) \$51,138,000 of the transportation 2003 account (nickel account)—state appropriation are provided solely for the I-5/Tacoma HOV Improvements (Nickel/TPA) project (300504A). The use of funds in this subsection to renovate any buildings is subject to the requirements of section 604 of this act. The department shall report to the legislature and the office of financial management on any costs associated with building renovations funded in this subsection.

(((19))) (17)(a) ((\$8,321,000)) \$7,423,000 of the transportation partnership account—state appropriation and ((\$31,380,000)) \$54,461,000 of the motor vehicle account—federal appropriation are provided solely for the I-5/Columbia River Crossing project (400506A). ((Of this amount,)) Of the amounts appropriated in this subsection, \$15,000,000 of the motor vehicle account federal appropriation must be put into unallotted status and is subject to the review of the office of financial management. This funding may only be allotted once the state of Oregon's total contribution of shared expenses on the project are within five million dollars of the state of Washington's shared expenses.

(b) It is the intent of the legislature that Washington and Oregon have equal funding commitments and equal total expenditures to date on the shared components of the Columbia river crossing project. The department shall provide a quarterly report on this project beginning March 31, 2012. This report must include:

(i) An update on preliminary engineering and right-of-way acquisition for the previous quarter;

(ii) Planned objectives for right-of-way and preliminary engineering for the ensuing quarter;

(iii) An updated comparison of the total appropriation authority for the project by state;

(iv) An updated comparison of the total expenditures to date on the project by state; and

(v) The committed funding provided by the state of Oregon to right-of-way acquisition.

(c) \$200,000 of the transportation partnership account—state appropriation in this subsection is provided solely for the department to work with the department of archaeology and historic preservation to ensure that the cultural resources investigation is properly conducted on the Columbia river crossing project. This project must be conducted with active archaeological management and result in one report that spans the single cultural area in Oregon and Washington. Additionally, the department shall establish a scientific peer review of independent archaeologists that are knowledgeable about the region and its cultural resources. ((No funding from any account may be expended until written confirmation has been received by the department that the state of Oregon is providing an equal amount of additional funding to the project.

(b)) (d) Consistent with the draft environmental impact statement and the Columbia river crossing project's independent review panel report, the Columbia river crossing project's financial plan must include recognition of state transportation funding contributions from both Washington and Oregon, federal transportation funding, and a funding contribution from toll bond proceeds. Following the refinement of the finance plan as recommended by the independent review panel, the department may seek authorization from the legislature to collect tolls on the existing Columbia river crossing or on a replacement crossing over Interstate 5.

(e) The Washington state department of transportation budget includes resources to continue work on solutions that advance the Columbia river crossing project to completion of the required environmental impact statement. The department must report to the Columbia river crossing legislative oversight subcommittee of the joint transportation committee, established in section 204(7) of this act, on the progress made on the Columbia river crossing project at each meeting of the oversight subcommittee. Reporting must include updated information on cost estimates, rights-of-way purchases and procurement schedules, and financing plans for the Columbia river crossing project, including projected traffic volumes, fuel and gas price assumptions, toll rates, costs of toll collections, as well as potential need for general transportation funding. By January 1, 2013, the department shall provide to the oversight subcommittee of the joint transportation committee a phased master plan for the Columbia river crossing project.

(((20) \$107,000)) (18) Within the amounts provided for the Columbia river crossing project (400506A), the department shall conduct a traffic and revenue analysis for the Columbia river crossing project that will lay the foundation for investment grade traffic and revenue analysis. While conducting the analysis, the department must coordinate with the Oregon department of transportation, the Washington state transportation commission, and the Washington state legislative oversight committee.

(a) The department's analysis must include the assessment and review of the following variables within the project:

(i) Exemptions from tolls for vehicles with two or more occupants;

(ii) A variable toll where the tolls vary by time of day and day of the week; and

(iii) A frequency-based toll rate for the facility.

(b) The analysis must also assess the following:

(i) The impact that light rail service in the corridor will have on estimated toll revenues;

(ii) The level of diversion from the Interstate 5 corridor and the impact on estimated toll revenues; and

(iii) The estimated toll revenues from vehicle trips originating within the region and outside the region by vehicle type.

(c) The department must submit a report of findings to the transportation committees of the legislature by July 1, 2013.

(19) \$309,000 of the motor vehicle account—federal appropriation and ((\$27,000)) \$78,000 of the motor vehicle account—state appropriation are provided solely for the SR 9/SR 204 Intersection Improvement project (L2000040).

(((21) \$2,134,000)) (20) \$3,385,000 of the motor vehicle account—federal appropriation and ((\$47,000)) \$50,000 of the motor vehicle account—state appropriation are provided solely for the US 12/Nine Mile Hill to Woodward Canyon Vic - Build New Highway project (501210T).

(((22) \$294,000)) (21) \$5,791,000 of the Tacoma Narrows toll bridge account—state appropriation is provided solely for deferred sales tax expenses on the construction of the new Tacoma Narrows bridge. However, if chapter . . . (Senate Bill No. 6073), Laws of 2012 (sales tax exemption on SR 16 projects) is enacted by June 30, 2012, the amount provided in this subsection lapses.

(22) \$391,000 of the motor vehicle account—federal appropriation and ((\$13,000)) \$16,000 of the motor vehicle account—state appropriation are provided solely for the SR 16/Rosedale Street NW Vicinity - Frontage Road project (301639C). The frontage road must be built for driving speeds of no more than thirty-five miles per hour.

(23) ((\$1,000,000)) \$621,000 of the motor vehicle account—federal appropriation is provided solely for the SR 20/Race Road to Jacob's Road safety project (L2200042).

(24) ((\$24,002,000)) \$32,162,000 of the transportation partnership account—state appropriation is provided solely for the SR 28/ US 2 and US 97 Eastmont Avenue Extension project (202800D).

(25) ((\$569,000)) \$1,227,000 of the motor vehicle account—federal appropriation and ((\$9,000)) \$38,000 of the motor vehicle account—state appropriation are provided solely for design and right-of-way work on the I-82/ Red Mountain Vicinity project (508208M). The department shall continue to work with the local partners in developing transportation solutions necessary for the economic growth in the Red Mountain American viticulture area of Benton county.

(26) \$1,500,000 of the motor vehicle account—federal appropriation is provided solely for the I-90 Comprehensive Tolling Study and Environmental <u>Review</u> project (100067T). <u>The department shall undertake a comprehensive</u> environmental review of tolling Interstate 90 between Interstate 5 and Interstate 405 for the purposes of both managing traffic and providing funding for construction of the unfunded state route number 520 from Interstate 5 to Medina project. The environmental review must include significant outreach to potentially affected communities. The department may consider traffic management options that extend as far east as Issaquah.

(27) ((\$9,422,000)) \$12,149,000 of the motor vehicle account—federal appropriation and ((\$193,000)) \$362,000 of the motor vehicle account—state appropriation are provided solely for the I-90/Sullivan Road to Barker Road - Additional Lanes project (609049N).

(28) Up to \$8,000,000 in savings realized on the I-90/Snoqualmie Pass East - Hyak to Keechelus Dam - Corridor project (509009B) may be used for design work on the next two-mile segment of the corridor. Any additional savings on this project must remain on the corridor. ((\$590,000 of the funds appropriated for this project may be used to purchase land currently owned by the state parks department.)) Project funds may not be used to build or improve buildings until the plan described in section 604 of this act is complete.

(29) $((\frac{\$932,000}{9}))$ $\frac{\$657,000}{\$657,000}$ of the motor vehicle account—federal appropriation is provided solely for the US 97A/North of Wenatchee -Wildlife Fence project (209790B).

(30) The department shall reconvene an expert review panel of no more than three members as described under RCW 47.01.400 for the purpose of updating the work that was previously completed by the panel on the Alaskan Way viaduct replacement project and to ensure that an appropriate and viable financial plan is created and regularly reviewed. The expert review panel must be selected cooperatively by the chairs of the senate and house of representatives transportation committees, the secretary of transportation, and the governor. The expert review panel must report findings and recommendations to the transportation committees of the legislature, the governor's Alaskan Way viaduct project oversight committee, and the transportation commission by October 2011, and annually thereafter until the project is operationally complete.

(31) It is important that the public and policymakers have accurate and timely access to information related to the Alaskan Way viaduct replacement project as it proceeds to, and during, the construction of all aspects of the project including, but not limited to, information regarding costs, schedules, contracts, project status, and neighborhood impacts. Therefore, it is the intent of the legislature that the state, city, and county departments of transportation establish a single source of accountability for integration, coordination, tracking, and information of all requisite components of the replacement project, which must include, at a minimum:

(a) A master schedule of all subprojects included in the full replacement project or program; and

(b) A single point of contact for the public, media, stakeholders, and other interested parties.

(32) Within the amounts provided in this section, \$20,000 of the motor vehicle account—state appropriation and \$980,000 of the motor vehicle account—federal appropriation are provided solely for the department to continue work on a comprehensive tolling study of the state route number 167 corridor (project 316718S). As funding allows, the department shall also continue work on a comprehensive tolling study of the state route number 509 corridor.

(33)(a) (($\frac{131,303,000}{1,303,000}$)) $\frac{137,022,000}{1,300}$ of the transportation partnership account—state appropriation(($\frac{51,31,303,000}{1,300,000}$)) and $\frac{50,623,000}{1,300,000}$ of the transportation 2003 account (nickel account)—state appropriation(($\frac{1,300,000}{1,300,000}$)) are provided solely for the I-405/Kirkland Vicinity Stage 2 - Widening project (8BI1002). This project must be completed as soon as practicable as a design-build project and must be constructed with a footprint that would accommodate potential future express toll lanes.

(b) As part of the project, the department shall conduct a traffic and revenue analysis and complete a financial plan to provide additional information on the revenues, expenditures, and financing options available for active traffic management and congestion relief in the Interstate 405 and state route number 167 corridors. A report must be provided to the transportation committees of the legislature and the office of financial management by January 2012. However, this subsection (33)(b) is null and void if chapter . . . (Engrossed House Bill No. 1382), Laws of 2011 (I-405 express toll lanes) is enacted by June 30, 2011.

(c) Of the amount appropriated in (a) of this subsection, \$15,000,000 of the transportation partnership account—state appropriation is provided solely for the preliminary design and purchase of rights-of-way on the state route number 167 direct connector. It is the intent of the legislature to fund an additional \$25,000,000 of the transportation partnership account—state appropriation for the preliminary design and purchase of rights-of-way on the state route number 167 direct connector during the 2013-2015 biennium.

(d) Within the amounts provided for this project, funding is provided solely for tolling equipment, such as gantries, barriers, or cameras, on Interstate 405, consistent with chapter 369, Laws of 2011. The department shall place amounts for tolling equipment into unallotted status until the traffic and revenue analysis required in RCW 47.56.886 is submitted to the governor and the legislature. Once the report has been submitted, the office of financial management may approve the allotment of funds for tolling equipment only after consultation with the joint transportation committee.

(34) Funding for a signal at state route number 507 and Yew Street is included in the appropriation for intersection and spot improvements (0BI2002).

(35) (($\frac{226,809,000}{10}$)) $\frac{224,592,000}{10}$ of the transportation partnership account—state appropriation and (($\frac{1,019,460,000}{10}$)) $\frac{898,286,000}{10}$ of the state route number 520 corridor account—state appropriation are provided solely for the state route number 520 bridge replacement and HOV program (8BI1003). When developing the financial plan for the program, 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.

(36) ((\$650,000 of the motor vehicle account federal appropriation is provided solely for the SR 522 Improvements/61st Avenue NE and NE 181st Street project (L1000055).

(37))) \$500,000 of the motor vehicle account—state appropriation is provided solely for a multimodal corridor plan on state route number 520 between Interstate 405 and Avondale Road in Redmond (L1000054).

(37) \$300,000 of the motor vehicle account—federal appropriation is provided solely for the SR 523 Corridor study (L1000059).

(38) The department shall consider using the city of Mukilteo's off-site mitigation program in the event any projects on state route number 525 or 526 require environmental mitigation.

(39) Any savings on projects on the state route number 532 corridor must be used within the corridor to begin work on flood prevention and raising portions of the highway above flood and storm influences.

(40) The total appropriation provided in this section assumes enactment of chapter ... (Second Substitute Senate Bill No. 5250), Laws of 2012 (design-

build procedures) and reflects efficiencies and cost savings generated by this innovative design and contracting tool.

(41) Construction of a new traffic management center may not commence until the budget evaluation study in section 102(1) of this act is complete and the office of financial management has determined that a new traffic management center is the preferred option and has approved this project.

(42) The department shall itemize all future requests for the construction of new buildings on a project list. Each building construction project must be listed in the project list along with all other highway construction projects and submitted by the department as part of its budget submittal. It is the intent of the legislature that new facility construction must be transparent and not appropriated within larger highway construction projects.

(43) \$250,000 of the motor vehicle account—federal appropriation is provided solely for planning a proposed off-ramp eastbound from state route number 518 to Des Moines Memorial Drive in Burien (L1100045).

(44) \$1,100,000 of the motor vehicle account—federal appropriation is provided solely for preliminary engineering on the I-5/Marvin Road Interchange study (L2200087).

(45) \$400,000 of the motor vehicle account—federal appropriation is provided solely for the SR 150/No-See-Um Road Intersection -Realignment project (L2200092).

(46) \$750,000 of the motor vehicle account—federal appropriation is provided solely for preliminary engineering on the SR 305/Suquamish Way Intersection Improvements project (L2200093).

(47) \$700,000 of the motor vehicle account—federal appropriation is provided solely for the US 395/Lind Road Intersection project (L2200086).

Sec. 306. 2011 c 367 s 306 (uncodified) is amended to read as follows:

Sec. 306. 2011 c 367 s 306 (uncodified) is amended to read as follows:				
FOR THE PRESERVATION	-PROGRAM P	OF	TRANSPORTATION—	
	nership Account—State			
Motor Vehicle Acc	ount—State Appropriat	ion	<u>\$44,463,000</u> ((\$67,790,000)) \$81,741,000	
Motor Vehicle Acc	ount—Federal Appropr	iation		
Motor Vehicle Acc	ount—Private/Local Ap	opropriatio	$\begin{array}{c} \underline{3340,300,000}\\ \text{on} \dots \dots \dots ((\underline{\$19,253,000}))\\ \underline{\$21,585,000} \end{array}$	
	oll Bridge Account—St			
Appropriation.			<u>\$259,000</u>	
Transportation 200	3 Account (Nickel Acco	ount)—Sta	ate	
Appropriation.			\$23,000	
TOTAL A	PPROPRIATION		<u></u>	
			\$691,877,000	

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

(1) Except as provided otherwise in this section, the entire transportation 2003 account (nickel account) appropriation and the entire transportation

partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document ((2011-1)) 2012-2 as developed ((April 19, 2011)) March 8, 2012, 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 603 of this act.

(2) ((The department shall, on a quarterly basis beginning July 1, 2011, provide to the office of financial management and the legislature reports providing the status on each active project funded in part or whole by the transportation 2003 account (nickel account) or the transportation partnership account. Funding provided at a programmatic level for transportation partnership account projects relating to seismic bridges must be reported on a programmatic basis. Projects within this programmatic level funding must be completed on a priority basis and scoped to be completed within the current programmatic budget. The department shall work with the office of financial management and the transportation committees of the legislature to agree on report formatting and elements. Elements must include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection on a quarterly basis.

(3))) The department of transportation shall continue to implement the lowest life-cycle cost planning approach to pavement management throughout the state to encourage the most effective and efficient use of pavement preservation funds. Emphasis should be placed on increasing the number of roads addressed on time and reducing the number of roads past due.

(((5))) (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.

(((6))) (4) The department shall apply for surface transportation program enhancement funds to be expended in lieu of or in addition to state funds for eligible costs of projects in programs I and P.

(((7))) (5) The motor vehicle account—state appropriation includes up to \$17,652,000 in proceeds from the sale of bonds authorized in RCW 47.10.843.

(((8))) (6) The department must work with cities and counties to develop a comparison of direct and indirect labor costs, overhead rates, and other costs for high-cost bridge inspections charged by the state, counties, and other entities. The comparison is due to the transportation committees of the legislature on September 1, 2011.

 $((\frac{9}{277,000}))$ (7) \$789,000 of the motor vehicle account—federal appropriation and $((\frac{10,000}{50,000}))$ s6,000 of the motor vehicle account—state appropriation are provided solely for the environmental impact statement and preliminary planning for the replacement of the state route number 9 Snohomish river bridge (project L2000018).

(((10) \$9,641,000)) (8) \$10,843,000 of the motor vehicle account—federal appropriation, ((\$2,000,000)) \$1,992,000 of the motor vehicle account—private/local appropriation, and ((\$361,000)) \$390,000 of the motor vehicle account—state appropriation are provided solely for the SR 21/Keller Ferry - Replace Boat project (602110J).

(((11) \$3,093,000)) (9) \$165,000 of the motor vehicle account—federal appropriation is provided solely for the I-90/Ritzville to Tokio - Paving of Outside Lanes project (609041G).

(((12) \$2,733,000)) (10) \$5,565,000 of the motor vehicle account—federal appropriation and ((\$114,000)) \$232,000 of the motor vehicle account—state appropriation are provided solely for the SR 167/Puyallup River Bridge Replacement project (316725A). This project must be completed as a design-build project. The department must work with local jurisdictions and the community during the environmental review process to develop appropriate esthetic design elements, at no additional cost to the department, and traffic management plans pertaining to this project. The department must report to the transportation committees of the legislature on estimated cost and/or time savings realized as a result of using the design-build process.

(((13) \$295,000)) (11) \$507,000 of the motor vehicle account—federal appropriation and ((\$5,000)) \$13,000 of the motor vehicle account—state appropriation are provided solely for the SR 906/Travelers Rest - Building Renovation project (090600A).

(12) The department shall submit a renewal and rehabilitation plan for the new state route number 16 Tacoma Narrows bridge as a decision package as part of its 2013-2015 biennial budget submittal.

Sec. 307. 2011 c 367 s 307 (uncodified) is amended to read as follows:

FORTHEDEPARTMENTOFTRANSPORTATION—TRAFFICOPERATIONS—PROGRAM Q—CAPITALMotor Vehicle Account—State Appropriation((\$6,439,000))\$8,779,000Motor Vehicle Account—Federal Appropriation((\$5,600,000))\$7,283,000\$7,283,000TOTAL APPROPRIATION((\$12,039,000))\$16,062,000

The appropriations in this section are subject to the following conditions and limitations: \$1,000,000 of the motor vehicle account—state appropriation for project 000005Q is provided solely for state matching funds for federally selected competitive grants or congressional earmark projects. These moneys must be placed into reserve status until such time as federal funds are secured that require a state match.

Sec. 308. 2011 c 367 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W

Puget Sound	l Capital	Construction	Account-	-State	
	• .•				

Appropriation	
<u>\$61,965,000</u>	
Puget Sound Capital Construction Account—Federal	
Appropriation	
<u>\$61,736,000</u>	
Puget Sound Capital Construction Account—Private/Local	
Appropriation	

((\$ 60.010.000))

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Transportation 2003 Account (Nickel Account)—State
Appropriation
<u>\$119,928,000</u>
Transportation Partnership Account—State
Appropriation
<u>\$12,838,000</u>
Multimodal Transportation Account—State
Appropriation
<u>\$27,527,000</u>
TOTAL APPROPRIATION
<u>\$284,194,000</u>

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

(1) ((\$68,013,000 of the Puget Sound capital construction account—state appropriation, \$41,500,000 of the Puget Sound capital construction account federal appropriation, \$12,536,000 of the transportation partnership account state appropriation, \$118,027,000 of the transportation 2003 account (nickel account)—state appropriation, and \$43,265,000 of the multimodal transportation account—state appropriation are provided solely for ferry projects,)) 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 ((2011-2)) 2012-1 ALL PROJECTS as developed ((April 19, 2011)) March 8, 2012, Program - Washington State Ferries Capital Program (W).

(2) The department shall work with the department of archaeology and historic preservation to ensure that the cultural resources investigation is properly conducted on all large ferry terminal projects. These projects must be conducted with active archaeological management.

(3) The multimodal transportation account—state appropriation includes up to (($\frac{43,265,000}{2}$)) $\frac{27,527,000}{2}$ in proceeds from the sale of bonds authorized in RCW 47.10.867.

(4) ((The transportation 2003 account (nickel account)—state appropriation includes up to \$82,143,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

(5))) The Puget Sound capital construction account—state appropriation includes up to ((\$52,516,000)) \$45,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.843.

(((7) \$20,906,000)) (5) \$17,970,000 of the transportation 2003 account (nickel account)—state appropriation((, \$9,711,000 of the multimodal transportation account—state appropriation, and \$1,537,000 of the Puget Sound eapital construction account—state appropriation are)) is provided solely for the acquisition of new Kwa-di-tabil class ferry vessels (project 944470A) subject to the conditions of RCW 47.56.780.

 $(((8) \ \$33,404,000))$ (6) \$25,404,000 of the multimodal transportation account—state appropriation, ((\$2,000,000)) \$1,000,000 of the Puget Sound capital construction account—((state)) <u>federal</u> appropriation, \$11,500,000 of the transportation partnership account—state appropriation, and ((\$81,085,000))\$85,924,000 of the transportation 2003 account (nickel account)—state appropriation are provided solely for the acquisition of ((two)) <u>one</u> 144-car vessel((s contingent upon new and sufficient resources. Of these amounts, \$123,828,000 is provided solely for the first 144-car vessel)) (project L2200038). The department shall use as much already procured equipment as practicable on the 144-car vessel. The vendor must present to the joint transportation committee and the office of financial management, by August 15, 2011, 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. If neither chapter ... (Engrossed Substitute Senate Bill No. 5742), Laws of 2011 nor chapter ... (House Bill No. 2083), Laws of 2011 is enacted by June 30, 2011, \$75,000,000 of the transportation 2003 account (nickel account)—state appropriation in this subsection lapses.

(((9) The department shall provide to the office of financial management and the legislature quarterly reports providing the status on each project listed in this section and in the project lists submitted pursuant to this act and on any additional projects for which the department has expended funds during the 2011 2013 fiscal biennium. Elements must include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection via the transportation executive information system. The quarterly report regarding the status of projects identified on the list referenced in subsection (1) of this section must be developed according to an earned value method of project monitoring.

(11) \$3,932,000)) (7) \$5,749,000 of the total appropriation is provided solely for continued permitting work on the Mukilteo ferry terminal (project 952515P). The department shall seek additional federal funding for this project. Prior to beginning terminal improvements, the department shall report to the legislature on the final environmental impact statement by December 31, 2012. The report must include an overview of the costs and benefits of each of the alternatives considered, as well as an identification of costs and a funding plan for the preferred alternative.

(((13))) (8) The department shall review all terminal project cost estimates to identify projects where similar design requirements could result in reduced preliminary engineering or miscellaneous items costs. The department shall report to the legislature by September 1, 2011. The report must use programmatic design and include estimated cost savings by reducing repetitive design costs or miscellaneous costs, or both, applied to projects.

(((14) \$2,000,000)) (9) \$3,000,000 of the Puget Sound capital construction account—state appropriation is provided solely for emergency capital repair costs (project 999910K). Funds may be spent only after approval from the office of financial management.

(((15) \$7,167,000)) (10) \$4,851,000 of the Puget Sound capital construction account—state appropriation is provided solely for the reservation and communications system projects (L200041 & L200042).

(11) \$1,000,000 of the Puget Sound capital construction account—state appropriation is provided solely for security and operational planning as a first step in introducing liquid natural gas (LNG) to the Washington ferry fleet, including the issuance of a request for proposals (RFP). \$750,000 is provided solely for the department to work with appropriate agencies of the state and federal government to amend the state's current alternative security plan to account for the use of LNG as a propulsion fuel in the ferry fleet, and to begin public outreach efforts. \$250,000 is provided solely to issue an RFP for a design-build contract to fully convert the existing diesel powered Issaquah class fleet to be solely powered by LNG. The successful bidder must be awarded the \$250,000 appropriation and must be able to offer detailed design services, attain coast guard approval regarding vessel safety and any other requirements pertaining to design, acquire engines with LNG as a sole fuel source, provide public outreach and education regarding the conversion of ferry vessels to LNG, perform all conversion work, and supply dependable and suitable quantities of LNG. The RFP must include incentives for proposals that include alternative financing arrangements, such as a delayed payment plan based on fuel savings. To the extent allowable under current law, the bidder awarded the design-build contract for converting the Issaquah fleet to LNG under this subsection must be given bidding preferences in any future LNG-related ferry proposals or projects. The RFP referenced in this subsection must be issued by the department by August 1, 2012. The department must provide a report to the joint transportation committee on the development of the RFP in July 2012 and an update report again in September 2012.

(12) \$500,000 of the Puget Sound capital construction account—state appropriation is provided solely for the ADA visual paging project (L2200083). If any new federal grants are received by the department that may supplant the state funds in this appropriation, the state funds in this appropriation must be placed in unallotted status.

(13) Consistent with RCW 47.60.662, which requires the Washington state ferry system to collaborate with passenger-only ferry and transit providers to provide service at existing terminals, the department shall ensure that multimodal access, including for passenger-only ferries and transit service providers, is not precluded by any future modifications at the terminal.

Sec. 309. 2011 c 367 s 309 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—RAIL— PROGRAM Y—CAPITAL
Essential Rail Assistance Account—State
Appropriation
\$1,565,000
Transportation Infrastructure Account—State
Appropriation
\$5,693,000
Multimodal Transportation Account—State
Appropriation
\$58,220,000
Multimodal Transportation Account—Federal
Appropriation
<u>\$236,597,000</u>
Multimodal Transportation Account—Private/Local
Appropriation
<u>\$1,010,000</u>
TOTAL APPROPRIATION
\$303,085,000

(1)(a) 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 ((2011-2)) 2012-1 ALL PROJECTS as developed ((April 19, 2011)) March 8, 2012, Program-Rail Capital Program (Y).

(b) Within the amounts provided in this section, ((\$2,903,000)) \$4,757,000 of the transportation infrastructure account—state appropriation is for lowinterest loans through the freight rail investment bank program for specific projects listed as recipients of these loans in the LEAP transportation document identified in (a) of this subsection. The department shall issue freight rail investment bank program loans with a repayment period of no more than ten years, and only so much interest as is necessary to recoup the department's costs to administer the loans.

(c) Within the amounts provided in this section, ((\$1,754,000)) \$2.047,000 of the multimodal transportation account—state appropriation. \$10,000 of the multimodal transportation account—private/local appropriation, and \$1,000,000 of the essential rail assistance account—state appropriation are for statewide emergent freight rail assistance projects identified in the LEAP transportation document identified in (a) of this subsection.

(2)(a) ((If any funds remain in the program reserves (F01001A & F01000A) for the program and projects listed in subsection (1)(b) and (c) of this section,)) The department shall issue a call for projects for the freight rail investment bank (FRIB) loan program and the emergent freight rail assistance program (FRAP) grants, and shall evaluate the applications according to the cost-benefit methodology developed during the 2008 interim using the legislative priorities specified in (c) of this subsection. Unsuccessful FRAP grant applicants should be encouraged to apply to the FRIB loan program, if eligible. By November 1, ((2011)) 2012, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

(b) When the department identifies a prospective rail project that may have strategic significance for the state, or at the request of a proponent of a prospective rail project or a member of the legislature, the department shall evaluate the prospective project according to the cost-benefit methodology developed during the 2008 interim using the legislative priorities specified in (c) of this subsection. The department shall report its cost-benefit evaluation of the prospective rail project, as well as the department's best estimate of an appropriate construction schedule and total project costs, to the office of financial management and the transportation committees of the legislature.

(c) The legislative priorities to be used in the cost-benefit methodology are, in order of relative importance:

(i) Economic, safety, or environmental advantages of freight movement by rail compared to alternative modes;

(ii) Self-sustaining economic development that creates family-wage jobs;

(iii) Preservation of transportation corridors that would otherwise be lost;

(iv) Increased access to efficient and cost-effective transport to market for Washington's agricultural and industrial products;

(v) Better integration and cooperation within the regional, national, and international systems of freight distribution; and

(vi) Mitigation of impacts of increased rail traffic on communities.

(3) The department is directed to expend unallocated federal rail crossing funds in lieu of or in addition to state funds for eligible costs of projects in program Y.

(4) The department shall provide quarterly reports to the office of financial management and the transportation committees of the legislature regarding applications that the department submits for federal funds and the status of such applications.

(5) ((The department shall, on a quarterly basis, provide to the office of financial management and the legislature reports providing the status on active projects identified in the LEAP transportation document described in subsection (1)(a) of this section. Report formatting and elements must be consistent with the October 2009 quarterly project report.

(6))) The multimodal transportation account—state appropriation includes up to ((\$19,684,000)) \$12,103,000 in proceeds from the sale of bonds authorized in RCW 47.10.867.

(((7) When the balance of that portion of the miscellaneous program account apportioned to the department for the grain train program reaches \$1,180,000, the department shall acquire additional grain train railcars.

(8) \$1,087,000 of the multimodal transportation account state appropriation is provided solely as state matching funds for successful grant applications to either the federal rail line relocation and improvement program (project 798999D) or new federal high-speed rail grants.

(9))) (6) The Burlington Northern Santa Fe Skagit river bridge is an integral part of the rail system. Constructed in 1916, the bridge does not meet current design standards and is at risk during flood events that occur on the Skagit river. The department shall work with Burlington Northern Santa Fe and local jurisdictions to secure federal funding for the Skagit river bridge and to develop an appropriate replacement plan and schedule.

(((10) \$339,139,000)) (7) \$218,341,000 of the multimodal transportation account—federal appropriation and ((\$5,099,000)) \$3,639,000 of the multimodal transportation account—state appropriation are provided solely for expenditures related to passenger high-speed rail grants. At one and one-half percent of the total project funds, the multimodal transportation account—state funds are provided solely for expenditures that are not federally reimbursable. Funding in this subsection is the initial portion of multiyear high-speed rail program grants awarded to Washington state for high-speed intercity passenger rail investments. Funding will allow for two additional round trips between Seattle and Portland and other rail improvements.

(((11))) (8) \$750,000 of the multimodal transportation account—state appropriation is provided solely for the Port of Royal Slope rehabilitation project (L1000053). Funding is contingent upon the project completing the rail costbenefit methodology process developed during the 2008 interim using the legislative priorities outlined in subsection (2)(c) of this section.

(9) As allowable under federal rail authority rules and existing competitive bidding practices, when purchasing new train sets, the department shall give

preference to bidders that propose train sets with characteristics and maintenance requirements most similar to those currently owned by the department.

(10) Funds generated by the grain train program are solely for operating, sustaining, and enhancing the grain train program including, but not limited to, operations, capital investments, inspection, developing business plans for future growth, and fleet management. Any funds deemed by the department, in consultation with relevant port districts, to be in excess of current operating needs or capital reserves of the grain train program may be transferred from the miscellaneous program account to the essential rail assistance account for the purpose of sustaining the grain train program through maintaining the Palouse river and Coulee City railroad line, on which the grain train program operates.

(11) \$500,000 of the essential rail assistance account—state appropriation is provided solely for the purpose of rehabilitation and maintenance of the Palouse river and Coulee City railroad line. Expenditures from this appropriation may not exceed the combined total of:

(a) The revenues deposited into the essential rail assistance account from leases and sale of property pursuant to RCW 47.76.290; and

(b) Revenues transferred from the miscellaneous program account for the purpose of sustaining the grain train program through maintaining the Palouse river and Coulee City railroad line.

(12) \$200,000 of the multimodal transportation account—state appropriation is provided solely for the Clark county chelatchie prairie rail road (project L2200085).

Sec. 310. 2011 c 367 s 310 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION-LOCAL
PROGRAMS—PROGRAM Z—CAPITAL
Highway Infrastructure Account—State Appropriation\$207,000
Highway Infrastructure Account—Federal
Appropriation
Motor Vehicle Account—State Appropriation
\$4,179,000
Motor Vehicle Account—Federal Appropriation
\$37,935,000
Freight Mobility Investment Account—State
Appropriation
Transportation Partnership Account—State
Appropriation
\$7,181,000
Freight Mobility Multimodal Account—State
Appropriation
\$15,668,000
Freight Mobility Multimodal Account—Local
Appropriation
\$2,834,000
Multimodal Transportation Account—State
Appropriation
\$22,575,000
Passenger Ferry Account—State Appropriation

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

(1) ((The department shall, on a quarterly basis beginning July 1, 2011, provide to the office of financial management and the legislature reports providing the status on each active project funded in part or whole by the transportation 2003 account (nickel account) or the transportation partnership account. Report formatting and elements must be consistent with the October 2009 quarterly project report. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information system.

(2))) \$1,115,000 of the passenger ferry account—state appropriation is provided solely for near and long-term costs of capital improvements and operating expenses that are consistent with the business plan approved by the governor for passenger ferry service.

(((3))) (2) The department shall apply for surface transportation program enhancement funds to be expended in lieu of or in addition to state funds for eligible costs of projects in local programs, program Z—capital.

(((4))) (3) Federal funds may be transferred from program Z to programs I and P and state funds must be transferred from programs I and P to program Z to replace those federal funds in a dollar-for-dollar match. Fund transfers authorized under this subsection shall not affect project prioritization status. Appropriations must initially be allotted as appropriated in this act. The department may not transfer funds as authorized under this subsection without approval of the office of financial management. The department shall submit a report on those projects receiving fund transfers to the office of financial management and the transportation committees of the legislature by December 1, 2011, and December 1, 2012.

 $((\frac{(5)}{2}))$ (4) The city of Winthrop may utilize a design-build process for the Winthrop bike path project.

 $((\frac{6}{11,557,000}))$ (5) \$14,813,000 of the multimodal transportation account—state appropriation, $((\frac{12,136,000}{5,195,000}))$ \$6,241,000 of the motor vehicle account—federal appropriation, and $((\frac{5,195,000}{5,195,000}))$ \$6,241,000 of the transportation partnership account—state appropriation are provided solely for the pedestrian and bicycle safety program projects and safe routes to schools program projects identified in: LEAP Transportation Document 2011-A, pedestrian and bicycle safety program projects and safe routes to schools program projects, as developed April 19, 2011; LEAP Transportation Document 2009-A, pedestrian and bicycle safety program projects and safe routes to schools program projects, as developed March 30, 2009; LEAP Transportation Document 2007-A, pedestrian and bicycle safety program projects and safe routes to schools program projects, as developed April 20, 2007; and LEAP Transportation Document 2006-B, pedestrian and bicycle safety program projects and safe routes to schools program projects, as developed March 8, 2006. Projects must be allocated funding based on order of priority. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory

progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award 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 identify where unused grant funds remain because actual project costs were lower than estimated in the grant award.

(((7))) (6) 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 ((2011-2)) 2012-1 ALL PROJECTS as developed ((April 19, 2011)) March 8, 2012, Program - Local Program (Z).

(((8))) (7) For the 2011-2013 project appropriations, unless otherwise provided in this act, the director of the office of financial management may authorize a transfer of appropriation authority between projects managed by the freight mobility strategic investment board <u>and may also advance projects in future biennia, as identified in LEAP Transportation Document 2012-1 ALL PROJECTS as developed March 8, 2012, into the current biennium in order for the board to manage project spending and efficiently deliver all projects in the respective program.</u>

(((9))) (8) With each department budget submittal, the department shall provide an update on the status of the repayment of the twenty million dollars of unobligated federal funds authority advanced by the department in September 2010 to the city of Tacoma for the Murray Morgan/11th Street bridge project.

(((10) The department shall prepare a list of main street projects, consistent with chapter ... (Engrossed Substitute House Bill No. 1071), Laws of 2011, for approval in the 2013 2015 fiscal biennium. In order to ensure that any proposed list of projects is consistent with legislative intent, the department shall provide a report to the joint transportation committee by December 1, 2011. The report must identify the eligible segments of main streets highways, the department's proposed project selection and ranking method, criteria to be considered, and a plan for soliciting project proposals.

(11))) (9) If funding is specifically designated in this act for main street projects, the department shall prepare a list of projects that is consistent with chapter 257, Laws of 2011, for approval in the 2013-2015 fiscal biennium.

(10) \$267,000 of the motor vehicle account—state appropriation and \$2,859,000 of the motor vehicle account—federal appropriation are provided solely for completion of the US 101 northeast peninsula safety rest area and associated roadway improvements east of Port Angeles at the Deer Park scenic view point (3LP187A). The department must surplus any right-of-way previously purchased for this project near Sequim. Approval to proceed with construction is contingent on surplus of previously purchased right-of-way.

(((12))) (11) Up to ((\$3,650,000)) \$3,702,000 of the motor vehicle account—federal appropriation and ((\$23,000)) \$75,000 of the motor vehicle account—state appropriation are provided solely to reimburse the cities of Kirkland and Redmond for pavement and bridge deck rehabilitation on state route number 908 (1LP611A). These funds may not be expended unless the cities sign an agreement stating that the cities agree to take ownership of state route number 908 in its entirety and agree that the payment of these funds

represents the entire state commitment to the cities for state route number 908 expenditures.

(((13))) (12) \$225,000 of the multimodal transportation account—state appropriation is provided solely for the Shell Valley emergency road and bicycle/pedestrian path (L1000036).

 $(((\frac{14}{5000})))$ (13) \$188,000 of the motor vehicle account—state appropriation is provided solely for flood reduction solutions on state route number 522 caused by the lower McAleer and Lyon creek basins (L1000041).

(((15))) (14) \$896,000 of the multimodal transportation account—state appropriation is provided solely for realignment of Parker Road and construction of secondary access off of state route number 20 (L2200040).

(((16))) (15) An additional \$2,500,000 of the motor vehicle account federal appropriation is provided solely for the Strander Blvd/SW 27th St Connection project (1LP902F), which amount is reflected in the LEAP transportation document identified in subsection ((((7)))) (6) of this section. These funds may only be committed if needed, may not be used to supplant any other committed project partnership funding, and must be the last funds expended.

(((17))) (16) \$500,000 of the motor vehicle account—federal appropriation is provided solely for safety improvements at the intersection of South Wapato and McDonald Road (L1000052).

(((18))) (17) \$2,000,000 of the multimodal transportation account—state appropriation is provided solely for the state route number 432 rail realignment and highway improvements project (L1000056).

 $(((19) $500,000 \text{ of the multimodal transportation account state appropriation is provided solely for a multimodal corridor plan on state route number 520 between Interstate 405 and Avondale Road in Redmond (L1000054).$

(20)) (18) \$100,000 of the motor vehicle account—federal appropriation is provided solely for state route number 164 and Auburn Way South pedestrian improvements (L1000057).

 $(((\frac{21}{21})))$ (19) \$115,000 of the motor vehicle account—federal appropriation is provided solely for median street lighting on state route number 410 (L1000058).

 $(((\frac{22}{2})))$ (20) \$60,000 of the multimodal transportation account—state appropriation is provided solely for a cross docking study for the port of Douglas county (L1000060).

(((23))) (21) \$100,000 of the motor vehicle account—federal appropriation is provided solely for city of Auburn - 8th and R Street NE intersection improvements (L2200043).

(((24))) (22) \$65,000 of the multimodal transportation account—state appropriation is provided solely for the Puget Sound regional council to further the implementation of multimodal concurrency practice through a transit service overlay zone implemented at the local level (L1000061). This approach will improve the linkage of land use and transportation investment decisions, improve the efficiency of transit service by encouraging transit-supportive development, provide incentives for developers, and support integrated regional growth, economic development, and transportation plans. In carrying out this work, the council shall involve representatives from cities and counties,

developers, transit agencies, and other interested stakeholders, and shall consult with other regional transportation planning organizations across the state. The council shall report the results of their work and recommendations to the joint transportation committee by December 2011, with a final report to the transportation committees of the legislature by January 31, 2012.

(23) \$1,750,000 of the motor vehicle account—federal appropriation is provided solely for the SR 522 Improvements/61st Avenue NE and NE 181st Street project (L1000055).

(24) The department shall implement a call for projects eligible for the bicycle and pedestrian grant program similar to the call for projects conducted in 2010, although the department may adjust the criteria to include mobility and connectivity. The department shall include a list of prioritized bicycle and pedestrian grant projects for approval in the 2013-2015 biennial transportation budget.

(25) \$100,000 of the multimodal transportation account—state appropriation is provided solely for the design of a stand-alone ADA accessible bicycle/pedestrian bridge across the Sultan river in the city of Sultan (L1100044).

(26) \$445,000 of the motor vehicle account—federal appropriation is provided solely for pedestrian lighting on the main span of the Chehalis river bridge in Aberdeen (L1100046).

(27) \$500,000 of the motor vehicle account—federal appropriation is provided solely for resurfacing Alder Avenue in the city of Sultan (L1100047).

(28) \$800,000 of the motor vehicle account—federal appropriation is provided solely for rights-of-way acquisition on state route number 516 from Jenkins creek to 185th (L2000017).

(29) \$1,100,000 of the motor vehicle account—federal appropriation is provided solely for traffic analysis, right-of-way, and design work on the 31st Avenue Southwest overpass on Puyallup's South Hill (L1100048).

(30) \$2,000,000 of the motor vehicle account—federal appropriation is provided solely for environmental documentation and preliminary engineering for the Scott Avenue Reconnection Project in the city of Woodland (L1100049).

(31) \$350,000 of the motor vehicle account—federal appropriation is provided solely for preliminary engineering and rights-of-way on the Slater Road Bridge project (L2200089).

(32) \$380,000 of the motor vehicle account—federal appropriation is provided solely for rehabilitation work for 156th/160th Avenue in the city of Covington (L2200088).

(33) \$380,000 of the motor vehicle account—federal appropriation is provided solely for improvements to Penney Avenue in the town of Naches (L2200090).

(34) \$450,000 of the motor vehicle account—federal appropriation is provided solely for preliminary engineering on NW Friberg Street and Goodwin Road in the city of Camas (L2200091).

<u>NEW SECTION.</u> Sec. 311. A new section is added to 2011 c 367 (uncodified) to read as follows:

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 original project cost estimates and schedule approved in the transportation 2003 and 2005 transportation partnership project lists to the completed cost of the project;

(b) Compare the costs and operationally complete date for projects on the transportation 2003 and 2005 transportation partnership project lists to the last legislatively adopted project list prior to the completion of a project;

(c) Compare the costs and operationally complete date for projects with budgets of twenty million dollars that are funded with preexisting funds to the original project cost estimates and schedule; and

(d) 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 budget that are going to advertisement during the current biennium;

(b) Identify the anticipated operationally complete date for all projects consistent with the structure of the most recently enacted budget that are going to advertisement during the current biennium; and

(c) Identify the estimated cost of completion for all projects consistent with the structure of the most recently enacted budget that are going to advertisement during the current biennium.

TRANSFERS AND DISTRIBUTIONS

Sec. 401. 2011 c 367 s 401 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST. AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND TRANSPORTATION FUND REVENUE Highway Bond Retirement Account—State \$879,501,000 State Route Number 520 Corridor Account—State \$3,818,000 Transportation Improvement Board Bond Retirement \$16,482,000 Nondebt-Limit Reimbursable Account Appropriation ((\$25,200,000)) \$22,476,000 Transportation Partnership Account—State \$3,654,000 \$382,000 Transportation 2003 Account (Nickel Account)—State \$1,305,000 Transportation Improvement Account—State Multimodal Transportation Account—State \$158,000 Toll Facility Bond Retirement Account—State \$48,807,000 Toll Facility Bond Retirement Account—Federal \$7,500,000

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

(1) \$4,610,000 of the highway bond retirement account—state appropriation is provided solely for debt service on bonds issued to construct a ferry boat vessel with a carrying capacity of one hundred forty-four cars. If neither chapter ... (House Bill No. 2083), Laws of 2011 nor chapter ... (Engrossed Substitute Senate Bill No. 5742) is enacted by June 30, 2011, the amount provided in this subsection lapses.

\$1,015,913,000

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(2) \$165,000 of the transportation 2003 account (nickel account)—state appropriation is provided solely for discounts on bonds sold to construct a ferry boat vessel with a carrying capacity of one hundred forty-four cars. If neither chapter ... (House Bill No. 2083), Laws of 2011 nor chapter ... (Engrossed Substitute Senate Bill No. 5742) is enacted by June 30, 2011, the amount provided in this subsection lapses.))

Sec. 402. 2011 c 367 s 402 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES

State Route Number 520 Corridor Account—State
Appropriation
\$960,000
Transportation Partnership Account—State
Appropriation
\$587,000
Motor Vehicle Account—State Appropriation
\$58.000
Transportation 2003 Account (Nickel Account)—State
Appropriation
\$255,000
Transportation Improvement Account—State Appropriation\$5,000
Multimodal Transportation Account—State
Appropriation
\$23,000
TOTAL APPROPRIATION
<u>\$1,888,000</u>

((The appropriations in this section are subject to the following conditions and limitations: \$30,000 of the transportation 2003 account (nickel account) state appropriation is provided solely for expenses associated with bonds sold to construct a ferry boat vessel with a carrying capacity of one hundred forty four ears. If neither chapter ... (House Bill No. 2083), Laws of 2011 nor chapter ... (Engrossed Substitute Senate Bill No. 5742) is enacted by June 30, 2011, the amount provided in this subsection lapses.))

Sec. 403. 2011 c 367 s 403 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR MVFT BONDS AND TRANSFERS

Motor Vehicle Account—State Appropriation: For transfer to the Puget Sound Capital Construction

The department of transportation is authorized to sell up to $((\frac{52,516,000}))$ $\frac{45,000,000}{10}$ in bonds authorized by RCW 47.10.843 for vessel and terminal acquisition, major and minor improvements, and long lead-time materials acquisition for the Washington state ferries. ((Of the authorized amounts,

\$14,500,000 is provided solely for expenditures made during the fiscal biennium ending June 30, 2011.))
Sec. 404. 2011 c 367 s 404 (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 \$470,701,000
Sec. 405. 2011 c 367 s 405 (uncodified) is amended to read as follows:
FOR THE STATE TREASURER—TRANSFERS Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax refunds and statutory transfers
Sec. 406. 2011 c 367 s 406 (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
<u>\$151,870,000</u>
Sec. 407. 2011 c 367 s 407 (uncodified) is amended to read as follows:
FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS (1) ((Tacoma Narrows Toll Bridge Account — State Appropriation: For transfer to the Motor Vehicle Account — State
For transfer to the Puget Sound Ferry Operations Account—State
(((3))) (2) Recreational Vehicle Account—State Appropriation: For transfer to the Motor Vehicle Account—State((\$1,450,000))
(((4))) <u>(3)</u> License Plate Technology Account—State Appropriation: For transfer to the Highway Safety
Account—State
Appropriation: For transfer to the Puget Sound Ferry Operations Account—State
(((6))) (<u>5</u>) Highway Safety Account—State Appropriation: For transfer to the Motor Vehicle Account—State \$23,000,000 (((7) Department of Licensing Services Account -State Appropriation: For transfer to the Motor Vehicle
Account—State

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(8))) (6) Advanced Right-of-Way Revolving Fund: For
transfer to the Motor Vehicle Account—State
(((9) State Route Number 520 Civil Penalties
Account—State Appropriation: For transfer to the
State Route Number 520 Corridor Account—State
(10))) (7) Rural Mobility Grant Program Account—State
Appropriation: For transfer to the Multimodal
Transportation Account—State\$3,000,000
(((11))) (8) Motor Vehicle Account—State
Appropriation: For transfer to the State Patrol
Highway Account—State
\$16,000,000
(((12))) (<u>9)</u> State Route Number 520 Corridor
Account—State Appropriation: For transfer to the
Motor Vehicle Account—State((, in an amount equal to
funds dispersed during the 2009-2011 fiscal biennium
authorized under section 805(7) of this act.))
(((13))) (10) Motor Vehicle Account—State
Appropriation: For transfer to the Special Category C
Account—State
\$2,500,000
(((14))) (<u>11)</u> Regional Mobility Grant Program
Account—State Appropriation: For transfer to the
Multimodal Transportation Account—State\$1,000,000
(((15))) <u>(12)</u> State Patrol Highway Account—State
Appropriation: For transfer to the Vehicle
Licensing Fraud Account\$100,000
(((16) State Route Number 520 Corridor Account – State
Appropriation: For transfer to the Motor Vehicle
Account
(13) Capital Vessel Replacement Account—State
Appropriation: For transfer to the Transportation 2003
Account (Nickel Account)—State\$6,367,000
((((17)))) (14) The transfers identified in this section are subject to the
following conditions and limitations:
(a) ((The amount transferred in subsection (1) of this section represents
repayment of operating loans and reserve payments provided to the Tacoma

repayment of operating loans and reserve payments provided to the Tacoma Narrows toll bridge account from the motor vehicle account in the 2005-2007 fiscal biennium.

(b) The transfer in subsection (9) of this section represents toll revenue collected from toll violations)) The transfer in subsection (9) of this section represents the repayment of an amount equal to subprogram B5 expenditures that occurred in the motor vehicle account in the 2009-2011 fiscal biennium.

(b) The amount transferred in subsection (2) of this section shall not exceed the expenditures incurred from the motor vehicle account—state for the recreational vehicle sanitary disposal systems program.

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Sec. 501. 2011 c 367 s 502 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENTS—WSP TROOPERS ASSOCIATION

(1) No agreement has been reached between the governor and the Washington state patrol trooper's association under chapter 41.56 RCW for ((the 2011 2013 fiscal biennium)) fiscal year 2012. Appropriations for the Washington state patrol in this act are sufficient to fund the provisions of the 2009-2011 agreement.

(2) An agreement has been reached between the governor and the Washington state patrol troopers association under chapter 41.56 RCW for fiscal year 2013. Appropriations for the Washington state patrol in this act provide funding to implement the fiscal year 2013 agreement. The fiscal year 2013 agreement contains no change in compensation from the 2009-2011 agreement; therefore, no additional funding is appropriated.

Sec. 502. 2011 c 367 s 503 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENTS—WSP LIEUTENANTS ASSOCIATION

(1) No agreement has been reached between the governor and the Washington state patrol lieutenant's association under chapter 41.56 RCW for ((the 2011-2013 fiscal biennium)) fiscal year 2012. Appropriations for the Washington state patrol in this act are sufficient to fund the provisions of the 2009-2011 agreement.

(2) An agreement has been reached between the governor and the Washington state patrol lieutenants association under chapter 41.56 RCW for fiscal year 2013. Appropriations for the Washington state patrol in this act provide funding to implement the fiscal year 2013 agreement. The fiscal year 2013 agreement contains no change in compensation from the 2009-2011 agreement; therefore, no additional funding is appropriated.

Sec. 503. 2011 c 367 s 505 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—TERMS AND CONDITIONS

No agreement has been reached between the governor and the masters, mates, and pilots marine operations watch supervisors under chapter 47.64 RCW for the 2011-2013 fiscal biennium. Appropriations in this act reflect funding to maintain the provisions or terms and conditions of the 2009-2011 agreements for fiscal year 2012. Fiscal year 2013 appropriations are reduced to reflect <u>a 6.0 percent temporary salary reduction effective July 1, 2012, through June 29, 2013, a reduction to overtime calculation, reduced vacation accruals, and other management priorities in collective bargaining. Effective June 30, 2013, the salary schedules effective July 1, 2009, through June 30, 2011, will be reinstated.</u>

<u>NEW SECTION.</u> Sec. 504. TRANSPORTATION EMPLOYEES— COMPENSATION

The following acts or parts of acts are each repealed:

(1) 2011 1st sp.s. c 50 s 718 (uncodified) (FOR THE OFFICE OF FINANCIAL MANAGEMENT—TRANSPORTATION EMPLOYEES— RETIREMENT SYSTEM CONTRIBUTIONS);

(2) 2011 1st sp.s. c 50 s 719 (uncodified) (FOR THE OFFICE OF FINANCIAL MANAGEMENT—TRANSPORTATION EMPLOYEES— RETIREMENT SYSTEM CONTRIBUTIONS);

(3) 2011 1st sp.s. c 50 s 720 (uncodified) (FOR THE OFFICE OF FINANCIAL MANAGEMENT—TRANSPORTATION EMPLOYEE SALARY REDUCTIONS); and

(4) 2011 1st sp.s. c 50 s 721 (uncodified) (FOR THE OFFICE OF FINANCIAL MANAGEMENT—TRANSPORTATION EMPLOYEES RETIREMENT SYSTEM CONTRIBUTIONS).

IMPLEMENTING PROVISIONS

<u>NEW SECTION.</u> Sec. 601. A new section is added to 2011 c 367 (uncodified) to read as follows:

The department of transportation may provide up to \$163,000 in toll credits to the Port of Kingston for its role in the new passenger-only ferry service and ferry corridor-related projects. The number of toll credits provided to the Port of Kingston 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 shall not exceed the amount authorized in this section.

Sec. 602. 2011 c 367 s 608 (uncodified) is amended to read as follows:

STAFFING LEVELS

(1) As the department of transportation completes delivery of the projects funded by the 2003 and 2005 transportation revenue packages, it is clear that the current staffing levels necessary to deliver these projects are not sustainable into the future. Therefore, the department is directed to quickly move forward to develop and implement new business practices so that a smaller, more nimble state workforce can effectively and efficiently deliver transportation improvement programs as they are approved in the future, in strong partnership with the private sector, while protecting the public's interests and assets.

(2) To this end, the department of transportation is directed to reduce the size of its engineering and technical workforce to a level sustained by current law revenue levels currently estimated at two thousand FTEs by the end of the 2013-2015 fiscal biennium. The department's current two thousand eight hundred FTE engineering and technical workforce levels for highway construction will be reduced in the 2011-2013 fiscal biennium, with a target of two thousand four hundred FTEs by June 30, 2013, and to a level of two thousand FTEs by June 30, 2015.

(3) In order to successfully deliver the highway construction program as funded, the department of transportation may continue to contract out engineering and technical services. In addition, the department may continue the incentive program for retirements and employee separations. ((The department shall report quarterly to the office of financial management and the transportation committees of the legislature on its progress and plans to reduce highway construction workforce levels to two thousand FTEs by June 2015. This report must also be posted on the department's web site.))

(4) The department of transportation is directed to reduce the size of its administrative operating programs for the 2013-2015 biennium. As part of the department's biennial budget submittal, the department shall reduce its workforce in Programs C, H, T, and S by three percent. The ratio of executive management service or Washington management services employee staff must be at least six staff for every manager by the end of the 2013-2015 biennium. *Sec. 602 was partially vetoed. See message at end of chapter.

Sec. 603. 2011 c 367 s 603 (uncodified) is amended to read as follows:

FUND TRANSFERS

(1) The transportation 2003 projects or improvements and the 2005 transportation partnership projects or improvements are listed in LEAP Transportation Document ((2011-1)) 2012-2 as developed ((April 19, 2011)) March 8, 2012, 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 is expected to use the flexibility provided in this section to assist in the delivery and completion of all transportation partnership account and transportation 2003 account (nickel account) projects on the LEAP transportation documents referenced in this act. For the 2009-2011 and 2011-2013 project appropriations, unless otherwise provided in this act, the director of financial management may authorize a transfer of appropriation authority between projects funded with transportation 2003 account (nickel account) appropriations, or transportation partnership account appropriations, in order to manage project spending and efficiently deliver all projects in the respective program under the following conditions and limitations:

(a) Transfers may only be made within each specific fund source referenced on the respective project list;

(b) Transfers from a project may not be made as a result of the reduction of the scope of a project or be made to support increases in the scope of a project;

(c) Each transfer between projects may only occur if the director of financial management finds that any resulting change will not hinder the completion of the projects as approved by the legislature. Until the legislature reconvenes to consider the 2012 supplemental transportation budget, any unexpended 2009-2011 appropriation balance as approved by the office of financial management, in consultation with the legislative staff of the house of representatives and senate transportation committees, may be considered when transferring funds between projects;

(d) Transfers from a project may be made if the funds appropriated to the project are in excess of the amount needed to complete the project;

(e) Transfers may not occur for projects not identified on the applicable project list;

(f) Transfers may not be made while the legislature is in session; and

(g) Transfers between projects may be made by the department of transportation until the transfer amount by project exceeds 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 financial management and the chairs of the house of representatives and senate transportation committees.

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(2) At the time the department submits a request to transfer funds under this section, a copy of the request must be submitted to the transportation committees of the legislature.

(3) The office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested transfers in a timely manner.

(4) The office of financial management shall document approved transfers and schedule changes in the transportation executive information system, compare changes to the legislative baseline funding and schedules identified by project identification number identified in the LEAP transportation documents referenced in this act, and transmit revised project lists to chairs of the transportation committees of the legislature on a quarterly basis.

*<u>NEW SECTION.</u> Sec. 604. A new section is added to 2011 c 367 (uncodified) to read as follows:

A narrowbanding financing contract adopted by the Washington state patrol is contingent upon the completion of an independent financial, technical, and compliance review that must include the review of the utilization of the United States department of justice's integrated wireless network, which includes a risk mitigation strategy and plans, age and platform of the communication equipment's technology, and contractual services and obligations, to be completed and approved by the office of financial management by July 31, 2012, before any financial contracts using certificates of participation can be executed. The office of financial management must request from the federal communications commission an extension of ninety days for meeting the January 1, 2013, narrowbanding mandate to allow the time required to perform the review.

*Sec. 604 was vetoed. See message at end of chapter.

CONDITIONALLY ADDITIVE APPROPRIATIONS

<u>NEW SECTION.</u> Sec. 701. A new section is added to 2011 c 367 (uncodified) to read as follows:

It is the intent of the legislature that the appropriations in sections 702 through 713 of this act be an initial commitment to the programs and activities funded and that the commitment continue through the 2013-2015 fiscal biennium. To that end, it is the intent of the legislature that the spending plan for the 2013-2015 fiscal biennium reflect the programmatic areas and amounts described in LEAP Transportation Document 2012-4, as developed March 8, 2012.

<u>NEW SECTION.</u> Sec. 702. A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State Appropriation	\$3,500,000
Highway Safety Account—State Appropriation	\$6,000,000
TOTAL APPROPRIATION	\$9,500,000

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

(1) \$1,642,000 of the state patrol highway account—state appropriation is provided solely for the auto theft investigation units in King county, the city of Spokane, and the city of Tacoma.

(2) \$5,000,000 of the highway safety account—state appropriation is provided solely to train an additional trooper cadet class in the current biennium.

<u>NEW SECTION.</u> Sec. 703. A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD—CAPITAL

Highway Safety Account—State Appropriation \$3,500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the county arterial preservation program to help counties meet urgent preservation needs.

<u>NEW SECTION.</u> Sec. 704. A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD—CAPITAL

Highway Safety Account—State Appropriation \$3,500,000

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

(1) \$3,150,000 of the highway safety account—state appropriation is provided solely for the urban arterial program to help cities meet urgent preservation and storm water needs.

(2) \$350,000 of the highway safety account—state appropriation is provided solely for the small city pavement program to help cities meet urgent preservation and storm water needs.

<u>NEW SECTION.</u> Sec. 705. A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION— IMPROVEMENTS—PROGRAM I

Motor Vehicle Account—State Appropriation \$8,303,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely to advance the design, preliminary engineering, and rights-of-way acquisition for the priority projects identified in LEAP Transportation Document 2012-3 as developed March 8, 2012. Funds must be used to advance the emergent, initial development of these projects for the purpose of expediting delivery of the associated major investments when funding for such investments becomes available. Funding may be reallocated between projects to maximize the accomplishment of design and preliminary engineering work and rights-of-way acquisition, provided that all projects are addressed. It is the intent of the legislature that, while seeking to maximize the outcomes in this section, the department shall provide for continuity of both the state and consulting engineer workforce, while strategically utilizing private sector involvement to ensure consistency with the department's business plan for staffing in the highway construction program in the current and next biennium.

<u>NEW SECTION.</u> Sec. 706. A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M

Highway Safety Account—State Appropriation. \$3,500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely to further reduce the highway maintenance backlog in order to maintain or increase levels of service.

<u>NEW SECTION.</u> Sec. 707. A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION— PRESERVATION—PROGRAM P

Highway Safety Account—State Appropriation. \$3,500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for urgent preservation needs on the state highway system.

<u>NEW SECTION.</u> Sec. 708. A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE STATE TREASURER: FOR DISTRIBUTION TO TRANSIT ENTITIES

Public Transportation Grant Program Account—State

Appropriation...... \$9,000,000

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

(1) The appropriation in this section must be distributed statewide to transit authorities according to the distribution formula in subsection (2) of this section. Funding must be used for operations.

(2) Of the amounts provided in this section:

(a) One-third must be distributed based on vehicle miles of service provided;

(b) One-third must be distributed based on the number of vehicle hours of service provided; and

(c) One-third must be distributed based on the number of passenger trips.

(3) For the purposes of this section:

(a) "Transit authorities" has the same meaning as in RCW 9.91.025(2)(c).

(b) "Vehicle miles of service," "vehicle hours of service," and "passenger trips" are transit service metrics as reported by the public transportation program of the department of transportation in the annual report required in RCW 35.58.2796 for calendar year 2010.

<u>NEW SECTION.</u> Sec. 709. A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X

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The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the purchase of fuel for marine operations.

<u>NEW SECTION.</u> Sec. 710. A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W

Transportation 2003 Account

(Nickel Account)—State Appropriation \$130,000,000

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

(1) The appropriation in this section is provided solely for the purposes of constructing a ferry boat vessel with a carrying capacity of at least one hundred forty-four cars.

(2) The appropriation in this section includes up to \$130,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

<u>NEW SECTION.</u> Sec. 711. A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—CAPITAL

Highway Safety Account—State Appropriation \$3,000,000

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

(1) \$750,000 of the highway safety account—state appropriation is provided solely to the freight mobility strategic investment board for grants to meet urgent freight corridor improvement and preservation needs, including advancing projects that are identified in LEAP Transportation Document 2012-1 ALL PROJECTS as developed March 8, 2012, and for other projects that meet the board's criteria.

(2) \$2,250,000 of the highway safety account—state appropriation is provided solely for safe routes to schools program projects, in rank order, and identified as contingency projects in the LEAP Transportation Document 2011-A, pedestrian and bicycle safety program projects and safe routes to school program projects, referenced in chapter 367, Laws of 2011 (the omnibus transportation appropriations act).

<u>NEW SECTION.</u> Sec. 712. A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND TRANSPORTATION FUND REVENUE

Highway Bond Retirement Account—State Appropriation \$6,500,000

<u>NEW SECTION.</u> Sec. 713. A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES

Transportation 2003 Account

(Nickel Account)—State Appropriation\$58,000

<u>NEW SECTION.</u> Sec. 714. Sections 702 through 709 and 711 of this act take effect November 1, 2012.

<u>NEW SECTION.</u> Sec. 715. Sections 701, 710, 712, and 713 of this act take effect July 1, 2012.

<u>NEW SECTION.</u> Sec. 716. If chapter ... (Engrossed Substitute Senate Bill No. 6150), Laws of 2012 is not enacted by June 30, 2012, the appropriations in sections 703, 704, 706, 707, 709, and 711(1) of this act are null and void.

*<u>NEW SECTION.</u> Sec. 717. If chapter ... (Engrossed Substitute Senate Bill No. 6455), Laws of 2012 is not enacted by June 30, 2012, the appropriations in sections 702, 705, 708, 710, 711(2), 712, and 713 of this act are null and void.

*Sec. 717 was vetoed. See message at end of chapter.

MISCELLANEOUS 2011-2013 FISCAL BIENNIUM

<u>NEW SECTION.</u> Sec. 801. A new section is added to chapter 47.76 RCW to read as follows:

Funds deemed by the department of transportation, in consultation with relevant port districts, to be in excess of current operating needs or capital reserves of the grain train program may be transferred from the miscellaneous program account to the essential rail assistance account created in RCW 47.76.250 for the purpose of sustaining the grain train program.

Sec. 802. RCW 43.19.642 and 2010 c 247 s 701 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 onhighway 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, 2006, file biannual reports with the department of ((general administration)) <u>enterprise</u> <u>services</u> documenting the use of the fuel and a description of how any problems encountered were resolved.

(4) ((For the 2009-2011 fiscal biennium, all fuel purchased by the Washington state ferries at Harbor Island for the operation of the Washington

state ferries diesel-powered vessels must be a minimum of five percent biodiesel blend so long as the per gallon price of diesel containing a five percent biodiesel blend level does not exceed the per gallon price of diesel by more than five percent. If the per gallon price of diesel containing a five percent biodiesel blend level exceeds the per gallon price of diesel by more than five percent, the requirements of this section do not apply to vessel fuel purchases by the Washington state ferries.

(5))) By December 1, 2009, the department of ((general administration)) 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 2011-2013 fiscal biennium, the Washington state ferries is required to use a minimum of five percent biodiesel as compared to total volume of all diesel purchased 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 biodiesel blend does not exceed the price of conventional diesel fuel by five percent or more.

Sec. 803. RCW 46.12.630 and 2011 c 171 s 37 are each amended to read as follows:

In addition to any other authority which it may have, the department of licensing may furnish lists of registered and legal owners of motor vehicles only for the purposes specified in this section to:

(1) The manufacturers of motor vehicles, or their authorized agents, to be used:

(a) <u>To</u> enable those manufacturers to carry out the provisions of the <u>n</u>ational traffic and <u>motor vehicle safety act of 1966 (15 U.S.C. Sec. 1382-1418)</u>, including amendments or additions thereto, respecting safety-related defects in motor vehicles: or

(b) During the 2011-2013 fiscal biennium, in research activities, and in producing statistical reports, as long as the personal information is not published, redisclosed, or used to contact individuals;

(2) Any governmental agency of the United States or Canada, or political subdivisions thereof, to be used by it or by its authorized commercial agents or contractors only in connection with the enforcement of motor vehicle or traffic laws by, or programs related to traffic safety of, that government agency. Only such parts of the list as are required for completion of the work required of the agent or contractor;

(3) A commercial parking company requiring the names and addresses of registered owners to notify them of outstanding parking violations. Subject to the disclosure agreement provisions of RCW 46.12.635 and the requirements of Executive Order 97-01, the department may provide only the parts of the list that are required for completion of the work required of the company;

(4) An authorized agent or contractor of the department, to be used only in connection with providing motor vehicle excise tax, licensing, title, and registration information to motor vehicle dealers;

(5) Any business regularly making loans to other persons to finance the purchase of motor vehicles, to be used to assist the person requesting the list to determine ownership of specific vehicles for the purpose of determining whether or not to provide such financing; or

(6) A company or its agents operating a toll facility under chapter 47.46 RCW or other applicable authority requiring the names, addresses, and vehicle information of motor vehicle registered owners to identify toll violators.

Where both a mailing address and residence address are recorded on the vehicle record and are different, only the mailing address will be disclosed. Both addresses will be disclosed in response to requests for disclosure from courts, law enforcement agencies, or government entities with enforcement, investigative, or taxing authority and only for use in the normal course of conducting their business.

If a list of registered and legal owners of motor vehicles is used for any purpose other than that authorized in this section, the manufacturer, governmental agency, commercial parking company, authorized agent, contractor, financial institution, toll facility operator, or their authorized agents or contractors responsible for the unauthorized disclosure or use will be denied further access to such information by the department of licensing.

Sec. 804. RCW 46.44.0915 and 2011 c 115 s 1 are each amended to read as follows:

(1)(a) Except as provided in (b) of this subsection, the department of transportation, with respect to state highways maintained within port district property, may, at the request of a port commission, make and enter into agreements with port districts and adjacent jurisdictions or agencies of the districts, for the purpose of identifying, managing, and maintaining short heavy haul industrial corridors within port district property for the movement of overweight sealed containers used in international trade.

(b) The department of transportation shall designate that portion of state route number 97 from the Canadian border to milepost 331.12 as a heavy haul industrial corridor for the movement of overweight vehicles to and from the Oroville railhead. The department may issue special permits to vehicles operating in the heavy haul industrial corridor to carry weight in excess of weight limits established in RCW 46.44.041, but not to exceed a gross vehicle weight of 139,994 pounds.

(2) Except as provided in subsection (1)(b) of this section, the department may issue special permits to vehicles operating in a heavy haul industrial corridor to carry weight in excess of weight limits established in RCW 46.44.041. However, the excess weight on a single axle, tandem axle, or any axle group must not exceed that allowed by RCW 46.44.091 (1) and (2), weight per tire must not exceed six hundred pounds per inch width of tire, and gross vehicle weight must not exceed one hundred five thousand five hundred pounds.

(3) The entity operating or hiring vehicles under subsection (1)(b) of this section or moving overweight sealed containers used in international trade must pay a fee for each special permit of one hundred dollars per month or one thousand dollars annually, beginning from the date of issue, for all movements under the special permit made on state highways within a heavy haul industrial corridor. Within a port district property, under no circumstances are the for hire carriers or rail customers responsible for the purchase or cost of the permits. All

funds collected, except the amount retained by authorized agents of the department under RCW 46.44.096, must be forwarded to the state treasurer and deposited in the motor vehicle fund.

(4) For purposes of this section, an overweight sealed container used in international trade, including its contents, is considered nondivisible when transported within a heavy haul industrial corridor defined by the department.

(5) Any agreement entered into by the department as authorized under this section with a port district adjacent to Puget Sound and located within a county that has a population of more than seven hundred thousand, but less than one million, must limit the applicability of any established heavy haul corridor to that portion of state route no. 509 beginning at milepost 0.25 in the vicinity of East 'D' Street and ending at milepost 3.88 in the vicinity of Taylor Way. For the 2011-2013 fiscal biennium, the limit for any established heavy haul corridor established pursuant to this subsection (5) must be within that portion of state route number 509 beginning at milepost 0.25 in the vicinity of East 'D' Street and ending at milepost 0.25 in the vicinity of Street and ending at milepost 0.25 in the vicinity of state route number 509 beginning at milepost 0.25 in the vicinity of East 'D' Street and ending at milepost 0.25 in the vicinity of East 'D' Street and ending at milepost 0.25 in the vicinity of East 'D' Street and ending at milepost 0.25 in the vicinity of East 'D' Street and ending at milepost 0.25 in the vicinity of East 'D' Street and ending at milepost 0.25 in the vicinity of East 'D' Street and ending at milepost 0.25 in the vicinity of East 'D' Street and ending at milepost 5.7 in the vicinity of Norpoint Way Northeast.

(6) The department of transportation may adopt reasonable rules to implement this section.

<u>NEW SECTION.</u> Sec. 805. A new section is added to chapter 72.09 RCW to read as follows:

Prior to connection of the Washington correction center in Shelton to the city water system and consistent with Article II, section 40 of the state Constitution, the department must reimburse the state patrol highway account created in RCW 46.68.030 for any expenses incurred by the Washington state patrol for the department's share of the cost to construct a water line to the Washington state patrol's Shelton academy as identified in this act.

<u>NEW SECTION.</u> Sec. 806. If funding is provided in the 2012 supplemental omnibus capital appropriations act for more than \$2,047,000, for the purposes of constructing a water line to the Washington state patrol's Shelton academy, section 805 of this act is null and void.

MISCELLANEOUS

<u>NEW SECTION</u>. **Sec. 901.** 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.

<u>NEW SECTION.</u> Sec. 902. Except for sections 701 through 713, 805, and 806 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.

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Passed by the House March 8, 2012.	
Passed by the Senate March 8, 2012.	
Approved by the Governor March 23, 2012, with the exception of certa	ain
items that were vetoed.	
Filed in Office of Secretary of State March 23, 2012.	

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

"I am returning herewith, without my approval as to Sections 102(9), 604, 212(2), 216(7), 602(4), and 717, Engrossed Substitute House Bill 2190 entitled:

"AN ACT Relating to transportation funding and appropriations."

Section 102(9), pages 4-5, Office of Financial Management Section 604, page 93, Washington State Patrol

These provisos require the Office of the Chief Information Officer (OCIO) and the Washington State Patrol to conduct a technical review of the State Patrol's conversion to narrowbanding. Funding was not provided in either proviso, and review of the narrowbanding project has already been done by external entities. For these reasons, I have vetoed Section 102(9) and Section 604.

Section 212(2), page 28, Department of Transportation

This proviso directs the Department to provide a report about a possible move of the Aviation Division from Arlington to Olympia, and states that this move cannot occur unless approved by the Legislature during the 2013 session. A financial analysis has already been completed that identifies savings by moving the Aviation Division office to a state-owned building. For this reason, I have vetoed Section 212(2).

Section 216(7), page 35, Department of Transportation

This proviso requires the Secretary of the Department of Transportation, upon the request of a county, to reduce the maximum speed limits on a state highway in proximity to a state university research and extension center. As highway safety remains one of my top transportation concerns, I have instructed the Department to work with the affected counties identified in this proviso by June 30, 2012. Nevertheless, for safety reasons, state highway speed limits should be managed in a consistent manner at the state level. For this reason, I have vetoed Section 216(7).

Section 602(4), page 91, Department of Transportation

This proviso requires that the Department of Transportation's 2013-15 biennial budget submittal include a three percent reduction in workforce in Information Technology, Program Delivery Management, Administration and Support, and Planning and Research. The Department believes it is more appropriate that the budget be informed by workload needs, federal planning requirements and other management responsibilities, which are balanced against project delivery expectations and available resources. The proviso also imposes a management-to-staffing ratio on the Department's administrative operating programs. These programs require a higher-than-average concentration of managers as they provide statewide management and oversight of the highways construction program and other core programs. For these reasons, I have vetoed Section 602(4), and instructed the Department to continue to find efficiencies and make reductions in its administrative overhead this biennium and in the 2013-15 biennial budget submittal. For this reason, I have vetoed Section 602(4).

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Section 717, page 98, Conditionally Additive Appropriations

This proviso ties the appropriation of additional transportation funding in sections 702, 705, 708, 710, 711(2), 712, and 713 to the passage of Engrossed Substitute Senate Bill 6455, which did not pass. In order to preserve the appropriations, I have vetoed Section 717.

With the exception of Sections 102(9), 604, 212(2), 216(7), 602(4) and 717, Engrossed Substitute House Bill 2190 is approved."

CHAPTER 87

[Engrossed Second Substitute House Bill 2319] AFFORDABLE CARE ACT IMPLEMENTATION

AN ACT Relating to furthering state implementation of the health benefit exchange and related provisions of the affordable care act; amending RCW 43.71.010, 43.71.020, 43.71.030, 43.71.060, 48.42.010, 48.42.020, and 41.05.021; reenacting and amending RCW 48.43.005 and 41.05.011; adding new sections to chapter 48.43 RCW; adding new sections to chapter 43.71 RCW; adding a new section to chapter 70.47 RCW; adding new sections to chapter 48.41 RCW; adding a new section to chapter 41.04 RCW; adding a new section to chapter 43.03 RCW; creating new sections; providing an expiration date; and declaring an emergency.

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

PART I DEFINITIONS

Sec. 1. RCW 48.43.005 and 2011 c 315 s 2 and 2011 c 314 s 3 are each reenacted and amended to read as follows:

Unless otherwise specifically provided, the definitions in this section apply throughout this chapter.

(1) "Adjusted community rate" means the rating method used to establish the premium for health plans adjusted to reflect actuarially demonstrated differences in utilization or cost attributable to geographic region, age, family size, and use of wellness activities.

(2) "Adverse benefit determination" means a denial, reduction, or termination of, or a failure to provide or make payment, in whole or in part, for a benefit, including a denial, reduction, termination, or failure to provide or make payment that is based on a determination of an enrollee's or applicant's eligibility to participate in a plan, and including, with respect to group health plans, a denial, reduction, or termination of, or a failure to provide or make payment, in whole or in part, for a benefit resulting from the application of any utilization review, as well as a failure to cover an item or service for which benefits are otherwise provided because it is determined to be experimental or investigational or not medically necessary or appropriate.

(3) "Applicant" means a person who applies for enrollment in an individual health plan as the subscriber or an enrollee, or the dependent or spouse of a subscriber or enrollee.

(4) "Basic health plan" means the plan described under chapter 70.47 RCW, as revised from time to time.

(5) "Basic health plan model plan" means a health plan as required in RCW 70.47.060(2)(e).

(6) "Basic health plan services" means that schedule of covered health services, including the description of how those benefits are to be administered,

that are required to be delivered to an enrollee under the basic health plan, as revised from time to time.

(7) <u>"Board" means the governing board of the Washington health benefit</u> exchange established in chapter 43.71 RCW.

(8)(a) For grandfathered health benefit plans issued before January 1, 2014, and renewed thereafter, "catastrophic health plan" means:

(((a))) (i) In the case of a contract, agreement, or policy covering a single enrollee, a health benefit plan requiring a calendar year deductible of, at a minimum, one thousand seven hundred fifty dollars and an annual out-of-pocket expense required to be paid under the plan (other than for premiums) for covered benefits of at least three thousand five hundred dollars, both amounts to be adjusted annually by the insurance commissioner; and

(((b))) (ii) In the case of a contract, agreement, or policy covering more than one enrollee, a health benefit plan requiring a calendar year deductible of, at a minimum, three thousand five hundred dollars and an annual out-of-pocket expense required to be paid under the plan (other than for premiums) for covered benefits of at least six thousand dollars, both amounts to be adjusted annually by the insurance commissioner((; or

(c) Any health benefit plan that provides benefits for hospital inpatient and outpatient services, professional and prescription drugs provided in conjunction with such hospital inpatient and outpatient services, and excludes or substantially limits outpatient physician services and those services usually provided in an office setting)).

(b) In July 2008, and in each July thereafter, the insurance commissioner shall adjust the minimum deductible and out-of-pocket expense required for a plan to qualify as a catastrophic plan to reflect the percentage change in the consumer price index for medical care for a preceding twelve months, as determined by the United States department of labor. For a plan year beginning in 2014, the out-of-pocket limits must be adjusted as specified in section 1302(c)(1) of P.L. 111-148 of 2010, as amended. The adjusted amount shall apply on the following January 1st.

(c) For health benefit plans issued on or after January 1, 2014, "catastrophic health plan" means:

(i) A health benefit plan that meets the definition of catastrophic plan set forth in section 1302(e) of P.L. 111-148 of 2010, as amended; or

(ii) A health benefit plan offered outside the exchange marketplace that requires a calendar year deductible or out-of-pocket expenses under the plan, other than for premiums, for covered benefits, that meets or exceeds the commissioner's annual adjustment under (b) of this subsection.

(((8))) (9) "Certification" means a determination by a review organization that an admission, extension of stay, or other health care service or procedure has been reviewed and, based on the information provided, meets the clinical requirements for medical necessity, appropriateness, level of care, or effectiveness under the auspices of the applicable health benefit plan.

(((9))) (10) "Concurrent review" means utilization review conducted during a patient's hospital stay or course of treatment.

(((10))) (11) "Covered person" or "enrollee" means a person covered by a health plan including an enrollee, subscriber, policyholder, beneficiary of a group plan, or individual covered by any other health plan.

(((11))) (12) "Dependent" means, at a minimum, the enrollee's legal spouse and dependent children who qualify for coverage under the enrollee's health benefit plan.

(((12))) (13) "Emergency medical condition" means a medical condition manifesting itself by acute symptoms of sufficient severity, including severe pain, such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in a condition (a) placing the health of the individual, or with respect to a pregnant woman, the health of the woman or her unborn child, in serious jeopardy, (b) serious impairment to bodily functions, or (c) serious dysfunction of any bodily organ or part.

(((13))) (14) "Emergency services" means a medical screening examination, as required under section 1867 of the social security act (42 U.S.C. 1395dd), that is within the capability of the emergency department of a hospital, including ancillary services routinely available to the emergency department to evaluate that emergency medical condition, and further medical examination and treatment, to the extent they are within the capabilities of the staff and facilities available at the hospital, as are required under section 1867 of the social security act (42 U.S.C. 1395dd) to stabilize the patient. Stabilize, with respect to an emergency medical condition, has the meaning given in section 1867(e)(3) of the social security act (42 U.S.C. 1395dd)(e)(3)).

(((14))) (15) "Employee" has the same meaning given to the term, as of January 1, 2008, under section 3(6) of the federal employee retirement income security act of 1974.

(((15))) (16) "Enrollee point-of-service cost-sharing" means amounts paid to health carriers directly providing services, health care providers, or health care facilities by enrollees and may include copayments, coinsurance, or deductibles.

(((16))) (17) "Exchange" means the Washington health benefit exchange established under chapter 43.71 RCW.

(18) "Final external review decision" means a determination by an independent review organization at the conclusion of an external review.

(((17))) (19) "Final internal adverse benefit determination" means an adverse benefit determination that has been upheld by a health plan or carrier at the completion of the internal appeals process, or an adverse benefit determination with respect to which the internal appeals process has been exhausted under the exhaustion rules described in RCW 48.43.530 and 48.43.535.

(((18))) (20) "Grandfathered health plan" means a group health plan or an individual health plan that under section 1251 of the patient protection and affordable care act, P.L. 111-148 (2010) and as amended by the health care and education reconciliation act, P.L. 111-152 (2010) is not subject to subtitles A or C of the act as amended.

(((19))) (21) "Grievance" means a written complaint submitted by or on behalf of a covered person regarding: (a) Denial of payment for medical services or nonprovision of medical services included in the covered person's health benefit plan, or (b) service delivery issues other than denial of payment for medical services or nonprovision of medical services, including dissatisfaction with medical care, waiting time for medical services, provider or

staff attitude or demeanor, or dissatisfaction with service provided by the health carrier.

(((20))) (<u>22</u>) "Health care facility" or "facility" means hospices licensed under chapter 70.127 RCW, hospitals licensed under chapter 70.41 RCW, rural health care facilities as defined in RCW 70.175.020, psychiatric hospitals licensed under chapter 71.12 RCW, nursing homes licensed under chapter 18.51 RCW, community mental health centers licensed under chapter 71.05 or 71.24 RCW, kidney disease treatment centers licensed under chapter 70.41 RCW, ambulatory diagnostic, treatment, or surgical facilities licensed under chapter 70.96A RCW, and home health agencies licensed under chapter 70.127 RCW, and includes such facilities if owned and operated by a political subdivision or instrumentality of the state and such other facilities as required by federal law and implementing regulations.

(((21))) (23) "Health care provider" or "provider" means:

(a) A person regulated under Title 18 or chapter 70.127 RCW, to practice health or health-related services or otherwise practicing health care services in this state consistent with state law; or

(b) An employee or agent of a person described in (a) of this subsection, acting in the course and scope of his or her employment.

 $((\frac{(22)}{2}))$ (24) "Health care service" means that service offered or provided by health care facilities and health care providers relating to the prevention, cure, or treatment of illness, injury, or disease.

(((23))) (25) "Health carrier" or "carrier" means a disability insurer regulated under chapter 48.20 or 48.21 RCW, a health care service contractor as defined in RCW 48.44.010, or a health maintenance organization as defined in RCW 48.46.020, and includes "issuers" as that term is used in the patient protection and affordable care act (P.L. 111-148).

(((24))) (26) "Health plan" or "health benefit plan" means any policy, contract, or agreement offered by a health carrier to provide, arrange, reimburse, or pay for health care services except the following:

(a) Long-term care insurance governed by chapter 48.84 or 48.83 RCW;

(b) Medicare supplemental health insurance governed by chapter 48.66 RCW;

(c) Coverage supplemental to the coverage provided under chapter 55, Title 10, United States Code;

(d) Limited health care services offered by limited health care service contractors in accordance with RCW 48.44.035;

(e) Disability income;

(f) Coverage incidental to a property/casualty liability insurance policy such as automobile personal injury protection coverage and homeowner guest medical;

(g) Workers' compensation coverage;

(h) Accident only coverage;

(i) Specified disease or illness-triggered fixed payment insurance, hospital confinement fixed payment insurance, or other fixed payment insurance offered as an independent, noncoordinated benefit;

(j) Employer-sponsored self-funded health plans;

(k) Dental only and vision only coverage; and

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(1) Plans deemed by the insurance commissioner to have a short-term limited purpose or duration, or to be a student-only plan that is guaranteed renewable while the covered person is enrolled as a regular full-time undergraduate or graduate student at an accredited higher education institution, after a written request for such classification by the carrier and subsequent written approval by the insurance commissioner.

 $(((\frac{25}{2})))$ (27) "Material modification" means a change in the actuarial value of the health plan as modified of more than five percent but less than fifteen percent.

(((26))) (28) "Open enrollment" means a period of time as defined in rule to be held at the same time each year, during which applicants may enroll in a carrier's individual health benefit plan without being subject to health screening or otherwise required to provide evidence of insurability as a condition for enrollment.

 $(((\frac{27})))$ (29) "Preexisting condition" means any medical condition, illness, or injury that existed any time prior to the effective date of coverage.

(((28))) (30) "Premium" means all sums charged, received, or deposited by a health carrier as consideration for a health plan or the continuance of a health plan. Any assessment or any "membership," "policy," "contract," "service," or similar fee or charge made by a health carrier in consideration for a health plan is deemed part of the premium. "Premium" shall not include amounts paid as enrollee point-of-service cost-sharing.

(((29))) (31) "Review organization" means a disability insurer regulated under chapter 48.20 or 48.21 RCW, health care service contractor as defined in RCW 48.44.010, or health maintenance organization as defined in RCW 48.46.020, and entities affiliated with, under contract with, or acting on behalf of a health carrier to perform a utilization review.

((((30))) (32) "Small employer" or "small group" means any person, firm, corporation, partnership, association, political subdivision, sole proprietor, or self-employed individual that is actively engaged in business that employed an average of at least one but no more than fifty employees, during the previous calendar year and employed at least one employee on the first day of the plan year, is not formed primarily for purposes of buying health insurance, and in which a bona fide employer-employee relationship exists. In determining the number of employees, companies that are affiliated companies, or that are eligible to file a combined tax return for purposes of taxation by this state, shall be considered an employer. Subsequent to the issuance of a health plan to a small employer and for the purpose of determining eligibility, the size of a small employer shall be determined annually. Except as otherwise specifically provided, a small employer shall continue to be considered a small employer until the plan anniversary following the date the small employer no longer meets the requirements of this definition. A self-employed individual or sole proprietor who is covered as a group of one must also: (a) Have been employed by the same small employer or small group for at least twelve months prior to application for small group coverage, and (b) verify that he or she derived at least seventy-five percent of his or her income from a trade or business through which the individual or sole proprietor has attempted to earn taxable income and for which he or she has filed the appropriate internal revenue service form 1040, schedule C or F, for the previous taxable year, except a self-employed individual

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or sole proprietor in an agricultural trade or business, must have derived at least fifty-one percent of his or her income from the trade or business through which the individual or sole proprietor has attempted to earn taxable income and for which he or she has filed the appropriate internal revenue service form 1040, for the previous taxable year.

(((31))) (33) "Special enrollment" means a defined period of time of not less than thirty-one days, triggered by a specific qualifying event experienced by the applicant, during which applicants may enroll in the carrier's individual health benefit plan without being subject to health screening or otherwise required to provide evidence of insurability as a condition for enrollment.

(((32))) (34) "Standard health questionnaire" means the standard health questionnaire designated under chapter 48.41 RCW.

(((33))) (35) "Utilization review" means the prospective, concurrent, or retrospective assessment of the necessity and appropriateness of the allocation of health care resources and services of a provider or facility, given or proposed to be given to an enrollee or group of enrollees.

(((34))) (36) "Wellness activity" means an explicit program of an activity consistent with department of health guidelines, such as, smoking cessation, injury and accident prevention, reduction of alcohol misuse, appropriate weight reduction, exercise, automobile and motorcycle safety, blood cholesterol reduction, and nutrition education for the purpose of improving enrollee health status and reducing health service costs.

PART II THE WASHINGTON HEALTH BENEFIT EXCHANGE

Sec. 2. RCW 43.71.010 and 2011 c 317 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise. Terms and phrases used in this chapter that are not defined in this section must be defined as consistent with implementation of a state health benefit exchange pursuant to the affordable care act.

(1) "Affordable care act" means the federal patient protection and affordable care act, P.L. 111-148, as amended by the federal health care and education reconciliation act of 2010, P.L. 111-152, or federal regulations or guidance issued under the affordable care act.

(2) "Authority" means the Washington state health care authority, established under chapter 41.05 RCW.

(3) "Board" means the governing board established in RCW 43.71.020.

(4) "Commissioner" means the insurance commissioner, established in Title 48 RCW.

(5) "Exchange" means the Washington health benefit exchange established in RCW 43.71.020.

(6) "Self-sustaining" means capable of operating without direct state tax subsidy. Self-sustaining sources include, but are not limited to, federal grants, federal premium tax subsidies and credits, charges to health carriers, and premiums paid by enrollees.

Sec. 3. RCW 43.71.020 and 2011 c 317 s 3 are each amended to read as follows:

(1) The Washington health benefit exchange is established and constitutes a <u>self-sustaining</u> public-private partnership separate and distinct from the state, exercising functions delineated in chapter 317, Laws of 2011. By January 1, 2014, the exchange shall operate consistent with the affordable care act subject to statutory authorization. The exchange shall have a governing board consisting of persons with expertise in the Washington health care system and private and public health care coverage. The initial membership of the board shall be appointed as follows:

(a) By October 1, 2011, each of the two largest caucuses in both the house of representatives and the senate shall submit to the governor a list of five nominees who are not legislators or employees of the state or its political subdivisions, with no caucus submitting the same nominee.

(i) The nominations from the largest caucus in the house of representatives must include at least one employee benefit specialist;

(ii) The nominations from the second largest caucus in the house of representatives must include at least one health economist or actuary;

(iii) The nominations from the largest caucus in the senate must include at least one representative of health consumer advocates;

(iv) The nominations from the second largest caucus in the senate must include at least one representative of small business;

(v) The remaining nominees must have demonstrated and acknowledged expertise in at least one of the following areas: Individual health care coverage, small employer health care coverage, health benefits plan administration, health care finance and economics, actuarial science, or administering a public or private health care delivery system.

(b) By December 15, 2011, the governor shall appoint two members from each list submitted by the caucuses under (a) of this subsection. The appointments made under this subsection (1)(b) must include at least one employee benefits specialist, one health economist or actuary, one representative of small business, and one representative of health consumer advocates. The remaining four members must have a demonstrated and acknowledged expertise in at least one of the following areas: Individual health care coverage, small employer health care coverage, health benefits plan administration, health care finance and economics, actuarial science, or administering a public or private health care delivery system.

(c) By December 15, 2011, the governor shall appoint a ninth member to serve as chair. The chair may not be an employee of the state or its political subdivisions. The chair shall serve as a nonvoting member except in the case of a tie.

(d) The following members shall serve as nonvoting, ex officio members of the board:

(i) The insurance commissioner or his or her designee; and

(ii) The administrator of the health care authority, or his or her designee.

(2) Initial members of the board shall serve staggered terms not to exceed four years. Members appointed thereafter shall serve two-year terms.

(3) A member of the board whose term has expired or who otherwise leaves the board shall be replaced by gubernatorial appointment. When the person leaving was nominated by one of the caucuses of the house of representatives or the senate, his or her replacement shall be appointed from a list of five nominees submitted by that caucus within thirty days after the person leaves. If the member to be replaced is the chair, the governor shall appoint a new chair within thirty days after the vacancy occurs. A person appointed to replace a member who leaves the board prior to the expiration of his or her term shall serve only the duration of the unexpired term. Members of the board may be reappointed to multiple terms.

(4) No board member may be appointed if his or her participation in the decisions of the board could benefit his or her own financial interests or the financial interests of an entity he or she represents. A board member who develops such a conflict of interest shall resign or be removed from the board.

(5) Members of the board must be reimbursed for their travel expenses while on official business in accordance with RCW 43.03.050 and 43.03.060. The board shall prescribe rules for the conduct of its business. Meetings of the board are at the call of the chair.

(6) The exchange and the board are subject only to the provisions of chapter 42.30 RCW, the open public meetings act, and chapter 42.56 RCW, the public records act, and not to any other law or regulation generally applicable to state agencies. Consistent with the open public meetings act, the board may hold executive sessions to consider proprietary or confidential nonpublished information.

(7)(a) The board shall establish an advisory committee to allow for the views of the health care industry and other stakeholders to be heard in the operation of the health benefit exchange.

(b) The board may establish technical advisory committees or seek the advice of technical experts when necessary to execute the powers and duties included in chapter 317, Laws of 2011.

(8) Members of the board are not civilly or criminally liable and may not have any penalty or cause of action of any nature arise against them for any action taken or not taken, including any discretionary decision or failure to make a discretionary decision, when the action or inaction is done in good faith and in the performance of the powers and duties under chapter 317, Laws of 2011. Nothing in this section prohibits legal actions against the board to enforce the board's statutory or contractual duties or obligations.

(9) In recognition of the government-to-government relationship between the state of Washington and the federally recognized tribes in the state of Washington, the board shall consult with the American Indian health commission.

Sec. 4. RCW 43.71.030 and 2011 c 317 s 4 are each amended to read as follows:

(1) The exchange may, consistent with the purposes of this chapter: (a) Sue and be sued in its own name; (b) make and execute agreements, contracts, and other instruments, with any public or private person or entity; (c) employ, contract with, or engage personnel; (d) pay administrative costs; ((and)) (e) accept grants, donations, loans of funds, and contributions in money, services, materials or otherwise, from the United States or any of its agencies, from the state of Washington and its agencies or from any other source, and use or expend those moneys, services, materials, or other contributions<u>: (f) aggregate or</u> delegate the aggregation of funds that comprise the premium for a health plan; and (g) complete other duties necessary to begin open enrollment in qualified health plans through the exchange beginning October 1, 2013.

(2) ((The powers and duties of the exchange and the board are limited to those necessary to apply for and administer grants, establish information technology infrastructure, and undertake additional administrative functions necessary to begin operation of the exchange by January 1, 2014. Any actions relating to substantive issues included in RCW 43.71.040 must be consistent with statutory direction on those issues.)) The board shall develop a methodology to ensure the exchange is self-sustaining after December 31, 2014. The board shall seek input from health carriers to develop funding mechanisms that fairly and equitably apportion among carriers the reasonable administrative costs and expenses incurred to implement the provisions of this chapter. The board shall submit its recommendations to the legislature by December 1, 2012. If the legislature does not enact legislation during the 2013 regular session to modify or reject the board's recommendations, the board may proceed with implementation of the recommendations.

(3) The board shall establish policies that permit city and county governments, Indian tribes, tribal organizations, urban Indian organizations, private foundations, and other entities to pay premiums on behalf of qualified individuals.

(4) The employees of the exchange may participate in the public employees' retirement system under chapter 41.40 RCW and the public employees' benefits board under chapter 41.05 RCW.

(5) Qualified employers may access coverage for their employees through the exchange for small groups under section 1311 of P.L. 111-148 of 2010, as amended. The exchange shall enable any qualified employer to specify a level of coverage so that any of its employees may enroll in any qualified health plan offered through the small group exchange at the specified level of coverage.

(6) The exchange shall report its activities and status to the governor and the legislature as requested, and no less often than annually.

Sec. 5. RCW 43.71.060 and 2011 c 317 s 7 are each amended to read as follows:

(1) The health benefit exchange account is created in the custody of the state treasurer. All receipts from federal grants received under the affordable care act ((shall)) <u>may</u> be deposited into the account. Expenditures from the account may be used only for purposes consistent with the grants. Until March 15, 2012, only the administrator of the health care authority, or his or her designee, may authorize expenditures from the account. Beginning March 15, 2012, only the board of the Washington health benefit exchange <u>or designee</u> 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.

(2) This section expires January 1, 2014.

PART III MARKET RULES

<u>NEW SECTION.</u> Sec. 6. A new section is added to chapter 48.43 RCW to read as follows:

(1) For plan or policy years beginning January 1, 2014, a carrier must offer individual or small group health benefit plans that meet the definition of silver and gold level plans in section 1302 of P.L. 111-148 of 2010, as amended, in any market outside the exchange in which it offers a plan that meets the definition of bronze level in section 1302 of P.L. 111-148 of 2010, as amended.

(2) A health benefit plan meeting the definition of a catastrophic plan in RCW 48.43.005(8)(c)(i) may only be sold through the exchange.

(3) By December 1, 2016, the exchange board, in consultation with the commissioner, must complete a review of the impact of this section on the health and viability of the markets inside and outside the exchange and submit the recommendations to the legislature on whether to maintain the market rules or let them expire.

(4) The commissioner shall evaluate plans offered at each actuarial value defined in section 1302 of P.L. 111-148 of 2010, as amended, and determine whether variation in prescription drug benefit cost-sharing, both inside and outside the exchange in both the individual and small group markets results in adverse selection. If so, the commissioner may adopt rules to assure substantial equivalence of prescription drug cost-sharing.

<u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 48.43 RCW to read as follows:

All health plans, other than catastrophic health plans, offered outside of the exchange must conform with the actuarial value tiers specified in section 1302 of P.L. 111-148 of 2010, as amended, as bronze, silver, gold, or platinum.

PART IV

QUALIFIED HEALTH PLANS

<u>NEW SECTION.</u> Sec. 8. A new section is added to chapter 43.71 RCW to read as follows:

(1) The board shall certify a plan as a qualified health plan to be offered through the exchange if the plan is determined by the:

(a) Insurance commissioner to meet the requirements of Title 48 RCW and rules adopted by the commissioner pursuant to chapter 34.05 RCW to implement the requirements of Title 48 RCW;

(b) Board to meet the requirements of the affordable care act for certification as a qualified health plan; and

(c) Board to include tribal clinics and urban Indian clinics as essential community providers in the plan's provider network consistent with federal law. If consistent with federal law, integrated delivery systems shall be exempt from the requirement to include essential community providers in the provider network.

(2) Consistent with section 1311 of P.L. 111-148 of 2010, as amended, the board shall allow stand-alone dental plans to offer coverage in the exchange beginning January 1, 2014. Dental benefits offered in the exchange must be offered and priced separately to assure transparency for consumers.

(3) The board may permit direct primary care medical home plans, consistent with section 1301 of P.L. 111-148 of 2010, as amended, to be offered in the exchange beginning January 1, 2014.

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(4) Upon request by the board, a state agency shall provide information to the board for its use in determining if the requirements under subsection (1)(b) or (c) of this section have been met. Unless the agency and the board agree to a later date, the agency shall provide the information within sixty days of the request. The exchange shall reimburse the agency for the cost of compiling and providing the requested information within one hundred eighty days of its receipt.

(5) A decision by the board denying a request to certify or recertify a plan as a qualified health plan may be appealed according to procedures adopted by the board.

<u>NEW SECTION.</u> Sec. 9. A new section is added to chapter 43.71 RCW to read as follows:

The board shall establish a rating system consistent with section 1311 of P.L. 111-148 of 2010, as amended, for qualified health plans to assist consumers in evaluating plan choices in the exchange. Rating factors established by the board may include, but are not limited to:

(1) Affordability with respect to premiums, deductibles, and point-of-service cost-sharing;

(2) Enrollee satisfaction;

(3) Provider reimbursement methods that incentivize health homes or chronic care management or care coordination for enrollees with complex, high-cost, or multiple chronic conditions;

(4) Promotion of appropriate primary care and preventive services utilization;

(5) High standards for provider network adequacy, including consumer choice of providers and service locations and robust provider participation intended to improve access to underserved populations through participation of essential community providers, family planning providers and pediatric providers;

(6) High standards for covered services, including languages spoken or transportation assistance; and

(7) Coverage of benefits for spiritual care services that are deductible under section 213(d) of the internal revenue code.

Sec. 10. RCW 48.42.010 and 1985 c 264 s 15 are each amended to read as follows:

(1) Notwithstanding any other provision of law, and except as provided in this chapter, any person or other entity which provides coverage in this state for life insurance, annuities, loss of time, medical, surgical, chiropractic, physical therapy, speech pathology, audiology, professional mental health, dental, hospital, or optometric expenses, whether the coverage is by direct payment, reimbursement, the providing of services, or otherwise, shall be subject to the authority of the state insurance commissioner, unless the person or other entity shows that while providing the services it is subject to the jurisdiction and regulation of another agency of this state, any subdivisions thereof, or the federal government.

(2) "Another agency of this state, any subdivision thereof, or the federal government" does not include the Washington health benefit exchange under chapter 43.71 RCW or P.L. 111-148 of 2010, as amended.

Sec. 11. RCW 48.42.020 and 1983 c 36 s 2 are each amended to read as follows:

(1) A person or entity may show that it is subject to the jurisdiction and regulation of another agency of this state, any subdivision thereof, or the federal government, by providing to the insurance commissioner the appropriate certificate, license, or other document issued by the other governmental agency which permits or qualifies it to provide the coverage as defined in RCW 48.42.010.

(2) "Another agency of this state, any subdivision thereof, or the federal government" does not include the Washington health benefit exchange under chapter 43.71 RCW or P.L. 111-148 of 2010, as amended.

<u>NEW SECTION.</u> Sec. 12. A new section is added to chapter 48.43 RCW to read as follows:

Certification by the Washington health benefit exchange of a plan as a qualified health plan, or of a carrier as a qualified issuer, does not exempt the plan or carrier from any of the requirements of this title or rules adopted by the commissioner pursuant to chapter 34.05 RCW to implement this title.

PART V ESSENTIAL HEALTH BENEFITS

<u>NEW SECTION.</u> Sec. 13. A new section is added to chapter 48.43 RCW to read as follows:

(1) Consistent with federal law, the commissioner, in consultation with the board and the health care authority, shall, by rule, select the largest small group plan in the state by enrollment as the benchmark plan for the individual and small group market for purposes of establishing the essential health benefits in Washington state under P.L. 111-148 of 2010, as amended.

(2) If the essential health benefits benchmark plan for the individual and small group market does not include all of the ten benefit categories specified by section 1302 of P.L. 111-148, as amended, the commissioner, in consultation with the board and the health care authority, shall, by rule, supplement the benchmark plan benefits as needed to meet the minimum requirements of section 1302.

(3) A health plan required to offer the essential health benefits, other than a health plan offered through the federal basic health program or medicaid, under P.L. 111-148 of 2010, as amended, may not be offered in the state unless the commissioner finds that it is substantially equal to the benchmark plan. When making this determination, the commissioner must:

(a) Ensure that the plan covers the ten essential health benefits categories specified in section 1302 of P.L. 111-148 of 2010, as amended; and

(b) May consider whether the health plan has a benefit design that would create a risk of biased selection based on health status and whether the health plan contains meaningful scope and level of benefits in each of the ten essential health benefit categories specified by section 1302 of P.L. 111-148 of 2010, as amended.

(4) Beginning December 15, 2012, and every year thereafter, the commissioner shall submit to the legislature a list of state-mandated health benefits, the enforcement of which will result in federally imposed costs to the

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state related to the plans sold through the exchange because the benefits are not included in the essential health benefits designated under federal law. The list must include the anticipated costs to the state of each state-mandated health benefit on the list and any statutory changes needed if funds are not appropriated to defray the state costs for the listed mandate. The commissioner may enforce a mandate on the list for the entire market only if funds are appropriated in an omnibus appropriations act specifically to pay the state portion of the identified costs.

<u>NEW SECTION.</u> Sec. 14. Nothing in this act prohibits the offering of benefits for spiritual care services deductible under section 213(d) of the internal revenue code in health plans inside and outside of the exchange.

PART VI THE BASIC HEALTH OPTION

<u>NEW SECTION.</u> Sec. 15. A new section is added to chapter 70.47 RCW to read as follows:

(1) On or before December 1, 2012, the director of the health care authority shall submit a report to the legislature on whether to proceed with implementation of a federal basic health option, under section 1331 of P.L. 111-148 of 2010, as amended. The report shall address whether:

(a) Sufficient funding is available to support the design and development work necessary for the program to provide health coverage to enrollees beginning January 1, 2014;

(b) Anticipated federal funding under section 1331 will be sufficient, absent any additional state funding, to cover the provision of essential health benefits and costs for administering the basic health plan. Enrollee premium levels will be below the levels that would apply to persons with income between one hundred thirty-four and two hundred percent of the federal poverty level through the exchange; and

(c) Health plan payment rates will be sufficient to ensure enrollee access to a robust provider network and health homes, as described under RCW 70.47.100.

(2) If the legislature determines to proceed with implementation of a federal basic health option, the director shall provide the necessary certifications to the secretary of the federal department of health and human services under section 1331 of P.L. 111-148 of 2010, as amended, to proceed with adoption of the federal basic health program option.

(3) Prior to making this finding, the director shall:

(a) Actively consult with the board of the Washington health benefit exchange, the office of the insurance commissioner, consumer advocates, provider organizations, carriers, and other interested organizations;

(b) Consider any available objective analysis specific to Washington state, by an independent nationally recognized consultant that has been actively engaged in analysis and economic modeling of the federal basic health program option for multiple states.

(4) The director shall report any findings and supporting analysis made under this section to the governor and relevant policy and fiscal committees of the legislature. (5) To the extent funding is available specifically for this purpose in the operating budget, the health care authority shall assume the federal basic health plan option will be implemented in Washington state, and initiate the necessary design and development work. If the legislature determines under subsection (1) of this section not to proceed with implementation, the authority may cease activities related to basic health program implementation.

(6) If implemented, the federal basic health program must be guided by the following principles:

(a) Meeting the minimum state certification standards in section 1331 of the federal patient protection and affordable care act;

(b) To the extent allowed by the federal department of health and human services, twelve-month continuous eligibility for the basic health program, and corresponding twelve-month continuous enrollment in standard health plans by enrollees; or, in lieu of twelve-month continuous eligibility, financing mechanisms that enable enrollees to remain with a plan for the entire plan year;

(c) Achieving an appropriate balance between:

(i) Premiums and cost-sharing minimized to increase the affordability of insurance coverage;

(ii) Standard health plan contracting requirements that minimize plan and provider administrative costs, while incentivizing improvements in quality and enrollee health outcomes; and

(iii) Health plan payment rates and provider payment rates that are sufficient to ensure enrollee access to a robust provider network and health homes, as described under RCW 70.47.100; and

(d) Transparency in program administration, including active and ongoing consultation with basic health program enrollees and interested organizations, and ensuring adequate enrollee notice and appeal rights.

PART VII

RISK ADJUSTMENT AND REINSURANCE

<u>NEW SECTION.</u> Sec. 16. A new section is added to chapter 48.43 RCW to read as follows:

(1)(a) The commissioner, in consultation with the board, shall adopt rules establishing the reinsurance and risk adjustment programs required by P.L. 111-148 of 2010, as amended.

(b) The commissioner must include in deliberations related to reinsurance rule making an analysis of an invisible high risk pool option, in which the full premium and risk associated with certain high-risk or high-cost enrollees would be ceded to the transitional reinsurance program. The analysis must include a determination as to whether that option is authorized under the federal reinsurance program regulations, whether the option would provide sufficiently comprehensive coverage for current nonmedicare high risk pool enrollees, and how an invisible high risk pool option could be designed to ensure that carriers ceding risk provide effective care management to high-risk or high-cost enrollees.

(2) Consistent with federal law, the rules for the reinsurance program must, at a minimum, establish:

(a) A mechanism to collect reinsurance contribution funds;

(b) A reinsurance payment formula; and

(c) A mechanism to disburse reinsurance payments.

(3)(a) The commissioner may adjust the rules adopted under this section as needed to preserve a healthy market both inside and outside of the exchange.

(b) The rules adopted under this section must identify and may require submission of the data needed to support operation of the reinsurance and risk adjustment programs established under this section. The commissioner must identify by rule the sources of the data, and other requirements related to the collection, validation, correction, interpretation, transmission or exchange, and retention of the data.

(4) The commissioner shall contract with one or more nonprofit entities to administer the risk adjustment and reinsurance programs.

(5) Contribution amounts for the transitional reinsurance program under section 1341 of P.L. 111-148 of 2010, as amended, may be increased to include amounts sufficient to cover the costs of administration of the reinsurance program including reasonable costs incurred for preoperational and planning activities related to the reinsurance program.

PART VIII

THE WASHINGTON STATE HEALTH INSURANCE POOL

<u>NEW SECTION.</u> Sec. 17. A new section is added to chapter 48.41 RCW to read as follows:

(1) The board shall review populations that may need ongoing access to coverage through the pool, with specific attention to those persons who may be excluded from or may receive inadequate coverage beginning January 1, 2014, such as persons with end-stage renal disease or HIV/AIDS, or persons not eligible for coverage in the exchange.

(2) If the review under subsection (1) of this section indicates a continued need for coverage through the pool after December 31, 2013, the board shall submit recommendations regarding any modifications to pool eligibility requirements for new and ongoing enrollment after December 31, 2013. The recommendations must address any needed modifications to the standard health questionnaire or other eligibility screening tool that could be used in a manner consistent with federal law to determine eligibility for enrollment in the pool.

(3) The board shall complete an analysis of current pool assessment requirements in relation to assessments that will fund the reinsurance program and recommend changes to pool assessments or any credits against assessments that may be considered for the reinsurance program. The analysis shall recommend whether the categories of members paying assessments should be adjusted to make the assessment fair and equitable among all payers.

(4) The board shall report its recommendations to the governor and the legislature by December 1, 2012.

<u>NEW SECTION.</u> Sec. 18. A new section is added to chapter 48.41 RCW to read as follows:

(1) The pool is authorized to contract with the commissioner to administer risk management functions if necessary, consistent with section 16 of this act, and consistent with P.L. 111-148 of 2010, as amended. Prior to entering into a contract, the pool may conduct preoperational and planning activities related to

these programs, including defining and implementing an appropriate legal structure or structures to administer and coordinate the reinsurance or risk adjustment programs.

(2) The reasonable costs incurred by the pool for preoperational and planning activities related to the reinsurance program may be reimbursed from federal funds or from the additional contributions authorized under section 16 of this act to pay the administrative costs of the reinsurance program.

(3) If the pool contracts to administer and coordinate the reinsurance or risk adjustment program, the board must submit recommendations to the legislature with suggestions for additional consumer representatives or other representative members to the board.

(4) The pool shall report on these activities to the appropriate committees of the senate and house of representatives by December 15, 2012, and December 15, 2013.

PART IX EXCHANGE EMPLOYEES

<u>NEW SECTION.</u> Sec. 19. A new section is added to chapter 41.04 RCW to read as follows:

Except for chapters 41.05 and 41.40 RCW, this title does not apply to any position in or employee of the Washington health benefit exchange established in chapter 43.71 RCW.

<u>NEW SECTION.</u> Sec. 20. A new section is added to chapter 43.01 RCW to read as follows:

This chapter does not apply to any position in or employee of the Washington health benefit exchange established in chapter 43.71 RCW.

<u>NEW SECTION.</u> Sec. 21. A new section is added to chapter 43.03 RCW to read as follows:

This chapter does not apply to any position in or employee of the Washington health benefit exchange established in chapter 43.71 RCW.

Sec. 22. RCW 41.05.011 and 2011 1st sp.s. c 15 s 54 are each reenacted and amended to read as follows:

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

(1) "Authority" means the Washington state health care authority.

(2) "Board" means the public employees' benefits board established under RCW 41.05.055.

(3) "Dependent care assistance program" means a benefit plan whereby state and public employees may pay for certain employment related dependent care with pretax dollars as provided in the salary reduction plan under this chapter pursuant to 26 U.S.C. Sec. 129 or other sections of the internal revenue code.

(4) "Director" means the director of the authority.

(5) "Emergency service personnel killed in the line of duty" means law enforcement officers and firefighters as defined in RCW 41.26.030, members of the Washington state patrol retirement fund as defined in RCW 43.43.120, and reserve officers and firefighters as defined in RCW 41.24.010 who die as a result

of injuries sustained in the course of employment as determined consistent with Title 51 RCW by the department of labor and industries.

(6) "Employee" includes all employees of the state, whether or not covered by civil service; elected and appointed officials of the executive branch of government, including full-time members of boards, commissions, or committees; justices of the supreme court and judges of the court of appeals and the superior courts; and members of the state legislature. Pursuant to contractual agreement with the authority, "employee" may also include: (a) Employees of a county, municipality, or other political subdivision of the state and members of the legislative authority of any county, city, or town who are elected to office after February 20, 1970, if the legislative authority of the county, municipality, or other political subdivision of the state seeks and receives the approval of the authority to provide any of its insurance programs by contract with the authority, as provided in RCW 41.04.205 and 41.05.021(1)(g); (b) employees of employee organizations representing state civil service employees, at the option of each such employee organization, and, effective October 1, 1995, employees of employee organizations currently pooled with employees of school districts for the purpose of purchasing insurance benefits, at the option of each such employee organization; (c) employees of a school district if the authority agrees to provide any of the school districts' insurance programs by contract with the authority as provided in RCW 28A.400.350; ((and)) (d) employees of a tribal government, if the governing body of the tribal government seeks and receives the approval of the authority to provide any of its insurance programs by contract with the authority, as provided in RCW 41.05.021(1) (f) and (g); and (e) employees of the Washington health benefit exchange if the governing board of the exchange established in RCW 43.71.020 seeks and receives approval of the authority to provide any of its insurance programs by contract with the authority, as provided in RCW 41.05.021(1) (g) and (n). "Employee" does not include: Adult family homeowners; unpaid volunteers; patients of state hospitals; inmates; employees of the Washington state convention and trade center as provided in RCW 41.05.110; students of institutions of higher education as determined by their institution; and any others not expressly defined as employees under this chapter or by the authority under this chapter.

(7) "Employer" means the state of Washington.

(8) "Employing agency" means a division, department, or separate agency of state government, including an institution of higher education; a county, municipality, school district, educational service district, or other political subdivision; and a tribal government covered by this chapter.

(9) "Faculty" means an academic employee of an institution of higher education whose workload is not defined by work hours but whose appointment, workload, and duties directly serve the institution's academic mission, as determined under the authority of its enabling statutes, its governing body, and any applicable collective bargaining agreement.

(10) "Flexible benefit plan" means a benefit plan that allows employees to choose the level of health care coverage provided and the amount of employee contributions from among a range of choices offered by the authority.

(11) "Insuring entity" means an insurer as defined in chapter 48.01 RCW, a health care service contractor as defined in chapter 48.44 RCW, or a health maintenance organization as defined in chapter 48.46 RCW.

(12) "Medical flexible spending arrangement" means a benefit plan whereby state and public employees may reduce their salary before taxes to pay for medical expenses not reimbursed by insurance as provided in the salary reduction plan under this chapter pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

(13) "Participant" means an individual who fulfills the eligibility and enrollment requirements under the salary reduction plan.

(14) "Plan year" means the time period established by the authority.

(15) "Premium payment plan" means a benefit plan whereby state and public employees may pay their share of group health plan premiums with pretax dollars as provided in the salary reduction plan under this chapter pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

(16) "Retired or disabled school employee" means:

(a) Persons who separated from employment with a school district or educational service district and are receiving a retirement allowance under chapter 41.32 or 41.40 RCW as of September 30, 1993;

(b) Persons who separate from employment with a school district or educational service district on or after October 1, 1993, and immediately upon separation receive a retirement allowance under chapter 41.32, 41.35, or 41.40 RCW;

(c) Persons who separate from employment with a school district or educational service district due to a total and permanent disability, and are eligible to receive a deferred retirement allowance under chapter 41.32, 41.35, or 41.40 RCW.

(17) "Salary" means a state employee's monthly salary or wages.

(18) "Salary reduction plan" means a benefit plan whereby state and public employees may agree to a reduction of salary on a pretax basis to participate in the dependent care assistance program, medical flexible spending arrangement, or premium payment plan offered pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

(19) "Seasonal employee" means an employee hired to work during a recurring, annual season with a duration of three months or more, and anticipated to return each season to perform similar work.

(20) "Separated employees" means persons who separate from employment with an employer as defined in:

(a) RCW 41.32.010(17) on or after July 1, 1996; or

(b) RCW 41.35.010 on or after September 1, 2000; or

(c) RCW 41.40.010 on or after March 1, 2002;

and who are at least age fifty-five and have at least ten years of service under the teachers' retirement system plan 3 as defined in RCW 41.32.010(33), the Washington school employees' retirement system plan 3 as defined in RCW 41.35.010, or the public employees' retirement system plan 3 as defined in RCW 41.40.010.

(21) "State purchased health care" or "health care" means medical and health care, pharmaceuticals, and medical equipment purchased with state and federal funds by the department of social and health services, the department of health, the basic health plan, the state health care authority, the department of labor and industries, the department of corrections, the department of veterans affairs, and local school districts.

(22) "Tribal government" means an Indian tribal government as defined in section 3(32) of the employee retirement income security act of 1974, as amended, or an agency or instrumentality of the tribal government, that has government offices principally located in this state.

Sec. 23. RCW 41.05.021 and 2011 1st sp.s. c 15 s 56 are each amended to read as follows:

(1) The Washington state health care authority is created within the executive branch. The authority shall have a director appointed by the governor, with the consent of the senate. The director shall serve at the pleasure of the governor. The director may employ a deputy director, and such assistant directors and special assistants as may be needed to administer the authority, who shall be exempt from chapter 41.06 RCW, and any additional staff members as are necessary to administer this chapter. The director may delegate any power or duty vested in him or her by law, including authority to make final decisions and enter final orders in hearings conducted under chapter 34.05 RCW. The primary duties of the authority shall be to: Administer state employees' insurance benefits and retired or disabled school employees' insurance benefits; administer the basic health plan pursuant to chapter 70.47 RCW; administer the children's health program pursuant to chapter 74.09 RCW; study state-purchased health care programs in order to maximize cost containment in these programs while ensuring access to quality health care; implement state initiatives, joint purchasing strategies, and techniques for efficient administration that have potential application to all state-purchased health services; and administer grants that further the mission and goals of the authority. The authority's duties include, but are not limited to, the following:

(a) To administer health care benefit programs for employees and retired or disabled school employees as specifically authorized in RCW 41.05.065 and in accordance with the methods described in RCW 41.05.075, 41.05.140, and other provisions of this chapter;

(b) To analyze state-purchased health care programs and to explore options for cost containment and delivery alternatives for those programs that are consistent with the purposes of those programs, including, but not limited to:

(i) Creation of economic incentives for the persons for whom the state purchases health care to appropriately utilize and purchase health care services, including the development of flexible benefit plans to offset increases in individual financial responsibility;

(ii) Utilization of provider arrangements that encourage cost containment, including but not limited to prepaid delivery systems, utilization review, and prospective payment methods, and that ensure access to quality care, including assuring reasonable access to local providers, especially for employees residing in rural areas;

(iii) Coordination of state agency efforts to purchase drugs effectively as provided in RCW 70.14.050;

(iv) Development of recommendations and methods for purchasing medical equipment and supporting services on a volume discount basis;

(v) Development of data systems to obtain utilization data from statepurchased health care programs in order to identify cost centers, utilization patterns, provider and hospital practice patterns, and procedure costs, utilizing the information obtained pursuant to RCW 41.05.031; and

(vi) In collaboration with other state agencies that administer state purchased health care programs, private health care purchasers, health care facilities, providers, and carriers:

(A) Use evidence-based medicine principles to develop common performance measures and implement financial incentives in contracts with insuring entities, health care facilities, and providers that:

(I) Reward improvements in health outcomes for individuals with chronic diseases, increased utilization of appropriate preventive health services, and reductions in medical errors; and

(II) Increase, through appropriate incentives to insuring entities, health care facilities, and providers, the adoption and use of information technology that contributes to improved health outcomes, better coordination of care, and decreased medical errors;

(B) Through state health purchasing, reimbursement, or pilot strategies, promote and increase the adoption of health information technology systems, including electronic medical records, by hospitals as defined in RCW 70.41.020(4), integrated delivery systems, and providers that:

(I) Facilitate diagnosis or treatment;

(II) Reduce unnecessary duplication of medical tests;

(III) Promote efficient electronic physician order entry;

(IV) Increase access to health information for consumers and their providers; and

(V) Improve health outcomes;

(C) Coordinate a strategy for the adoption of health information technology systems using the final health information technology report and recommendations developed under chapter 261, Laws of 2005;

(c) To analyze areas of public and private health care interaction;

(d) To provide information and technical and administrative assistance to the board;

(e) To review and approve or deny applications from counties, municipalities, and other political subdivisions of the state to provide statesponsored insurance or self-insurance programs to their employees in accordance with the provisions of RCW 41.04.205 and (g) of this subsection, setting the premium contribution for approved groups as outlined in RCW 41.05.050;

(f) To review and approve or deny the application when the governing body of a tribal government applies to transfer their employees to an insurance or self-insurance program administered under this chapter. In the event of an employee transfer pursuant to this subsection (1)(f), members of the governing body are eligible to be included in such a transfer if the members are authorized by the tribal government to participate in the insurance program being transferred from and subject to payment by the members of all costs of insurance for the members. The authority shall: (i) Establish the conditions for participation; (ii) have the sole right to reject the application; and (iii) set the premium contribution for approved groups as outlined in RCW 41.05.050. Approval of the application by the authority transfers the employees and dependents involved to the insurance, self-insurance, or health care program approved by the authority; (g) To ensure the continued status of the employee insurance or selfinsurance programs administered under this chapter as a governmental plan under section 3(32) of the employee retirement income security act of 1974, as amended, the authority shall limit the participation of employees of a county, municipal, school district, educational service district, or other political subdivision, the Washington health benefit exchange, or a tribal government, including providing for the participation of those employees whose services are substantially all in the performance of essential governmental functions, but not in the performance of commercial activities;

(h) To establish billing procedures and collect funds from school districts in a way that minimizes the administrative burden on districts;

(i) To publish and distribute to nonparticipating school districts and educational service districts by October 1st of each year a description of health care benefit plans available through the authority and the estimated cost if school districts and educational service district employees were enrolled;

(j) To apply for, receive, and accept grants, gifts, and other payments, including property and service, from any governmental or other public or private entity or person, and make arrangements as to the use of these receipts to implement initiatives and strategies developed under this section;

(k) To issue, distribute, and administer grants that further the mission and goals of the authority;

(l) To adopt rules consistent with this chapter as described in RCW 41.05.160 including, but not limited to:

(i) Setting forth the criteria established by the board under RCW 41.05.065 for determining whether an employee is eligible for benefits;

(ii) Establishing an appeal process in accordance with chapter 34.05 RCW by which an employee may appeal an eligibility determination;

(iii) Establishing a process to assure that the eligibility determinations of an employing agency comply with the criteria under this chapter, including the imposition of penalties as may be authorized by the board;

(m)(i) To administer the medical services programs established under chapter 74.09 RCW as the designated single state agency for purposes of Title XIX of the federal social security act;

(ii) To administer the state children's health insurance program under chapter 74.09 RCW for purposes of Title XXI of the federal social security act;

(iii) To enter into agreements with the department of social and health services for administration of medical care services programs under Titles XIX and XXI of the social security act. The agreements shall establish the division of responsibilities between the authority and the department with respect to mental health, chemical dependency, and long-term care services, including services for persons with developmental disabilities. The agreements shall be revised as necessary, to comply with the final implementation plan adopted under section 116, chapter 15, Laws of 2011 1st sp. sess.;

(iv) To adopt rules to carry out the purposes of chapter 74.09 RCW;

(v) To appoint such advisory committees or councils as may be required by any federal statute or regulation as a condition to the receipt of federal funds by the authority. The director may appoint statewide committees or councils in the following subject areas: (A) Health facilities; (B) children and youth services; (C) blind services; (D) medical and health care; (E) drug abuse and alcoholism; (F) rehabilitative services; and (G) such other subject matters as are or come within the authority's responsibilities. The statewide councils shall have representation from both major political parties and shall have substantial consumer representation. Such committees or councils shall be constituted as required by federal law or as the director in his or her discretion may determine. The members of the committees or councils shall hold office for three years except in the case of a vacancy, in which event appointment shall be only for the remainder of the unexpired term for which the vacancy occurs. No member shall serve more than two consecutive terms. Members of such state advisory committees or councils may be paid their travel expenses in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended;

(n) To review and approve or deny the application from the governing board of the Washington health benefit exchange to provide state-sponsored insurance or self-insurance programs to employees of the exchange. The authority shall (i) establish the conditions for participation; (ii) have the sole right to reject an application; and (iii) set the premium contribution for approved groups as outlined in RCW 41.05.050.

(2) On and after January 1, 1996, the public employees' benefits board may implement strategies to promote managed competition among employee health benefit plans. Strategies may include but are not limited to:

(a) Standardizing the benefit package;

(b) Soliciting competitive bids for the benefit package;

(c) Limiting the state's contribution to a percent of the lowest priced qualified plan within a geographical area;

(d) Monitoring the impact of the approach under this subsection with regards to: Efficiencies in health service delivery, cost shifts to subscribers, access to and choice of managed care plans statewide, and quality of health services. The health care authority shall also advise on the value of administering a benchmark employer-managed plan to promote competition among managed care plans.

PART X MISCELLANEOUS

<u>NEW SECTION.</u> Sec. 24. The health care authority shall pursue an application for the state to participate in the individual market wellness program demonstration as described in section 2705 of P.L. 111-148 of 2010, as amended. The health care authority shall pursue activities that will prepare the state to apply for the demonstration project once announced by the United States department of health and human services.

<u>NEW SECTION.</u> Sec. 25. A new section is added to chapter 43.71 RCW to read as follows:

A person or entity functioning as a navigator consistent with the requirements of section 1311(i) of P.L. 111-148 of 2010, as amended, shall not be considered soliciting or negotiating insurance as stated under chapter 48.17 RCW.

*<u>NEW SECTION.</u> Sec. 26. A new section is added to chapter 43.71 RCW to read as follows:

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If at any time the exchange is no longer self-sustaining as defined in RCW 43.71.010, the operations of the exchange shall be suspended. *Sec. 26 was vetoed. See message at end of chapter.

<u>NEW SECTION.</u> Sec. 27. 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.

<u>NEW SECTION.</u> Sec. 28. Sections 4, 16, 18, and 19 through 23 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately.

Passed by the House March 3, 2012.

Ch. 87

Passed by the Senate March 1, 2012.

Approved by the Governor March 23, 2012, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State March 23, 2012.

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

"I have approved, except for Section 26, Engrossed Second Substitute House Bill 2319 entitled:

"AN ACT Relating to furthering state implementation of the health benefit exchange and related provisions of the affordable care act."

Section 26 requires the exchange to suspend operations if at any time it is not self-sustaining. There are other sections of the bill which require the exchange to be self-sustaining. Section 26 is redundant, and the phrase "at any time" adds an unnecessary element of uncertainty and creates risks of litigation that could interfere with exchange operations. For these reasons I have vetoed Section 26.

Although there are other sections of the bill about which concerns have been raised, I am approving them for the following reasons:

Section 6 imposes market rules essential to help health plans sold in the exchange remain affordable by protecting them against adverse selection, with great care taken not to inappropriately burden the general insurance market. Concern that this section would apply to other than individual or small group plans is misplaced. Such a reading is unsupported by the legislative history and makes no sense in light of the statutory purpose and the corresponding provisions of the federal Affordable Care Act.

Section 7 has also produced some confusion about the effective date when it becomes law and the later operative date when the Insurance Commissioner would implement its provisions. This section will become a statute in existing law on its effective date of June 7, 2012; however, it will not become operative and apply to any health plans until January 1, 2014. This is because the referenced Section 1302 of the Affordable Care Act does not become operative until that later date. The Insurance Commissioner has advised me his office will not apply or enforce the provisions of Section 7 until January 1, 2014.

Section 25 effectively exempts "navigators" acting under the Affordable Care Act from the state licensing requirements applicable to insurance agents or brokers under chapter 48.17 RCW. These are individuals or organizations that will be charged with informing consumers about their new health insurance options — particularly low-income consumers who face language or cultural barriers. Section 25 conforms state law to recent rules issued by the United States Department of Health and Human Services which prohibit a state from requiring a navigator to hold an agent or broker license. These federal rules also call for the state to adopt separate consumer protection standards addressing the unique circumstances under which navigators will operate, which Section 25 does not preclude, and I expect our state will do.

With the exception of Section 26, Engrossed Second Substitute House Bill 2319 is approved."

CHAPTER 88

[Engrossed House Bill 1234]

PUBLIC RECORDS—SECURITY ALARM SYSTEMS—CRIME WATCH PROGRAMS

AN ACT Relating to law enforcement crime prevention efforts regarding security alarm systems and crime watch programs for residential and commercial locations; and reenacting and amending RCW 42.56.240.

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

Sec. 1. RCW 42.56.240 and 2010 c 266 s 2 and 2010 c 182 s 5 are each reenacted and amended to read as follows:

The following investigative, law enforcement, and crime victim information is exempt from public inspection and copying under this chapter:

(1) Specific intelligence information and specific investigative records compiled by investigative, law enforcement, and penology agencies, and state agencies vested with the responsibility to discipline members of any profession, the nondisclosure of which is essential to effective law enforcement or for the protection of any person's right to privacy;

(2) Information revealing the identity of persons who are witnesses to or victims of crime or who file complaints with investigative, law enforcement, or penology agencies, other than the commission, if disclosure would endanger any person's life, physical safety, or property. If at the time a complaint is filed the complainant, victim, or witness indicates a desire for disclosure or nondisclosure, such desire shall govern. However, all complaints filed with the commission about any elected official or candidate for public office must be made in writing and signed by the complainant under oath;

(3) Any records of investigative reports prepared by any state, county, municipal, or other law enforcement agency pertaining to sex offenses contained in chapter 9A.44 RCW or sexually violent offenses as defined in RCW 71.09.020, which have been transferred to the Washington association of sheriffs and police chiefs for permanent electronic retention and retrieval pursuant to RCW 40.14.070(2)(b);

(4) License applications under RCW 9.41.070; copies of license applications or information on the applications may be released to law enforcement or corrections agencies;

(5) Information revealing the identity of child victims of sexual assault who are under age eighteen. Identifying information means the child victim's name, address, location, photograph, and in cases in which the child victim is a relative or stepchild of the alleged perpetrator, identification of the relationship between the child and the alleged perpetrator;

(6) The statewide gang database referenced in RCW 43.43.762;

(7) Data from the electronic sales tracking system established in RCW 69.43.165; ((and))

(8) Information submitted to the statewide unified sex offender notification and registration program under RCW 36.28A.040(6) by a person for the purpose of receiving notification regarding a registered sex offender, including the person's name, residential address, and e-mail address; and

(9) Personally identifying information collected by law enforcement agencies pursuant to local security alarm system programs and vacation crime watch programs. Nothing in this subsection shall be interpreted so as to prohibit the legal owner of a residence or business from accessing information regarding his or her residence or business.

Passed by the House January 16, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 89

[Engrossed Third Substitute House Bill 1860] PARTISAN ELECTIONS

AN ACT Relating to partisan elections; amending RCW 29A.24.311, 29A.60.021, and 29A.80.051; adding a new section to chapter 29A.52 RCW; creating a new section; and declaring an emergency.

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

NEW SECTION. Sec. 1. The United States district court, western district of Washington, ruled that Washington's method of electing political party precinct committee officers is unconstitutional based on the associational rights of political parties. The court stated that Washington may decide to implement elections for precinct committee officer in a manner not yet conceived but ultimately satisfactory to the political parties. Washington may even implement these elections in a way that severely burdens the political parties' associational rights but does so in a manner narrowly tailored to serve a compelling governmental interest. The major political parties stated in court that they might be satisfied of party membership if a voter affirms affiliation with the particular party. Toward this end, the legislature has worked closely with the major political parties to develop a system of electing precinct committee officers that the parties support, that will protect the secrecy of the ballot, and will not increase burdens placed on local election officials. Therefore, it is the intent of the legislature to remedy the unconstitutional method of selecting precinct committee officers by implementing a provision requiring voters to affirm an affiliation with the appropriate party in order to vote in a race for precinct committee officer in that party. The legislature finds that the office of precinct committee officer itself is both a constitutionally recognized and authorized office with certain duties outlined in state law and the state Constitution.

Sec. 2. RCW 29A.24.311 and 2011 c 349 s 13 are each amended to read as follows:

(1) Any person who desires to be a write-in candidate and have such votes counted at a primary or election may file a declaration of candidacy with the officer designated in RCW 29A.24.070 not later than the day ballots must be mailed according to RCW 29A.40.070. Declarations of candidacy for write-in candidates must be accompanied by a filing fee in the same manner as required of other candidates filing for the office as provided in RCW 29A.24.091.

(2) Votes cast for write-in candidates who have filed such declarations of candidacy and write-in votes for persons appointed by major political parties pursuant to RCW 29A.28.021 need only specify the name of the candidate in the appropriate location on the ballot in order to be counted. Write-in votes cast for any other candidate, in order to be counted, must designate the office sought and

position number or political party, if the manner in which the write-in is done does not make the office or position clear.

(3) No person may file as a write-in candidate where:

(((1))) (a) At a general election, the person attempting to file either filed as a write-in candidate for the same office at the preceding primary or the person's name appeared on the ballot for the same office at the preceding primary;

 $((\frac{(2)}{2}))$ (b) The person attempting to file as a write-in candidate has already filed a valid write-in declaration for that primary or election, unless one or the other of the two filings is for the office of precinct committeeperson;

(((3))) (c) The name of the person attempting to file already appears on the ballot as a candidate for another office, unless one of the two offices for which he or she is a candidate is precinct committeeperson;

(d) The office filed for is committee precinct officer.

(4) The declaration of candidacy shall be similar to that required by RCW 29A.24.031. No write-in candidate filing under this section may be included in any voter's pamphlet produced under chapter 29A.32 RCW unless that candidate qualifies to have his or her name printed on the general election ballot. The legislative authority of any jurisdiction producing a local voter's pamphlet under chapter 29A.32 RCW may provide, by ordinance, for the inclusion of write-in candidates in such pamphlets.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 29A.52 RCW to read as follows:

(1) The office of precinct committee officer must be voted upon at the primary election in each even-numbered year. If no one files for the office, the office shall be filled in accordance with RCW 29A.28.071. If, after the last day to withdraw, only one candidate has filed for the office in a precinct, that candidate is deemed elected and the auditor shall issue a certificate of election. Only contested races may appear on the ballot.

(2) The ballot format may be either a consolidated ballot or a physically separate ballot. If a consolidated ballot is used, the races for precinct committee officer must be clearly delineated from other races on the ballot. If a physically separate ballot is used, it must be distinguishable from the top two primary ballot. If the ballot is returned in the return envelope provided, but outside of the security envelope, it shall not be grounds to invalidate the ballot.

(3) The following instructions must appear on the ballot: "In order to vote for precinct committee officer, a partisan office, you must affirm that you are a Democrat or a Republican and may vote only for one candidate from the party you select. Your vote for a candidate affirms your affiliation with the same party as the candidate. This preference is private and will not be matched to your name or shared."

(4) Party affiliation is affirmed by including the following statement after the name of each candidate: "I affirm I am a Democrat." if the candidate is a Democrat, or "I affirm I am a Republican." if the candidate is a Republican.

(5) If a voter votes for candidates from both parties, the votes cast in the election for precinct committee officer on that ballot will not be tabulated and reported.

Sec. 4. RCW 29A.60.021 and 2005 c 243 s 12 are each amended to read as follows:

(1) For any office, except precinct committee officer, at any election or primary, any voter may write in on the ballot the name of any person for an office who has filed as a write-in candidate for the office in the manner provided by RCW 29A.24.311 and such vote shall be counted the same as if the name had been printed on the ballot and marked by the voter. No write-in vote made for any person who has not filed a declaration of candidacy pursuant to RCW 29A.24.311 is valid if that person filed for the same office, either as a regular candidate or a write-in candidate, at the preceding primary. Any abbreviation used to designate office or position will be accepted if the canvassing board can determine, to its satisfaction, the voter's intent.

(2) The number of write-in votes cast for each office must be recorded and reported with the canvass for the election.

(3) A write-in vote for an individual candidate for an office whose name appears on the ballot for that same office is a valid vote for that candidate as long as the candidate's name is clearly discernible, even if other requirements of RCW 29A.24.311 are not satisfied and even if the voter also marked a vote for that candidate such as to register an overvote. These votes need not be tabulated unless: (a) The difference between the number of votes cast for the candidate apparently qualified to appear on the general election ballot or elected and the candidate receiving the next highest number of votes is less than the sum of the total number of write-in votes cast for the office plus the overvotes and undervotes recorded by the vote tabulating system; or (b) a manual recount is conducted for that office.

(4) Write-in votes cast for an individual candidate for an office whose name does not appear on the ballot need not be tallied unless the total number of write-in votes and undervotes recorded by the vote tabulation system for the office is greater than the number of votes cast for the candidate apparently qualified to appear on the general election ballot or elected.

(5) In the case of write-in votes for a statewide office or any office whose jurisdiction encompasses more than one county, write-in votes for an individual candidate must be tallied when the county auditor is notified by either the secretary of state or another county auditor in the multicounty jurisdiction that it appears that the write-in votes must be tabulated under the terms of this section. In all other cases, the county auditor determines when write-in votes must be tabulated. Any abstract of votes must be modified to reflect the tabulation and certified by the canvassing board. Tabulation of write-in votes may be performed simultaneously with a recount.

Sec. 5. RCW 29A.80.051 and 2004 c 271 s 149 are each amended to read as follows:

The statutory requirements for filing as a candidate at the primaries apply to candidates for precinct committee officer. The office must be voted upon at the primaries, and the names of all candidates <u>in contested races</u> must appear under the proper party and office designations on the ballot for the primary for each even-numbered year((, and the one)). The candidate receiving the highest number of votes will be declared elected. ((However, to be declared elected, a eandidate must receive at least ten percent of the number of votes cast for the eandidate of the candidate's party receiving the greatest number of votes in the precinct.)) The term of office of precinct committee officer is two years, commencing the first day of December following the primary.

<u>NEW SECTION.</u> Sec. 6. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

<u>NEW SECTION.</u> Sec. 7. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House March 5, 2012.

Passed by the Senate February 28, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 90

[Engrossed Substitute House Bill 2048] LOW-INCOME HOUSING ASSISTANCE SURCHARGE

AN ACT Relating to low-income and homeless housing assistance surcharges; amending RCW 36.22.179; adding a new section to chapter 43.185C RCW; and providing an expiration date.

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

Sec. 1. RCW 36.22.179 and 2011 c 110 s 2 are each amended to read as follows:

(1) In addition to the surcharge authorized in RCW 36.22.178, and except as provided in subsection (2) of this section, an additional surcharge of ten dollars shall be charged by the county auditor for each document recorded, which will be in addition to any other charge allowed by law. ((During the 2009 11 and 2011 13 biennia)) From July 1, 2009, through August 31, 2012, and from July 1, 2015, through June 30, 2017, the surcharge shall be thirty dollars. From September 1, 2012, through June 30, 2015, the surcharge shall be forty dollars. The funds collected pursuant to this section are to be distributed and used as follows:

(a) The auditor shall retain two percent for collection of the fee, and of the remainder shall remit sixty percent to the county to be deposited into a fund that must be used by the county and its cities and towns to accomplish the purposes of chapter 484, Laws of 2005, six percent of which may be used by the county for administrative costs related to its homeless housing plan, and the remainder for programs which directly accomplish the goals of the county's local homeless housing plan, except that for each city in the county which elects as authorized in RCW 43.185C.080 to operate its own local homeless housing program, a percentage of the surcharge assessed under this section equal to the percentage of the city's local portion of the real estate excise tax collected by the county shall be transmitted at least quarterly to the city for program costs which directly contribute to the goals of the city's local homeless housing plan; of the funds received by the city, it may use six percent for administrative costs for its homeless housing program.

(b) The auditor shall remit the remaining funds to the state treasurer for deposit in the home security fund account. The department may use twelve and one-half percent of this amount for administration of the program established in RCW 43.185C.020, including the costs of creating the statewide homeless

housing strategic plan, measuring performance, providing technical assistance to local governments, and managing the homeless housing grant program. The remaining eighty-seven and one-half percent is to be used by the department to:

(i) Provide housing and shelter for homeless people including, but not limited to: Grants to operate, repair, and staff shelters; grants to operate transitional housing; partial payments for rental assistance; consolidated emergency assistance; overnight youth shelters; grants and vouchers designated for victims of human trafficking and their families; and emergency shelter assistance; and

(ii) Fund the homeless housing grant program.

(2) The surcharge imposed in this section <u>applies to documents required to</u> be recorded or filed under RCW 65.04.030(1) including, but not limited to: Full reconveyance; deeds of trust; deeds; liens related to real property; release of liens related to real property; notice of trustee sales; judgments related to real property; and all other documents pertaining to real property as determined by the department. However, the surcharge does not apply to (a) assignments or substitutions of previously recorded deeds of trust, or (b) documents recording a birth, marriage, divorce, or death or any documents otherwise exempted from a recording fee under state law.

(3) By August 31, 2012, the department shall submit to each county auditor a list of documents that are subject to the surcharge established in subsection (1) of this section.

(4) If section 2, chapter ..., Laws of 2012 (section 2 of this act) is not enacted into law by July 31, 2012, section 1, chapter ..., Laws of 2012 (section 1 of this act) is null and void.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 43.185C RCW to read as follows:

(1) As a means of efficiently and cost-effectively providing housing assistance to very-low income and homeless households:

(a) Any local government that has the authority to issue housing vouchers, directly or through a contractor, using document recording surcharge funds collected pursuant to RCW 36.22.178, 36.22.179, or 36.22.1791 must:

(i)(A) Maintain an interested landlord list, which at a minimum, includes information on rental properties in buildings with fewer than fifty units;

(B) Update the list at least once per quarter;

(C) Distribute the list to agencies providing services to individuals and households receiving housing vouchers;

(D) Ensure that a copy of the list or information for accessing the list online is provided with voucher paperwork; and

(E) Use reasonable best efforts to communicate and interact with landlord and tenant associations located within its jurisdiction to facilitate development, maintenance, and distribution of the list;

(ii) Using cost-effective methods of communication, convene, on a semiannual or more frequent basis, landlords represented on the interested landlord list and agencies providing services to individuals and households receiving housing vouchers to identify successes, barriers, and process improvements. The local government is not required to reimburse any participants for expenses related to attendance;

(iii) Produce data, limited to document recording fee uses and expenditures, on a calendar year basis in consultation with landlords represented on the interested landlord list and agencies providing services to individuals and households receiving housing vouchers, that include the following: Total amount expended from document recording fees; amount expended on, number of households that received, and number of housing vouchers issued in each of the private, public, and nonprofit markets; amount expended on, number of households that received, and number of housing placement payments provided in each of the private, public, and nonprofit markets; amount expended on and number of eviction prevention services provided in the private market; and amount expended on and number of other tenant-based rent assistance services provided in the private market. If these data elements are not readily available, the reporting government may request the department to use the sampling methodology established pursuant to (c)(iii) of this subsection to obtain the data; and

(iv) Annually submit the calendar year data to the department by October 1st, with preliminary data submitted by October 1, 2012, and full calendar year data submitted beginning October 1, 2013.

(b) Any local government receiving more than three million five hundred thousand dollars during the previous calendar year from document recording surcharge funds collected pursuant to RCW 36.22.178, 36.22.179, and 36.22.1791, must apply to the Washington state quality award program, or similar Baldrige assessment organization, for an independent assessment of its quality management, accountability, and performance system. The first assessment may be a lite assessment. After submitting an application, a local government is required to reapply at least every two years.

(c) The department must:

(i) Require contractors that provide housing vouchers to distribute the interested landlord list created by the appropriate local government to individuals and households receiving the housing vouchers;

(ii) Using cost-effective methods of communication, annually convene local governments issuing housing vouchers, landlord association representatives, and agencies providing services to individuals and households receiving housing vouchers to identify successes, barriers, and process improvements. The department is not required to reimburse any participants for expenses related to attendance;

(iii) Develop a sampling methodology to obtain data required under this section when a local government or contractor does not have such information readily available. The process for developing the sampling methodology must include providing notification to and the opportunity for public comment by local governments issuing housing vouchers, landlord association representatives, and agencies providing services to individuals and households receiving housing vouchers;

(iv) Develop a report, limited to document recording fee uses and expenditures, on a calendar year basis in consultation with local governments, landlord association representatives, and agencies providing services to individuals and households receiving housing vouchers, that includes the following: Total amount expended from document recording fees; amount expended on, number of households that received, and number of housing vouchers issued in each of the private, public, and nonprofit markets; amount expended on, number of households that received, and number of housing placement payments provided in each of the private, public, and nonprofit markets; amount expended on and number of eviction prevention services provided in the private market; and amount expended on and number of other tenant-based rent assistance services provided in the private market. The information in the report must include data submitted by local governments and data on all additional document recording fee activities for which the department contracted that were not otherwise reported;

(v) Annually submit the calendar year report to the legislature by December 15th, with a preliminary report submitted by December 15, 2012, and full calendar year reports submitted beginning December 15, 2013; and

(vi) Work with the Washington state quality award program, local governments, and any other organizations to ensure the appropriate scheduling of assessments for all local governments meeting the criteria described in subsection (1)(b) of this section.

(2) For purposes of this section:

(a) "Housing placement payments" means one-time payments, such as first and last month's rent and move-in costs, funded by document recording surcharges collected pursuant to RCW 36.22.178, 36.22.179, or 36.22.1791 that are made to secure a unit on behalf of a tenant.

(b) "Housing vouchers" means payments funded by document recording surcharges collected pursuant to RCW 36.22.178, 36.22.179, or 36.22.1791 that are made by a local government or contractor to secure: (i) A rental unit on behalf of an individual tenant; or (ii) a block of units on behalf of multiple tenants.

(c) "Interested landlord list" means a list of landlords who have indicated to a local government or contractor interest in renting to individuals or households receiving a housing voucher funded by document recording surcharges.

(3) This section expires June 30, 2017.

(4) If section 1, chapter . . ., Laws of 2012 (section 1 of this act) is not enacted into law by July 31, 2012, this section is null and void.

Passed by the House March 3, 2012.

Passed by the Senate February 29, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 91

[Substitute House Bill 2139]

REGIONAL SUPPORT NETWORKS—BOUNDARIES

AN ACT Relating to the establishment of new regional support network boundaries; and amending RCW 71.24.360.

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

Sec. 1. RCW 71.24.360 and 2005 c 504 s 805 are each amended to read as follows:

(1) The department may establish new regional support network boundaries in any part of the state:

(a) Where more than one network chooses not to respond to, or is unable to substantially meet the requirements of, the request for qualifications under ((section 4, chapter 503, Laws of 2005 or)) RCW 71.24.320;

(b) Where a regional support network is subject to reprocurement under ((section 6, chapter 503, Laws of 2005)) RCW 71.24.330; or

(c) Where two or more regional support networks propose to reconfigure themselves to achieve consolidation, in which case the procurement process described in RCW 71.24.320 and 71.24.330(2) does not apply.

(2) The department may establish no fewer than ((eight)) six and no more than fourteen regional support networks under this chapter. No entity shall be responsible for more than three regional support networks.

Passed by the House March 8, 2012. Passed by the Senate March 8, 2012. Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 92

[Engrossed House Bill 2152] PLATS—TIMELINES

AN ACT Relating to timelines associated with plats; amending RCW 58.17.140 and 58.17.170; and repealing 2010 c 79 s 3 (uncodified).

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

Sec. 1. RCW 58.17.140 and 2010 c 79 s 1 are each amended to read as follows:

(1) Preliminary plats of any proposed subdivision and dedication shall be approved, disapproved, or returned to the applicant for modification or correction within ninety days from date of filing thereof unless the applicant consents to an extension of such time period or the ninety day limitation is extended to include up to twenty-one days as specified under RCW 58.17.095(3): PROVIDED, That if an environmental impact statement is required as provided in RCW 43.21C.030, the ninety day period shall not include the time spent preparing and circulating the environmental impact statement by the local government agency.

(2) Final plats and short plats shall be approved, disapproved, or returned to the applicant within thirty days from the date of filing thereof, unless the applicant consents to an extension of such time period.

(3)(a) Except as provided by (b) of this subsection, a final plat meeting all requirements of this chapter shall be submitted to the legislative body of the city, town, or county for approval within seven years of the date of preliminary plat approval is on or before December 31, 2014, and within five years of the date of preliminary plat approval if the date of preliminary plat approval is on or after January 1, 2015.

(b) A final plat meeting all requirements of this chapter shall be submitted to the legislative body of the city for approval within nine years of the date of preliminary plat approval if the project is within city limits, not subject to requirements adopted under chapter 90.58 RCW, and the date of preliminary plat approval is on or before December 31, 2007. (4) Nothing contained in this section shall act to prevent any city, town, or county from adopting by ordinance procedures which would allow extensions of time that may or may not contain additional or altered conditions and requirements.

Sec. 2. RCW 58.17.170 and 2010 c 79 s 2 are each amended to read as follows:

(1) When the legislative body of the city, town or county finds that the subdivision proposed for final plat approval conforms to all terms of the preliminary plat approval, and that said subdivision meets the requirements of this chapter, other applicable state laws, and any local ordinances adopted under this chapter which were in effect at the time of preliminary plat approval, it shall suitably inscribe and execute its written approval on the face of the plat. The original of said final plat shall be filed for record with the county auditor. One reproducible copy shall be furnished to the city, town or county engineer. One paper copy shall be filed with the county assessor. Paper copies shall be provided to such other agencies as may be required by ordinance.

(2)(a) Except as provided by (b) of this subsection, any lots in a final plat filed for record shall be a valid land use notwithstanding any change in zoning laws for a period of seven years from the date of filing <u>if the date of filing is on</u> or before December 31, 2014, and for a period of five years from the date of filing if the date of filing is on or after January 1, 2015.

(b) Any lots in a final plat filed for record shall be a valid land use notwithstanding any change in zoning laws for a period of nine years from the date of filing if the project is within city limits, not subject to requirements adopted under chapter 90.58 RCW, and the date of filing is on or before December 31, 2007.

(3)(a) Except as provided by (b) of this subsection, a subdivision shall be governed by the terms of approval of the final plat, and the statutes, ordinances, and regulations in effect at the time of approval under RCW 58.17.150 (1) and (3) for a period of seven years after final plat approval if the date of final plat approval is on or before December 31, 2014, and for a period of five years after final plat approval if the date of final plat approval is on or after January 1, 2015, unless the legislative body finds that a change in conditions creates a serious threat to the public health or safety in the subdivision.

(b) A subdivision shall be governed by the terms of approval of the final plat, and the statutes, ordinances, and regulations in effect at the time of approval under RCW 58.17.150 (1) and (3) for a period of nine years after final plat approval if the project is within city limits, not subject to requirements adopted under chapter 90.58 RCW, and the date of final plat approval is on or before December 31, 2007, unless the legislative body finds that a change in conditions creates a serious threat to the public health or safety in the subdivision.

NEW SECTION. Sec. 3. 2010 c 79 s 3 (uncodified) is hereby repealed.

Passed by the House March 3, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 93

[Substitute House Bill 2188]

AIR RESCUE OR EVACUATION SERVICES

AN ACT Relating to air rescue or evacuation services; and amending RCW 48.01.280.

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

Sec. 1. RCW 48.01.280 and 2006 c 61 s 1 are each amended to read as follows:

(1) A private air ambulance service that solicits membership subscriptions, accepts membership applications, charges membership fees, and provides air ambulance services, to subscription members and designated members of their household is not an insurer under RCW 48.01.050, a health carrier under chapter 48.43 RCW, a health care services contractor under chapter 48.44 RCW, or a health maintenance organization under chapter 48.46 RCW if the private air ambulance service:

(((1))) (a) Is licensed in accordance with RCW 18.73.130;

(((2))) (b) Attains and maintains accreditation by the commission on accreditation of medical transport services or another accrediting organization approved by the department of health as having equivalent requirements as the commission for aeromedical transport;

((((3))) (c) Has been in operation in Washington for at least two years; and

(((4))) (d) Has submitted evidence of its compliance with this section, the licensing requirements of RCW 18.73.130, and accreditation from the commission or another accrediting organization approved by the department of health as having equivalent requirements as the commission for aeromedical transport to the commissioner.

(2) A subscription service that solicits membership subscriptions, charges membership fees, and provides rescue, evacuation, emergency transport, and crisis management and consulting services related to an emergency while traveling more than one hundred miles away from home, to its members or designated members of a member's household is not an insurer under RCW 48.01.050, a health carrier under chapter 48.43 RCW, a health care services contractor under chapter 48.44 RCW, or a health maintenance organization under chapter 48.46 RCW. Rescue, evacuation, emergency transport, and crisis management and consulting services related to an emergency, include the following:

(a) Providing rescue, evacuation, and emergency transport and crisis management services related to the emergency:

(b) Locator services for medical and legal professionals;

(c) Visa and passport services;

(d) Emergency message services;

(e) Emergency-related travel and emergency-related services and information;

(f) Transport of human remains; and

(g) Other services established by rule of the commissioner.

(3) A subscription service that provides rescue, evacuation, emergency transport, and crisis management and consulting services related to an emergency as described in subsection (2) of this section must satisfy, or contract with a service provider which satisfies, the licensing requirements, if any, of the

jurisdiction in which the services are provided. The requirements of subsection (1) of this section must be satisfied when providing air ambulance services within the state of Washington.

(4) It is not required that a subscription service under subsection (1) or (2) of this section own the vehicles, planes, helicopters, other aircraft, maritime vessels, or other means of transportation that will be used to provide the contracted services.

Passed by the House January 23, 2012. Passed by the Senate February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 94

[Substitute House Bill 2191] POLICE DOGS

AN ACT Relating to police dogs; amending RCW 16.08.040 and 9A.76.200; and prescribing penalties.

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

Sec. 1. RCW 16.08.040 and 1941 c 77 s 1 are each amended to read as follows:

(1) The owner of any dog which shall bite any person while such person is in or on a public place or lawfully in or on a private place including the property of the owner of such dog, shall be liable for such damages as may be suffered by the person bitten, regardless of the former viciousness of such dog or the owner's knowledge of such viciousness.

(2) This section does not apply to the lawful application of a police dog, as defined in RCW 4.24.410.

Sec. 2. RCW 9A.76.200 and 2003 c 269 s 1 are each amended to read as follows:

(1) A person is guilty of harming a police dog, accelerant detection dog, or police horse, if he or she maliciously injures, disables, shoots, or kills by any means any dog or horse that the person knows or has reason to know to be a police dog or accelerant detection dog, as defined in RCW 4.24.410, or police horse, as defined in subsection (2) of this section, whether or not the dog or horse is actually engaged in police or accelerant detection work at the time of the injury.

(2) "Police horse" means any horse used or kept for use by a law enforcement officer in discharging any legal duty or power of his or her office.

(3) Harming a police dog, accelerant detection dog, or police horse is a class C felony.

(4)(a) In addition to the criminal penalty provided in this section for harming a police dog:

(i) The court may impose a civil penalty of up to five thousand dollars for harming a police dog.

(ii) The court shall impose a civil penalty of at least five thousand dollars and may increase the penalty up to a maximum of ten thousand dollars for killing a police dog. (b) Moneys collected must be distributed to the jurisdiction that owns the police dog.

Passed by the House March 3, 2012. Passed by the Senate February 28, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 95

[House Bill 2195]

UNIFORM INTERSTATE DEPOSITIONS AND DISCOVERY ACT

AN ACT Relating to the uniform interstate depositions and discovery act; and adding a new chapter to Title 5 RCW.

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

<u>NEW SECTION.</u> Sec. 1. SHORT TITLE. This act may be known and cited as the uniform interstate depositions and discovery act.

NEW SECTION. Sec. 2. DEFINITIONS. In this chapter:

(1) "Foreign jurisdiction" means a state other than Washington state.

(2) "Foreign subpoena" means a subpoena issued under authority of a court of record of a foreign jurisdiction.

(3) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, public corporation, government, or governmental subdivision, agency or instrumentality, or any other legal or commercial entity.

(4) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, a federally recognized Indian tribe, or any territory or insular possession subject to the jurisdiction of the United States.

(5) "Subpoena" means a document, however denominated, issued under authority of a court of record requiring a person to:

(a) Attend and give testimony at a deposition;

(b) Produce and permit inspection and copying of designated books, documents, records, electronically stored information, or tangible things in the possession, custody, or control of the person; or

(c) Permit inspection of premises under the control of the person.

<u>NEW SECTION.</u> Sec. 3. ISSUANCE OF SUBPOENA. (1) To request issuance of a subpoena under this section, a party must submit a foreign subpoena to a clerk of court in the county in which discovery is sought to be conducted in this state. A request for the issuance of a subpoena under this chapter does not constitute an appearance in the courts of Washington state.

(2) When a party submits a foreign subpoena to a clerk of court in this state, the clerk, in accordance with that court's procedure, shall promptly issue a subpoena for service upon the person to which the foreign subpoena is directed.

(3) A subpoena under subsection (2) of this section must:

(a) Incorporate the terms used in the foreign subpoena; and

(b) Contain or be accompanied by the names, addresses, and telephone numbers of all counsel of record in the proceeding to which the subpoena relates and of any party not represented by counsel.

<u>NEW SECTION.</u> Sec. 4. SERVICE OF SUBPOENA. A subpoena issued by a clerk of court under section 3 of this act must be served in compliance with superior court civil rule (CR) 45.

<u>NEW SECTION.</u> Sec. 5. DEPOSITION, PRODUCTION, AND INSPECTION. Superior court civil rules (CR) 26 through 37 apply to subpoenas issued under section 3 of this act.

<u>NEW SECTION.</u> Sec. 6. APPLICATION TO COURT. An application to the court for a protective order or to enforce, quash, or modify a subpoena issued by a clerk of court under section 3 of this act must comply with the rules or statutes of Washington state and be submitted to the court in the county in which discovery is to be conducted.

<u>NEW SECTION.</u> Sec. 7. UNIFORMITY OF APPLICATION AND CONSTRUCTION. In applying and construing this chapter, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact this chapter.

<u>NEW SECTION.</u> Sec. 8. APPLICATION TO PENDING ACTIONS. This chapter applies to requests for discovery in cases pending on the effective date of this act.

<u>NEW SECTION.</u> Sec. 9. Sections 1 through 8 of this act constitute a new chapter in Title 5 RCW.

Passed by the House January 23, 2012. Passed by the Senate March 2, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 96

[Engrossed Substitute House Bill 2223]

UNDERGROUND UTILITY DAMAGE PREVENTION—EFFECTIVE DATES

AN ACT Relating to modifying the effective date of RCW 19.122.130 from 2011's underground utility damage prevention act; amending RCW 19.122.130; and amending 2011 c 263 s 27 (uncodified).

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

Sec. 1. RCW 19.122.130 and 2011 c 263 s 18 are each amended to read as follows:

(1) <u>By January 1, 2013, the commission must contract with a statewide,</u> nonprofit entity whose purpose is to reduce damages to underground and above ground facilities, promote safe excavation practices, and review complaints of alleged violations of this chapter. The contract must not obligate funding by the commission for activities performed by the nonprofit entity or the safety committee under this section, and is therefore exempt under RCW 39.29.040(1) from the requirements of chapter 39.29 RCW.

(2) <u>By January 1, 2013, the contracting entity must create a safety</u> committee to:

(a) Advise the commission and other state agencies, the legislature, and local governments on best practices and training to prevent damage to underground utilities, and policies to enhance worker and public safety; and

(b) Review complaints alleging violations of this chapter involving practices related to underground facilities.

(3)(a) The safety committee will consist of thirteen members, who must be nominated by represented groups and appointed by the contracting entity to staggered three-year terms. <u>By January 1, 2013, the safety committee must include representatives of:</u>

((((a)))) (<u>i)</u> Local governments;

(((b))) (ii) A natural gas utility subject to regulation under Titles 80 and 81 RCW;

(((c))) (<u>iii)</u> Contractors;

(((d))) (iv) Excavators;

((((e)))) (v) An electric utility subject to regulation under Title 80 RCW;

(((f))) (vi) A consumer-owned utility, as defined in RCW 19.27A.140;

(((g))) <u>(vii)</u> A pipeline company;

((((h)))) (<u>viii)</u> The insurance industry;

(((i))) (ix) The commission; and

(((i))) (x) A telecommunications company.

(b) By January 1, 2013, the safety committee may pass bylaws and provide for those organizational processes that are necessary to complete the safety committee's tasks.

(4) The safety committee must meet at least once every three months.

(5) <u>After January 1, 2013, the safety committee may review complaints of</u> alleged violations of this chapter involving practices related to underground facilities. Any person may bring a complaint to the safety committee regarding an alleged violation <u>occurring on or after January 1, 2013</u>.

(6) To review complaints of alleged violations, the safety committee must appoint at least three and not more than five members as a review committee. The review committee must include the same number of members representing excavators and facility operators. One member representing facility operators must also be a representative of a pipeline company or a natural gas utility subject to regulation under Titles 80 and 81 RCW. The review committee must also include a member representing the insurance industry.

(7) Before reviewing a complaint alleging a violation of this chapter, the review committee must notify the person making the complaint and the alleged violator of its review and of the opportunity to participate.

(8) <u>After January 1, 2013, the safety committee may provide written</u> notification to the commission, with supporting documentation, that a person has likely committed a violation of this chapter, and recommend remedial action that may include a penalty amount, training, or education to improve public safety, or some combination thereof.

(9) This section expires December 31, 2020.

Sec. 2. 2011 c 263 s 27 (uncodified) is amended to read as follows:

Except for section 18 of this act (chapter 263, Laws of 2011), this act takes effect January 1, 2013.

Passed by the House February 8, 2012.

Passed by the Senate February 29, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 97

[House Bill 2224]

WASHINGTON ESTATE TAX APPORTIONMENT

AN ACT Relating to Washington estate tax apportionment; and amending RCW 83.110A.020.

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

Sec. 1. RCW 83.110A.020 and 2005 c 332 s 3 are each amended to read as follows:

(1) Except as otherwise provided in subsection (3) of this section, the following rules apply:

(a) To the extent that a provision of a decedent's will provides for the apportionment of an estate tax, the tax must be apportioned accordingly.

(b) Any portion of an estate tax not apportioned pursuant to (a) of this subsection must be apportioned in accordance with any provision of a revocable trust of which the decedent was the settlor which provides for the apportionment of an estate tax. If conflicting apportionment provisions appear in two or more revocable trust instruments, the provision in the most recently dated instrument prevails. For purposes of this subsection (1)(b):

(i) A trust is revocable if it was revocable immediately after the trust instrument was executed, even if the trust subsequently becomes irrevocable; and

(ii) The date of an amendment to a revocable trust instrument is the date of the amended instrument only if the amendment contains an apportionment provision.

(c) If any portion of an estate tax is not apportioned pursuant to (a) or (b) of this subsection, and a provision in any other dispositive instrument provides that any interest in the property disposed of by the instrument is or is not to be applied to the payment of the estate tax attributable to the interest disposed of by the instrument, the provision controls the apportionment of the tax to that interest.

(2) Subject to subsection (3) of this section, and unless the decedent provides to the contrary, the following rules apply:

(a) If an apportionment provision provides that a person receiving an interest in property under an instrument is to be exonerated from the responsibility to pay an estate tax that would otherwise be apportioned to the interest:

(i) The tax attributable to the exonerated interest must be apportioned among the other persons receiving interests passing under the instrument; or

(ii) If the values of the other interests are less than the tax attributable to the exonerated interest, the deficiency must be apportioned ratably among the other persons receiving interests in the apportionable estate that are not exonerated from apportionment of the tax.

(b) If an apportionment provision provides that an estate tax is to be apportioned to an interest in property a portion of which qualifies for a marital or charitable deduction, the estate tax must first be apportioned ratably among the holders of the portion that does not qualify for a marital or charitable deduction and then apportioned ratably among the holders of the deductible portion to the extent that the value of the nondeductible portion is insufficient.

(c) Except as otherwise provided in (d) of this subsection, if an apportionment provision provides that an estate tax be apportioned to property in which one or more time-limited interests exist, other than interests in specified property under RCW 83.110A.060, the tax must be apportioned to the principal of that property, regardless of the deductibility of some of the interests in that property.

(d) If an apportionment provision provides that an estate tax is to be apportioned to the holders of interests in property in which one or more timelimited interests exist and a charity has an interest that otherwise qualifies for an estate tax charitable deduction, the tax must first be apportioned, to the extent feasible, to interests in property that have not been distributed to the persons entitled to receive the interests. No tax shall be paid from a charitable remainder annuity trust or a charitable remainder unitrust described in section 664 of the <u>internal revenue code</u> and created during the decedent's life.

(e) Persons receiving tangible personal property as defined in RCW 11.12.260 by specific gifts pursuant to the provisions of a will or revocable trust or by right of survivorship, are exonerated from apportionment of estate tax up to an aggregate value of property permitted to pass by affidavit for small estates pursuant to RCW 11.62.010(2)(c).

(f) Persons receiving specific pecuniary gifts pursuant to the provisions of a will or revocable trust are exonerated from apportionment of estate tax up to an aggregate amount of money equal to one-half of the value of property permitted to pass by affidavit for small estates pursuant to RCW 11.62.010(2)(c).

(g) If persons receive an aggregate value of tangible personal property or the amount of money in excess of the ceiling allowed to be exonerated for apportionment for estate taxes for that type of property, the portion of each gift to be exonerated is the maximum amount of money or value of tangible personal property that is allowed to be exonerated multiplied by the proportion of money received by each person over the amount of money received by each personal property received by each person over the value of all tangible personal property received by all persons.

(3) A provision that apportions an estate tax is ineffective to the extent that it increases the tax apportioned to a person having an interest in the gross estate over which the decedent had no power to transfer immediately before the decedent executed the instrument in which the apportionment direction was made. For purposes of this section, a testamentary power of appointment is a power to transfer the property that is subject to the power.

Passed by the House February 9, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 98

[Engrossed Substitute House Bill 2229] HOSPITAL EMPLOYEES—REPORTING OF COMPENSATION

AN ACT Relating to reporting of compensation for certain hospital employees; and amending RCW 43.70.052.

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

Sec. 1. RCW 43.70.052 and 1995 c 267 s 1 are each amended to read as follows:

(1) To promote the public interest consistent with the purposes of chapter 492, Laws of 1993 as amended by chapter 267, Laws of 1995, the department shall continue to require hospitals to submit hospital financial and patient discharge information, which shall be collected, maintained, analyzed, and disseminated by the department. The department shall, if deemed cost-effective and efficient, contract with a private entity for any or all parts of data collection. Data elements shall be reported in conformance with a uniform reporting system established by the department. This includes data elements identifying each hospital's revenues, expenses, contractual allowances, charity care, bad debt, other income, total units of inpatient and outpatient services, and other financial and employee compensation information reasonably necessary to fulfill the purposes of this section. Data elements relating to use of hospital services by patients shall be the same as those currently compiled by hospitals through inpatient discharge abstracts. The department shall encourage and permit reporting by electronic transmission or hard copy as is practical and economical to reporters.

(2) In identifying financial reporting requirements, the department may require both annual reports and condensed quarterly reports from hospitals, so as to achieve both accuracy and timeliness in reporting, but shall craft such requirements with due regard of the data reporting burdens of hospitals.

(3)(a) Beginning with compensation information for 2012, unless a hospital is operated on a for-profit basis, the department shall require a hospital licensed under chapter 70.41 RCW to annually submit employee compensation information. To satisfy employee compensation reporting requirements to the department, a hospital shall submit information as directed in (a)(i) or (ii) of this subsection. A hospital may determine whether to report under (a)(i) or (ii) of this subsection for purposes of reporting.

(i) Within one hundred thirty-five days following the end of each hospital's fiscal year, a nonprofit hospital shall file the appropriate schedule of the federal internal revenue service form 990 that identifies the employee compensation information with the department. If the lead administrator responsible for the hospital or the lead administrator's compensation is not identified on the schedule of form 990 that identifies the employee compensation information, the hospital shall also submit the compensation information for the lead administrator as directed by the department's form required in (b) of this subsection.

(ii) Within one hundred thirty-five days following the end of each hospital's calendar year, a hospital shall submit the names and compensation of the five highest compensated employees of the hospital who do not have any direct patient responsibilities. Compensation information shall be reported on a calendar year basis for the calendar year immediately preceding the reporting date. If those five highest compensated employees do not include the lead administrator for the hospital, compensation information for the lead administrator shall also be submitted. Compensation information shall include base compensation, bonus and incentive compensation, other payments that qualify as reportable compensation, retirement and other deferred compensation, and nontaxable benefits.

(b) To satisfy the reporting requirements of this subsection (3), the department shall create a form and make it available no later than August 1, 2012. To the greatest extent possible, the form shall follow the format and reporting requirements of the portion of the internal revenue service form 990 schedule relating to compensation information. If the internal revenue service substantially revises its schedule, the department shall update its form.

(4) The health care data collected, maintained, and studied by the department shall only be available for retrieval in original or processed form to public and private requestors and shall be available within a reasonable period of time after the date of request. The cost of retrieving data for state officials and agencies shall be funded through the state general appropriation. The cost of retrieving data for individuals and organizations engaged in research or private use of data or studies shall be funded by a fee schedule developed by the department that reflects the direct cost of retrieving the data or study in the requested form.

(((4))) (5) The department shall, in consultation and collaboration with the federally recognized tribes, urban or other Indian health service organizations, and the federal area Indian health service, design, develop, and maintain an American Indian-specific health data, statistics information system. The department rules regarding confidentiality shall apply to safeguard the information from inappropriate use or release.

(((5))) (6) All persons subject to the data collection requirements of this section shall comply with departmental requirements established by rule in the acquisition of data.

Passed by the House February 9, 2012. Passed by the Senate March 2, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 99

[Engrossed Substitute House Bill 2301]

BOXING, MARTIAL ARTS, MIXED MARTIAL ARTS, AND WRESTLING

AN ACT Relating to boxing, martial arts, and wrestling; amending RCW 67.08.002, 67.08.015, 67.08.017, 67.08.050, 67.08.110, 67.08.170, and 67.08.240; and reenacting and amending RCW 67.08.090 and 67.08.100.

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

Sec. 1. RCW 67.08.002 and 2004 c 149 s 1 are each amended to read as follows:

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

(1) "Amateur" means a person who has never received nor competed for any purse or other article of value, either for expenses of training or for participating in an event, other than a prize of fifty dollars in value or less.

(2) "Boxing" means the sport of attack and defense which uses the contestants fists and where the contestants compete with the intent not to injure or disable an opponent, but to win by decision, knockout, or technical knockout, but does not include professional wrestling.

(3) "Chiropractor" means a person licensed under chapter 18.25 RCW as a doctor of chiropractic or under the laws of any jurisdiction in which that person resides.

(4) "Department" means the department of licensing.

(5) "Director" means the director of the department of licensing or the director's designee.

(6) "Event" includes, but is not limited to, a <u>professional</u> boxing, wrestling, or martial arts <u>or an amateur mixed martial arts</u> contest, sparring, fisticuffs, match, show, or exhibition.

(7) "Event physician" means the physician licensed under RCW 67.08.100 and who is responsible for the activities described in RCW 67.08.090.

(8) "Face value" means the dollar value of a ticket or order, which value must reflect the dollar amount that the customer is required to pay or, for a complimentary ticket, would have been required to pay to purchase a ticket with equivalent seating priority, in order to view the event.

(9) "Gross receipts" means the amount received from the face value of all tickets sold and complimentary tickets redeemed.

(10) "Kickboxing" means a type of boxing in which blows are delivered with the fist and any part of the leg below the hip, including the foot and where the contestants compete with the intent not to injure or disable an opponent, but to win by decision, knockout, or technical knockout.

(11) "Martial arts" means a type of boxing including sumo, judo, karate, kung fu, tae kwon do, pankration, muay thai, or other forms of full-contact martial arts or self-defense conducted on a full-contact basis where weapons are not used and the participants utilize kicks, punches, blows, or other techniques with the intent not to injure or disable an opponent, but to defeat an opponent or win by decision, knockout, technical knockout, or submission.

(12) "No holds barred fighting," also known as "frontier fighting" and "extreme fighting," means a contest, exhibition, or match between contestants where any part of the contestant's body may be used as a weapon or any means of fighting may be used with the specific purpose to intentionally injure the other contestant in such a manner that they may not defend themselves and a winner is declared. Rules may or may not be used.

(13) "Combative fighting," also known as "toughman fighting," "toughwoman fighting," "badman fighting," and "so you think you're tough," means a contest, exhibition, or match between contestants who use their fists, with or without gloves, or their feet, or both, and which allows contestants that are not trained in the sport to compete and the object is to defeat an opponent or to win by decision, knockout, or technical knockout.

(14) "Physician" means a person licensed under chapter 18.57, 18.36A, or 18.71 RCW as a physician or a person holding an osteopathic or allopathic physician license under the laws of any jurisdiction in which the person resides.

(15) "Professional" means a person who has received or competed for any purse or other articles of value greater than fifty dollars, either for the expenses of training or for participating in an event.

(16) "Promoter" means a person, and includes any officer, director, employee, or stockholder of a corporate promoter, who produces, arranges, stages, holds, or gives an event in this state involving a professional boxing, martial arts, or wrestling event <u>or amateur mixed martial arts event</u>, or shows or causes to be shown in this state a closed circuit telecast of a match involving ((a)) professional <u>or amateur mixed martial arts</u> participants whether or not the telecast originates in this state.

(17) "Wrestling exhibition" or "wrestling show" means a form of sports entertainment in which the participants display their skills in a physical struggle against each other in the ring and either the outcome may be predetermined or the participants do not necessarily strive to win, or both.

(18) "Amateur event" means an event in which all the participants are "amateurs" and which is registered and sanctioned by:

(a) United States Amateur Boxing, Inc.;

(b) Washington Interscholastic Activities Association;

(c) National Collegiate Athletic Association;

(d) Amateur Athletic Union;

(e) Golden Gloves of America;

(f) <u>Any similar organization nationally recognized by the United States</u> <u>Olympic Committee:</u>

(g) United Full Contact Federation((;

(g)) and any similar amateur sanctioning organization, recognized and licensed by the department as exclusively or primarily dedicated to advancing the sport of amateur ((boxing, kickboxing, or)) mixed martial arts, as those sports are defined in this section and where the promoter, officials, and participants are licensed under this chapter; or

(h) Local affiliate of any organization identified in (a) through (f) of this subsection.

(19) "Elimination tournament" means any contest in which contestants compete in a series of matches until not more than one contestant remains in any weight category. The term does not include any event that complies with the provisions of RCW 67.08.015(2) (((a) or (b))).

(20) "Mixed martial arts" means a combative sporting contest, the rules of which allow two mixed martial arts competitors to attempt to achieve dominance over one another by utilizing a variety of techniques including, but not limited to, striking, grappling, and the application of submission holds. "Mixed martial arts" is a type of martial arts that does not include martial arts such as tae kwon do, karate, judo, sumo, jujitsu, and kung fu.

(21) "Training facility" means a facility that offers training in one or more of the mixed martial arts and holds exhibitions in which all the participants are amateurs and where an admission fee is charged.

(22) "Event chiropractor" means the chiropractor licensed under RCW 67.08.100 and who is operating in a supporting role to the event physician who is responsible for the activities described in RCW 67.08.090.

Sec. 2. RCW 67.08.015 and 2004 c 149 s 2 are each amended to read as follows:

(1) In the interest of ensuring the safety and welfare of the participants, the department shall have power and it shall be its duty to direct, supervise, and control all boxing, martial arts, and wrestling events conducted within this state and an event may not be held in this state except in accordance with the provisions of this chapter. The department may, in its discretion, issue and for cause, which includes concern for the safety and welfare of the participants, take any of the actions specified in RCW 18.235.110 against a license to promote,

conduct, or hold boxing, kickboxing, martial arts, or wrestling events where an admission fee is charged by any person, club, corporation, organization, association, or fraternal society.

(2) All boxing, kickboxing, martial arts, or wrestling events that:

(a) Are conducted by any common school, college, or university, whether public or private, or by the official student association thereof, whether on or off the school, college, or university grounds, where all the participating contestants are bona fide students enrolled in any common school, college, or university, within or without this state; or

(b) Are entirely amateur events as defined in RCW 67.08.002(18) ((and promoted on a nonprofit basis or for charitable purposes)), excluding events described in RCW 67.08.002(18)(g);

are not subject to the ((licensing)) provisions of this chapter. A boxing, martial arts, kickboxing, or wrestling event may not be conducted within the state except under a license issued in accordance with this chapter and the rules of the department except as provided in this section.

(3) The director shall prohibit events unless all of the contestants are licensed or otherwise exempt from licensure as provided under this chapter.

(4) No amateur or professional no holds barred fighting or combative fighting type of contest, exhibition, match, or similar type of event, nor any elimination tournament, may be held in this state. Any person promoting such an event is guilty of a class C felony. Additionally, the director may apply to a superior court for an injunction against any and all promoters of a contest, and may request that the court seize all money and assets relating to the competition.

Sec. 3. RCW 67.08.017 and 2002 c 86 s 307 are each amended to read as follows:

In addition to the powers described in RCW 18.235.030 and 18.235.040, the director or the director's designee has the following authority in administering this chapter:

(1) Adopt, amend, and rescind rules as deemed necessary to carry out this chapter;

(2) Adopt standards of professional and amateur conduct or practice;

(3) Enter into an assurance of discontinuance in lieu of issuing a statement of charges or conducting a hearing. The assurance shall consist of a statement of the law in question and an agreement not to violate the stated provision. The applicant or license holder shall not be required to admit to any violation of the law, and the assurance shall not be construed as such an admission. Violation of an assurance under this subsection is grounds for disciplinary action; ((and))

(4) Establish and assess fines for violations of this chapter that may be subject to payment from a contestant's purse:

(5) Establish licensing requirements; and

(6) Adopt rules regarding whether or not specific martial arts are mixed martial arts for the purpose of applying licensing provisions.

Sec. 4. RCW 67.08.050 and 2009 c 429 s 1 are each amended to read as follows:

(1) Any promoter shall within seven days prior to the holding of any event file with the department a statement setting forth the name of each licensee who is a potential participant, his or her manager or managers, and such other information as the department may require. Participant changes regarding a wrestling event may be allowed after notice to the department, if the new participant holds a valid license under this chapter. The department may stop any wrestling event in which a participant is not licensed under this chapter.

(2) Upon the termination of any event the promoter shall file with the designated department representative a written report, duly verified as the department may require showing the number of tickets sold for the event, the price charged for the tickets and the gross proceeds thereof, and such other and further information as the department may require. The promoter shall pay to the department at the time of filing the report under this section an event fee to be determined by the director pursuant to RCW 67.08.105. However, the event fee may not be less than twenty-five dollars. <u>A promoter is not required to pay an event fee for promoting an amateur event as defined in RCW 67.08.002(18)(g)</u>. The event fee and license fees collected under this chapter shall be paid by the department into the business and professions account under RCW 43.24.150.

Sec. 5. RCW 67.08.090 and 2002 c 147 s 2 and 2002 c 86 s 308 are each reenacted and amended to read as follows:

(1) Each contestant for boxing, kickboxing, or martial arts events shall be examined within twenty-four hours before the contest by an event physician licensed by the department. The event physician shall report in writing and over his or her signature before the event the physical condition of each and every contestant to the inspector present at such contest. No contestant whose physical condition is not approved by the event physician shall be permitted to participate in any event. Blank forms for event physicians' reports shall be provided by the department and all questions upon such blanks shall be answered in full. The event physician shall be paid a fee and travel expenses by the promoter.

(2) The department may require that an event physician be present at a wrestling event. The promoter shall pay the event physician present at a wrestling event. A boxing, kickboxing, or martial arts event may not be held unless an event physician licensed by the department is present throughout the event. In addition to the event physician, ((a)) an event chiropractor may be included as a licensed official at a boxing, kickboxing, or martial arts event. The promoter shall pay the <u>event</u> chiropractor present at a boxing, kickboxing, or martial arts event.

(3) Any physician licensed under RCW 67.08.100 may be selected by the department as the event physician. The event physician present at any contest shall have authority to stop any event when in the event physician's opinion it would be dangerous to a contestant to continue, and in such event it shall be the event physician's duty to stop the event.

(4) The department may have a participant in a wrestling event examined by an event physician licensed by the department prior to the event. A participant in a wrestling event whose condition is not approved by the event physician shall not be permitted to participate in the event.

(5) Each contestant for boxing, kickboxing, martial arts, or wrestling events may be subject to a random urinalysis or chemical test within twenty-four hours before or after a contest. In addition to the unprofessional conduct specified in RCW 18.235.130, an applicant or licensee who refuses or fails to submit to the urinalysis or chemical test is subject to disciplinary action under RCW 18.235.110. If the urinalysis or chemical test is positive for substances prohibited by rules adopted by the director, the applicant or licensee has engaged in unprofessional conduct and disciplinary action may be taken under RCW 18.235.110.

Sec. 6. RCW 67.08.100 and 2002 c 147 s 3 and 2002 c 86 s 309 are each reenacted and amended to read as follows:

(1) The department upon receipt of a properly completed application and payment of a nonrefundable fee, may grant an annual license to an applicant for the following: (a) Promoter; (b) manager; (c) boxer; (d) second; (e) wrestling participant; (f) inspector; (g) judge; (h) timekeeper; (i) announcer; (j) event physician; (k) event chiropractor; (l) referee; (m) matchmaker; (n) kickboxer; ((and)) (o) martial arts participant: (p) training facility; and (q) amateur sanctioning organization.

(2) The application for the following types of licenses shall include a physical performed by a physician, as defined in RCW 67.08.002, which was performed by the physician with a time period preceding the application as specified by rule: (a) Boxer; (b) wrestling participant; (c) kickboxer; (d) martial arts participant; and (e) referee.

(3) An applicant for the following types of licenses for the sports of boxing, kickboxing, and martial arts shall provide annual proof of certification as having adequate experience, skill, and training from an organization approved by the department, including, but not limited to, the association of boxing commissions, the international boxing federation, the international boxing organization, the Washington state association of professional ring officials, the world boxing association, the world boxing council, or the world boxing organization for boxing officials, and the united full contact federation for kickboxing and martial arts officials: (a) Judge; (b) referee; (c) inspector; (d) timekeeper; or (e) other officials deemed necessary by the department.

(4) No person shall participate or serve in any of the above capacities unless licensed as provided in this chapter.

(5) The referees, judges, timekeepers, event physicians, chiropractors, and inspectors for any boxing, kickboxing, or martial arts event shall be designated by the department from among licensed officials.

(6) The referee for any wrestling event shall be provided by the promoter and shall be licensed as a wrestling participant.

(7) The department shall immediately suspend the license or certificate of a person who has been certified pursuant to RCW 74.20A.320 by the department of social and health services as a person who is not in compliance with a support order. If the person has continued to meet all other requirements for reinstatement during the suspension, reissuance of the license or certificate shall be automatic upon the department's receipt of a release issued by the department of social and health services stating that the licensee is in compliance with the order.

(8) The director shall suspend the license of any person who has been certified by a lending agency and reported to the director for nonpayment or default on a federally or state-guaranteed educational loan or service-conditional scholarship. Prior to the suspension, the agency must provide the person an opportunity for a brief adjudicative proceeding under RCW 34.05.485 through 34.05.494 and issue a finding of nonpayment or default on a federally or state-

guaranteed educational loan or service-conditional scholarship. The person's license may not be reissued until the person provides the director a written release issued by the lending agency stating that the person is making payments on the loan in accordance with a repayment agreement approved by the lending agency. If the person has continued to meet all other requirements for licensure during the suspension, reinstatement is automatic upon receipt of the notice and payment of any reinstatement fee the director may impose.

(9) A person may not be issued a license if the person has an unpaid fine outstanding to the department.

(((9))) (10) A person may not be issued a license unless they are at least eighteen years of age.

(((10))) (11) This section shall not apply to contestants or participants in events at which only amateurs are engaged in contests and/or fraternal organizations and/or veterans' organizations chartered by congress or the defense department ((or)) excluding any recognized amateur sanctioning body recognized by the department((, holding and promoting athletic events and where all funds are used primarily for the benefit of their members)). Upon request of the department, a promoter, contestant, or participant shall provide sufficient information to reasonably determine whether this chapter applies.

Sec. 7. RCW 67.08.110 and 2002 c 86 s 310 are each amended to read as follows:

(1) Any person or any member of any group of persons or corporation promoting ((boxing)) events who shall participate directly or indirectly in the purse or fee of any manager of any ((boxers)) participants or any ((boxer)) participant and any licensee who shall conduct or participate in any sham or fake ((boxing)) event has engaged in unprofessional conduct and is subject to the sanctions specified in RCW 18.235.110.

(2) A manager of any boxer, kickboxer, or martial arts participant who allows any person or any group of persons or corporation promoting boxing, kickboxing, or martial arts events to participate directly or indirectly in the purse or fee, or any boxer, kickboxer, or martial arts participant or other licensee who conducts or participates in any sham or fake boxing, kickboxing, or martial arts event has engaged in unprofessional conduct and is subject to the sanctions specified in RCW 18.235.110.

Sec. 8. RCW 67.08.170 and 1997 c 205 s 15 are each amended to read as follows:

A promoter shall ensure that adequate security personnel are in attendance at ((a wrestling or boxing)) an event to control fans in attendance. The size of the security force shall be determined by mutual agreement of the promoter, the person in charge of operating the arena or other facility, and the department.

Sec. 9. RCW 67.08.240 and 1997 c 205 s 21 are each amended to read as follows:

The following conduct, acts, or conditions constitute unprofessional conduct for a license holder or applicant under this chapter:

(1) Conviction of a gross misdemeanor, felony, or the commission of an act involving moral turpitude, dishonesty, or corruption whether the act constitutes a crime or not. If the act constitutes a crime, conviction in a criminal proceeding is not a condition precedent to disciplinary action. Upon such a conviction,

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however, the judgment and sentence is conclusive evidence at the ensuing disciplinary hearing of the guilt of the license holder or applicant of the crime described in the indictment or information, and of the person's violation of the statute on which it is based. For the purposes of this section, conviction includes all instances in which a plea of guilty or nolo contendere is the basis for the conviction and all proceedings in which the sentence has been deferred or suspended. This section does not abrogate rights guaranteed under chapter 9.96 RCW;

(2) Misrepresentation or concealment of a material fact in obtaining a license or in reinstatement of a license;

(3) Advertising that is false, fraudulent, or misleading;

(4) Incompetence or negligence that results in injury to a person or that creates an unreasonable risk that a person may be harmed;

(5) Suspension, revocation, or restriction of a license to act as a professional <u>or amateur</u> athletic licensee by competent authority in a state, federal, or foreign jurisdiction, a certified copy of the order, stipulation, or agreement being conclusive evidence of the revocation, suspension, or restriction;

(6) Violation of a statute or administrative rule regulating professional <u>or</u> <u>amateur</u> athletics;

(7) Failure to cooperate with the department's investigations by:

(a) Not furnishing papers or documents;

(b) Not furnishing in writing a full and complete explanation regarding a matter under investigation by the department; or

(c) Not responding to subpoen is subpoen by the department, whether or not the recipient of the subpoen is the subject of the proceeding;

(8) Failure to comply with an order issued by the director or an assurance of discontinuance entered into by the director;

(9) Aiding or abetting an unlicensed person to act in a manner that requires a professional <u>or amateur</u> athletics ((licensee [license])) <u>license</u>;

(10) Misrepresentation or fraud in any aspect of the conduct of a professional athletics <u>or amateur</u> event; and

(11) Interference with an investigation or disciplinary proceeding by willful misrepresentation of facts before the department or by the use of threats or harassment against any person to prevent them from providing evidence in a disciplinary proceeding or other legal action.

Passed by the House February 9, 2012.

Passed by the Senate March 2, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 100

[House Bill 2306]

PATHOLOGY SERVICES—CLAIMS FOR PAYMENT

AN ACT Relating to authorizing the presentation of claims for payment for pathology services to direct patient-provider primary care practices; amending RCW 48.43.081; and creating a new section.

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

Sec. 1. RCW 48.43.081 and 2011 c 128 s 1 are each amended to read as follows:

(1) A clinical laboratory or physician, located in this state, or in another state, providing anatomic pathology services for patients in this state, shall present or cause to be presented a claim, bill, or demand for payment for these services only to the following:

(a) The patient;

(b) The responsible insurer or other third-party payer;

(c) The hospital, public health clinic, or nonprofit health clinic ordering such services;

(d) <u>A direct patient-provider primary care practice regulated by chapter</u> 48.150 RCW, provided the practice:

(i) Is in compliance with all applicable provisions of law to regulate that practice;

(ii) Has furnished a written confirmation to the physician or laboratory providing the anatomic pathology service that the patient is not covered for anatomic pathology services under any health insurance plan or program;

(iii) Furnishes the patient with an itemized bill that does not, directly or indirectly, mark up or increase the actual amount billed by the physician or clinical laboratory that performed the service; and

(iv) Discloses to the patient, through printed material or through a web site, that all anatomic pathology services are billed at exactly the amount charged for the service by the physician or laboratory that provided the service, and the identity of the provider;

(e) The referring laboratory, excluding a laboratory of a physician's office or group practice that does not perform the professional component of the anatomic pathology service for which such claim, bill, or demand is presented; or

(((e))) (f) Governmental agencies or their specified public or private agent, agency, or organization on behalf of the recipient of the services.

(2) Except for a physician at a referring laboratory that has been billed pursuant to subsection (1)(d) or (6) of this section, no licensed practitioner in the state may, directly or indirectly, charge, bill, or otherwise solicit payment for anatomic pathology services unless such services were rendered personally by the licensed practitioner or under the licensed practitioner's direct supervision in accordance with section 353 of the public health service act (42 U.S.C. Sec. 263a).

(3) No patient, insurer, third-party payer, hospital, public health clinic, or nonprofit health clinic may be required to reimburse any licensed practitioner for charges or claims submitted in violation of this section.

(4) Nothing in this section may be construed to mandate the assignment of benefits for anatomic pathology services as defined in this section.

(5) For purposes of this section, "anatomic pathology services" means:

(a) Histopathology or surgical pathology, meaning the gross and microscopic examination performed by a physician or under the supervision of a physician, including histologic processing;

(b) Cytopathology, meaning the microscopic examination of cells from the following: (i) Fluids, (ii) aspirates, (iii) washings, (iv) brushings, or (v) smears, including the pap test examination performed by a physician or under the supervision of a physician;

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(c) Hematology, meaning the microscopic evaluation of bone marrow aspirates and biopsies performed by a physician, or under the supervision of a physician, and peripheral blood smears when the attending or treating physician, or technologist requests that a blood smear be reviewed by a pathologist;

(d) Subcellular pathology or molecular pathology, meaning the assessment of a patient specimen for the detection, localization, measurement, or analysis of one or more protein or nucleic acid targets; and

(e) Blood-banking services performed by pathologists.

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(6) The provisions of this section do not prohibit billing of a referring laboratory for anatomic pathology services in instances where a sample or samples must be sent to another physician or laboratory for consultation or histologic processing, except that for purposes of this subsection the term "referring laboratory" does not include a laboratory of a physician's office or group practice that does not perform the professional component of the anatomic pathology service involved.

(7) The uniform disciplinary act, chapter 18.130 RCW, governs the discipline of any practitioner who violates the provisions of this section.

<u>NEW SECTION.</u> Sec. 2. Section 1 of this act applies retroactively to July 22, 2011, so that no entity is liable for having presented or caused to be presented a claim, bill, or demand for payment to a direct patient-provider primary care practice in accordance with section 1(1)(d) of this act.

Passed by the House February 1, 2012. Passed by the Senate February 27, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 101

[Engrossed Substitute House Bill 2318] SHARED DECISION MAKING

AN ACT Relating to shared decision making; and amending RCW 7.70.060.

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

Sec. 1. RCW 7.70.060 and 2007 c 259 s 3 are each amended to read as follows:

(1) If a patient while legally competent, or his or her representative if he or she is not competent, signs a consent form which sets forth the following, the signed consent form shall constitute prima facie evidence that the patient gave his or her informed consent to the treatment administered and the patient has the burden of rebutting this by a preponderance of the evidence:

(a) A description, in language the patient could reasonably be expected to understand, of:

(i) The nature and character of the proposed treatment;

(ii) The anticipated results of the proposed treatment;

(iii) The recognized possible alternative forms of treatment; and

(iv) The recognized serious possible risks, complications, and anticipated benefits involved in the treatment and in the recognized possible alternative forms of treatment, including nontreatment; (b) Or as an alternative, a statement that the patient elects not to be informed of the elements set forth in (a) of this subsection.

(2) If a patient while legally competent, or his or her representative if he or she is not competent, signs an acknowledgment of shared decision making as described in this section, such acknowledgment shall constitute prima facie evidence that the patient gave his or her informed consent to the treatment administered and the patient has the burden of rebutting this by clear and convincing evidence. An acknowledgment of shared decision making shall include:

(a) A statement that the patient, or his or her representative, and the health care provider have engaged in shared decision making as an alternative means of meeting the informed consent requirements set forth by laws, accreditation standards, and other mandates;

(b) A brief description of the services that the patient and provider jointly have agreed will be furnished;

(c) A brief description of the patient decision aid or aids that have been used by the patient and provider to address the needs for (i) high-quality, up-to-date information about the condition, including risk and benefits of available options and, if appropriate, a discussion of the limits of scientific knowledge about outcomes; (ii) values clarification to help patients sort out their values and preferences; and (iii) guidance or coaching in deliberation, designed to improve the patient's involvement in the decision process;

(d) A statement that the patient or his or her representative understands: The risk or seriousness of the disease or condition to be prevented or treated; the available treatment alternatives, including nontreatment; and the risks, benefits, and uncertainties of the treatment alternatives, including nontreatment; and

(e) A statement certifying that the patient or his or her representative has had the opportunity to ask the provider questions, and to have any questions answered to the patient's satisfaction, and indicating the patient's intent to receive the identified services.

(3) As used in this section, "shared decision making" means a process in which the physician or other health care practitioner discusses with the patient or his or her representative the information specified in subsection (2) of this section with the use of a patient decision aid and the patient shares with the provider such relevant personal information as might make one treatment or side effect more or less tolerable than others.

(4)(a) As used in this section, "patient decision aid" means a written, audiovisual, or online tool that provides a balanced presentation of the condition and treatment options, benefits, and harms, including, if appropriate, a discussion of the limits of scientific knowledge about outcomes, <u>for any medical condition or</u> <u>procedure, including abortion as defined in RCW 9.02.170</u> and:

(i)(A) That is certified by one or more national certifying organizations recognized by the medical director of the health care authority; or

(B) That has been evaluated based on the international patient decision aid standards by an organization located in the United States or Canada and has a current overall score satisfactory to the medical director of the health care authority; or

(ii) That, if a current evaluation is not available from an organization located in the United States or Canada, the medical director of the health care authority

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has independently assessed and certified based on the international patient decision aid standards.

(b) The health care authority may charge a fee to the certification applicant to defray the costs of the assessment and certification under this subsection.

(5) Failure to use a form or to engage in shared decision making, with or without the use of a patient decision aid, shall not be admissible as evidence of failure to obtain informed consent. There shall be no liability, civil or otherwise, resulting from a health care provider choosing either the signed consent form set forth in subsection (1)(a) of this section or the signed acknowledgment of shared decision making as set forth in subsection (2) of this section.

Passed by the House February 14, 2012. Passed by the Senate March 2, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 102

[Engrossed House Bill 2328] JOB ORDER CONTRACTING

AN ACT Relating to job order contracting; and amending RCW 39.10.420, 39.10.450, 39.10.460, and 43.131.408.

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

Sec. 1. RCW 39.10.420 and 2009 c 75 s 7 are each amended to read as follows:

(1) The following public bodies are authorized to use the job order contracting procedure:

(a) The department of ((general administration)) enterprise services;

(b) The ((University of Washington)) state universities, regional universities, and The Evergreen State College;

(c) ((Washington State University)) Sound transit (central Puget Sound regional transit authority);

(d) Every city with a population greater than seventy thousand and any public authority chartered by such city under RCW 35.21.730 through 35.21.755;

(e) Every county with a population greater than four hundred fifty thousand;

(f) Every port district with total revenues greater than fifteen million dollars per year;

(g) Every public utility district with revenues from energy sales greater than twenty-three million dollars per year;

(h) Every school district; and

(i) The state ferry system.

(2)(a) The department of ((general administration)) <u>enterprise services</u> may issue job order contract work orders for Washington state parks department projects.

(b) The department of ((general administration)) <u>enterprise services</u>, the University of Washington, and Washington State University may issue job order contract work orders for the state regional universities and The Evergreen State College.

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(3) Public bodies may use a job order contract for public works projects when a determination is made that the use of job order contracts will benefit the public by providing an effective means of reducing the total lead-time and cost for the construction of public works projects for repair and renovation required at public facilities through the use of unit price books and work orders by eliminating time-consuming, costly aspects of the traditional public works process, which require separate contracting actions for each small project.

Sec. 2. RCW 39.10.450 and 2007 c 494 s 404 are each amended to read as follows:

(1) The maximum dollar amount for a work order is three hundred fifty thousand dollars. ((For each job order contract, public bodies shall not issue more than two work orders equal to or greater than three hundred thousand dollars in a twelve-month contract period.))

(2) All work orders issued for the same project shall be treated as a single work order for purposes of the dollar limit on work orders.

(3) No more than twenty percent of the dollar value of a work order may consist of items of work not contained in the unit price book.

(4) Any new permanent, enclosed building space constructed under a work order shall not exceed two thousand gross square feet.

(5) A public body may issue no work orders under a job order contract until it has approved, in consultation with the office of minority and women's business enterprises or the equivalent local agency, a plan prepared by the job order contractor that equitably spreads certified women and minority business enterprise subcontracting opportunities, to the extent permitted by the Washington state civil rights act, RCW 49.60.400, among the various subcontract disciplines.

(6) For purposes of chapters 39.08, 39.12, 39.76, and 60.28 RCW, each work order issued shall be treated as a separate contract. The alternate filing provisions of RCW 39.12.040(2) apply to each work order that otherwise meets the eligibility requirements of RCW 39.12.040(2).

(7) The job order contract shall not be used for the procurement of architectural or engineering services not associated with specific work orders. Architectural and engineering services shall be procured in accordance with RCW 39.80.040.

Sec. 3. RCW 39.10.460 and 2007 c 494 s 405 are each amended to read as follows:

<u>Each year, a</u> public body shall provide to the board the following information for each job order contract ((at the end of each contract year)) for the period July 1st through June 30th:

(1) A list of work orders issued;

(2) The cost of each work order;

(3) A list of subcontractors hired under each work order;

(4) If requested by the board, a copy of the intent to pay prevailing wage and the affidavit of wages paid for each work order subcontract; and

(5) Any other information requested by the board.

Sec. 4. RCW 43.131.408 and 2010 1st sp.s. c 21 s 5 are each amended to read as follows:

The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective June 30, 2014:

(1) RCW 39.10.200 and 2010 1st sp.s. c 21 s 2, 2007 c 494 s 1, & 1994 c 132 s 1;

(2) RCW 39.10.210 and <u>2010 1st sp.s. c 36 s 6014</u>, 2007 c 494 s 101, & 2005 c 469 s 3;

(3) RCW 39.10.220 and 2007 c 494 s 102 & 2005 c 377 s 1;

(4) RCW 39.10.230 and 2010 1st sp.s. c 21 s 3, 2009 c 75 s 1, 2007 c 494 s 103, & 2005 c 377 s 2;

(5) RCW 39.10.240 and 2007 c 494 s 104;

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(6) RCW 39.10.250 and <u>2009 c 75 s 2 &</u> 2007 c 494 s 105; (7) RCW 39.10.260 and 2007 c 494 s 106;

(8) RCW 39.10.270 and <u>2009 c 75 s 3 &</u> 2007 c 494 s 107;

(9) RCW 39.10.280 and 2007 c 494 s 108;

(10) RCW 39.10.290 and 2007 c 494 s 109;

(11) RCW 39.10.300 and <u>2009 c 75 s 4 &</u> 2007 c 494 s 201((, 2003 c 352 s 2, 2003 c 300 s 4, 2002 c 46 s 1, & 2001 c 328 s 2));

(12) RCW 39.10.320 and 2007 c 494 s 203 & 1994 c 132 s 7;

(13) RCW 39.10.330 and <u>2009 c 75 s 5 &</u> 2007 c 494 s 204;

(14) RCW 39.10.340 and 2007 c 494 s 301((, 2003 c 352 s 3, 2003 c 300 s 5, 2002 c 46 s 2, & 2001 c 328 s 3));

(15) RCW 39.10.350 and 2007 c 494 s 302;

(16) RCW 39.10.360 and 2009 c 75 s 6 & 2007 c 494 s 303;

(17) RCW 39.10.370 and 2007 c 494 s 304;

(18) RCW 39.10.380 and 2007 c 494 s 305;

(19) <u>RCW 39.10.385 and 2010 c 163 s 1;</u>

(20) RCW 39.10.390 and 2007 c 494 s 306;

(((20))) <u>(21)</u> RCW 39.10.400 and 2007 c 494 s 307;

(((21))) <u>(22)</u> RCW 39.10.410 and 2007 c 494 s 308;

(((22))) (23) RCW 39.10.420 and <u>2012 c ... s 1 (section 1 of this act)</u>, 2009 c <u>75 s 7</u>, 2007 c 494 s 401, & 2003 c 301 s 1;

(((23))) (<u>24</u>) RCW 39.10.430 and 2007 c 494 s 402;

(((24))) <u>(25)</u> RCW 39.10.440 and 2007 c 494 s 403;

(((25))) (<u>26)</u> RCW 39.10.450 and <u>2012 c ... s 2 (section 2 of this act) &</u> 2007 c 494 s 404;

(((26))) (<u>27</u>) RCW 39.10.460 and <u>2012 c ... s 3 (section 3 of this act) &</u> 2007 c 494 s 405;

(((27))) <u>(28)</u> RCW 39.10.470 and 2005 c 274 s 275 & 1994 c 132 s 10;

(((28))) <u>(29)</u> RCW 39.10.480 and 1994 c 132 s 9;

(((29))) <u>(30)</u> RCW 39.10.490 and 2007 c 494 s 501 & 2001 c 328 s 5;

(((30))) <u>(31)</u> RCW 39.10.500 and 2007 c 494 s 502;

(((31))) <u>(32)</u> RCW 39.10.510 and 2007 c 494 s 503;

(((32))) <u>(33)</u> RCW 39.10.900 and 1994 c 132 s 13;

(((33))) <u>(34)</u> RCW 39.10.901 and 1994 c 132 s 14; ((and

(34))) (35) RCW 39.10.903 and 2007 c 494 s 510((-));

(36) RCW 39.10.904 and 2007 c 494 s 512; and

(37) RCW 39.10.905 and 2007 c 494 s 513.

Passed by the House February 14, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 103

[Engrossed Substitute House Bill 2341] HOSPITALS—COMMUNITY BENEFITS

AN ACT Relating to community benefits provided by hospitals; and adding a new section to chapter 70.41 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 70.41 RCW to read as follows:

(1) As of January 1, 2013, each hospital that is recognized by the internal revenue service as a 501(c)(3) nonprofit entity must make its federally required community health needs assessment widely available to the public within fifteen days of submission to the internal revenue service. Following completion of the initial community health needs assessment, each hospital in accordance with the internal revenue service, shall complete and make widely available to the public an assessment once every three years.

(2) Unless contained in the community health needs assessment under subsection (1) of this section, a hospital subject to the requirements under subsection (1) of this section shall make public a description of the community served by the hospital, including both a geographic description and a description of the general population served by the hospital; and demographic information such as leading causes of death, levels of chronic illness, and descriptions of the medically underserved, low-income, and minority, or chronically ill populations in the community.

(3)(a) Each hospital subject to the requirements of subsection (1) of this section shall make widely available to the public a community benefit implementation strategy within one year of completing its community health needs assessment. In developing the implementation strategy, hospitals shall consult with community-based organizations and stakeholders, and local public health jurisdictions, as well as any additional consultations the hospital decides to undertake. Unless contained in the implementation strategy under this subsection (3)(a), the hospital must provide a brief explanation for not accepting recommendations for community benefit proposals identified in the assessment through the stakeholder consultation process, such as excessive expense to implement or infeasibility of implementation of the proposal.

(b) Implementation strategies must be evidence-based, when available; or development and implementation of innovative programs and practices should be supported by evaluation measures.

(4) For the purposes of this section, the term "widely available to the public" has the same meaning as in the internal revenue service guidelines.

Passed by the House February 13, 2012. Passed by the Senate February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012. Ch. 102

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CHAPTER 104

[Substitute House Bill 2352] HIGHER EDUCATION—SERVICES AND ACTIVITIES FEES

AN ACT Relating to institutions of higher education services and activities fees; amending

RCW 28B.15.045; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. The legislature recognizes that students play an important role in recommending how services and activities fees should be expended, as the majority of members of the services and activities fees committee at each institution of higher education. It is the intent of the legislature to increase transparency, so that expenditures of revenue from services and activities fees are clearly visible and accessible to the students who pay those fees.

Sec. 2. RCW 28B.15.045 and 1994 c 41 s 1 are each amended to read as follows:

The legislature recognizes that institutional governing boards have a responsibility to manage and protect institutions of higher education. This responsibility includes ensuring certain lawful agreements for which revenues from services and activities fees have been pledged. Such lawful agreements include, but are not limited to, bond covenant agreements and other contractual obligations. Institutional governing boards are also expected to protect the stability of programs that benefit students.

The legislature also recognizes that services and activities fees are paid by students for the express purpose of funding student services and programs. It is the intent of the legislature that governing boards ensure that students have a strong voice in recommending budgets for services and activities fees. The boards of trustees and the boards of regents of the respective institutions of higher education shall adopt guidelines governing the establishment and funding of programs supported by services and activities fees. Such guidelines shall stipulate procedures for budgeting and expending services and activities fee revenue. Any such guidelines shall be consistent with the following provisions:

(1) Student representatives from the services and activities fee committee and representatives of the college or university administration shall have an opportunity to address the board before board decisions on services and activities fee budgets and dispute resolution actions are made.

(2) Members of the governing boards shall adhere to the principle that services and activities fee committee desires be given priority consideration on funding items that do not fall into the categories of preexisting contractual obligations, bond covenant agreements, or stability for programs affecting students.

(3) Responsibility for proposing to the administration and the governing board program priorities and budget levels for that portion of program budgets that derive from services and activities fees shall reside with a services and activities fee committee, on which students shall hold at least a majority of the voting memberships, such student members shall represent diverse student interests, and shall be recommended by the student government association or its equivalent. The chairperson of the services and activities fee committee shall be selected by the members of that committee. The governing board shall insure that the services and activities fee committee provides an opportunity for all viewpoints to be heard at a public meeting during its consideration of the funding of student programs and activities.

(4) The services and activities fee committee shall evaluate existing and proposed programs and submit budget recommendations for the expenditure of those services and activities fees with supporting documents simultaneously to the college or university governing board and administration.

(5) The college or university administration shall review the services and activities fee committee budget recommendations and publish a written response to the services and activities fee committee. This response shall outline potential areas of difference between the committee recommendations and the administration's proposed budget recommendations. This response, with supporting documentation, shall be submitted to the services and activities fee committee in a timely manner to allow adequate consideration.

(6)(a) In the event of a dispute or disputes involving the services and activities fee committee recommendations, the college or university administration shall meet with the services and activities fee committee in a good faith effort to resolve such dispute or disputes prior to submittal of final recommendations to the governing board.

(b) If said dispute is not resolved within fourteen days, a dispute resolution committee shall be convened by the chair of the services and activities fee committee within fourteen days.

(7) The dispute resolution committee shall be selected as follows: The college or university administration shall appoint two nonvoting advisory members; the governing board shall appoint three voting members; and the services and activities fee committee chair shall appoint three student members of the services and activities fee committee who will have a vote, and one student representing the services and activities fee committee who will chair the dispute resolution committee and be nonvoting. The committee shall meet in good faith, and settle by vote any and all disputes. In the event of a tie vote, the chair of the dispute resolution committee shall vote to settle the dispute.

(8) The governing board may take action on those portions of the services and activities fee budget not in dispute in accordance with the customary budget approval timeline established by the board. The governing board shall consider the results, if any, of the dispute resolution committee and shall take action.

(9) Services and activities fees and revenues generated by programs and activities funded by such fees shall be deposited and expended through the office of the chief fiscal officer of the institution.

(10) Services and activities fees and revenues generated by programs and activities funded by such fees shall be subject to the applicable policies, regulations, and procedures of the institution and the budget and accounting act, chapter 43.88 RCW.

(11) All information pertaining to services and activities fees budgets shall be made available to interested parties. <u>Annually, by September 30th, the</u> <u>services and activities fees committee at each institution of higher education, in</u> <u>coordination with the administration of the institution of higher education, shall</u> <u>post services and activities fees expenditure information for the prior academic</u> <u>year on the college or university web site so that the information is clearly</u> <u>visible and easily accessible to students and the public. At a minimum, the</u>

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services and activities fees budget information must include all the major categories of expenditure and the amounts expended in each category.

(12) With the exception of any funds needed for bond covenant obligations, once the budget for expending service and activities fees is approved by the governing board, funds shall not be shifted from funds budgeted for associated students or departmentally related categories or the reserve fund until the administration provides written justification to the services and activities fee committee and the governing board, and the governing board and the services and activities fee committee give their express approval. In the event of a fund transfer dispute among the services and activities fee committee, the administration, or the governing board, said dispute shall be resolved pursuant to subsections (6)(b), (7), and (8) of this section.

(13) Any service and activities fees collected which exceed initially budgeted amounts are subject to subsections (1) through (10) and (12) of this section.

Passed by the House February 10, 2012. Passed by the Senate February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 105

[Substitute House Bill 2354]

STATUTE OF LIMITATIONS—TRAFFICKING IN STOLEN PROPERTY

AN ACT Relating to adding trafficking in stolen property in the first and second degrees to the six-year statute of limitations provisions; and reenacting and amending RCW 9A.04.080.

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

Sec. 1. RCW 9A.04.080 and 2009 c 61 s 1 and 2009 c 53 s 1 are each reenacted and amended to read as follows:

(1) Prosecutions for criminal offenses shall not be commenced after the periods prescribed in this section.

(a) The following offenses may be prosecuted at any time after their commission:

(i) Murder;

(ii) Homicide by abuse;

(iii) Arson if a death results;

(iv) Vehicular homicide;

(v) Vehicular assault if a death results;

(vi) Hit-and-run injury-accident if a death results (RCW 46.52.020(4)).

(b) The following offenses shall not be prosecuted more than ten years after their commission:

(i) Any felony committed by a public officer if the commission is in connection with the duties of his or her office or constitutes a breach of his or her public duty or a violation of the oath of office;

(ii) Arson if no death results; or

(iii)(A) Violations of RCW 9A.44.040 or 9A.44.050 if the rape is reported to a law enforcement agency within one year of its commission; except that if the victim is under fourteen years of age when the rape is committed and the rape is reported to a law enforcement agency within one year of its commission, the violation may be prosecuted up to the victim's twenty-eighth birthday.

(B) If a violation of RCW 9A.44.040 or 9A.44.050 is not reported within one year, the rape may not be prosecuted: (I) More than three years after its commission if the violation was committed against a victim fourteen years of age or older; or (II) more than three years after the victim's eighteenth birthday or more than seven years after the rape's commission, whichever is later, if the violation was committed against a victim under fourteen years of age.

(c) Violations of the following statutes may be prosecuted up to the victim's twenty-eighth birthday: RCW 9A.44.073, 9A.44.076, 9A.44.083, 9A.44.086, 9A.44.070, 9A.44.080, 9A.44.100(1)(b), 9A.44.079, 9A.44.089, or 9A.64.020.

(d) The following offenses shall not be prosecuted more than six years after their commission or their discovery, whichever occurs later:

(i) Violations of RCW 9A.82.060 or 9A.82.080;

(ii) Any felony violation of chapter 9A.83 RCW;

(iii) Any felony violation of chapter 9.35 RCW; ((or))

(iv) Theft in the first or second degree under chapter 9A.56 RCW when accomplished by color or aid of deception; or

(v) Trafficking in stolen property in the first or second degree under chapter 9A.82 RCW in which the stolen property is a motor vehicle or major component part of a motor vehicle as defined in RCW 46.80.010.

(e) The following offenses shall not be prosecuted more than five years after their commission: Any class C felony under chapter 74.09, 82.36, or 82.38 RCW.

(f) Bigamy shall not be prosecuted more than three years after the time specified in RCW 9A.64.010.

(g) A violation of RCW 9A.56.030 must not be prosecuted more than three years after the discovery of the offense when the victim is a tax exempt corporation under 26 U.S.C. Sec. 501(c)(3).

(h) No other felony may be prosecuted more than three years after its commission; except that in a prosecution under RCW 9A.44.115, if the person who was viewed, photographed, or filmed did not realize at the time that he or she was being viewed, photographed, or filmed, the prosecution must be commenced within two years of the time the person who was viewed or in the photograph or film first learns that he or she was viewed, photographed, or filmed.

(i) No gross misdemeanor may be prosecuted more than two years after its commission.

(j) No misdemeanor may be prosecuted more than one year after its commission.

(2) The periods of limitation prescribed in subsection (1) of this section do not run during any time when the person charged is not usually and publicly resident within this state.

(3) In any prosecution for a sex offense as defined in RCW 9.94A.030, the periods of limitation prescribed in subsection (1) of this section run from the date of commission or one year from the date on which the identity of the suspect is conclusively established by deoxyribonucleic acid testing, whichever is later.

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(4) If, before the end of a period of limitation prescribed in subsection (1) of this section, an indictment has been found or a complaint or an information has been filed, and the indictment, complaint, or information is set aside, then the period of limitation is extended by a period equal to the length of time from the finding or filing to the setting aside.

Passed by the House February 9, 2012. Passed by the Senate February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 106

[House Bill 2362]

WINE PRODUCER LIENS

AN ACT Relating to wine producer liens; amending RCW 60.13.010, 60.13.040, 60.13.060, and 60.13.070; and adding new sections to chapter 60.13 RCW.

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

Sec. 1. RCW 60.13.010 and 2002 c 278 s 1 are each amended to read as follows:

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

(1) "Agricultural product" means any unprocessed horticultural, vermicultural and its by-products, viticultural, berry, poultry, poultry product, grain, bee, or other agricultural products, and includes mint or mint oil processed by or for the producer thereof and hay and straw baled or prepared for market in any manner or form and livestock. When used in RCW 60.13.020, "agricultural product" means horticultural, viticultural, aquacultural, or berry products, hay and straw, milk and milk products, vegetable seed, or turf and forage seed and applies only when such products are delivered to a processor or conditioner in an unprocessed form.

(2) "Conditioner," "consignor," "person," and "producer" have the meanings defined in RCW 20.01.010.

(3) "Delivers" means that a producer completes the performance of all contractual obligations with reference to the transfer of actual or constructive possession or control of an agricultural product to a processor or conditioner or preparer, regardless of whether the processor or conditioner or preparer takes physical possession.

(4) "Preparer" means a person engaged in the business of feeding livestock or preparing livestock products for market.

(5) "Processor" means any person, firm, company, or other organization that purchases agricultural products except milk and milk products from a consignor and that cans, freezes, dries, dehydrates, cooks, presses, powders, or otherwise processes those crops in any manner whatsoever for eventual resale, or that purchases or markets milk from a dairy producer and is obligated to remit payment to such dairy producer directly.

(6) "Commercial fisherman" means a person licensed to fish commercially for or to take food fish or shellfish or steelhead legally caught pursuant to executive order, treaty right, or federal statute. (7) "Fish" means food fish or shellfish or steelhead legally caught pursuant to executive order, treaty right, or federal statute.

(8) "Vinifera grapes" means the agricultural product commonly known as *Vitis vinifera* and those hybrid of *Vitis vinifera* that have predominantly the character of *Vitis vinifera*.

(9) "Wine producer" means any person or other entity licensed under Title 66 RCW to produce within the state wine from vinifera grapes.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 60.13 RCW to read as follows:

Starting on the date a producer of vinifera grapes delivers vinifera grapes to a wine producer, the producer has a first priority statutory lien, referred to as a wine producer lien. This wine producer lien shall continue, without filing notice of lien, until sixty days after payment for the product is due and remains unpaid, for the contract price, if any, or the fair market value of the products delivered. The wine producer lien attaches to the vinifera grapes delivered, to the wine producer's inventory, and to the wine producer's accounts receivable. For purposes of this section, payment is due on the date specified in the contract, or if not specified or no contract exists, then within thirty days from time of delivery.

Sec. 3. RCW 60.13.040 and 2002 c 278 s 2 are each amended to read as follows:

(1) A producer or commercial fisherman claiming a <u>wine producer</u>, processor, or preparer lien may file a statement evidencing the lien with the department of licensing after payment from the <u>wine producer</u>, processor, conditioner, or preparer to the producer or fisherman is due and remains unpaid. For purposes of this subsection and RCW 60.13.050, payment is due on the date specified in the contract, or if not specified, then within thirty days from time of delivery.

(2) The statement shall be in a record, authenticated by the producer or fisherman, and shall contain in substance the following information:

(a) A true statement or a reasonable estimate of the amount demanded after deducting all credits and offsets;

(b) The name of the <u>wine producer</u>, processor, conditioner, or preparer who received the agricultural product or fish to be charged with the lien;

(c) A description sufficient to identify the agricultural product or fish to be charged with the lien;

(d) A statement that the amount claimed is a true and bona fide existing debt as of the date of the filing of the notice evidencing the lien;

(e) The date on which payment was due for the agricultural product or fish to be charged with the lien; and

(f) The department of licensing may by rule prescribe standard filing forms, fees, and uniform procedures for filing with, and obtaining information from, filing officers.

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 60.13 RCW to read as follows:

(1)(a) If a statement is filed pursuant to RCW 60.13.040 within sixty days of the date upon which payment from the wine producer is due and remains unpaid, the wine producer lien evidenced by the statement continues its priority over all

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other liens or security interests upon the vinifera grapes delivered, inventory, and accounts receivable, except as provided in (b) of this subsection. This priority is without regard to whether the other liens or security interests attached before or after the date on which the wine producer lien attached.

(b) The wine producer lien is subordinate to liens for taxes or labor perfected before filing of the wine producer lien.

(2) If the statement provided for in RCW 60.13.040 is not filed within sixty days of the date payment is due and remains unpaid, the wine producer lien thereupon becomes subordinate to:

(a) A lien that has attached to the vinifera grapes delivered, inventory, or accounts receivable before the date on which the wine producer lien attaches; and

(b) A perfected security interest in the vinifera grapes delivered, inventory, or accounts receivable.

Sec. 5. RCW 60.13.060 and 2002 c 278 s 3 are each amended to read as follows:

(1) The <u>wine producer or processor lien shall terminate twelve months after</u>, and the preparer lien shall terminate fifty days after, the later of the date of attachment or filing, unless a suit to foreclose the lien has been filed before that time as provided in RCW 60.13.070.

(2) If a statement has been filed as provided in RCW 60.13.040 and the producer or commercial fisherman has received payment for the obligation secured by the lien, the producer or fisherman shall promptly file with the department of licensing a statement declaring that full payment has been received and that the lien is discharged. If, after payment, the producer or fisherman fails to file such statement of discharge within ten days following a request to do so, the producer or fisherman shall be liable to the <u>wine producer</u>, processor, conditioner, or preparer in the sum of one hundred dollars plus actual damages caused by the failure.

Sec. 6. RCW 60.13.070 and 1985 c 412 s 7 are each amended to read as follows:

(1) The <u>wine producer</u>, processor<u></u>, or preparer liens may be foreclosed and enforced by civil action in superior court.

(2) In all suits to enforce <u>wine producer</u>, processor, or preparer liens, the court shall, upon entering judgment, allow to the prevailing party as a part of the costs, all moneys paid for the filing and recording of the lien and reasonable attorney fees.

Passed by the House February 1, 2012. Passed by the Senate February 28, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 107

[Substitute House Bill 2367] DAIRY PRODUCTS COMMISSION

AN ACT Relating to the dairy products commission; and amending RCW 15.44.010, 15.44.020, 15.44.021, 15.44.022, 15.44.027, 15.44.030, 15.44.032, 15.44.033, and 15.44.035.

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

Sec. 1. RCW 15.44.010 and 2002 c 313 s 88 are each amended to read as follows:

((As used in this chapter:)) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Commission" means the Washington state dairy products $\operatorname{commission}((;))_{\cdot}$

 $((T_{\Theta}))$ (2) "Ship" means to deliver or consign milk or cream to a person dealing in, processing, distributing, or manufacturing dairy products for sale, for human consumption, or industrial or medicinal uses((;)).

(3) "Handler" means ((one)) <u>a person doing business in the state of</u> <u>Washington</u> who purchases milk, cream, or skimmed milk for processing, manufacturing, sale, or distribution(($\frac{1}{2}$)).

(4) "Dealer" means ((one)) <u>a person doing business in the state of</u> <u>Washington</u> who handles, ships, buys, and sells dairy products, or who acts as sales or purchasing agent, broker, or factor of dairy products((;)).

(5) "Mail" or "send" for purposes of any notice relating to rule making, referenda, or elections means regular mail or electronic distribution, as provided in RCW 34.05.260 for rule making. "Electronic distribution" or "electronically" means distribution by electronic mail or facsimile mail(($\frac{1}{2}$)).

(6) "Processor" means a person doing business in the state of Washington who uses milk or cream for canning, drying, manufacturing, preparing, or packaging or for use in producing or manufacturing any product therefrom($(\frac{1}{2})$).

(7) "Producer" means a person <u>doing business in the state of Washington</u> who produces milk from cows and sells it for human or animal food, or medicinal or industrial uses((;)).

(8) "Maximum authorized assessment rate" means the level of assessment most recently approved by a referendum of producers((;)).

(9) "Current level of assessment" means the level of assessment paid by the producer as set by the commission which cannot exceed the maximum authorized assessment rate.

(10) "Person" means an individual, firm, corporation, limited liability company, trust, association, partnership, society, or any other organization of individuals, or any unit or agency of local, state, or federal government.

Sec. 2. RCW 15.44.020 and 2008 c 12 s 1 are each amended to read as follows:

The ((dairy products)) commission shall be composed of ((not more than nine members. There shall be one member from each district who shall be a practical producer of dairy products and one member shall be a)) producers and at least one dealer. The director ((of agriculture)) shall be a voting member of the commission.

As used in this chapter, "director" means the director of agriculture or his or her authorized representative.

Sec. 3. RCW 15.44.021 and 2008 c 12 s 2 are each amended to read as follows:

(1) The director shall appoint the members of the commission.

(2) Candidates for producer member positions on the commission shall be nominated under RCW 15.44.033. <u>The director may select a nominated candidate for a position or may reject all candidates.</u>

(3) If two candidates are nominated, the director may choose one, reject both, or call for an advisory vote between the two candidates.

In the event there are more than two candidates nominated for the producer member positions, the director shall cause an advisory vote to be held ((for the producer member positions)). Advisory ballots shall be mailed to all ((affected)) producers in the district or area where a vacancy is about to occur and shall be returned to the director not less than thirty days prior to the commencement of the term. The advisory ballot shall be conducted in a manner so that it is a secret ballot. The names of the two candidates receiving the most votes in the advisory vote shall be forwarded to the director for potential appointment to the commission. ((In the event there are only two candidates nominated for a position, an advisory vote may not be held and the candidates' names shall be forwarded to the director for potential appointment. If only one candidate is nominated for a position, the director has the discretion to appoint or reject the candidate.))

(4) <u>The director may request that any candidate whose name is forwarded to</u> the director for potential appointment ((shall)) submit ((to the director)) a letter stating why he or she wishes to be appointed to the commission. ((The director may select any candidate for the position or may reject all candidates and request a new advisory vote with nominees selected by the commission or, if the eommission desires, by the director.))

(5) If the director rejects one or more of the candidates nominated under RCW 15.44.033, the director may request that the commission provide additional qualified nominees for consideration. Upon receipt of the nomination or nominations, the director may select a candidate, cause an advisory vote to be held, or reject the nominees. If the commission does not submit additional nominees to the director within thirty days of the director's request, the director shall nominate additional candidates for an advisory vote.

(6) The commission may appoint up to three nonvoting members who have expertise in marketing, operations, or other topics relevant to the work of the commission. The term of office for each nonvoting position is one year and may be renewed by the commission.

(7) The director shall appoint one person to a dealer position, unless the commission adopts rules providing for additional dealer positions on the commission.

Sec. 4. RCW 15.44.022 and 2003 c 396 s 28 are each amended to read as follows:

(1) To accomplish the transition to ((a commission structure where the director appoints the commission members, the names of the currently elected commission members shall be forwarded to the director for appointment to the commission within thirty days of May 20, 2003. Thereafter, the director shall appoint commission members pursuant to RCW 15.44.021 as the current commission member terms expire)) the newly defined districts and areas as described in RCW 15.44.027, the initial producer appointments are as follows:

(a) The current incumbent representing district one must be appointed to the new district four position with an expiration date of June 30, 2015;

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(b) The current incumbent representing district two must be appointed to the eastern Washington at-large position with an expiration date of June 30, 2015;

(c) The current incumbent representing district three must be appointed to the new district one position with an expiration date of June 30, 2013;

(d) The current incumbent representing district four must be appointed to the new district three position with an expiration date of June 30, 2013;

(e) The current incumbent representing district five must be appointed to the state at-large position with an expiration date of June 30, 2014;

(f) The current incumbent representing district six must be appointed to the new western Washington at-large position with an expiration date of June 30, 2014;

(g) The current incumbent representing district seven must be appointed to the new district two position with an expiration date of June 30, 2014; and

(h) The current incumbent representing dealers must be appointed to the dealer position with an expiration date of June 30, 2013.

(2) Thereafter, producer and dealer members are nominated and appointed as provided for under RCW 15.44.021 and 15.44.033.

Sec. 5. RCW 15.44.027 and 2010 c 8 s 6057 are each amended to read as follows:

((The commission shall delete, combine, revise, amend, or modify in any manner commission districts and boundaries by regulation as required and in accordance with the intent and provisions of this section. Commission districts established by statute prior to September 8, 1975 shall remain in effect until superseded by such regulations.))

(1) One producer member of the commission must be appointed from each of the following districts or areas:

(a) District one, which includes the counties of Whatcom, Skagit, Snohomish, San Juan, Island, and that portion of King county located north of interstate 90;

(b) District two, which includes the counties of Clallam, Jefferson, Grays Harbor, Kitsap, Mason, Thurston, Pierce, Lewis, Wahkiakum, Cowlitz, Clark, Skamania, and that portion of King county located south of interstate 90;

(c) District three, which includes the counties of Yakima, Klickitat, and Benton;

(d) District four, which includes the counties of Kittitas, Grant, Franklin, Walla Walla, Columbia, Garfield, Asotin, Whitman, Adams, Lincoln, Spokane, Douglas, Chelan, Okanogan, Ferry, Stevens, and Pend Oreille;

(e) Western Washington at-large, which includes that portion of the state of Washington located west of the crest of the Cascade mountains;

(f) Eastern Washington at-large, which includes that portion of the state of Washington located east of the crest of the Cascade mountains; and

(g) The state at large, which includes the entire state.

(2) The commission may adopt rules to eliminate, combine, revise, amend, or otherwise modify commission districts and areas in accordance with the intent and provisions of this chapter. In the event of redistricting, the procedure for transition of appointments to new districts or areas must be set forth in rule. The commission may adopt rules allowing the appointment of additional dealers to the commission.

(3) The boundaries <u>and numbers</u> of the commission districts <u>or areas</u> shall be maintained in a manner that ((assures)) <u>ensures</u> each producer a representation in the commission which is reasonably equal with the representation afforded all other producers by their commission members <u>and</u> <u>maintains reasonable apportionment for each historical production or marketing</u> <u>area. However, the requirement of this section for reasonable equal</u> <u>representation of each producer on the commission does not require an equality</u> <u>of representation when the commission districts east of the crest of the Cascade</u> <u>mountains are compared to the commission districts west of the crest of the</u> <u>Cascade mountains</u>.

(4) The commission shall, when requested in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW as enacted or hereafter amended, or on its own initiative, hold hearings to determine if new boundaries for each commission district <u>or area</u> should be established in order to afford each producer a reasonably equal representation in the commission, and if the commission so finds it shall change the boundaries of ((said)) <u>the</u> commission districts <u>or areas</u> to carry out the proper reapportionment of producer representation on the commission((: PROVIDED, That the requirement of this section for reasonable equal representation of each producer on the commission need not require an equality of representation when the commission districts exist of the caseade mountains are compared to the commission districts west of the crest of the Caseade mountains: PROVIDED FURTHER, That the area east of the crest of the Caseade mountains shall comprise not less than two eommission districts.

The commission may in carrying out this reapportionment directive reduce the number of districts presently provided by prior law, whenever it is in the best interest of the producers and if such change would maintain reasonable apportionment for each historical production or marketing area: PROVIDED, That each elected commission member whose district may be consolidated with another district shall be allowed to serve out his or her term of office)).

(5) A review of boundaries and areas must be conducted by the commission at least every five years and take into consideration the distribution of producers, the number of head, production levels, and other relevant factors as determined by the commission. If the commission fails to carry out its ((directive)) responsibilities as set forth ((herein for equal representation of each producer on the commission)) in this section, the director ((of agriculture)) may upon request by ten producers institute a hearing to determine if there is reasonably equal representation for each producer on the commission. If the director ((of agriculture)) finds that such reasonably equal representation is lacking, he or she then shall realign the district boundaries in a manner which will provide proper representation on the commission for each producer.

Sec. 6. RCW 15.44.030 and 2008 c 12 s 3 are each amended to read as follows:

Each of the producer members of the commission shall:

(1) Be a citizen and resident of this state and the district <u>or area</u> which he or she represents; and

(2) Be and for the five years last preceding his or her election have been actually engaged as an owner or shareholder in producing dairy products within this state. These qualifications must continue during each member's term of office.

The dealer member shall be actively engaged as a dealer in dairy products or employed in a dealer capacity as an officer or employee at management level in a dairy products organization.

Sec. 7. RCW 15.44.032 and 2008 c 12 s 4 are each amended to read as follows:

(1) Except as provided in this section for initial appointments after redistricting or boundary modification, the ((regular)) term of office of each producer member of the commission shall be three years. Commission members shall ((be first nominated and elected in 1966 in the manner set forth in RCW 15.44.033 and shall take office as soon as they are qualified. However, expiration of the term of the respective commission members first elected in 1966 shall be as follows:

(1) District I and II on July 1, 1967;

(2) District III and IV on July 1, 1968; and

(3) District V, VI and VII on July 1, 1969.

The respective terms shall end on July 1st of each third year thereafter)) continue to serve their terms until new appointments are made.

(2) Any vacancies that occur on the commission shall be filled by appointment by the director from a list <u>containing the names</u> of <u>a candidate or</u> candidates forwarded to the director by the commission. ((If only one name is forwarded,)) The director has the discretion to appoint or reject the candidate <u>or</u> <u>candidates</u> and, if <u>the candidate or candidates are</u> rejected, request additional candidates. The appointee shall hold office for the remainder of the term for which he or she is appointed to fill, so that commission memberships shall be on a uniform staggered basis.

((The term of office of the first dealer appointed by the director shall expire July 1, 1977.)) (3) The term of office of each dealer shall be three years or until such time as a successor is duly appointed. Any vacancy for a dealer shall be forthwith filled by the director. The director, in making any <u>dealer</u> appointments ((set forth herein)), may consider lists of nominees supplied by dealers or producers also acting as dealers.

Sec. 8. RCW 15.44.033 and 2003 c 396 s 26 are each amended to read as follows:

(1) Producer members of the commission shall be nominated by producers within the district <u>or area</u> that such producer members represent ((in the year in which a commission member's term shall expire)).

(2) Nomination for candidates to be appointed to the commission shall be conducted by mail by the director. Such nomination forms shall be mailed by the director to each producer in a district <u>or area</u> where a vacancy is about to occur. Such mailing shall be made on or after April 1st, but not later than April 10th of the year the ((commission vacancy will occur)) incumbent's term will <u>expire</u>. The nomination form shall provide for the name of the ((producer being nominated)) <u>nominee</u> and the names of five <u>other</u> producers nominating such nominee. The producers nominating such nominee shall ((affix their signatures to such)) sign the form and shall further attest that the ((said)) nominee meets the

qualifications for a producer member to serve on the commission and that he or she will be willing to serve on the commission if appointed.

(2) All nominations as provided for ((herein)) in this section shall be returned to the director by April 30th, and the director shall not accept any nomination postmarked later than midnight April 30th, nor place the candidate thereon on the advisory ((election)) ballot.

(3) Advisory vote ballots for ((electing)) appointing nominees to the commission will be mailed by the director to all eligible producers no later than May 15th, in districts or areas where advisory ((elections)) votes are to be held and such ballots to be valid shall be returned postmarked no later than May 31st of the year mailed, to the director in Olympia.

(4) The director shall determine whether the persons nominated possess the qualifications required by statute for the position.

Sec. 9. RCW 15.44.035 and 2003 c 396 s 27 are each amended to read as follows:

(1) The commission shall prior to each advisory ((election)) vote, in sufficient time to satisfy the requirements of RCW 15.44.033, furnish the director with a list of all producers within the district or area for which the advisory ((election)) vote is being held. The commission shall require each dealer and shipper in addition to the information required under RCW 15.44.110 to furnish the commission with a list of names of producers whose milk they handle.

(2) Any producer may on his or her own motion file his or her name with the commission for the purpose of receiving notice of the advisory ((election)) vote.

(3) It is the responsibility of each producer to ensure that his or her correct address is filed with the commission.

(4) For all purposes of giving notice, holding referenda, and conducting advisory votes for nominees to the commission, the applicable list of producers corrected up to the day preceding the date the list is certified and mailed to the director is deemed to be the list of all producers or handlers, as applicable, entitled to notice or to vote. The list shall be corrected and brought up-to-date in accordance with evidence and information provided to the commission.

Passed by the House February 1, 2012. Passed by the Senate February 28, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 108

[Engrossed Substitute House Bill 2384] PERSONAL VEHICLE SHARING PROGRAMS

AN ACT Relating to personal vehicle sharing programs; adding a new chapter to Title 48 RCW; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. For the purposes of this chapter, unless the context otherwise requires:

(1) "Owner's insurance policy" means an automobile liability insurance policy, as defined in RCW 48.22.005, that includes:

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(a) All coverage necessary to comply with the requirements of chapter 46.30 RCW; and

(b) Any optional coverage selected by the registered owner, including:

(i) Personal injury protection coverage as defined in RCW 48.22.005;

(ii) Underinsured coverage as defined in RCW 48.22.030;

(iii) Comprehensive property damage coverage for the vehicle; and

(iv) Collision property damage coverage for the vehicle.

(2) "Personal vehicle sharing" means the operation and use of a private passenger motor vehicle, by persons other than the vehicle's registered owner in connection with a personal vehicle sharing program.

(3) "Personal vehicle sharing program" or "program" means a legal entity qualified to do business in this state engaged in the business of facilitating the sharing of private passenger motor vehicles for noncommercial use by individuals within this state. For the purposes of this subsection, "noncommercial use" means use other than that for a "commercial vehicle" as defined in RCW 46.04.140.

(4) "Private passenger motor vehicle" means a four-wheel passenger motor vehicle insured under an automobile liability insurance policy covering a single individual or individuals residing in the same household as the named insured.

(5) "Program insurance policy" means an automobile liability insurance policy that is obtained by the personal vehicle sharing program and that:

(a) Includes all coverage needed to comply with the requirements of chapter 46.30 RCW;

(b) Includes the following optional coverages:

(i) Comprehensive property damage coverage for the vehicle; and

(ii) Collision property damage coverage for the vehicle;

(c) Offers to the named insured on the program policy underinsured coverage as defined in RCW 48.22.030;

(d) Offers to the named insured on the program policy underinsured coverage as defined in RCW 48.22.005; and

(e) Does not include any other optional coverage selected by the owner of the vehicle and included in the owner's insurance policy.

<u>NEW SECTION.</u> Sec. 2. For each vehicle that the program facilitates the use of, a program must:

(1) Provide a program insurance policy with coverage for the vehicle and all persons who, with the consent of the program, use the motor vehicle insured while in control of the vehicle in the program. The limits for any coverage included in the program insurance policy may not provide liability coverage that is less than three times the limits specified in chapter 46.30 RCW and may not provide collision or comprehensive coverage that is less than the actual cash value of the vehicle.

(2) Prior to the first use of a vehicle in a program, and upon renewal, cancellation, or change in insurance by the program, provide the vehicle's registered owner with a proof of compliance with the insurance requirements of this section and the requirements of chapter 46.30 RCW, underinsured motorist coverage elections made by the sharing program under RCW 48.22.030 and personal injury protection coverage elections made by the sharing program under RCW 48.22.085. A copy of the proof of compliance must be maintained in the vehicle by the vehicle's registered owner at all times when the vehicle is

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operated by any person other than the vehicle's registered owner pursuant to the program.

(3) Collect, maintain, and make available to the vehicle's registered owner, the vehicle's registered owner's primary automobile liability insurer, and any government agency as required by law, at the cost of the program, the following:

(a) Verifiable records that identify the date and duration that the vehicle is under the control of a person other than the vehicle's registered owner pursuant to the program. For vehicles with an electronic tracking device, verifiable electronic records of the time, initial and final locations of the vehicle, and miles driven when the vehicle is under the control of a person other than the vehicle's registered owner pursuant to the program; and

(b) In instances where an insurance claim has been filed, any and all information, including payments to the registered owner by the program, concerning accidents, damages, or injuries arising out of personal vehicle sharing pursuant to the program.

(4) Not knowingly permit the vehicle to be operated as a commercial vehicle by a personal vehicle sharing user while engaged in personal vehicle sharing. For the purposes of this subsection, "commercial vehicle" has the meaning given that term in RCW 46.04.140.

(5) Ensure that the vehicle is a private passenger motor vehicle.

(6) Facilitate the installation, operation, and maintenance of its own signage and computer hardware and software, if and when requested by the vehicle owner, necessary for the vehicle to be used in the program.

(7) Indemnify and hold harmless the vehicle's registered owner for the cost of damage or theft of equipment installed by the program under subsection (6) of this section and any damage caused to the vehicle by the installation, operation, or maintenance of the equipment.

(8)(a) Prior to the first use of a vehicle in a program, and upon renewal, cancellation, or change in insurance by the program, provide the vehicle's registered owner and any person operating the vehicle pursuant to the program with a disclosure that contains:

(i) Information explaining the requirements of this section;

(ii) Full and clear disclosure of the coverages and coverage limits provided under the program insurance policy;

(iii) Notice that the vehicle owner's insurer has no duty to defend or indemnify any person or organization for liability for any loss that occurs during use of the vehicle pursuant to a program; and

(iv) Notice that the vehicle owner or any person operating the vehicle pursuant to the program may have liability for claims that exceed the limits of the program insurance policy.

(b) The information in (a) of this subsection must be made available to the vehicle owner's insurer upon the insurer's request.

<u>NEW SECTION.</u> Sec. 3. (1) Notwithstanding any provision in the owner's insurance policy and notwithstanding chapter 46.29 RCW, in the event of any loss or injury that occurs at any time when the vehicle is under the operation or control of a person, other than the vehicle's registered owner, pursuant to a program, or is otherwise under the control of a program, the program shall assume all liability of the vehicle owner and shall be considered the vehicle owner for all purposes.

(2) Nothing in subsection (1) of this section:

(a) Limits the liability of a program for any acts or omissions by the program that result in injury to any persons as a result of the use or operation of the program; or

(b) Limits the ability of the program to, by contract, seek indemnification from the vehicle's registered owner for any claims paid by the program for any loss or injury resulting from fraud or material intentional misrepresentation by the vehicle's registered owner, provided that the vehicle sharing program disclose in the contract that:

(i) The program is entitled to seek indemnification in these circumstances; and

(ii) The registered owner's insurance policy does not provide defense or indemnification for any loss or injury resulting from fraud or material intentional misrepresentation.

(3) A program continues to be liable under subsection (1) of this section until:

(a) The vehicle is returned to a location designated by the program, as set forth in the contract between the registered owner and the program; and

(b)(i) The expiration of the time period established for the vehicle occurs;

(ii) The intent to terminate the vehicle's personal vehicle sharing use is verifiably communicated to the program, as set forth in the contract between the registered owner and the program; or

(iii) The vehicle's registered owner takes possession and control of the vehicle.

(4)(a) A program shall assume liability, including the costs of defense and indemnification, for a claim in which a dispute exists as to who was in control of a private passenger motor vehicle when the loss giving rise to the claim occurred.

(b) The insurer of the vehicle shall indemnify the program to the extent of the insurer's obligation under the owner's insurance policy, if it is determined that the vehicle's registered owner was in control of the vehicle at the time of the loss.

(5) If a private passenger motor vehicle's registered owner is named as a defendant in a civil action for any loss or injury that occurs at any time when the vehicle is under the operation or control of a person, other than the vehicle's registered owner, pursuant to a program, or is otherwise under the control of a program, the program shall have the duty to defend and indemnify the vehicle's registered owner.

(6)(a) Notwithstanding any provision in the owner's insurance policy, while the vehicle is under the operation or control of a person, other than the vehicle's registered owner, pursuant to a program, or is otherwise under the control of a program:

(i) The insurer providing coverage to the owner of a private passenger motor vehicle may exclude any and all coverage afforded under the owner's insurance policy; and

(ii) A primary or excess insurer of the vehicle owner may notify an insured that the insurer has no duty to defend or indemnify any person or organization for liability for any loss that occurs during use of the vehicle pursuant to a program;

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(b) In order to exclude such coverage, the exclusion allowed in (a)(i) of this subsection and the notification required in (a)(ii) of this subsection are not required for a policy that otherwise does not provide such coverages.

(7) An owner's insurance policy for a private passenger motor vehicle may not be canceled, voided, terminated, rescinded, or nonrenewed solely on the basis that the vehicle has been made available for personal vehicle sharing pursuant to a program that is in compliance with the provisions of this chapter.

<u>NEW SECTION.</u> Sec. 4. A private passenger motor vehicle insured by the vehicle's registered owner under an owner's insurance policy may not be classified as a commercial motor vehicle or for-hire motor vehicle solely because the vehicle's registered owner allows the vehicle to be used for personal vehicle sharing if:

(1) The personal vehicle sharing is conducted under a program.

(2) The annual revenue received by the vehicle's registered owner that was generated by the personal vehicle sharing does not exceed the annual expenses of owning and operating the vehicle, including depreciation, interest, lease payments, motor vehicle loan payments, insurance, maintenance, parking, fuel, cleaning, automobile repair and costs associated with personal vehicle sharing, including but not limited to the installation, operation, and maintenance of computer hardware and software, signage identifying the vehicle as a personal vehicle sharing vehicle, and any fees charged by a program.

<u>NEW SECTION.</u> Sec. 5. Sections 1 through 4 of this act constitute a new chapter in Title 48 RCW.

<u>NEW SECTION.</u> Sec. 6. This act applies to automobile liability insurance policies issued or renewed on or after January 1, 2013.

Passed by the House February 10, 2012. Passed by the Senate February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 109

[House Bill 2393]

SUPPORT REGISTRY—NEW HIRE REPORTING

AN ACT Relating to federal new hire reporting requirements; and amending RCW 26.23.040.

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

Sec. 1. RCW 26.23.040 and 1998 c 160 s 5 are each amended to read as follows:

(1) All employers doing business in the state of Washington shall report to the Washington state support registry:

(a) The hiring of any person who resides or works in this state to whom the employer anticipates paying earnings and who:

(i) Has not previously been employed by the employer; or

(ii) Was previously employed by the employer but has been separated from such employment for at least sixty consecutive days; and

(b) ((The rehiring or return to work of any employee who was laid off, furloughed, separated, granted a leave without pay, or terminated from

employment)) The date on which the employee first performed services for pay for the employer, or, in the case of an employee described in (a)(ii) of this subsection the date on which the employee returned to perform services for pay after a layoff, furlough, separation, or leave without pay.

The secretary of the department of social and health services may adopt rules to establish additional exemptions if needed to reduce unnecessary or burdensome reporting.

(2) Employers ((may)) <u>shall</u> report ((by mailing the employee's copy of the)) to the extent practicable by W-4 form, or, at the option of the employer, an equivalent form, and may mail the form by first-class mail, or may transmit it electronically, or by other means authorized by the registry which will result in timely reporting.

(3) Employers shall submit reports within twenty days of the hiring, rehiring, or return to work of the employee, except as provided in subsection (4) of this section. The report shall contain:

(a) The employee's name, address, social security number, and date of birth; and

(b) The employer's name, address, and identifying number assigned under section 6109 of the internal revenue code of 1986.

(4) In the case of an employer transmitting reports magnetically or electronically, the employer shall report ((newly hired)) <u>those</u> employees ((by)) <u>described in subsection (1) of this section, in</u> two monthly transmissions, if necessary, not less than twelve days nor more than sixteen days apart.

(5) An employer who fails to report as required under this section shall be subject to a civil penalty of:

(a) Twenty-five dollars per month per employee; or

(b) Five hundred dollars, if the failure to report is the result of a conspiracy between the employer and the employee not to supply the required report, or to supply a false report. All violations within a single month shall be considered a single violation for purposes of assessing the penalty. The penalty may be imposed and collected by the division of child support under RCW 74.20A.350.

(6) The registry shall retain the information for a particular employee only if the registry is responsible for establishing, enforcing, or collecting a support debt of the employee. The registry may, however, retain information for a particular employee for as long as may be necessary to:

(a) Transmit the information to the national directory of new hires as required under federal law; or

(b) Provide the information to other state agencies for comparison with records or information possessed by those agencies as required by law.

Information that is not permitted to be retained shall be promptly destroyed. Agencies that obtain information from the department of social and health services under this section shall maintain the confidentiality of the information received, except as necessary to implement the agencies' responsibilities.

Passed by the House February 9, 2012.

Passed by the Senate February 29, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

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CHAPTER 110

[House Bill 2651]

INDUSTRIAL STORM WATER PERMITS—BACTERIA LIMITATIONS

AN ACT Relating to changing the numeric limit for bacterial contamination for industrial storm water permittees with discharges to water bodies listed as impaired to a narrative limit; amending RCW 90.48.555; and providing an expiration date.

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

Sec. 1. RCW 90.48.555 and 2009 c 449 s 1 are each amended to read as follows:

The provisions of this section apply to the construction and industrial storm water general permits issued by the department pursuant to the federal clean water act, 33 U.S.C. Sec. 1251 et seq., and this chapter.

(1) Effluent limitations shall be included in construction and industrial storm water general permits as required under the federal clean water act, 33 U.S.C. Sec. 1251 et seq., and its implementing regulations. In accordance with federal clean water act requirements, pollutant specific, water quality-based effluent limitations shall be included in construction and industrial storm water general permits if there is a reasonable potential to cause or contribute to an excursion of a state water quality standard.

(2) Subject to the provisions of this section, both technology and water quality-based effluent limitations may be expressed as:

(a) Numeric effluent limitations;

(b) Narrative effluent limitations; or

(c) A combination of numeric and narrative effluent discharge limitations.

(3) The department must condition storm water general permits for industrial and construction activities issued under the national pollutant discharge elimination system of the federal clean water act to require compliance with numeric effluent discharge limits when such discharges are subject to:

(a) Numeric effluent limitations established in federally adopted, industryspecific effluent guidelines;

(b) State developed, industry-specific performance-based numeric effluent limitations;

(c) Numeric effluent limitations based on a completed total maximum daily load analysis or other pollution control measures; or

(d) A determination by the department that:

(i) The discharges covered under either the construction or industrial storm water general permits have a reasonable potential to cause or contribute to violation of state water quality standards; and

(ii) Effluent limitations based on nonnumeric best management practices are not effective in achieving compliance with state water quality standards.

(4) In making a determination under subsection (3)(d) of this section, the department shall use procedures that account for:

(a) Existing controls on point and nonpoint sources of pollution;

(b) The variability of the pollutant or pollutant parameter in the storm water discharge; and

(c) As appropriate, the dilution of the storm water in the receiving waters.

(5) Narrative effluent limitations requiring both the implementation of best management practices, when designed to satisfy the technology and water quality-based requirements of the federal clean water act, 33 U.S.C. Sec. 1251 et

seq., and compliance with water quality standards, shall be used for construction and industrial storm water general permits, unless the provisions of subsection (3) of this section apply.

(6) Compliance with water quality standards shall be presumed, unless discharge monitoring data or other site specific information demonstrates that a discharge causes or contributes to violation of water quality standards, when the permittee is:

(a) In full compliance with all permit conditions, including planning, sampling, monitoring, reporting, and recordkeeping conditions; and

(b)(i) Fully implementing storm water best management practices contained in storm water technical manuals approved by the department, or practices that are demonstrably equivalent to practices contained in storm water technical manuals approved by the department, including the proper selection, implementation, and maintenance of all applicable and appropriate best management practices for on-site pollution control.

(ii) For the purposes of this section, "demonstrably equivalent" means that the technical basis for the selection of all storm water best management practices are documented within a storm water pollution prevention plan. The storm water pollution prevention plan must document:

(A) The method and reasons for choosing the storm water best management practices selected;

(B) The pollutant removal performance expected from the practices selected;

(C) The technical basis supporting the performance claims for the practices selected, including any available existing data concerning field performance of the practices selected;

(D) An assessment of how the selected practices will comply with state water quality standards; and

(E) An assessment of how the selected practices will satisfy both applicable federal technology-based treatment requirements and state requirements to use all known, available, and reasonable methods of prevention, control, and treatment.

(7)(a) By November 1, 2009, <u>except for discharges identified in (b) of this</u> <u>subsection</u>, the department shall modify or reissue the industrial storm water general permit to require compliance with appropriately derived numeric water quality-based effluent limitations for existing discharges to water bodies listed as impaired according to 33 U.S.C. Sec. 1313(d) (Sec. 303(d) of the federal clean water act, 33 U.S.C. Sec. 1251 et seq.).

(b) For pollutants other than bacteria, the industrial storm water general permit must require permittees to comply with appropriately derived numeric water quality-based effluent limitations in the permit, as described in (a) of this subsection, by no later than six months after the effective date of the modified or reissued industrial storm water general permit. By July 1, 2012, the industrial storm water general permit must require permittees with discharges to water bodies listed as impaired for bacteria to comply with nonnumeric, narrative effluent limitations.

(c) For permittees that the department determines are unable to comply with the numeric water quality-based effluent limitations required by (a) of this subsection, within the timeline established in (b) of this subsection, the department shall establish a compliance schedule as follows:

(i) Any compliance schedule provided by the department must require compliance as soon as possible, and must require compliance by no later than twenty-four months, or two complete wet seasons, after the effective date of the industrial storm water general permit. For purposes of this subsection (7)(c)(i), "wet seasons" means October 1st through June 30th.

(ii) The department shall post on its web site the name, location, industrial storm water permit number, and the reason for requesting a compliance schedule for each permittee who requests a compliance schedule according to this subsection (7)(c). The department shall post this information no later than thirty days after receiving a permittee's request for a compliance schedule under this subsection (7)(c). The department shall also prepare a list of organizations and individuals seeking to be notified when such requests for compliance schedules are made, and notify them within thirty days after receiving a permittee's request for a compliance schedule. Notification under this subsection may be accomplished electronically.

(d) The department shall report to the appropriate committees of the legislature specifying how the numeric effluent limitation in (a) of this subsection would be implemented. The report shall identify the number of dischargers to impaired water bodies and provide an assessment of anticipated compliance with the numeric effluent limitation established by (a) of this subsection.

(8)(a) Construction and industrial storm water general permits issued by the department shall include an enforceable adaptive management mechanism that includes appropriate monitoring, evaluation, and reporting. The adaptive management mechanism shall include elements designed to result in permit compliance and shall include, at a minimum, the following elements:

(i) An adaptive management indicator, such as monitoring benchmarks;

(ii) Monitoring;

(iii) Review and revisions to the storm water pollution prevention plan;

(iv) Documentation of remedial actions taken; and

(v) Reporting to the department.

(b) Construction and industrial storm water general permits issued by the department also shall include the timing and mechanisms for implementation of treatment best management practices.

(9) Construction and industrial storm water discharges authorized under general permits must not cause or have the reasonable potential to cause or contribute to a violation of an applicable water quality standard. Where a discharge has already been authorized under a national pollutant discharge elimination system storm water permit and it is later determined to cause or have the reasonable potential to cause or contribute to the violation of an applicable water quality standard, the department may notify the permittee of such a violation.

(10) Once notified by the department of a determination of reasonable potential to cause or contribute to the violation of an applicable water quality standard, the permittee must take all necessary actions to ensure future discharges do not cause or contribute to the violation of a water quality standard and document those actions in the storm water pollution prevention plan and a

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report timely submitted to the department. If violations remain or recur, coverage under the construction or industrial storm water general permits may be terminated by the department, and an alternative general permit or individual permit may be issued. Compliance with the requirements of this subsection does not preclude any enforcement activity provided by the federal clean water act, 33 U.S.C. Sec. 1251 et seq., for the underlying violation.

(11) Receiving water sampling shall not be a requirement of an industrial or construction storm water general permit except to the extent that it can be conducted without endangering the health and safety of persons conducting the sampling.

(12) The department may authorize mixing zones only in compliance with and after making determinations mandated by the procedural and substantive requirements of applicable laws and regulations.

NEW SECTION. Sec. 2. Section 1 of this act expires January 1, 2015.

Passed by the House February 10, 2012. Passed by the Senate February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 111

[House Bill 2653]

WASTEWATER COMPANIES—REGULATORY FEES

AN ACT Relating to correcting technical statutory cross-references in previous private infrastructure development legislation for certain provisions relating to regulatory fees for wastewater companies; amending RCW 80.04.580; and providing an effective date.

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

Sec. 1. RCW 80.04.580 and 2011 c 214 s 4 are each amended to read as follows:

(1) Every wastewater company subject to regulation by the commission must, on or before the date specified by the commission for filing annual reports under RCW 80.04.080, pay to the commission a regulatory fee.

(2) The commission must assess such regulatory fees in amounts sufficient for the commission to recover the commission's actual and reasonable costs of supervising and regulating wastewater companies.

(3) Any payment of a fee assessed under this section made after the due date must include a late fee of two percent of the amount due.

(4) Delinquent fees accrue interest at the rate of one percent per month.

(5) The provisions of RCW ((80.04.030, 80.04.040, and 80.04.050)) 80.24.030, 80.24.040, and 80.24.050 apply to regulatory fees for wastewater companies.

(6) The commission is authorized and empowered to adopt and issue rules and regulations to implement this section, including establishing the methodologies and procedures for developing, assessing, and collecting fees under this section.

<u>NEW SECTION.</u> Sec. 2. This act takes effect July 1, 2012.

Passed by the House February 9, 2012.

Passed by the Senate February 24, 2012.

Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 112

[Engrossed Substitute House Bill 2664] QUALIFIED ENERGY SOURCES—VOLUNTARY OPTION

AN ACT Relating to the voluntary option to purchase qualified energy resources; and reenacting and amending RCW 19.29A.090.

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

Sec. 1. RCW 19.29A.090 and 2002 c 285 s 6 and 2002 c 191 s 1 are each reenacted and amended to read as follows:

(1) Beginning January 1, 2002, each electric utility must provide to its retail electricity customers a voluntary option to purchase qualified alternative energy resources in accordance with this section.

(2) Each electric utility must include with its retail electric customer's regular billing statements, at least quarterly, a voluntary option to purchase qualified alternative energy resources. The option may allow customers to purchase qualified alternative energy resources at fixed or variable rates and for fixed or variable periods of time, including but not limited to monthly, quarterly, or annual purchase agreements. A utility may provide qualified alternative energy resources it owns or contracts for; or (b) the purchase of credits issued by a clearinghouse or other system by which the utility may secure, for trade or other consideration, verifiable evidence that a second party has a qualified alternative energy resource and that the second party agrees to transfer such evidence exclusively to the benefit of the utility.

(3) For the purposes of this section, a "qualified alternative energy resource" means the electricity <u>or thermal energy</u> produced from generation facilities that are fueled by: (a) Wind; (b) solar energy; (c) geothermal energy; (d) landfill gas; (e) wave or tidal action; (f) gas produced during the treatment of wastewater; (g) qualified hydropower; or (h) biomass energy based on animal waste or solid organic fuels from wood, forest, or field residues, or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic.

(4) For the purposes of this section, "qualified hydropower" means the energy produced either: (a) As a result of modernizations or upgrades made after June 1, 1998, to hydropower facilities operating on May 8, 2001, that have been demonstrated to reduce the mortality of anadromous fish; or (b) by run of the river or run of the canal hydropower facilities that are not responsible for obstructing the passage of anadromous fish.

(5) The rates, terms, conditions, and customer notification of each utility's option or options offered in accordance with this section must be approved by the governing body of the consumer-owned utility or by the commission for investor-owned utilities. All costs and benefits associated with any option offered by an electric utility under this section must be allocated to the customers who voluntarily choose that option and may not be shifted to any customers who have not chosen such option. Utilities may pursue known, lawful aggregated purchasing of qualified alternative energy resources with other utilities to the extent aggregated purchasing can reduce the unit cost of qualified alternative

energy resources, and are encouraged to investigate opportunities to aggregate the purchase of alternative energy resources by their customers. Aggregated purchases by investor-owned utilities must comply with any applicable rules or policies adopted by the commission related to least-cost planning or the acquisition of renewable resources.

(6) Each consumer-owned utility must ((report annually to)) maintain and make available upon request of the department and each investor-owned utility must ((report annually to)) maintain and make available upon request of the commission ((beginning October 1, 2002, until October 1, 2012,)) information describing the option or options it is offering its customers under the requirements of this section, the rate of customer participation, the amount of qualified alternative energy resources purchased by customers, the amount of utility investments in qualified alternative energy resources, and the results of pursuing aggregated purchasing opportunities. The department and the commission ((together shall report annually to the legislature, beginning December 1, 2002, until December 1, 2012, with the results of the utility reports)) shall report the information to the appropriate committees of the legislature upon request.

Passed by the House February 9, 2012. Passed by the Senate February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 113

[House Bill 2705] LEGISLATIVE SUPPORT SERVICES

AN ACT Relating to the consolidation of legislative support functions into an office of legislative support services; amending RCW 44.04.260 and 43.88.230; adding a new chapter to Title 44 RCW; and providing an effective date.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that state government should be operated in an efficient and effective manner. It is the intent of the legislature to create the office of legislative support services to make effective and efficient use of the public's resources, improve the delivery and quality of services, standardize practices, and achieve cost savings.

<u>NEW SECTION.</u> Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Director" means the director of the office of legislative support services employed under section 4 of this act.

(2) "Legislative agencies" means: The joint legislative audit and review committee, the joint transportation committee, the office of the state actuary, the legislative evaluation and accountability program committee, the office of legislative support services, the joint legislative systems committee, and the statute law committee.

(3) "Office" means the office of legislative support services.

<u>NEW SECTION.</u> Sec. 3. (1) The office of legislative support services is created to provide administrative and support services to the senate, house of

representatives, and legislative agencies. All operations of the office are subject to RCW 44.04.260.

(2) The office shall provide support to the senate, the house of representatives, and legislative agencies for facilities operations, asset management, production services, audio-visual needs, the distribution of information about the legislature and the legislative process to the public, and other administrative or support services of the senate, the house of representatives, and legislative agencies authorized by the secretary of the senate and the chief clerk of the house of representatives.

<u>NEW SECTION.</u> Sec. 4. (1) The secretary of the senate and the chief clerk of the house of representatives, in consultation with the senate facilities and operations committee and the house executive rules committee, shall employ a director of the office. The director serves at the pleasure of the secretary of the senate and the chief clerk of the house of representatives, who shall fix the director's salary.

(2)(a) The director serves as the executive and administrative head of the office.

(b) In accordance with an adopted personnel plan, the director shall employ and fix the compensation for personnel required to carry out the purposes of this chapter.

(c) The director may enter into contracts for: (i) The sale, exchange, or acquisition of equipment, supplies, services, and facilities required to carry out the purposes of this chapter; and (ii) the distribution of legislative information.

<u>NEW SECTION</u>. Sec. 5. Subject to RCW 44.04.260, all expenses incurred, including salaries and expenses of employees, shall be paid upon voucher forms as provided and signed by the director. Vouchers may be drawn on funds appropriated by law for the office. The senate and house of representatives may transfer moneys appropriated for legislative expenses to the office.

Sec. 6. RCW 44.04.260 and 2005 c 319 s 112 are each amended to read as follows:

The joint legislative audit and review committee, the joint transportation committee, the select committee on pension policy, the legislative evaluation and accountability program committee, the office of legislative support services, and the joint legislative systems committee are subject to such operational policies, procedures, and oversight as are deemed necessary by the facilities and operations committee of the senate and the executive rules committee of the house of representatives to ensure operational adequacy of the agencies of the legislative branch. As used in this section, "operational policies, procedures, and oversight" includes the development process of biennial budgets, contracting procedures, personnel policies, and compensation plans, selection of a chief administrator, facilities, and expenditures. This section does not grant oversight authority to the facilities and operations committee of the senate over any standing committee of the house of representatives or oversight authority to the executive rules committee of the house of representatives over any standing committee of the senate.

Sec. 7. RCW 43.88.230 and 2005 c 319 s 109 are each amended to read as follows:

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For the purposes of this chapter, the statute law committee, the joint legislative audit and review committee, the joint transportation committee, the legislative evaluation and accountability program committee, the office of legislative support services, the office of state actuary, and all legislative standing committees of both houses shall be deemed a part of the legislative branch of state government.

<u>NEW SECTION.</u> Sec. 8. This act takes effect July 1, 2012.

<u>NEW SECTION.</u> Sec. 9. Sections 1 through 5 of this act constitute a new chapter in Title 44 RCW.

Passed by the House February 9, 2012. Passed by the Senate February 24, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 114

[Substitute House Bill 2757] CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS— SCHOOL FOR THE BLIND—ACCOUNTS

AN ACT Relating to establishing the center for childhood deafness and hearing loss account and the school for the blind account; amending RCW 43.79A.040; and adding new sections to chapter 72.40 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 72.40 RCW to read as follows:

The center for childhood deafness and hearing loss account is created in the custody of the state treasurer. All receipts from contracts, grants, gifts, conveyances, devises, and bequests of real or personal property, or payments received from RCW 72.40.0191 (14) and (15), and 72.40.050 must be deposited into the account. Expenditures from the account may be used only for duties related to RCW 72.40.0191 (14) and (15), and 72.40.050. Only the director of the center for childhood deafness and hearing loss or the director'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.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 72.40 RCW to read as follows:

The school for the blind account is created in the custody of the state treasurer. All receipts from contracts, grants, gifts, conveyances, devises, and bequests of real or personal property, or payments received from RCW 72.40.022 (10) and (11), and 72.40.050 must be deposited into the account. Expenditures from the account may be used only for duties related to RCW 72.40.022 (10) and (11), and 72.40.050. Only the superintendent of the school for the blind or the superintendent's designee may authorize expenditures from the account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

Sec. 3. RCW 43.79A.040 and 2011 1st sp.s. c 37 s 603 are each amended to read as follows:

(1) Money in the treasurer's trust fund may be deposited, invested, and reinvested by the state treasurer in accordance with RCW 43.84.080 in the same manner and to the same extent as if the money were in the state treasury, and may be commingled with moneys in the state treasury for cash management and cash balance purposes.

(2) All income received from investment of the treasurer's trust fund must be set aside in an account in the treasury trust fund to be known as the investment income account.

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

(4)(a) Monthly, the state treasurer must distribute the earnings credited to the investment income account to the state general fund except under (b), (c), and (d) of this subsection.

(b) The following accounts and funds must receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The Washington promise scholarship account, the college savings program account, the Washington advanced college tuition payment program account, the accessible communities account, the community and technical college innovation account, the agricultural local fund, the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, the students with dependents grant account, the basic health plan self-insurance reserve account, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative works account, the county enhanced 911 excise tax account, the Washington international exchange scholarship endowment fund, the toll collection account, the developmental disabilities endowment trust fund, the energy account, the fair fund, the family leave insurance account, the food animal veterinarian conditional scholarship account, the fruit and vegetable inspection account, the future teachers conditional scholarship account, the game farm alternative account, the GET ready for math and science scholarship account, the Washington global health technologies and product development account, the grain inspection revolving fund, the industrial insurance rainy day fund, the juvenile accountability incentive account, the law enforcement officers' and firefighters' plan 2 expense fund, the local tourism promotion account, the pilotage account, the produce railcar pool account, the regional transportation investment district account, the rural rehabilitation account, the stadium and exhibition center account, the youth athletic facility account, the self-insurance revolving fund, the sulfur dioxide abatement account, the children's trust fund, the Washington horse racing commission Washington bred owners' bonus fund and breeder awards account, the Washington horse racing commission class C purse fund account, the individual development account program account, the Washington horse racing commission operating account (earnings from the

Washington horse racing commission operating account must be credited to the Washington horse racing commission class C purse fund account), the life sciences discovery fund, the Washington state heritage center account, the reduced cigarette ignition propensity account, ((and)) the reading achievement account, the center for childhood deafness and hearing loss account, and the school for the blind account.

(c) The following accounts and funds must receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The advanced right-of-way revolving fund, the advanced environmental mitigation revolving account, the federal narcotics asset forfeitures account, the high occupancy vehicle account, the local rail service assistance account, and the miscellaneous transportation programs account.

(d) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the custody of the state treasurer that deposits funds into a fund or account in the custody of the state treasurer pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period.

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

Passed by the House February 13, 2012. Passed by the Senate February 27, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 115

[Substitute Senate Bill 5381]

EMERGENCY MEDICAL SERVICE LEVIES—VOTING REQUIREMENTS

AN ACT Relating to adjusting voting requirements for the renewal of emergency medical service levies; and amending RCW 84.52.069.

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

Sec. 1. RCW 84.52.069 and 2011 c 365 s 2 are each amended to read as follows:

(1) As used in this section, "taxing district" means a county, emergency medical service district, city or town, public hospital district, urban emergency medical service district, regional fire protection service authority, or fire protection district.

(2) Except as provided in subsection (10) of this section, a taxing district may impose additional regular property tax levies in an amount equal to fifty cents or less per thousand dollars of the assessed value of property in the taxing district. The tax ((shall be)) is imposed (a) each year for six consecutive years, (b) each year for ten consecutive years, or (c) permanently. A permanent tax levy under this section, must be specifically authorized by a majority of at least three-fifths of the registered voters thereof approving a proposition authorizing the

levies submitted at a general or special election, at which election the number of persons voting "yes" on the proposition shall constitute three-fifths of a number equal to forty percent of the total number of voters voting in such taxing district at the last preceding general election when the number of registered voters voting on the proposition does not exceed forty percent of the total number of voters voting in such taxing district in the last preceding general election; or by a majority of at least three-fifths of the registered voters thereof voting on the proposition when the number of registered voters thereof voting on the proposition exceeds forty percent of the total number of voters voting in such taxing district in the last preceding general election. The uninterrupted continuation of a sixyear or ten-year tax levy under this section must be specifically authorized by a majority of the registered voters thereof approving a propositions must conform with RCW 29A.36.210. A taxing district may not submit to the voters at the same election multiple propositions to impose a levy under this section.

(3) A taxing district imposing a permanent levy under this section shall provide for separate accounting of expenditures of the revenues generated by the levy. The taxing district must maintain a statement of the accounting which must be updated at least every two years and must be available to the public upon request at no charge.

(4)(a) A taxing district imposing a permanent levy under this section must provide for a referendum procedure to apply to the ordinance or resolution imposing the tax. This referendum procedure must specify that a referendum petition may be filed at any time with a filing officer, as identified in the ordinance or resolution. Within ten days, the filing officer must confer with the petitioner concerning form and style of the petition, issue the petition an identification number, and secure an accurate, concise, and positive ballot title from the designated local official. The petitioner has thirty days in which to secure the signatures of not less than fifteen percent of the registered voters of the taxing district, as of the last general election, upon petition forms which contain the ballot title and the full text of the measure to be referred. The filing officer must verify the sufficiency of the signatures on the petition and, if sufficient valid signatures are properly submitted, must certify the referendum measure to the next election within the taxing district if one is to be held within one hundred eighty days from the date of filing of the referendum petition, or at a special election to be called for that purpose in accordance with RCW 29A.04.330.

(b) The referendum procedure provided in this subsection (4) is exclusive in all instances for any taxing district imposing the tax under this section and supersedes the procedures provided under all other statutory or charter provisions for initiative or referendum which might otherwise apply.

(5) Any tax imposed under this section may be used only for the provision of emergency medical care or emergency medical services, including related personnel costs, training for such personnel, and related equipment, supplies, vehicles and structures needed for the provision of emergency medical care or emergency medical services.

(6) If a county levies a tax under this section, no taxing district within the county may levy a tax under this section. If a regional fire protection service authority imposes a tax under this section, no other taxing district that is a

participating fire protection jurisdiction in the regional fire protection service authority may levy a tax under this section. No other taxing district may levy a tax under this section if another taxing district has levied a tax under this section within its boundaries: PROVIDED, That if a county levies less than fifty cents per thousand dollars of the assessed value of property, then any other taxing district may levy a tax under this section equal to the difference between the rate of the levy by the county and fifty cents: PROVIDED FURTHER, That if a taxing district within a county levies this tax, and the voters of the county subsequently approve a levying of this tax, then the amount of the taxing district levy within the county must be reduced, when the combined levies exceed fifty cents. Whenever a tax is levied countywide, the service must, insofar as is feasible, be provided throughout the county: PROVIDED FURTHER, That no countywide levy proposal may be placed on the ballot without the approval of the legislative authority of each city exceeding fifty thousand population within the county: AND PROVIDED FURTHER, That this section and RCW 36.32.480 shall not prohibit any city or town from levying an annual excess levy to fund emergency medical services: AND PROVIDED, FURTHER, That if a county proposes to impose tax levies under this section, no other ballot proposition authorizing tax levies under this section by another taxing district in the county may be placed before the voters at the same election at which the county ballot proposition is placed: AND PROVIDED FURTHER, That any taxing district emergency medical service levy that is limited in duration and that is authorized subsequent to a county emergency medical service levy that is limited in duration, expires concurrently with the county emergency medical service levy. A fire protection district that has annexed an area described in subsection (10) of this section may levy the maximum amount of tax that would otherwise be allowed, notwithstanding any limitations in this subsection (6).

(7) The limitations in RCW 84.52.043 do not apply to the tax levy authorized in this section.

(8) If a ballot proposition approved under subsection (2) of this section did not impose the maximum allowable levy amount authorized for the taxing district under this section, any future increase up to the maximum allowable levy amount must be specifically authorized by the voters in accordance with subsection (2) of this section at a general or special election.

(9) The limitation in RCW 84.55.010 does not apply to the first levy imposed pursuant to this section following the approval of such levy by the voters pursuant to subsection (2) of this section.

(10) For purposes of imposing the tax authorized under this section, the boundary of a county with a population greater than one million five hundred thousand does not include all of the area of the county that is located within a city that has a boundary in two counties, if the locally assessed value of all the property in the area of the city within the county having a population greater than one million five hundred thousand is less than two hundred fifty million dollars.

(11) For purposes of this section, the following definitions apply:

(a) "Fire protection jurisdiction" means a fire protection district, city, town, Indian tribe, or port district; and

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(b) "Participating fire protection jurisdiction" means a fire protection district, city, town, Indian tribe, or port district that is represented on the governing board of a regional fire protection service authority.

Passed by the Senate February 14, 2012. Passed by the House February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 116

[Senate Bill 6046]

GAMBLING COMMISSION—POWERS AND DUTIES

AN ACT Relating to the powers and duties of the gambling commission; and amending RCW 9.46.070.

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

Sec. 1. RCW 9.46.070 and 2007 c 206 s 1 are each amended to read as follows:

The commission shall have the following powers and duties:

(1) To authorize and issue licenses for a period not to exceed one year to bona fide charitable or nonprofit organizations approved by the commission meeting the requirements of this chapter and any rules and regulations adopted pursuant thereto permitting said organizations to conduct bingo games, raffles, amusement games, and social card games, to utilize punchboards and pull-tabs in accordance with the provisions of this chapter and any rules and regulations adopted pursuant thereto and to revoke or suspend said licenses for violation of any provisions of this chapter or any rules and regulations adopted pursuant thereto: PROVIDED, That the commission shall not deny a license to an otherwise qualified applicant in an effort to limit the number of licenses to be issued: PROVIDED FURTHER, That the commission or director shall not issue, deny, suspend, or revoke any license because of considerations of race, sex, creed, color, or national origin: AND PROVIDED FURTHER, That the commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission;

(2) To authorize and issue licenses for a period not to exceed one year to any person, association, or organization operating a business primarily engaged in the selling of items of food or drink for consumption on the premises, approved by the commission meeting the requirements of this chapter and any rules and regulations adopted pursuant thereto permitting said person, association, or organization to utilize punchboards and pull-tabs and to conduct social card games as a commercial stimulant in accordance with the provisions of this chapter and any rules and regulations adopted pursuant thereto: PROVIDED, That the commission shall not deny a license to an otherwise qualified applicant in an effort to limit the number of licenses to be issued: PROVIDED FURTHER, That the commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission;

(3) To authorize and issue licenses for a period not to exceed one year to any person, association, or organization approved by the commission meeting the requirements of this chapter and meeting the requirements of any rules and regulations adopted by the commission pursuant to this chapter as now or hereafter amended, permitting said person, association, or organization to conduct or operate amusement games in such manner and at such locations as the commission may determine. The commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission;

(4) To authorize, require, and issue, for a period not to exceed one year, such licenses as the commission may by rule provide, to any person, association, or organization to engage in the selling, distributing, or otherwise supplying or in the manufacturing of devices for use within this state for those activities authorized by this chapter. The commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission;

(5) To establish a schedule of annual license fees for carrying on specific gambling activities upon the premises, and for such other activities as may be licensed by the commission, which fees shall provide to the commission not less than an amount of money adequate to cover all costs incurred by the commission relative to licensing under this chapter and the enforcement by the commission of the provisions of this chapter and rules and regulations adopted pursuant thereto: PROVIDED, That all licensing fees shall be submitted with an application therefor and such portion of said fee as the commission may determine, based upon its cost of processing and investigation, shall be retained by the commission upon the withdrawal or denial of any such license application as its reasonable expense for processing the application and investigation into the granting thereof: PROVIDED FURTHER, That if in a particular case the basic license fee established by the commission for a particular class of license is less than the commission's actual expenses to investigate that particular application, the commission may at any time charge to that applicant such additional fees as are necessary to pay the commission for those costs. The commission may decline to proceed with its investigation and no license shall be issued until the commission has been fully paid therefor by the applicant: AND PROVIDED FURTHER. That the commission may establish fees for the furnishing by it to licensees of identification stamps to be affixed to such devices and equipment as required by the commission and for such other special services or programs required or offered by the commission, the amount of each of these fees to be not less than is adequate to offset the cost to the commission of the stamps and of administering their dispersal to licensees or the cost of administering such other special services, requirements or programs;

(6) To prescribe the manner and method of payment of taxes, fees and penalties to be paid to or collected by the commission;

(7) To require that applications for all licenses contain such information as may be required by the commission: PROVIDED, That all persons (a) having a managerial or ownership interest in any gambling activity, or the building in which any gambling activity occurs, or the equipment to be used for any gambling activity, or (b) participating as an employee in the operation of any gambling activity, shall be listed on the application for the license and the applicant shall certify on the application, under oath, that the persons named on the application are all of the persons known to have an interest in any gambling activity, building, or equipment by the person making such application: PROVIDED FURTHER, That the commission shall require fingerprinting and national criminal history background checks on any persons seeking licenses, certifications, or permits under this chapter or of any person holding an interest in any gambling activity, building, or equipment to be used therefor, or of any person participating as an employee in the operation of any gambling activity. All national criminal history background checks shall be conducted using fingerprints submitted to the United States department of justice-federal bureau of investigation. The commission must establish rules to delineate which persons named on the application are subject to national criminal history background checks. In identifying these persons, the commission must take into consideration the nature, character, size, and scope of the gambling activities requested by the persons making such applications;

(8) To require that any license holder maintain records as directed by the commission and submit such reports as the commission may deem necessary;

(9) To require that all income from bingo games, raffles, and amusement games be recorded and reported as established by rule or regulation of the commission to the extent deemed necessary by considering the scope and character of the gambling activity in such a manner that will disclose gross income from any gambling activity, amounts received from each player, the nature and value of prizes, and the fact of distributions of such prizes to the winners thereof;

(10) To regulate and establish maximum limitations on income derived from bingo. In establishing limitations pursuant to this subsection the commission shall take into account (a) the nature, character, and scope of the activities of the licensee; (b) the source of all other income of the licensee; and (c) the percentage or extent to which income derived from bingo is used for charitable, as distinguished from nonprofit, purposes. However, the commission's powers and duties granted by this subsection are discretionary and not mandatory;

(11) To regulate and establish the type and scope of and manner of conducting the gambling activities authorized by this chapter, including but not limited to, the extent of wager, money, or other thing of value which may be wagered or contributed or won by a player in any such activities;

(12) To regulate the collection of and the accounting for the fee which may be imposed by an organization, corporation, or person licensed to conduct a social card game on a person desiring to become a player in a social card game in accordance with RCW 9.46.0282;

(13) To cooperate with and secure the cooperation of county, city, and other local or state agencies in investigating any matter within the scope of its duties and responsibilities;

(14) In accordance with RCW 9.46.080, to adopt such rules and regulations as are deemed necessary to carry out the purposes and provisions of this chapter. All rules and regulations shall be adopted pursuant to the administrative procedure act, chapter 34.05 RCW;

(15) To set forth for the perusal of counties, city-counties, cities and towns, model ordinances by which any legislative authority thereof may enter into the taxing of any gambling activity authorized by this chapter;

(16)(a) To establish and regulate a maximum limit on salaries or wages which may be paid to persons employed in connection with activities conducted

by bona fide charitable or nonprofit organizations and authorized by this chapter, where payment of such persons is allowed, and to regulate and establish maximum limits for other expenses in connection with such authorized activities, including but not limited to rent or lease payments. However, the commissioner's powers and duties granted by this subsection are discretionary and not mandatory.

(b) In establishing these maximum limits the commission shall take into account the amount of income received, or expected to be received, from the class of activities to which the limits will apply and the amount of money the games could generate for authorized charitable or nonprofit purposes absent such expenses. The commission may also take into account, in its discretion, other factors, including but not limited to, the local prevailing wage scale and whether charitable purposes are benefited by the activities;

(17) To authorize, require, and issue for a period not to exceed one year such licenses or permits, for which the commission may by rule provide, to any person to work for any operator of any gambling activity authorized by this chapter in connection with that activity, or any manufacturer, supplier, or distributor of devices for those activities in connection with such business. The commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission. The commission shall not require that persons working solely as volunteers in an authorized activity conducted by a bona fide charitable or bona fide nonprofit organization, who receive no compensation of any kind for any purpose from that organization, and who have no managerial or supervisory responsibility in connection with that activity, be licensed to do such work. The commission may require that licensees employing such unlicensed volunteers submit to the commission periodically a list of the names, addresses, and dates of birth of the volunteers. If any volunteer is not approved by the commission, the commission may require that the licensee not allow that person to work in connection with the licensed activity;

(18) To publish and make available at the office of the commission or elsewhere to anyone requesting it a list of the commission licensees, including the name, address, type of license, and license number of each licensee;

(19) To establish guidelines for determining what constitutes active membership in bona fide nonprofit or charitable organizations for the purposes of this chapter;

(20) To renew the license of every person who applies for renewal within six months after being honorably discharged, removed, or released from active military service in the armed forces of the United States upon payment of the renewal fee applicable to the license period, if there is no cause for denial, suspension, or revocation of the license; ((and))

(21) To issue licenses under subsections (1) through (4) of this section that are valid for a period of up to eighteen months, if it chooses to do so, in order to transition to the use of the business licensing services program through the department of revenue; and

(22) To perform all other matters and things necessary to carry out the purposes and provisions of this chapter.

Passed by the Senate February 13, 2012. Passed by the House March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 117

[Senate Bill 6095]

GENDER-NEUTRAL TERMS

AN ACT Relating to making technical corrections to gender-based terms; amending RCW 2.12.037, 6.15.010, 9.95.270, 9.96.020, 41.04.120, 41.04.233, 41.04.510, 41.06.073, 41.06.075, 41.06.120, 41.14.030, 41.14.060, 41.14.090, 41.14.110, 41.14.120, 41.14.180, 41.14.250, 41.14.260, 41.14.270, 41.20.010, 41.20.020, 41.20.050, 41.20.060, 41.20.065, 41.20.070, 41.20.080, 41.20.085, 41.20.085, 41.20.085, 41.20.080, 41.20.085, 41.20041.20.090, 41.20.100, 41.20.110, 41.20.120, 41.20.150, 41.20.155, 41.20.160, 41.20.170, 41.20.175, 41.24.100, 41.24.260, 41.26.040, 41.26.045, 41.26.046, 41.26.047, 41.28.010, 41.28.030, 41.28.040, 41.28.050, 41.28.080, 41.28.110, 41.28.120, 41.28.130, 41.28.140, 41.28.150, 41.28.160, 41.28.170, 41.28.180, 41.32.044, 41.32.497, 41.33.020, 41.40.210, 41.41.020, 41.44.030, 41.44.070, 41.44.080, 41.44.110, 41.44.120, 41.44.130, 41.44.140, 41.44.150, 41.44.160, 41.44.170, 41.44.180, 41.44.190, 41.44.200, 41.44.210, 41.44.220, 41.44.250, 41.48.020, 41.48.040, 41.48.050, 41.48.090, 41.48.100, 41.50.020, 41.56.080, 41.56.120, 41.56.220, 41.56.450, 41.56.470, 41.58.010, 41.58.801, 41.59.090, 41.59.120, 41.59.140, 42.04.020, 42.08.020, 42.08.030, 42.08.050, 42.08.090, 42.08.100, 42.08.110, 42.08.120, 42.08.130, 42.08.140, 42.08.160, 42.12.030, 42.14.010, 42.14.030, 42.14.060, 42.16.013, 42.16.014, 42.16.020, 42.16.040, 42.20.020, 42.20.030, 42.20.050, 42.20.080, 42.20.110, 42.24.110, 42.24.140, 42.24.150, 42.24.160, 42.26.050, 42.26.070, 42.30.040, 42.30.090, 42.30.120, 42.56.040, 46.21.030, 46.23.020, 49.32.072, 60.08.020, 60.08.060, 60.10.070, 60.16.010, 60.24.020, 60.24.030, 60.24.035, 60.24.075, 60.24.100, 60.24.130, 60.24.140, 60.24.150, 60.24.170, 60.24.190, 60.24.200, 60.28.030, 60.28.060, 60.32.010, 60.32.020, 60.34.010, 60.34.020, 60.40.020, 60.44.060, 60.52.010, 60.56.005, 60.60.040, 60.66.020, 60.76.010, 60.76.020, 61.12.040, 61.12.090, 61.12.093, 61.12.094, 61.12.120, 63.10.030, 63.14.030, 63.14.040, 63.14.060, 63.14.080, 63.14.110, 63.14.140, 63.14.150, 63.14.152, 63.14.158, 63.14.200, 63.29.010, 63.29.070, 63.29.120, 63.29.200, 63.29.350, 63.32.040, 63.40.020, 63.40.040, 63.48.020, 64.04.030, 64.04.040, 64.04.050, 64.04.070, 64.08.020, 64.08.070, 64.08.090, 64.12.040, 64.12.050, 64.16.005, 64.20.030, 64.32.040, 64.32.060, 64.32.070, 64.32.180, 64.32.200, 64.32.210, 64.32.220, 64.32.240, 65.04.070, 65.04.130, 65.04.140, 65.08.070, 65.08.120, 65.08.150, 65.12.005, 65.12.015, 65.12.020, 65.12.055, 65.12.060, 65.12.065, 65.12.070, 65.12.090, $65.12.110,\, 65.12.140,\, 65.12.150,\, 65.12.160,\, 65.12.170,\, 65.12.175,\, 65.12.180,\, 65.12.200,\, 65.12.235,\, 65.12.120,\, 65.12.120,\, 65.12.120,\, 65.12.235,\, 65.120,$ 65.12.250, 65.12.255, 65.12.260, 65.12.265, 65.12.290, 65.12.300, 65.12.310, 65.12.320, 65.12.360, 65.12.370, 65.12.380, 65.12.430, 65.12.445, 65.12.450, 65.12.470, 65.12.480, 65.12.490, 65.12.500, 65.12.530, 65.12.550, 65.12.560, 65.12.570, 65.12.590, 65.12.600, 65.12.610, 65.12.620, 65.12.635, 65.12.640, 65.12.650, 65.12.690, 65.12.710, 65.12.720, 65.12.770, 65.12.790, 65.12.800, 65.16.070, 66.08.012, 66.08.014, 66.08.022, 66.08.080, 66.08.100, 66.12.030, 66.12.070, 66.12.110, 66.20.020, 66.20.040, 66.20.080, 66.20.090, 66.20.100, 66.20.110, 66.20.150, 66.20.190, 66.24.480, 66.28.130, 66.32.060, 66.36.010, 66.40.040, 66.40.100, 66.40.110, 66.40.140, 66.44.090, 66.44.140, 66.44.170, 66.44.292, 66.98.020, 67.04.010, 67.04.020, 67.04.030, 67.04.040, 67.04.050, 67.04.070, 67.04.090, 67.04.120, 67.14.040, 67.14.070, 67.16.015, 67.16.017, 67.70.030, 67.70.050, 67.70.070, 67.70.200, 67.70.290, 68.40.085, 68.40.090, 68.44.030, 68.50.040, 68.50.060, 68.50.080, 68.50.102, 68.50.300, 68.52.120, 68.52.260, 68.52.270, 68.54.040, 68.54.050, 68.54.070, 68.54.110, 68.56.020, 68.56.060, 69.04.006, 69.04.080, 69.04.090, 69.04.160, 69.04.170, 69.04.190, 69.04.206, 69.04.350, 69.04.390, 69.04.392, 69.04.570, 69.04.600, 69.04.620, 69.04.750, 69.04.790, 69.04.840, 69.04.915, 69.07.060, 69.25.080, 69.25.100, 69.25.110, 69.25.120, 69.25.140, 69.25.170, 69.25.180, 69.25.200, 69.25.260, 69.25.320, 69.28.020, 69.28.030, 69.28.040, 69.28.190, 69.28.410, 69.28.420, 69.36.010, 69.36.020, 69.36.040, 69.41.130, 69.50.102, 69.50.309, 69.50.412, 69.50.502, 69.50.506, 69.50.507, 70.08.060, 70.37.030, 70.40.040, 70.40.090, 70.40.130, 70.44.020, 70.44.171, 70.44.185, 70.50.020, 70.54.050, 70.58.010, 70.58.020, 70.58.040, 70.58.050, 70.58.095, 70.58.145, 70.58.270, 70.74.010, 70.74.020, 70.74.110, 70.74.120, 70.74.310, 70.77.450, 70.77.495, 70.77.545, 70.79.100, 70.79.170, 70.79.180, 70.79.330, 70.82.024, 70.82.030, 70.93.040, 70.94.095, 70.94.120, 70.94.142, 70.94.390, 70.94.715, 70.94.720, 70.95.210, 70.95B.020, 70.96A.180, 70.98.050, 70.98.100, 70.98.190, 70.105.095, 70.106.040, 70.106.100, 70.106.110, 70.108.020, 70.108.060, 70.108.070, 70.108.150, 70.110.080, 70.112.020, 70.121.030, 70.121.040, 70.121.090, 71.06.010, 71.06.020, 71.06.050, 71.06.060, 71.06.080, 71.06.091, 71.06.100, 71.06.120, 71.06.130, 71.06.260, 71.12.570, 71.12.640, 71.24.100, 72.01.060, 72.01.120, 72.01.140, 72.01.150, 72.01.180, 72.01.240, 72.01.280, 72.01.282, 72.01.300, 72.01.310, 72.01.380, 72.01.460, 72.02.100, 72.02.110, 72.04A.090, 72.04A.120, 72.05.152,

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

Sec. 1. RCW 2.12.037 and 1970 ex.s. c 96 s 1 are each amended to read as follows:

(1) "Index" for the purposes of this section, shall mean, for any calendar year, that year's annual average consumer price index for urban wage earners and clerical workers, all items (1957-1959 equal one hundred) compiled by the Bureau of Labor Statistics, United States Department of Labor;

(2) Effective July 1, 1970, every pension computed and payable under the provisions of RCW 2.12.030 to any retired judge or to his <u>or her</u> widow <u>or</u> widower which does not exceed four hundred fifty dollars per month shall be adjusted to that dollar amount which bears the ratio of its original dollar amount which is found to exist between the index for 1969 and the index for the calendar year prior to the effective retirement date of the person to whom, or on behalf of whom, such retirement allowance is being paid.

Sec. 2. RCW 6.15.010 and 2011 c 162 s 2 are each amended to read as follows:

(1) Except as provided in RCW 6.15.050, the following personal property is exempt from execution, attachment, and garnishment:

(a) All wearing apparel of every individual and family, but not to exceed three thousand five hundred dollars in value in furs, jewelry, and personal ornaments for any individual.

(b) All private libraries including electronic media, which includes audiovisual, entertainment, or reference media in digital or analogue format, of every individual, but not to exceed three thousand five hundred dollars in value, and all family pictures and keepsakes.

(c) To each individual or, as to community property of spouses maintaining a single household as against a creditor of the community, to the community:

(i) The individual's or community's household goods, appliances, furniture, and home and yard equipment, not to exceed six thousand five hundred dollars in value for the individual or thirteen thousand dollars for the community, no single item to exceed seven hundred fifty dollars, said amount to include provisions and fuel for the comfortable maintenance of the individual or community;

(ii) Other personal property, except personal earnings as provided under RCW 6.15.050(1), not to exceed three thousand dollars in value, of which not more than one thousand five hundred dollars in value may consist of cash, and of which not more than:

(A) Until January 1, 2018:

(I) For debts owed to state agencies, two hundred dollars in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. The maximum exemption under (c)(ii)(A) of this subsection may not

exceed two hundred dollars, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities.

(II) For all other debts, five hundred dollars in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. The maximum exemption under (c)(ii)(B) of this subsection may not exceed five hundred dollars, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities.

(B) After January 1, 2018: For all debts, five hundred dollars in value may consist of bank accounts, savings and loan accounts, stocks, bonds, or other securities. The maximum exemption under this subsection (1)(c)(ii)(B) may not exceed five hundred dollars, regardless of the number of existing separate bank accounts, savings and loan accounts, stocks, bonds, or other securities;

(iii) For an individual, a motor vehicle used for personal transportation, not to exceed three thousand two hundred fifty dollars or for a community two motor vehicles used for personal transportation, not to exceed six thousand five hundred dollars in aggregate value;

(iv) Any past due, current, or future child support paid or owed to the debtor, which can be traced;

(v) All professionally prescribed health aids for the debtor or a dependent of the debtor; and

(vi) To any individual, the right to or proceeds of a payment not to exceed twenty thousand dollars on account of personal bodily injury, not including pain and suffering or compensation for actual pecuniary loss, of the debtor or an individual of whom the debtor is a dependent; or the right to or proceeds of a payment in compensation of loss of future earnings of the debtor or an individual of whom the debtor and any dependent, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor. The exemption under this subsection (1)(c)(vi) does not apply to the right of the state of Washington, or any agent or assignee of the state, as a lienholder or subrogee under RCW 43.20B.060.

(d) To each qualified individual, one of the following exemptions:

(i) To a farmer, farm trucks, farm stock, farm tools, farm equipment, supplies and seed, not to exceed ten thousand dollars in value;

(ii) To a physician, surgeon, attorney, ((elergyman)) member of the clergy, or other professional person, the individual's library, office furniture, office equipment and supplies, not to exceed ten thousand dollars in value;

(iii) To any other individual, the tools and instruments and materials used to carry on his or her trade for the support of himself or herself or family, not to exceed ten thousand dollars in value.

(e) Tuition units, under chapter 28B.95 RCW, purchased more than two years prior to the date of a bankruptcy filing or court judgment, and contributions to any other qualified tuition program under 26 U.S.C. Sec. 529 of the internal revenue code of 1986, as amended, and to a Coverdell education savings account, also known as an education individual retirement account, under 26 U.S.C. Sec. 530 of the internal revenue code of 1986, as amended, contributed more than two years prior to the date of a bankruptcy filing or court judgment.

(2) For purposes of this section, "value" means the reasonable market value of the debtor's interest in an article or item at the time it is selected for exemption, exclusive of all liens and encumbrances thereon.

Sec. 3. RCW 9.95.270 and 1937 c 92 s 1 are each amended to read as follows:

The governor of this state is hereby authorized to execute a compact on behalf of the state of Washington with any of the United States legally joining therein in the form substantially as follows:

A compact entered into by and among the contracting states, signatories hereto, with the consent of the congress of the United States of America, granted by an act entitled "An Act granting the consent of congress to any two or more states to enter into agreements or compacts for cooperative effort and mutual assistance in the prevention of crime and for other purposes."

The contracting states solemnly agree:

(1) That it shall be competent for the duly constituted judicial and administrative authorities of a state, party to this compact, (herein called "sending state"), to permit any person convicted of an offense within such state and placed on probation or released on parole to reside in any other state party to this compact, (herein called "receiving state"), while on probation or parole, if

(a) Such person is in fact a resident of or has his <u>or her</u> family residing within the receiving state and can obtain employment there;

(b) Though not a resident of the receiving state and not having his <u>or her</u> family residing there, the receiving state consents to such person being sent there.

Before granting such permission, opportunity shall be granted to the receiving state to investigate the home and prospective employment of such person.

A resident of the receiving state, within the meaning of this section, is one who has been an actual inhabitant of such state continuously for more than one year prior to his <u>or her</u> coming to the sending state and has not resided within the sending state more than six continuous months immediately preceding the commission of the offense for which he <u>or she</u> has been convicted.

(2) That each receiving state will assume the duties of visitation of and supervision over probationers or parolees of any sending state and in the exercise of those duties will be governed by the same standards that prevail for its own probationers and parolees.

(3) That duly accredited officers of a sending state may at all times enter a receiving state and there apprehend and retake any person on probation or parole. For that purpose no formalities will be required other than establishing the authority of the officer and the identity of the person to be retaken. All legal requirements to obtain extradition of fugitives from justice are hereby expressly waived on the part of states party hereto, as to such persons. The decision of the sending state to retake a person on probation or parole shall be conclusive upon and not reviewable within the receiving state: PROVIDED, HOWEVER, That if at the time when a state seeks to retake a probationer or parolee there should be pending against him <u>or her</u> within the receiving state any criminal charge, or he <u>or she</u> should be suspected of having committed within such state a criminal offense, he <u>or she</u> shall not be retaken without the consent of the receiving state until discharged from prosecution or from imprisonment for such offense.

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(4) That the duly accredited officers of the sending state will be permitted to transport prisoners being retaken through any and all states parties to this compact, without interference.

(5) That the governor of each state may designate an officer who, acting jointly with like officers of other contracting states, if and when appointed, shall promulgate such rules and regulations as may be deemed necessary to more effectively carry out the terms of this compact.

(6) That this compact shall become operative immediately upon its execution by any state as between it and any other state or states so executing. When executed it shall have the full force and effect of law within such state, the form of execution to be in accordance with the laws of the executing state.

(7) That this compact shall continue in force and remain binding upon each executing state until renounced by it. The duties and obligations hereunder of a renouncing state shall continue as to parolees or probationers residing therein at the time of withdrawal until retaken or finally discharged by the sending state. Renunciation of this compact shall be by the same authority which executed it, by sending six months' notice in writing of its intention to withdraw from the compact to the other states, party hereto.

Sec. 4. RCW 9.96.020 and 2011 c 336 s 343 are each amended to read as follows:

Whenever the governor shall determine to restore his or her civil rights to any person convicted of an infamous crime in any superior court of this state, he or she shall execute and file in the office of the secretary of state an instrument in writing in substantially the following form:

"To the People of the State of Washington Greeting:

I, the undersigned Governor of the State of Washington, by virtue of the power vested in my office by the constitution and laws of the State of Washington, do by these presents restore to his <u>or her</u> civil rights forfeited by him (or her) by reason of his (or her) conviction of the crime of (naming it) in the Superior Court for the County of, on to-wit: The day of, 19 Dated the day of, 19 Governor of Washington."

Sec. 5. RCW 41.04.120 and 1957 c 164 s 1 are each amended to read as follows:

Any civil service employee of the state of Washington or of any political subdivision thereof who is on leave of absence by reason of having been elected or appointed to an elective office shall be preserved in his <u>or her</u> civil service status, his <u>or her</u> seniority, rank and retirement rights so long as he <u>or she</u> regularly continues to make the usual contribution incident to the retention of such beneficial rights as if he <u>or she</u> were not on leave of absence: PROVIDED, That such contributions being made shall be based on the rank at the time of taking such leave of absence.

Sec. 6. RCW 41.04.233 and 1975 1st ex.s. c 290 s 20 are each amended to read as follows:

Any employee or retired employee of the state or its departments, agencies, or subdivisions and any employee or retired employee of a county, public or municipal corporation, school district, or tax supported institution may authorize the deduction from his <u>or her</u> salary or wages of the amount of his <u>or her</u> capitation payments to any health maintenance organization receiving a certificate of authority under this chapter. Upon the filing of an authorization with the auditor or fiscal officer of the employer, such auditor or fiscal officer shall make payments in favor of the health maintenance organizations referred to in the authorization for the amounts of the deductions authorized, RCW 41.04.230(7) notwithstanding.

Sec. 7. RCW 41.04.510 and 1989 c 21 s 1 are each amended to read as follows:

The disability leave supplement shall be paid as follows:

(1) The disability leave supplement shall begin on the sixth calendar day from the date of the injury or illness which entitles the employee to benefits under RCW 51.32.090. For the purposes of this section, the day of injury shall constitute the first calendar day.

(2) One-half of the amount of the supplement as defined in RCW 41.04.505 shall be charged against the accrued paid leave of the employee. In computing such charge, the employer shall convert accumulated days, or other time units as the case may be, to a money equivalent based on the base monthly salary of the employee at the time of the injury or illness. "Base monthly salary" for the purposes of this section means the amount earned by the employee before any voluntary or involuntary payroll deductions, and not including overtime pay.

(3) One-half of the amount of the supplement as defined in RCW 41.04.505 shall be paid by the employer.

If an employee has no accrued paid leave at the time of an injury or illness which entitles him <u>or her</u> to benefits under RCW 51.32.090, or if accrued paid leave is exhausted during the period of disability, the employee shall receive only that portion of the disability leave supplement prescribed by subsection (3) of this section.

Sec. 8. RCW 41.06.073 and 1970 ex.s. c 62 s 11 are each amended to read as follows:

In addition to the exemptions set forth in RCW 41.06.070, the provisions of this chapter shall not apply in the department of ecology to the director, his <u>or her</u> confidential secretary, his <u>or her</u> deputy director, and not to exceed six assistant directors.

Sec. 9. RCW 41.06.075 and 1979 c 151 s 56 are each amended to read as follows:

In addition to the exemptions set forth in RCW 41.06.070, the provisions of this chapter shall not apply in the office of financial management to the director, his <u>or her</u> confidential secretary, not to exceed two deputy directors and not to exceed seven assistant directors.

Sec. 10. RCW 41.06.120 and 2011 1st sp.s. c 43 s 406 are each amended to read as follows:

(1) In the necessary conduct of its work, the board shall meet monthly unless there is no pending business requiring board action and may hold hearings, such hearings to be called by (a) the ((chairman)) chair of the board, or (b) a majority of the members of the board. An official notice of the calling of the hearing shall be filed with the secretary, and all members shall be notified of the hearing within a reasonable period of time prior to its convening.

(2) No release of material or statement of findings shall be made except with the approval of a majority of the board;

(3) In the conduct of hearings or investigations, a member of the board or the director, or the hearing officer, may administer oaths.

Sec. 11. RCW 41.14.030 and 2009 c 112 s 2 are each amended to read as follows:

(1) There is created in each county and in each combination of counties, combined pursuant to RCW 41.14.040 to carry out the provisions of this chapter, a civil service commission which shall be composed of three persons, or five persons under subsection (2) of this section. The commission members shall be appointed by the board of county commissioners, or boards of county commissioners of each combination of counties, within sixty days after December 4, 1958. No person shall be appointed to the commission who is not a citizen of the United States, a resident of the county, or one of the counties combined, for at least two years immediately preceding his or her appointment, and an elector of the county wherein he or she resides. The term of office of the commissioners shall be six years, except that the first three members of the commission shall be appointed for different terms, as follows: One to serve for a period of two years, one to serve for a period of four years, and one to serve for a period of six years. Any member of the commission may be removed from office for incompetency, incompatibility, or dereliction of duty, or malfeasance in office, or other good cause: PROVIDED, That no member of the commission shall be removed until charges have been preferred, in writing, due notice, and a full hearing had. Any vacancy in the commission shall be filled by the county commissioners for the unexpired term. Two members of the commission shall constitute a quorum and the votes of any two members concurring shall be sufficient for the decision of all matters and the transaction of all business to be decided or transacted by the commission. Confirmation of the appointment of commissioners by any legislative body shall not be required. At the time of appointment not more than two commissioners shall be adherents of the same political party. No member after appointment shall hold any salaried public office or engage in county employment, other than his or her commission duties. The members of the commission shall serve without compensation.

(2)(a) Each county and each combination of counties under RCW 41.14.040 may, by ordinance, increase the number of members serving on a commission from three to five members. If a commission is increased to five members, the terms of the three commissioners serving at the time of the increase are not affected. The initial term of office for the two additional commissioners is six years.

(b) Three commissioners constitute a quorum for a five-member commission and the votes of three commissioners concurring are sufficient for the decision of all matters and the transaction of all business decided or transacted by a five-member commission. (c) At the time of appointment of the two additional commissioners, no more than three commissioners may be adherents of the same political party.

(d) Except as provided otherwise in this subsection (2), subsection (1) of this section applies to five-member commissions.

Sec. 12. RCW 41.14.060 and 2001 c 232 s 1 are each amended to read as follows:

It shall be the duty of the civil service commission:

(1) To make suitable rules and regulations not inconsistent with the provisions hereof. Such rules and regulations shall provide in detail the manner in which examinations may be held, and appointments, promotions, reallocations, transfers, reinstatements, demotions, suspensions, and discharges shall be made, and may also provide for any other matters connected with the general subject of personnel administration, and which may be considered desirable to further carry out the general purposes of this chapter, or which may be found to be in the interest of good personnel administration. The rules and regulations and any amendments thereof shall be printed, mimeographed, or multigraphed for free public distribution. Such rules and regulations may be changed from time to time.

(2) To give practical tests which shall consist only of subjects which will fairly determine the capacity of persons examined to perform duties of the position to which appointment is to be made. Such tests may include tests of physical fitness or manual skill or both.

(3) To make investigations concerning and report upon all matters touching the enforcement and effect of the provisions of this chapter, and the rules and regulations prescribed hereunder; to inspect all departments, offices, places, positions, and employments affected by this chapter, and ascertain whether this chapter and all such rules and regulations are being obeyed. Such investigations may be made by the commission or by any commissioner designated by the commission for that purpose. Not only must these investigations be made by the commission as aforesaid, but the commission must make like investigation on petition of a citizen, duly verified, stating that irregularities or abuses exist, or setting forth in concise language, in writing, the necessity for such investigation. In the course of such investigation the commission or designated commissioner, or chief examiner, may administer oaths, subpoena and require the attendance of witnesses and the production by them of books, papers, documents, and accounts appertaining to the investigation and also cause the deposition of witnesses residing within or without the state to be taken in the manner prescribed by law for like depositions in civil actions in the superior court; and the oaths administered and the subpoenas issued hereunder shall have the same force and effect as the oaths administered and subpoenas issued by a superior court judge in his or her judicial capacity; and the failure of any person so subpoenaed to comply with the provisions of this section shall be deemed a violation of this chapter, and punishable as such.

(4) To conduct hearings and investigations in accordance with this chapter and by the rules of practice and procedure adopted by the commission, and in the conduct thereof neither the commission, nor designated commissioner shall be bound by technical rules of evidence. No informality in any proceedings or hearing, or in the manner of taking testimony before the commission or designated commissioner, shall invalidate any order, decision, rule, or regulation

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made, approved, or confirmed by the commission: PROVIDED, That no order, decision, rule, or regulation made by any designated commissioner conducting any hearing or investigation alone shall be of any force or effect whatsoever unless and until concurred in by at least one of the other two members.

(5) To hear and determine appeals or complaints respecting the allocation of positions, the rejection of an examinee, and such other matters as may be referred to the commission.

(6) To provide for, formulate, and hold competitive tests to determine the relative qualifications of persons who seek employment in any class or position and as a result thereof establish eligible lists for the various classes of positions, and provide that persons laid off, or who have accepted voluntary demotion in lieu of layoff, because of curtailment of expenditures, reduction in force, and for like causes, head the list in the order of their seniority, to the end that they shall be the first to be reemployed or reinstated in their former job class.

(7) To certify to the appointing authority, when a vacant position is to be filled, on written request, the names of the three persons highest on the eligible list for the class. If there is no such list, to authorize a provisional or temporary appointment list for such class. A temporary appointment expires after four months. However, the appointing authority may extend the temporary appointment beyond the four-month period up to one year if the commission continues to advertise and test for the position. If, after one year from the date the initial temporary appointment was first made, there are less than three persons on the eligible list for the class, then the appointing authority may fill the position with any person or persons on the eligible list.

(8) To keep such records as may be necessary for the proper administration of this chapter.

Sec. 13. RCW 41.14.090 and 1959 c 1 s 9 are each amended to read as follows:

For the benefit of the public service and to prevent delay, injury, or interruption therein by reason of the enactment hereof, all persons holding a position which is deemed classified by RCW 41.14.070 for a continuous period of six months prior to December 4, 1958, are eligible for permanent appointment under civil service to the offices, places, positions, or employments which they then held without examination or other act on their part, and not on probation; and every such person is automatically adopted and inducted permanently into civil service, into the office, place, position, or employment which he <u>or she</u> then held as completely and effectually to all intents and purposes as if such person had been permanently appointed thereto under civil service after examination and investigation.

Sec. 14. RCW 41.14.110 and 1959 c 1 s 11 are each amended to read as follows:

The tenure of every person holding an office, place, position, or employment under the provisions of this chapter shall be only during good behavior, and any such person may be removed or discharged, suspended without pay, demoted, or reduced in rank, or deprived of vacation privileges or other special privileges for any of the following reasons:

(1) Incompetency, inefficiency, or inattention to, or dereliction of duty;

(2) Dishonesty, intemperance, immoral conduct, insubordination, discourteous treatment of the public, or a fellow employee, or any other act of omission or commission tending to injure the public service; or any other ((wilful)) willful failure on the part of the employee to properly conduct himself or herself; or any ((wilful)) willful violation of the provisions of this chapter or the rules and regulations to be adopted hereunder;

(3) Mental or physical unfitness for the position which the employee holds;

(4) Dishonest, disgraceful, or prejudicial conduct;

(5) Drunkenness or use of intoxicating liquors, narcotics, or any other habit forming drug, liquid, or preparation to such extent that the use thereof interferes with the efficiency or mental or physical fitness of the employee, or which precludes the employee from properly performing the function and duties of any position under civil service;

(6) Conviction of a felony, or a misdemeanor involving moral turpitude;

(7) Any other act or failure to act which in the judgment of the civil service commission is sufficient to show the offender to be an unsuitable and unfit person to be employed in the public service.

Sec. 15. RCW 41.14.120 and 1984 c 199 s 1 are each amended to read as follows:

No person in the classified civil service who has been permanently appointed or inducted into civil service under provisions of this chapter, shall be removed, suspended, demoted, or discharged except for cause, and only upon written accusation of the appointing power or any citizen or taxpayer; a written statement of which accusation, in general terms, shall be served upon the accused, and a duplicate filed with the commission. Any person so removed, suspended, discharged, or demoted may within ten days from the time of his or her removal, suspension, discharge, or demotion file with the commission a written demand for an investigation, whereupon the commission shall conduct such investigation. Upon receipt of the written demand for an investigation, the commission shall within ten days set a date for a public hearing which will be held within thirty days from the date of receipt. The investigation shall be confined to the determination of the question of whether the removal, suspension, demotion, or discharge was made in good faith for cause. After such investigation the commission shall render a written decision within ten days and may affirm the removal, suspension, demotion, or discharge, or if it finds that removal, suspension, demotion, or discharge was not made in good faith for cause, shall order the immediate reinstatement or reemployment of such person in the office, place, position, or employment from which he or she was removed, suspended, demoted, or discharged, which reinstatement shall, if the commission so provides, be retroactive, and entitle such person to pay or compensation from the time of the removal, suspension, demotion, or discharge. The commission upon such investigation, in lieu of affirming a removal, suspension, demotion, or discharge, may modify the order by directing the removal, suspension, demotion, or discharge without pay, for a given period, and subsequent restoration to duty, or demotion in classification, grade, or pay. The findings of the commission shall be certified, in writing to the appointing power, and shall be forthwith enforced by such officer.

All investigations made by the commission pursuant to this section shall be by public hearing, after reasonable notice to the accused of the time and place

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thereof, at which hearing the accused shall be afforded an opportunity of appearing in person and by counsel, and presenting his or her defense. If order of removal, suspension, demotion, or discharge is concurred in by the commission or a majority thereof, the accused may appeal therefrom to the superior court of the county wherein he or she resides. Such appeal shall be taken by serving the commission, within thirty days after the entry of its order, a written notice of appeal, stating the grounds thereof, and demanding that a certified transcript of the record and of all papers on file in the office of the commission affecting or relating to its order, be filed by the commission with the court. The commission shall, within ten days after the filing of the notice, make, certify, and file such transcript with the court. The court shall thereupon proceed to hear and determine the appeal in a summary manner. Such hearing shall be confined to the determination of whether the order of removal, suspension, demotion, or discharge made by the commission, was or was not made in good faith for cause, and no appeal shall be taken except upon such ground or grounds. The decision of the superior court may be appealed to the supreme court or the court of appeals.

Sec. 16. RCW 41.14.180 and 1959 c 1 s 18 are each amended to read as follows:

No commissioner or any other person, shall, by himself <u>or herself</u> or in cooperation with others, defeat, deceive, or obstruct any person in respect of his <u>or her</u> right of examination or registration according to the rules and regulations, or falsely mark, grade, estimate, or report upon the examination or proper standing of any person examined, registered, or certified pursuant to this chapter, or aid in so doing, or make any false representation concerning the same, or concerning the person examined, or furnish any person any special or secret information for the purpose of improving or injuring the prospects or chances of any person so examined, registered or certified, or to be examined, registered, or certified, or persuade any other person, or permit or aid in any manner any other person to personate him <u>or her</u>, in connection with any examination or registration of application or request to be examined or registered.

The right of any person to an appointment or promotion to any position in a sheriff's office shall not be withheld because of his <u>or her</u> race, color, creed, national origin, political affiliation or belief, nor shall any person be dismissed, demoted, or reduced in grade for such reason.

Sec. 17. RCW 41.14.250 and 1972 ex.s. c 48 s 1 are each amended to read as follows:

When any city or town shall contract with the county sheriff's office to obtain law enforcement services to the city or town, any employee of the police department of such city or town who (1) was at the time such contract was entered into employed exclusively or principally in performing the powers, duties, and functions which are to be performed by the county sheriff's office under such contract (2) will, as a direct consequence of such contract, be separated from the employ of the city or town, and (3) meets the minimum standards and qualifications of the county sheriff's office, then such employee may transfer his <u>or her</u> employment to the county sheriff's office as provided for in RCW 41.14.260 and 41.14.270.

Sec. 18. RCW 41.14.260 and 1972 ex.s. c 48 s 2 are each amended to read as follows:

(1) An eligible employee may transfer into the county civil service system for the sheriff's office by filing a written request with the county civil service commission and by giving written notice thereof to the legislative authority of the city or town. Upon receipt of such request by the civil service commission the transfer of employment shall be made. The employee so transferring will (1) be on probation for the same period as are new employees of the sheriff's office, (2) be eligible for promotion after completion of the probationary period as completed, (3) receive a salary at least equal to that of other new employees of the sheriff's office, and (4) in all other matters, such as retirement, vacation, etc., have, within the county civil service system, all the rights, benefits, and privileges that he or she would have been entitled to had he or she been a member of the county sheriff's office from the beginning of his or her employment with the city or town police department. The city or town shall, upon receipt of such notice, transmit to the county civil service commission a record of the employee's service with the city or town which shall be credited to such member as a part of his or her period of employment in the county sheriff's office. The sheriff may appoint the transferring employee to whatever duties he or she feels are in the best interest of the department and the individual.

(2) If in the process of contracting for law enforcement services economies or efficiencies are achieved or if the city or town intends by such contract to curtail expenditures and the level of services to the city or town, then only so many of the transferring employees shall be placed upon the payroll of the sheriff's office as the sheriff determines are needed to provide the contracted services. These needed employees shall be taken in order of seniority and the remaining employees who transfer as provided in RCW 41.14.250, 41.14.260, and 41.14.270 shall head the list of their respective class or job listing in the civil service system in order of their seniority, to the end that they shall be the first to be reemployed in the county sheriff's office when appropriate positions become available.

Sec. 19. RCW 41.14.270 and 1972 ex.s. c 48 s 3 are each amended to read as follows:

When a city or town shall contract with the county sheriff's office for law enforcement services and as a result thereof lays off any employee who is eligible to transfer to the county sheriff's office pursuant to RCW 41.14.250 and 41.14.260, the city or town shall notify such employee of his <u>or her</u> right to so transfer and such employee shall have ninety days to transfer his <u>or her</u> employment to the county sheriff's office: PROVIDED, That any employee layed off during the year prior to February 21, 1972 shall have ninety days after the effective date to transfer his <u>or her</u> employment.

Sec. 20. RCW 41.20.010 and 1988 c 164 s 3 are each amended to read as follows:

(1) The mayor or his <u>or her</u> designated representative who shall be an elected official of the city, and the clerk, treasurer, president of the city council or mayor pro tem of each city of the first class, or in case any such city has no city council, the commissioner who has supervision of the police department, together with three active or retired members of the police department, to be

elected as herein provided, in addition to the duties now required of them, are constituted a board of trustees of the relief and pension fund of the police department of each such city, and shall provide for the disbursement of the fund, and designate the beneficiaries thereof.

(2) The police department and the retired law enforcement officers of each city of the first class shall elect three members to act as members of the board. Members shall be elected for three year terms. Existing members shall continue in office until replaced as provided for in this section.

(3) Such election shall be held in the following manner. Not more than thirty nor less than fifteen days preceding the first day of June in each year, written notice of the nomination of any member or retired member of the department for membership on the board may be filed with the secretary of the board. Each notice of nomination shall be signed by not less than five members or retired members of the department, and nothing herein contained shall prevent any member or retired member of the department from signing more than one notice of nomination. The election shall be held on a date to be fixed by the secretary during the month of June. Notice of the dates upon which notice of nomination may be filed and of the date fixed for the election of such members of the board shall be given by the secretary of the board by posting written notices thereof in a prominent place in the police headquarters. For the purpose of such election, the secretary of the board shall prepare and furnish printed or typewritten ballots in the usual form, containing the names of all persons regularly nominated for membership and shall furnish a ballot box for the election. Each member and each retired member of the police department shall be entitled to vote at the election for one nominee as a member of the board. The chief of the department shall appoint two members to act as officials of the election, who shall be allowed their regular wages for the day, but shall receive no additional compensation therefor. The election shall be held in the police headquarters of the department and the polls shall open at 7:30 a.m. and close at 8:30 p.m. The one nominee receiving the highest number of votes shall be declared elected to the board and his or her term shall commence on the first day of July succeeding the election. In the first election the nominee receiving the greatest number of votes shall be elected to the three year term, the second greatest to the two year term and the third greatest to the one year term. Retired members who are subject to the jurisdiction of the board have both the right to elect and the right to be elected under this section. Ballots shall contain all names of those nominated, both active and retired. Notice of nomination and voting by retired members shall be conducted by the board.

Sec. 21. RCW 41.20.020 and 1973 1st ex.s. c 16 s 2 are each amended to read as follows:

The mayor, or his <u>or her</u> designated representative, shall be ex officio ((ehairman)) <u>chair</u>, the clerk shall be ex officio secretary, and the treasurer shall be ex officio treasurer of said board. The secretary of said board, at the time of making his <u>or her</u> annual reports as said city clerk, shall annually report the condition of said fund, the receipts and disbursements on account of the same, together with a complete list of the beneficiaries of said fund, and the amounts paid to each of them.

Sec. 22. RCW 41.20.050 and 1973 1st ex.s. c 181 s 3 are each amended to read as follows:

Whenever a person has been duly appointed, and has served honorably for a period of twenty-five years, as a member, in any capacity, of the regularly constituted police department of a city subject to the provisions of this chapter, the board, after hearing, if one is requested in writing, may order and direct that such person be retired, and the board shall retire any member so entitled, upon his or her written request therefor. The member so retired hereafter shall be paid from the fund during his or her lifetime a pension equal to fifty percent of the amount of salary at any time hereafter attached to the position held by the retired member for the year preceding the date of his or her retirement: PROVIDED, That, except as to a position higher than that of captain held for at least three calendar years prior to date of retirement, no such pension shall exceed an amount equivalent to fifty percent of the salary of captain, and all existing pensions shall be increased to not less than three hundred dollars per month as of April 25, 1973: PROVIDED FURTHER, That a person hereafter retiring who has served as a member for more than twenty-five years, shall have his or her pension payable under this section increased by two percent of his or her salary per year for each full year of such additional service to a maximum of five additional years.

Any person who has served in a position higher than the rank of captain for a minimum of three years may elect to retire at such higher position and receive for his <u>or her</u> lifetime a pension equal to fifty percent of the amount of the salary at any time hereafter attached to the position held by such retired member for the year preceding his <u>or her</u> date of retirement: PROVIDED, That such person make the said election to retire at a higher position by September 1, 1969 and at the time of making the said election, pay into the relief and pension fund in addition to the contribution required by RCW 41.20.130: (1) an amount equal to six percent of that portion of all monthly salaries previously received upon which a sum equal to six percent has not been previously deducted and paid into the police relief and pension fund; (2) and such person agrees to continue paying into the police relief and pension fund until the date of retirement, in addition to the contributions required by RCW 41.20.130, an amount equal to six percent of that portion of monthly salary upon which a six percent contribution is not currently deducted pursuant to RCW 41.20.130.

Any person affected by this chapter who at the time of entering the armed services was a member of such police department and is a veteran as defined in RCW 41.04.005, shall have added to his <u>or her</u> period of employment as computed under this chapter, his <u>or her</u> period of war service in the armed forces, but such credited service shall not exceed five years and such period of service shall be automatically added to each member's service upon payment by him <u>or her</u> of his <u>or her</u> contribution for the period of his <u>or her</u> absence at the rate provided in RCW 41.20.130.

Sec. 23. RCW 41.20.060 and 1998 c 157 s 3 are each amended to read as follows:

Whenever any person, while serving as a ((policeman)) <u>police officer</u> in any such city becomes physically disabled by reason of any bodily injury received in the immediate or direct performance or discharge of his <u>or her</u> duties as a ((policeman)) <u>police officer</u>, or becomes incapacitated for service on account of any duty connected disability, such incapacity not having been caused or brought on by dissipation or abuse, of which the board shall be judge, the board may, upon his or her written request filed with the secretary, or without such written request, if it deems it to be for the benefit of the public, retire such person from the department, and order and direct that he or she be paid from the fund during his or her lifetime, a pension equal to fifty percent of the amount of salary at any time hereafter attached to the position which he or she held in the department at the date of his <u>or her</u> retirement, but not to exceed an amount equivalent to fifty percent of the salary of captain except as to a position higher than that of captain held for at least three calendar years prior to the date of retirement in which case as to such position the provisions of RCW 41.20.050 shall apply, and all existing pensions shall be increased to not less than three hundred dollars per month as of April 25, 1973: PROVIDED, That where, at the time of retirement hereafter for duty connected disability under this section, such person has served honorably for a period of more than twenty-five years as a member, in any capacity, of the regularly constituted police department of a city subject to the provisions of this chapter, the foregoing percentage factors to be applied in computing the pension payable under this section shall be increased by two percent of his or her salary per year for each full year of such additional service to a maximum of five additional years.

Whenever such disability ceases, the pension shall cease, and such person shall be restored to active service at the same rank he <u>or she</u> held at the time of his <u>or her</u> retirement, and at the current salary attached to said rank at the time of his <u>or her</u> return to active service.

Disability benefits provided for by this chapter shall not be paid when the $((\frac{\text{policeman}}{\text{police}}))$ police officer is disabled while he <u>or she</u> is engaged for compensation in outside work not of a police or special police nature.

Sec. 24. RCW 41.20.065 and 1998 c 157 s 4 are each amended to read as follows:

Whenever any person, while serving as a ((policeman)) police officer in any such city becomes physically disabled by reason of any bodily injury not incurred in the line of duty, or becomes incapacitated for service, such incapacity not having been caused or brought on by dissipation or abuse, of which the board shall be judge, the board may, upon his or her written request filed with the secretary, or without such written request, if it deems it to be for the benefit of the public, retire such person from the department, and order and direct that he or she be paid from the fund during his or her lifetime, a pension equal to fifty percent of the amount of salary at any time hereafter attached to the position which he or she held in the department at the date of his or her retirement, but not to exceed an amount equivalent to fifty percent of the salary of captain, except as to a position higher than that of captain held for at least three calendar years prior to the date of retirement, in which case as to such position the provisions of RCW 41.20.050 shall apply, and all existing pensions shall be increased to not less than three hundred dollars per month as of April 25, 1973: PROVIDED, That where, at the time of retirement hereafter for disability under this section, such person has served honorably for a period of more than twentyfive years as a member, in any capacity, of the regularly constituted police department of a city subject to the provisions of this chapter, the foregoing percentage factors to be applied in computing the pension payable under this

section shall be increased by two percent of his <u>or her</u> salary per year for each full year of such additional service, to a maximum of five additional years.

Whenever such disability ceases, the pension shall cease, and such person shall be restored to active service at the same rank he <u>or she</u> held at the time of his <u>or her</u> retirement, and at the current salary attached to said rank at the time of his <u>or her</u> return to active service.

Disability benefits provided for by this chapter shall not be paid when the ((policeman)) <u>police officer</u> is disabled while he <u>or she</u> is engaged for compensation in outside work not of a police or special police nature.

Sec. 25. RCW 41.20.070 and 1909 c 39 s 6 are each amended to read as follows:

No person shall be retired, as provided in RCW 41.20.060, or receive any benefit from said fund, unless there shall be filed with said board certificate of his <u>or her</u> disability, which certificate shall be subscribed and sworn to by said person, and by the city physician (if there be one) and two regularly licensed and practicing physicians of such city, and such board may require other evidence of disability before ordering such retirement and payment as aforesaid.

Sec. 26. RCW 41.20.080 and 1973 1st ex.s. c 181 s 5 are each amended to read as follows:

Whenever any member of the police department of any such city loses his <u>or</u> <u>her</u> life while actually engaged in the performance of duty, or as the proximate result thereof, leaving a surviving spouse or child or children under the age of eighteen years, upon satisfactory proof of such facts made to it, the board shall order and direct that a pension, equal to one-half of the amount of the salary at any time hereafter attached to the position which such member held in the police department at the time of his <u>or her</u> death, shall be paid to the surviving spouse for life, or if there is no surviving spouse, or if the surviving spouse shall die, then to the child or children until they are eighteen years of age: PROVIDED, That if such spouse or child or children marry, the person so marrying shall thereafter receive no further pension from the fund: PROVIDED FURTHER, That all existing pensions shall be increased to not less than three hundred dollars per month as of April 25, 1973.

If any member so losing his <u>or her</u> life, leaves no spouse, or child or children under the age of eighteen years, the board shall pay the sum of two hundred dollars toward the funeral expenses of such member.

Sec. 27. RCW 41.20.085 and 1973 1st ex.s. c 181 s 6 are each amended to read as follows:

Whenever any member of the police department of any such city shall die, or shall have heretofore died, or whenever any such member who has been heretofore retired or who is hereafter retired for length of service or a disability, shall have died, or shall die, leaving a surviving spouse or child or children under the age of eighteen years, upon satisfactory proof of such facts made to it, the board shall order and direct that a pension equal to one-third of the amount of salary at any time hereafter attached to the position held by such member in the police department at the time of his <u>or her</u> death or retirement, not to exceed onethird of the salary of captain, shall be paid to the surviving spouse during the surviving spouse's life, and in addition, to the child or children, until they are eighteen years of age, as follows: For one child, one-eighth of the salary on

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which such pension is based; for two children, a total of one-seventh of said salary; and for three or more children, a total of one-sixth of said salary: PROVIDED, If such spouse or child or children marry, the person so marrying shall receive no further pension from the fund. In case there is no surviving spouse, or if the surviving spouse shall die, the child or children shall be entitled to the spouse's share in addition to the share specified herein until they reach eighteen years of age. No spouse shall be entitled to any payments on the death of a retired officer unless such surviving spouse has been married to such officer for a period of at least five years prior to the date of his <u>or her</u> retirement.

As of April 25, 1973, a surviving spouse not otherwise covered by the provisions of section 2, chapter 78, Laws of 1959, shall be entitled to a pension of three hundred dollars per month.

"Surviving spouse" as used in this section means surviving female or male spouse.

Sec. 28. RCW 41.20.090 and 1959 c 78 s 6 are each amended to read as follows:

Whenever any member of the police department of such city shall, after five years of service in said department, die, his <u>or her</u> surviving spouse or, if there is no surviving spouse, the child or children under the age of eighteen years, or if there is no surviving spouse or child or children, then his <u>or her</u> parents or unmarried sister or sisters, minor brother or brothers, dependent upon him <u>or her</u> for support, shall be entitled to the sum of one thousand dollars from such fund. This section to apply to members who shall have been retired, for any reason, from active service under the provisions of this chapter.

Sec. 29. RCW 41.20.100 and 1909 c 39 s 9 are each amended to read as follows:

Any person retired for disability under this chapter may be summoned before the board herein provided for, at any time thereafter, and shall submit himself <u>or herself</u> thereto for examination as to his <u>or her</u> fitness for duty, and shall abide the decision and order of said board with reference thereto; and all members of such police force who may be retired under the provisions of this chapter, shall report to the chief of police of such city where so retired on the first Mondays of April, July, October, and January of each year; and in cases of emergency, may be assigned to and shall perform such duty as said chief of police may direct, and such persons shall have no claim against such city for payment for such duty so performed.

Sec. 30. RCW 41.20.110 and 1937 c 24 s 5 are each amended to read as follows:

Whenever any person who shall have received any benefit from said fund shall be convicted of any felony, or shall become an habitual drunkard, or shall fail to report himself <u>or herself</u> for examination for duty as required herein, unless excused by the board, or shall disobey the requirements of said board then such board shall order and direct that such pension or allowance that may have been granted to such person shall immediately cease, and such person shall receive no further pension or allowance or benefit under this chapter, but in lieu thereof the said pension or allowance or benefit may, at the discretion of the board, be paid to those immediately dependent upon him <u>or her</u>, or to his <u>or her</u> legally appointed guardian. Sec. 31. RCW 41.20.120 and 1992 c 22 s 2 are each amended to read as follows:

Whenever any active member of the police department, or any member hereafter retired, on account of service, sickness or disability, not caused or brought on by dissipation or abuse, of which the board shall be judge, is confined in any hospital or in his or her home and, whether or not so confined, requires nursing, care, or attention, the board shall pay for the active member the necessary hospital, care, and nursing expenses of the member out of the fund; and the board may pay for the retired member hospital, care, and nursing expenses as are reasonable, in the board's discretion. The board may, at its discretion, elect, in lieu of paying some or all such expenses for the retired member, to reimburse the retired member for premiums the member has paid for medical insurance that supplements medicare, including premiums the member has paid for medicare part B coverage. The salary of the active member shall continue while he or she is necessarily confined to the hospital or home or elsewhere during the period of recuperation, as determined by the board, for a period not exceeding six months; after which period the other provisions of this chapter shall apply: PROVIDED, That the board in all cases may have the active or retired member suffering from such sickness or disability examined at any time by a licensed physician or physicians, to be appointed by the board, for the purpose of ascertaining the nature and extent of the sickness or disability, the physician or physicians to report to the board the result of the examination within three days thereafter. Any active or retired member who refuses to submit to such examination or examinations shall forfeit all his or her rights to benefits under this section: PROVIDED FURTHER, That the board shall designate the hospital and medical services available to the ((sick or disabled policeman)) police officer who is sick or disabled.

Sec. 32. RCW 41.20.150 and 1969 c 123 s 3 are each amended to read as follows:

Whenever any member affected by this chapter terminates his <u>or her</u> employment prior to the completion of twenty-five years of service he <u>or she</u> shall receive seventy-five percent of his <u>or her</u> contributions made after the effective date of this act and he <u>or she</u> shall not receive any contributions made prior thereto: PROVIDED, That in the case of any member who has completed twenty years of service, such member, upon termination for any cause except for a conviction of a felony, shall have the option of electing, in lieu of recovery of his <u>or her</u> contributions as herein provided, to be classified as a vested member in accordance with the following provisions:

(1) Written notice of such election shall be filed with the board within thirty days after the effective date of such member's termination;

(2) During the period between the date of his <u>or her</u> termination and the date upon which he <u>or she</u> becomes a retired member as hereinafter provided, such vested member and his <u>or her</u> spouse or dependent children shall be entitled to all benefits available under chapter 41.20 RCW to a retired member and his <u>or</u> <u>her</u> spouse or dependent children with the exception of the service retirement allowance as herein provided for: PROVIDED, That any claim for medical coverage under RCW 41.20.120 shall be attributable to service connected illness or injury;

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(3) Any member electing to become a vested member shall be entitled at such time as he <u>or she</u> otherwise would have completed twenty-five years of service had he <u>or she</u> not terminated, to receive a service retirement allowance computed on the following basis: Two percent of the amount of salary at any time hereafter attached to the position held by the vested member for the year preceding the date of his <u>or her</u> termination, for each year of service rendered prior to the date of his <u>or her</u> termination. At such time the vested member shall be regarded as a retired member and, in addition to the retirement allowance herein provided for, shall continue to be entitled to all such other benefits as are by chapter 41.20 RCW made available to retired members.

Sec. 33. RCW 41.20.155 and 1969 c 123 s 4 are each amended to read as follows:

The provisions of RCW 41.20.050, 41.20.060 and 41.20.150 shall be applicable to all members employed on June 12, 1969, and to those who shall thereafter become members, but shall not apply to any former member who has terminated his <u>or her</u> employment prior to June 12, 1969.

Sec. 34. RCW 41.20.160 and 1983 c 3 s 92 are each amended to read as follows:

Any person affected by this chapter who was a member of a police organization operated by a private enterprise which police organization shall be hereafter acquired before September 1, 1959, by a city of the first class as its police department as a matter of public convenience or necessity, where it is in the public interest to retain the trained personnel of such police organization, shall have added to his <u>or her</u> period of employment as computed under this chapter his <u>or her</u> period of service with said private enterprise, except that this shall apply only to those persons who are in the service of such police organization at the time of its acquisition by the city of the first class and who remain in the service of that city until this chapter shall become applicable to such persons.

No such person shall have added to his or her period of employment as computed under this chapter his or her period of service with said private enterprise unless he or she or a third party shall pay to the city his or her contribution for the period of such service with the private enterprise, or, if he or she shall be entitled to any private pension or retirement benefits as a result of such service with the private enterprise, unless he or she agrees at the time of his or her employment by the city to accept a reduction in the payment of any benefits payable under this chapter that are based in whole or in part on such added service by the amount of those private pension or retirement benefits received. The rate of such contribution shall be two percent of the wage or salary of such person during that added period of service with the private enterprise before midnight, June 8, 1955, and four and one-half percent of such wage or salary after midnight, June 8, 1955. Such contributions shall be paid into the police relief and pension fund and shall be held subject to the provisions of RCW 41.20.150, except that all such contributions shall be deemed to have been made after June 8, 1955. Such contributions may be invested in investments permitted under chapter 35.39 RCW and may be kept invested until required to meet payments of benefits to such persons.

The city may receive payments for these purposes from a third party and shall make from such payments contributions with respect to such prior service as may be necessary to enable the police relief and pension fund to assume its obligations.

Sec. 35. RCW 41.20.170 and 1973 c 143 s 2 are each amended to read as follows:

Any former employee of a department of a city of the first class who (1) was a member of the employees' retirement system of such city, and (2) is now employed within the police department of such city, may transfer his <u>or her</u> membership from the city employees' retirement system to the city's police relief and pension fund system by filing a written request with the board of administration and the board of trustees, respectively, of the two systems.

Upon the receipt of such request, the transfer of membership to the city's police relief and pension fund system shall be made, together with a transfer of all accumulated contributions credited to such member. The board of administration of the city's employees' retirement system shall transmit to the board of trustees of the city's police relief and pension fund system a record of service credited to such member which shall be computed and credited to such member as a part of his <u>or her</u> period of employment in the city's police relief and pension fund system. For the purpose of the transfer contemplated by this section, the affected individuals shall be allowed to restore withdrawn contributions to the city employees' retirement system and reinstate their membership service records.

Any employee so transferring shall have all the rights, benefits and privileges that he <u>or she</u> would have been entitled to had he <u>or she</u> been a member of the city's police relief and pension fund system from the beginning of his <u>or her</u> employment with the city.

No person so transferring shall thereafter be entitled to any other public pension, except that provided by chapter 41.26 RCW or social security, which is based upon service with the city.

The right of any employee to file a written request for transfer of membership as set forth herein shall expire December 31, 1973.

Sec. 36. RCW 41.20.175 and 1974 ex.s. c 148 s 2 are each amended to read as follows:

A former employee of a fire department of a city of the first class who (1) was a member of the ((fireman's)) firefighters' pension system created by chapters 41.16 or 41.18 RCW, and (2) is now employed within the police department of such city, will be regarded as having received membership service credit for such service to the fire department in the city's police and relief pension system at the time he <u>or she</u> recovers such service credit by paying withdrawn contributions to the Washington law enforcement officers' and firefighters' retirement system pursuant to RCW 41.26.030(((+14))) (28).

Sec. 37. RCW 41.24.100 and 1945 c 261 s 10 are each amended to read as follows:

The board of trustees herein, in addition to other powers herein granted, shall have power to compel the attendance of witnesses to testify before it on all matters connected with the operation of this chapter, and its ((chairman)) chair or any member of said board may administer oaths to such witnesses; to make all

necessary rules and regulations for its guidance in conformity with the provisions of this chapter: PROVIDED, HOWEVER, That no compensation or emoluments shall be paid to any member of said board of trustees for any duties performed under this chapter as such trustees.

Sec. 38. RCW 41.24.260 and 1955 c 263 s 3 are each amended to read as follows:

The state board shall hold regular semiannual meetings in April and October of each year, and special meetings not more than once monthly at such times and places as may be called by the ((ehairman)) chair or by two of its members. No action shall be taken by the state board without the approval of two members.

Sec. 39. RCW 41.26.040 and 1991 c 35 s 15 are each amended to read as follows:

The Washington law enforcement officers' and firefighters' retirement system is hereby created for firefighters and law enforcement officers.

(1) Notwithstanding RCW 41.26.030(((8))) (20), all firefighters and law enforcement officers employed as such on or after March 1, 1970, on a full time fully compensated basis in this state shall be members of the retirement system established by this chapter with respect to all periods of service as such, to the exclusion of any pension system existing under any prior act.

(2) Any employee serving as a law enforcement officer or firefighter on March 1, 1970, who is then making retirement contributions under any prior act shall have his or her membership transferred to the system established by this chapter as of such date. Upon retirement for service or for disability, or death, of any such employee, his or her retirement benefits earned under this chapter shall be computed and paid. In addition, his or her benefits under the prior retirement act to which he or she was making contributions at the time of this transfer shall be computed as if he or she had not transferred. For the purpose of such computations, the employee's creditability of service and eligibility for service or disability retirement and survivor and all other benefits shall continue to be as provided in such prior retirement act, as if transfer of membership had not occurred. The excess, if any, of the benefits so computed, giving full value to survivor benefits, over the benefits payable under this chapter shall be paid whether or not the employee has made application under the prior act. If the employee's prior retirement system was the Washington public employees' retirement system, payment of such excess shall be made by that system; if the employee's prior retirement system was the statewide city employees' retirement system, payment of such excess shall be made by the employer which was the member's employer when his or her transfer of membership occurred: PROVIDED, That any death in line of duty lump sum benefit payment shall continue to be the obligation of that system as provided in RCW 41.44.210; in the case of all other prior retirement systems, payment of such excess shall be made by the employer which was the member's employer when his or her transfer of membership occurred.

(3) All funds held by any ((firemen's)) firefighters' or ((policemen's)) police <u>officers'</u> relief and pension fund shall remain in that fund for the purpose of paying the obligations of the fund. The municipality shall continue to levy the dollar rate as provided in RCW 41.16.060, and this dollar rate shall be used for the purpose of paying the benefits provided in chapters 41.16 and 41.18 RCW.

The obligations of chapter 41.20 RCW shall continue to be paid from whatever financial sources the city has been using for this purpose.

Sec. 40. RCW 41.26.045 and 1979 ex.s. c 249 s 3 are each amended to read as follows:

(1) Notwithstanding any other provision of law after February 19, 1974 no law enforcement officer or firefighter, may become eligible for coverage in the pension system established by this chapter, until the individual has met and has been certified as having met minimum medical and health standards: PROVIDED, That an elected sheriff or an appointed chief of police or fire chief, shall not be required to meet the age standard: PROVIDED FURTHER, That in cities and towns having not more than two law enforcement officers and/or not more than two firefighters and if one or more of such persons do not meet the minimum medical and health standards as required by the provisions of this chapter, then such person or persons may join any other pension system that the city has available for its other employees: AND PROVIDED FURTHER, That for one year after February 19, 1974 any such medical or health standard now existing or hereinafter adopted, insofar as it establishes a maximum age beyond which an applicant is to be deemed ineligible for coverage, shall be waived as to any applicant for employment or reemployment who is otherwise eligible except for his or her age, who has been a member of any one or more of the retirement systems created by chapter 41.20 of the Revised Code of Washington and who has restored all contributions which he or she has previously withdrawn from any such system or systems.

(2) This section shall not apply to persons who initially establish membership in the retirement system on or after July 1, 1979.

Sec. 41. RCW 41.26.046 and 1987 c 418 s 2 are each amended to read as follows:

By July 31, 1971, the retirement board shall adopt minimum medical and health standards for membership coverage into the Washington law enforcement officers' and firefighters' retirement system act. In adopting such standards the retirement board shall consider existing standards recommended by the international association of chiefs of police and the international association of firefighters, and shall adopt equal or higher standards, together with appropriate standards and procedures to insure uniform compliance with this chapter. The standards when adopted shall be published and distributed to each employer, and each employer shall adopt certification procedures and such other procedures as are required to insure that no law enforcement officer or firefighter receives membership coverage unless and until he or she has actually met minimum medical and health standards: PROVIDED, That an elected sheriff or an appointed chief of police, fire chief, or director of public safety shall not be required to meet the age standard. The retirement board may amend the minimum medical and health standards as experience indicates, even if the standards as so amended are lower or less rigid than those recommended by the international associations mentioned above. The cost of the medical examination contemplated by this section is to be paid by the employer.

Sec. 42. RCW 41.26.047 and 1972 ex.s. c 131 s 3 are each amended to read as follows:

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Nothing in RCW 41.26.035, 41.26.045 and 41.26.046 shall apply to any firefighters or law enforcement officers who are employed as such on or before August 1, 1971, as long as they continue in such employment; nor to promotional appointments after becoming a member in the police or fire department of any employer nor to the reemployment of a law enforcement officer or firefighter by the same or a different employer within six months after the termination of his <u>or her</u> employment, nor to the reinstatement of a law enforcement officer or firefighter who has been on military or disability leave, disability retirement status, or leave of absence status. Nothing in this chapter shall be deemed to prevent any employer from adopting higher medical and health standards than those which are adopted by the retirement board.

Sec. 43. RCW 41.28.010 and 1967 c 185 s 1 are each amended to read as follows:

Unless a different meaning is plainly required by the context, the following words and phrases as hereinafter used in this chapter shall have the following meanings:

(1) "Retirement system" shall mean "employees' retirement system", provided for in RCW 41.28.020.

(2) "Employee" shall mean any regularly appointed officer or regularly appointed employee of a first-class city as described in RCW 41.28.005, whose compensation in such employment is paid wholly by that city.

(3) "Member" shall mean any person included in the membership of the retirement system as provided in RCW 41.28.030.

(4) "City" shall mean any city of the first class as described in RCW 41.28.005.

(5) "Board" shall mean "board of administration" as provided in RCW 41.28.080.

(6) "Retirement fund" shall mean "employees' retirement fund" as created and established in RCW 41.28.070.

(7) "City service" shall mean service rendered to city for compensation, and for the purpose of this chapter, a member shall be considered as being in city service only while he <u>or she</u> is receiving compensation from the city for such service.

(8) "Prior service" shall mean the service of a member for compensation rendered to the city prior to July 1, 1939, and shall also include military or naval service of a member to the extent specified in RCW 41.28.050.

(9) "Continuous service" shall mean uninterrupted employment by that city, except that discontinuance of city service of a member caused by layoff, leave of absence, suspension, or dismissal, followed by reentrance into city service within one year, shall not count as a break in the continuity of service: PROVIDED, That for the purpose of establishing membership in the retirement system continuous service shall mean six months' service in any one year.

(10) "Beneficiary" shall mean any person in receipt of a pension, annuity, retirement allowance, disability allowance, or any other benefit provided in this chapter.

(11) "Compensation" shall mean the compensation payable in cash, plus the monetary value, as determined by the board of administration, of any allowance in lieu thereof.

(12) "Compensation earnable" by a member shall mean the average compensation as determined by the board of administration upon the basis of the average period of employment of members in the same group or class of employment and at the same rate of pay.

(13) "Final compensation" means the annual average of the greatest compensation earnable by a member during any consecutive five-year period of service for which service credit is allowed.

(14) "Normal contributions" shall mean contributions at the rate provided for in RCW 41.28.040(1).

(15) "Additional contributions" shall mean the contributions provided for in RCW 41.28.040(4).

(16) "Regular interest", unless changed by the board of administration as provided in RCW 41.28.060, shall mean interest at four percent per annum, compounded annually.

(17) "Accumulated normal contribution" shall mean the sum of all normal contributions, deducted from the compensation of a member, standing to the credit of his <u>or her</u> individual account, together with regular interest thereon.

(18) "Accumulated additional contributions" shall mean the sum of all the additional contributions, deducted from the compensation of a member, standing to the credit of his <u>or her</u> individual account, together with regular interest thereon.

(19) "Accumulated contributions" shall mean accumulated normal contributions plus accumulated additional contributions.

(20) "Pension" shall mean payments derived from contributions made by the city as provided for in RCW 41.28.130 and 41.28.150.

(21) "Annuity" shall mean payments derived from contributions made by a member as provided in RCW 41.28.130 and 41.28.150.

(22) "Retirement allowance" shall mean the pension plus the annuity.

(23) "Fiscal year" shall mean any year commencing with January 1st, and ending with December 31st, next following.

(24) "Creditable service" shall mean such service as is evidenced by the record of normal contributions received from the employee plus prior service if credit for same is still intact or not lost through withdrawal of accumulated normal contributions as provided in RCW 41.28.110.

Sec. 44. RCW 41.28.030 and 1939 c 207 s 4 are each amended to read as follows:

(1) With the exception of those employees who are excluded from membership as herein provided, all employees shall become members of the retirement system as follows:

(a) Every employee in city service as defined in this chapter, on July 1, 1939, shall become a member of the retirement system on that date.

(b) Every employee who enters or reenters city service after July 1, 1939, shall become a member of the retirement system upon the completion of six months of continuous service.

(2) The following shall be specifically exempted from the provisions of this chapter:

(a) Members of the police departments who are entitled to the benefits of the police relief and pension fund as established by state law.

(b) Members of the fire departments who are entitled to the benefits of the ((firemen's)) <u>fire fighters'</u> relief and pension fund as established by state law.

(3) It shall be the duty of the head of each office or department to give immediate notice in writing to the board of administration of the change in status of any member of his <u>or her</u> office or department, resulting from transfer, promotion, leave of absence, resignation, reinstatement, dismissal or death. The head of each office or department shall furnish such other information concerning any member as the board may require.

(4) Each member shall be subject to all the provisions of this chapter and to all the rules and regulations adopted by the board of administration. Should the service of any member, in any period of ten consecutive years, amount to less than five years, or should he <u>or she</u> withdraw more than one quarter of his <u>or her</u> accumulated contributions, or should he <u>or she</u> die or be retired, he <u>or she</u> shall thereupon cease to be a member.

Sec. 45. RCW 41.28.040 and 1967 c 185 s 2 are each amended to read as follows:

(1) The normal rate of contribution of members shall be those adopted by the board of administration, subject to the approval of the city council or city commission, and for the first five-year period such rates shall be based on sex and on age of entry into the retirement system, which age shall be the age at the birthday nearest the time of entry into the system. The rates so adopted shall remain in full force and effect until revised or changed by the board of administration in the manner provided in RCW 41.28.060. The normal rates of contribution shall be so fixed as to provide an annuity which, together with the pension provided by the city, shall give as nearly as may be a retirement allowance at the age of sixty-two years of one and one-third percent of the final compensation multiplied by the number of years of service of the retiring employee. The normal rate established for age sixty-one shall be the rate for any member who has attained a greater age before entry into the retirement system. The normal rate of contribution for age twenty shall be the rate for any member who enters the retirement system at an earlier age.

(2) Subject to the provision of this chapter, the board of administration shall adopt rules and regulations governing the making of deductions from the compensation of employees and shall certify to the head of each office or department the normal rate of contribution for each member provided for in subdivision (1) of this section. The head of the department shall apply such rate of contribution, and shall certify to the city comptroller on each and every payroll the amount to be contributed and shall furnish immediately to the board a copy of each and every payroll; and each of said amounts shall be deducted by the city comptroller and shall be paid into the retirement fund, hereinafter provided for, and shall be credited by the board together with regular interest to an individual account of the member for whom the contribution was made.

Every member shall be deemed to consent and agree to the contribution made and provided for herein, and shall receipt in full for his <u>or her</u> salary or compensation. Payment less said contribution shall be a full and complete discharge of all claims and demands whatsoever for the service rendered by such person during the period covered by such payment, except his <u>or her</u> claim to the benefits to which he <u>or she</u> may be entitled under the provisions of this chapter.

(3) At the end of each payroll period, the board shall determine the aggregate amount of the normal contributions for such period, and shall certify such aggregate to the city comptroller, who shall thereupon transfer to the retirement fund, hereinafter provided for, from the money appropriated for that purpose in the budget for the fiscal year, an amount equal to the aggregate normal contributions for the period received from members.

(4) Any member may elect to contribute at rates in excess of those provided for in subdivision (1) of this section, for the purpose of providing additional benefits, but the exercise of this privilege by a member shall not place on the city any additional financial obligation. The board of administration, upon application, shall furnish to such member information concerning the nature and amount of additional benefits to be provided by such additional contribution.

Sec. 46. RCW 41.28.050 and 1939 c 207 s 6 are each amended to read as follows:

(1) Subject to the following and all other provisions of this chapter, including such rules and regulations as the board shall adopt in pursuance thereof, the board, subject to the approval of the city council or city commission, shall determine and may modify allowance for service.

Time during which a member is absent on leave without pay shall not be allowed in computing service: PROVIDED, HOWEVER, That any member shall be given credit for any period served by him <u>or her</u> in the national guard, or in the United States army, navy, or marine corps, upon the call of the president, if at the time of such service such member was a regular employee under leave of absence. Certificate of honorable discharge from and/or documentary evidence of such service shall be submitted to the board in order to obtain credit for such service.

Each member shall file with the board such information affecting his <u>or her</u> status as a member of the retirement system as the board may require.

(2) The board shall grant credit for prior service to each member entering the retirement system on July 1, 1939, and to each member entering after that date, if such entry is within one year after rendering service prior to July 1, 1939: PROVIDED, HOWEVER, That the board may grant credit for prior service to those entering the retirement system after July 1, 1939, where the employee, because of sickness or other disability, has been on leave of absence, regularly granted, since discontinuance of city service, regardless of the length of such leave. No prior service credit shall be used as a basis for retirement or other benefit unless the membership continues until retirement on a retirement allowance or until the granting of other benefits.

Sec. 47. RCW 41.28.080 and 1983 c 3 s 93 are each amended to read as follows:

(1) There is hereby created and established a board of administration in each city coming under this chapter, which shall, under the provisions of this chapter and the direction of the city council or city commission, administer the retirement system and the retirement fund created by this chapter. Under and pursuant to the direction of the city council or city commission, the board shall provide for the proper investment of the moneys in the said retirement fund.

(2) The board of administration shall consist of seven members, as follows: Three members appointed by the regular appointing authority of the city, and three employees who are eligible to membership in the retirement system, to be elected by the employees. The above six members shall appoint the seventh member.

(3) The investment of all or any part of the retirement fund shall be subject to chapter 35.39 RCW.

(4) Subject to such provisions as may be prescribed by law for the deposit of municipal funds in banks, cash belonging to the retirement fund may be deposited in any licensed national bank or in any bank, banks or corporations authorized or licensed to do a banking business and organized under the laws of the state of Washington.

(5) The city treasurer shall be the custodian of the retirement fund. All payments from said fund shall be made by the city treasurer but only upon warrant duly executed by the city comptroller.

(6) Except as herein provided, no member and no employee of the board of administration shall have any interest, direct or indirect, in the making of any investments from the retirement fund, or in the gains or profits accruing therefrom. And no member or employee of said board, directly or indirectly, for himself <u>or herself</u> or as an agent or partner of others, shall borrow any of its funds or deposits or in any manner use the same except to make such current and necessary payments as are authorized by said board; nor shall any member or employee of said board become an endorser or surety or become in any manner an obligor for moneys invested by the board.

Sec. 48. RCW 41.28.110 and 1939 c 207 s 12 are each amended to read as follows:

(1) Should the service of a member be discontinued, except by death or retirement, he or she shall be paid not later than six months after the day of discontinuance such part of his or her accumulated contributions as he or she shall demand: PROVIDED, HOWEVER, That a member may appeal to the board and by unanimous vote, the board may grant a request for immediate withdrawal of contributions. If in the opinion of the board said member is permanently separated from service by reason of such discontinuance he or she shall be paid forthwith all of his or her accumulated contributions with interest: AND PROVIDED ALSO, That the board may, in its discretion, withhold for not more than one year after a member last rendered service all or part of his or her accumulated normal contributions if after a previous discontinuance of service he or she withdrew all or part of his or her accumulated normal contributions and failed to redeposit such withdrawn amount in the retirement fund as provided in this section: PROVIDED FURTHER, That the city shall receive credit for the full amount deposited by the city in the retirement fund for such member's benefit plus interest. Any member may redeposit in the retirement fund an amount equal to that which he or she previously withdrew therefrom at the last termination of his or her membership, such redeposit to be paid into the retirement fund in accordance with rules established by the board. If a member upon reentering the retirement system after a termination of his or her membership shall not make such a redeposit as hereinabove provided, the rate of his or her contributions for future years shall be the normal rate provided for in RCW 41.28.040(1) at his or her age of reentrance; otherwise his or her rate of contribution for future years shall be the same as his or her rate prior to the termination of his or her membership. In the event such redeposit is made by a

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member, an amount equal to the accumulated normal contributions so redeposited shall again be held for the benefit of said member, and shall no longer be included in the amounts available to meet the obligations of the city on account of benefits that have been granted or liabilities that have been assumed on account of prior service of members, and the city shall reinstate the prior service credit for such member.

Sec. 49. RCW 41.28.120 and 1967 c 185 s 3 are each amended to read as follows:

Retirement of member for service shall be made by the board of administration as follows:

(1) Each member in the city service on June 8, 1967, who, on or before such effective date, has attained the age of sixty-five years or over, shall be forthwith retired on the first day of the calendar month next succeeding the month in which the employee shall have attained the age of sixty-five: PROVIDED, That none of such members shall be subject to compulsory retirement for a period of five years following said effective date, but during such period any member having attained the age of sixty-five may voluntarily retire after attaining such age. Members attaining the age of sixty-five after June 8, 1967 shall be retired on the first day of the calendar month next succeeding the month in which the member shall have attained the age of sixty-five, but none of such members shall be subject to compulsory retirement until five years after said effective date: PROVIDED, FURTHER, That any member attaining the age of seventy years during said five year period shall be forthwith retired on the first day of the calendar month next succeeding the month in which the employee shall have attained the age of seventy years, except as otherwise provided in this chapter. The board shall extend the time of retirement for any member hired prior to June 8, 1967 so as to enable said member to qualify for retirement benefits under this chapter, but in no event should such extension extend beyond the age of seventy years.

(2) Any member in the city service may retire by filing with the board a written application, stating when he <u>or she</u> desires to be retired, such application to be made at least thirty days prior to date of retirement: PROVIDED, HOWEVER, That said member, at the time specified for his <u>or her</u> retirement, shall have completed ten years of city service as defined in this chapter, and shall have attained the age of fifty-seven years, or shall have completed thirty years of city service as defined in this chapter. Permanent discontinuance of city service after age of fifty-seven shall entitle the member to his <u>or her</u> retirement allowance: PROVIDED, That such employee has had at least ten years of city service to his <u>or her</u> credit: AND PROVIDED FURTHER, That permanent discontinuance of city service shall entitle the member to hisry years of city service shall entitle the member to hisry years of city service to his <u>or her</u> credit: AND PROVIDED FURTHER, That permanent discontinuance of city service after the completion of thirty years of city service shall entitle the member to his <u>or her</u> retirement discontinuance of city service after the completion of thirty years of city service shall entitle the member to his <u>or her</u> retirement discontinuance of city service after the completion of thirty years of city service shall entitle the member to his <u>or her</u> retirement allowance.

Sec. 50. RCW 41.28.130 and 1969 c 31 s 1 are each amended to read as follows:

(1) A member, upon retirement from service, shall receive a retirement allowance subject to the provisions of paragraph (2) of this section, which shall consist of:

(a) An annuity which shall be the actuarial equivalent of his <u>or her</u> accumulated contributions at the time of his <u>or her</u> retirement.

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(b) A pension purchased by the contributions of the city, equal to the annuity purchased by the accumulated normal contributions of the member.

(c) For any member having credit for prior service an additional pension, purchased by the contributions of the city equal to one and one-third percent of the final compensation, multiplied by the number of years of prior service credited to said member, except that if a member shall retire before attaining the age of sixty-two years, the additional pension shall be reduced to an amount which shall be equal to a lesser percentage of final compensation, multiplied by the number of years of prior service credited to said member, which lesser percentage shall be applied to the respective ages of retirement in accordance with the following tabulation:

Retirement age		Percentage
62		1.333
61		1.242
60		1.158
59		1.081
58		1.010
57		0.945
56		0.885
55		0.829
54		0.778
53		0.731
52		0.687
51		0.646
50		0.608

(2) If the retirement allowance of the member as provided in this section, exclusive of any annuity purchased by his <u>or her</u> accumulated additional contributions, is in excess of two-thirds of his <u>or her</u> final salary, the pension of the member, purchased by the contributions of the city, shall be reduced to such an amount as shall make the member's retirement allowance, exclusive of any annuity purchased by his <u>or her</u> accumulated additional contributions, equal to two-thirds of his <u>or her</u> final salary, and the actuarial equivalent of such reduction shall remain in the retirement fund to the credit of the city: PROVIDED, That the retired member will be granted a cost of living increase, in addition to the allowance provided in this section, of one percent commencing January 1, 1968 and an additional one percent on the first day of each even-numbered year thereafter if the U.S. Bureau of Labor Statistics' Cost of Living Index has increased one percent or more since the last cost of living increase in the member's retirement allowance; such increases shall apply only to retirement allowances approved on or after January 1, 1967.

(3) Any member, who enters the retirement system on July 1, 1939, or who enters after that date and who is given the credit for prior service, and who is retired by reason of attaining the age of seventy years, shall receive such additional pension on account of prior service, purchased by the contributions of the city, as will make his <u>or her</u> total retirement allowance not less than four hundred twenty dollars per year.

(4) Any member who, at the time of his <u>or her</u> retirement, has at least ten years of creditable service, as defined in this chapter, and who has attained the age of sixty-five years or over, shall receive such additional pension, purchased by the contributions of the city, as will make his <u>or her</u> total retirement allowance not less than nine hundred sixty dollars per year.

Sec. 51. RCW 41.28.140 and 1939 c 207 s 15 are each amended to read as follows:

Any member while in city service may be retired by the board of administration for permanent and total disability, either ordinary or accidental, upon examination, as follows:

(1) Any member who has not attained the age of sixty-five years and who has at least ten years of city service as defined in this chapter, to his or her credit: PROVIDED, That the required ten years of city service shall have been credited to the member over a period of not to exceed fifteen years immediately preceding retirement, within three months after the discontinuance of city service, or while physically or mentally incapacitated for the performance of duty, if such incapacity has been continuous from discontinuance of city service, shall be examined by a physician or surgeon, appointed by the board of administration upon the application of the head of the office or department in which said member is employed, or upon application of said member, or a person acting in his or her behalf, stating that said member is permanently and totally incapacitated, either physically or mentally, for the performance of duty and ought to be retired. If such medical examination shows, to the satisfaction of the board, that the said member is permanently and totally incapacitated either physically or mentally for the performance of duty and ought to be retired, the board shall retire the said member for disability forthwith.

(2) The board shall secure such medical services and advice as it may deem necessary to carry out the purpose of this section and of RCW 41.28.160, and shall pay for such medical services and advice such compensation as the board shall deem reasonable.

Sec. 52. RCW 41.28.150 and 1963 c 91 s 2 are each amended to read as follows:

(1) Upon retirement for disability, as hereinabove provided: PROVIDED, The disability is not due to intemperance, ((wilful)) willful misconduct or violation of law, of which the board shall be the judge, a member shall receive a retirement allowance which shall consist of:

(a) An annuity which shall be the actuarial equivalent of his <u>or her</u> accumulated contributions at the time of his <u>or her</u> retirement.

(b) A pension purchased by the contributions of the city, which, together with his <u>or her</u> annuity provided by his <u>or her</u> accumulated normal contributions, shall make the retirement allowance, exclusive of the annuity provided by his <u>or her</u> additional contributions equal to (i) one and one-fourth percent of his <u>or her</u> final compensation multiplied by the number of years of service which would be creditable to him <u>or her</u> were his <u>or her</u> services to continue until attainment by him <u>or her</u> of age sixty-two. The minimum disability retirement allowance shall be nine hundred sixty dollars per year.

(2) If disability is due to intemperance, ((wilful)) willful misconduct or violation of law on the part of the member, the board of administration in its

discretion may pay to said member in one lump sum, his <u>or her</u> accumulated contributions, in lieu of a retirement allowance, and such payment shall constitute full satisfaction of all obligations of the city to such member, and upon receipt of such payment he <u>or she</u> shall cease to be a member of the retirement system.

(3) Upon the death of a member while in receipt of a disability retirement allowance, his <u>or her</u> accumulated contributions, as they were at the date of his <u>or her</u> retirement, less any annuity payments made to him <u>or her</u>, shall be paid to his <u>or her</u> estate, or to such persons having an insurable interest in his <u>or her</u> life as he <u>or she</u> shall have nominated by written designation duly executed and filed with the board.

Sec. 53. RCW 41.28.160 and 1939 c 207 s 17 are each amended to read as follows:

(1) The board of administration may at its pleasure require any disability beneficiary under age sixty-two years to undergo medical examination to be made by a physician or surgeon appointed by the board, at a place to be designated by the board. Upon the basis of such examination the board shall determine whether such disability beneficiary is still totally and permanently incapacitated either mentally or physically for service in the office or department of the city where he <u>or she</u> was employed or in any other city service for which he <u>or she</u> is qualified. If the board of administration shall determine that said beneficiary is not so incapacitated for thwith in the city service.

(2) Should a disability beneficiary reenter the city service and be eligible for membership in the retirement system in accordance with RCW 41.28.030(1), his or her retirement allowance shall be canceled and he or she shall immediately become a member of the retirement system, his or her rate of contribution for future years being that established for his or her age at the time of reentry. His or her individual account shall be credited with his or her accumulated contributions less the annuity payments made to him or her. An amount equal to the accumulated normal contributions so credited to him or her shall again be held for the benefit of said member and shall no longer be included in the amounts available to meet the obligations of the city on account of benefits that have been granted and on account of prior service of members. Such member shall receive credit for prior service in the same manner as if he or she had never been retired for disability.

(3) Should any disability beneficiary under age sixty-two years refuse to submit to medical examination, his <u>or her</u> pension may be discontinued until his <u>or her</u> withdrawal of such refusal, and should refusal continue for one year, his <u>or her</u> retirement allowance may be canceled. Should said disability beneficiary, prior to attaining age sixty-two years, engage in a gainful occupation not in city service, or should he <u>or she</u> reenter the city service and be ineligible for membership in the retirement system in accordance with RCW 41.28.030(2), the board of administration shall reduce the amount of his <u>or her</u> retirement allowance to an amount, which when added to the compensation earned by him <u>or her</u> in such occupation shall not exceed the amount of the final compensation on the basis of which his <u>or her</u> retirement allowance was determined. Should the earning capacity of such beneficiary be further altered, the board may further alter his <u>or her</u> retirement allowance to an amount which shall not exceed the

amount upon which he <u>or she</u> was originally retired, but which, subject to such limitation shall equal, when added to the compensation earned by him <u>or her</u>, the amount of his <u>or her</u> final compensation on the basis of which his <u>or her</u> retirement allowance was determined. When said disability beneficiary reaches the age of sixty-two years, his <u>or her</u> retirement allowance shall be made equal to the amount upon which he <u>or she</u> was originally retired, and shall not again be modified for any cause except as provided in RCW 41.28.220.

(4) Should the retirement allowance of any disability beneficiary be canceled for any cause other than reentrance into the city service he <u>or she</u> shall be paid his <u>or her</u> accumulated contributions, less annuity payments made to him <u>or her</u>.

Sec. 54. RCW 41.28.170 and 1967 c 185 s 5 are each amended to read as follows:

A member may elect to receive, in lieu of the retirement allowance provided for in RCW 41.28.130, its actuarial equivalent in the form of a lesser retirement allowance, payable in accordance with the terms and conditions of one of the options set forth below in this section. Election of any option must be made by written application filed with the board of administration at least thirty days in advance of retirement as provided in RCW 41.28.120, and shall not be effective unless approved by the board prior to retirement of the member.

Option A. The lesser retirement allowance shall be payable to the member throughout his <u>or her</u> life: PROVIDED, That if he <u>or she</u> die before he <u>or she</u> receive in annuity payments referred to in RCW 41.28.130(1)(a), a total amount equal to the amount of his <u>or her</u> accumulated contributions as it was at the date of his <u>or her</u> retirement, the balance of such accumulated contributions shall be paid in one sum to his <u>or her</u> estate or to such person having an insurable interest in his <u>or her</u> life as he <u>or she</u> shall nominate by written designation duly executed and filed with the board.

Option B. The lesser retirement allowance shall be payable to a member throughout his <u>or her</u> life: PROVIDED, That if he <u>or she</u> die before he <u>or she</u> receive in annuity payments referred to in RCW 41.28.130(1)(a), a total amount equal to the amount of his <u>or her</u> accumulated contributions as it was at the date of his <u>or her</u> retirement, the said annuity payments resulting from his <u>or her</u> accumulated contributions shall be continued and paid to his <u>or her</u> estate or such person, having an insurable interest in his <u>or her</u> life, as he <u>or she</u> shall nominate by written designation duly executed and filed with the board until the total amount of annuity payments shall equal the amount of his <u>or her</u> accumulated contributions as it was at the date of his <u>or her</u> retirement.

Option C. The member shall elect a "guaranteed period" of any number of years. If he <u>or she</u> dies before the lesser retirement allowance has been paid to him <u>or her</u> for the number of years elected by him <u>or her</u> as the "guaranteed period", the lesser retirement allowance shall be continued to the end of the "guaranteed period", and during such continuation shall be paid to his <u>or her</u> estate or to such person having an insurable interest in his <u>or her</u> life as he <u>or she</u> shall nominate by written designation duly executed and filed with the board.

Option D. The lesser retirement allowance shall be payable to the member throughout life, and after the death of the member, one-half of the lesser retirement allowance shall be continued throughout the life of and paid to the wife or husband of the member.

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Option E. The lesser retirement allowance shall be payable to the member throughout life, and after death of the member it shall be continued throughout the life of and paid to the wife or husband of the member.

Sec. 55. RCW 41.28.180 and 1939 c 207 s 19 are each amended to read as follows:

Upon the death of any person who has not been retired, pursuant to the provisions of this chapter, there shall be paid to his <u>or her</u> estate, or to such persons having an insurable interest in his <u>or her</u> life as he <u>or she</u> shall have nominated by written designation duly executed and filed with the board, his <u>or her</u> accumulated contributions less any payments therefrom already made to him <u>or her</u>, if any.

Sec. 56. RCW 41.32.044 and 1973 2nd ex.s. c 32 s 5 are each amended to read as follows:

A retired teacher upon returning to service in the public schools of Washington may elect to again become a member of the retirement system: PROVIDED, That if such a retired teacher elects to be restored to membership he <u>or she</u> must establish two full years of service credit before he <u>or she</u> will be eligible to retire under the provision of a formula other than the one in effect at the time of his <u>or her</u> previous retirement: PROVIDED FURTHER, That where any such right to again retire is exercised to become effective before a member has established two full years of service credit he <u>or she</u> may elect to retire only under the provisions of the formula in effect at the time of his <u>or her</u> previous retirement: AND PROVIDED FURTHER, That this section shall not apply to any individual who has returned to service and is presently in service on the effective date of this 1973 amendatory act.

Sec. 57. RCW 41.32.497 and 1990 c 249 s 12 are each amended to read as follows:

Any person who became a member on or before April 25, 1973 and who qualifies for a retirement allowance shall, at time of retirement, make an irrevocable election to receive either the retirement allowance by RCW 41.32.498 as now or hereafter amended or to receive a retirement allowance pursuant to this section consisting of: (1) An annuity which shall be the actuarial equivalent of his or her accumulated contributions at his or her age of retirement, (2) A basic service pension of one hundred dollars per annum, and (3) A service pension which shall be equal to one one-hundredth of his or her average earnable compensation for his or her two highest compensated consecutive years of service times the total years of creditable service established with the retirement system: PROVIDED, That no beneficiary now receiving benefits or who receives benefits in the future, except those beneficiaries receiving reduced benefits pursuant to RCW 41.32.520(1)(a) or 41.32.530, shall receive a pension of less than six dollars and fifty cents per month for each year of creditable service established with the retirement system. Pension benefits payable under the provisions of this section shall be prorated on a monthly basis and paid at the end of each month.

Sec. 58. RCW 41.33.020 and 1992 c 212 s 12 are each amended to read as follows:

The terms and provisions of the plan are as follows:

(1) Each political subdivision of the state employing members of the teachers' retirement system and the members of the teachers' retirement system, after the approval of this plan by the legislature, and by the eligible employees through a referendum as provided in RCW 41.48.030 (3) and (4), shall be deemed to have accepted and agreed to be bound by the following terms and conditions in consideration of extension of the existing agreement between the secretary of health, education, and welfare and the governor to make the protection of the federal old age and survivors insurance program available and applicable to such employees.

(2) As used in this plan the terms quoted below shall have the meanings assigned thereto in this section.

"Political subdivision" means any political subdivision, or instrumentality of one or more subdivisions, or proprietary enterprise acquired, purchased or originated by one or more such subdivisions after December, 1950, which employs members of the teachers' retirement system. The state, its agencies, instrumentalities, and institutions of higher learning shall be grouped and considered as a single political subdivision.

"Employee" means any person who is a member of the teachers' retirement system and is employed by a political subdivision.

"Wages" shall have the meaning given in RCW 41.48.020(1) and section 209 of the social security act (42 U.S.C.A. Sec. 409).

"State" where not otherwise clearly indicated by the context, means the commissioner of employment security or other officer designated by the governor to administer the plan at the state level for all participating political subdivisions.

(3) The terms and conditions of this plan are intended and shall be construed to be in conformity with the requirements of the federal social security act as amended and with the requirements of chapter 41.48 RCW, and particularly RCW 41.48.050, as amended by chapter 4, Laws of 1955 extraordinary session.

(4) The rights and benefits accruing to employees from membership in the teachers' retirement system shall in no way be altered or impaired by this plan or by the additional and supplementary OASI coverage which such employees may receive hereunder, other than the elimination of (1), (2) and (3) of section 52, chapter 80, Laws of 1947 and RCW 41.32.520 as each are amended, with the exception of that part of (1) which permits a widow or widower without a child or children under age eighteen to receive a monthly payment of fifty dollars at age fifty, provided that the member had fifteen or more years of Washington membership service credit at date of death.

(5) There shall be no additional cost to or involvement of the state or a political subdivision with respect to OASI coverage of members of the teachers' retirement system until this plan has been approved by the legislature.

(6) Each employee to whom OASI coverage is made applicable under this plan pursuant to an extension or modification under RCW 41.48.030 of the existing agreement between the secretary of health, education, and welfare and the governor shall be required to pay into the OASI contribution ((fund)) account established by RCW 41.48.060 during the period of such coverage contributions with respect to his <u>or her</u> wages in an amount equal to the employee tax imposed by the federal insurance contributions act (section 3101, Internal Revenue Code of 1954), in consideration of the employee's retention in

service by the political subdivision. The subdivision shall withhold such contributions from the wages paid to the employee; and shall remit the contributions so withheld in each calendar quarter to the state for deposit in the contribution ((fund)) account not later than the twentieth calendar day of the month following that quarter.

(7) Each political subdivision shall pay into the contribution ((fund)) account with respect to the wages of its employees during the period of their OASI coverage pursuant to this plan contributions in an amount equal to the employer tax imposed by the federal insurance contributions act (section 3111, Internal Revenue Code of 1954), from the fund of the subdivision from which such employees' wages are paid. The subdivision shall remit such contributions to the state for deposit in the contribution ((fund)) account on a quarterly basis, not later than the twentieth calendar day of the month following each calendar quarter.

(8) If any political subdivision other than that comprising the state, its agencies, instrumentalities, and institutions of higher learning fails to remit as provided herein employer contributions or employee contributions, or any part of either, such delinquent contributions may be recovered with interest at the rate of six percent per annum by action in a court of competent jurisdiction against the political subdivision; or such delinquent contributions may at the request of the governor be deducted from any moneys payable to such subdivision by the state.

(9) Each political subdivision shall be charged with a share of the cost of administration of this plan by the state, to be computed as that proportion of the overall cost of administration which its total annual contributions bear to the total annual contributions paid by all subdivisions on behalf of employees covered by the plan. The state shall compute the share of cost allocable to each subdivision and bill the subdivision therefor at the end of each fiscal year. The subdivision shall within ninety days thereafter remit its share of the cost to the state for deposit in the general fund of the state.

(10) Each political subdivision shall submit to the state, through the employment security department, P.O. Box 367, Olympia, Washington, or such other officer or agency as the governor may subsequently designate, on forms furnished by the state, not later than the twentieth calendar day of the month following the end of each calendar quarter, the following information:

A. The social security account number of each employee;

B. The name of each employee;

C. <u>The amount of wages subject to contributions as required hereunder paid</u> to each employee during the quarter;

D. <u>The total amount of wages subject to contributions paid to all employees</u> during the quarter;

 \overline{E} . The total amount of employee contributions withheld and remitted for the quarter; and

F. The total amount of employer contributions paid by the subdivision for the quarter.

(11) Each political subdivision shall furnish in the same manner as provided in subsection (10) of this section, upon reasonable notice, such other and further reports or information as the governor may from time to time require. Each subdivision shall comply with such requirements as the secretary of health, education, and welfare or the governor may from time to time establish with respect to any or all of the reports or information which are or may be provided for under subsection (10) of this section or this subsection in order to assure the correctness and verification thereof.

(12) The governing body of each political subdivision shall designate an officer of the subdivision to administer such accounting, reporting, and other functions as will be required for the effective operation of this plan within the subdivision, as provided herein. The commissioner of employment security or such other officer as the governor may designate, shall perform or supervise those functions with respect to employees of the subdivision comprising the state, its agencies, instrumentalities, and institutions of higher learning; and shall serve as the representative of the participating political subdivisions in the administration of this plan with the secretary of health, education, and welfare.

(13) The legislature shall designate the first day of any month beginning with January, 1956, as the effective date of OASI coverage for such employees, except that after January 1, 1958, the effective date may not be prior to the first day of the current year.

The employer's contribution for any retroactive coverage shall be transferred by the board of trustees from the teachers' retirement pension reserve to the official designated by the governor to administer the plan at the state level.

Each employee's contributions for any retroactive coverage shall be transferred by the board of trustees from his <u>or her</u> accumulated contributions in the teachers' retirement fund, to the official designated above. Each employee, if he <u>or she</u> so desires, may, within one year from the date of transfer, reimburse his <u>or her</u> accumulated contributions for the amount so transferred.

(14) The governor may terminate the operation of this plan in its entirety with respect to any political subdivision, in his <u>or her</u> discretion, if he <u>or she</u> finds that the subdivision has failed to comply substantially with any requirement or provision of this plan. The plan shall not be so terminated until reasonable notice and opportunity for hearing thereon have been given to the subdivision under such conditions, consistent with the provisions of the social security act, as shall have been established in regulations by the governor.

Sec. 59. RCW 41.40.210 and 1972 ex.s. c 151 s 8 are each amended to read as follows:

Upon retirement for disability, as provided in RCW 41.40.200, a member who has attained age sixty, regardless of his <u>or her</u> creditable service shall receive a service retirement allowance.

Sec. 60. RCW 41.41.020 and 1957 c 222 s 2 are each amended to read as follows:

The terms and provisions of the plan are as follows:

(1) Each political subdivision of the state employing members of the state employees' retirement system, and such employees, after approval of this plan by its governing body as provided in RCW 41.48.030(4)(f) and after approval by its eligible employees through referendum as provided in RCW 41.48.030 (3) and (4), and the state itself as such a subdivision, and its employees, after approval of this plan by the legislature as provided in RCW 41.48.050(d) and RCW 41.48.030(4)(f) and after approval by its eligible employees through referendum as provided in RCW 41.48.050(d) and RCW 41.48.030(4)(f) and after approval by its eligible employees through referendum as provided in RCW 41.48.030 (3) and (4), shall be deemed to have

accepted and agreed to be bound by the following terms and conditions in consideration of extension of the existing agreement between the secretary of health, education and welfare and the governor to make the protection of the federal old age and survivors insurance program available and applicable to such employees.

(2) As used in this plan the terms quoted below shall have the meanings assigned thereto in this subsection.

"Political subdivision" means any political subdivision, or instrumentality of one or more such subdivisions, or proprietary enterprise acquired, purchased, or originated by one or more such subdivisions after December, 1950, which employs members of the state employees' retirement system. The state, its agencies, instrumentalities, and institutions of higher learning shall be grouped and considered as a single political subdivision.

"Employee" means any person who is a member of the state employees' retirement system and is employed by a political subdivision, except persons serving in ((policeman's)) police officer's or ((fireman's)) firefighters' positions and officials compensated on a fee basis.

"Wages" shall have the meaning given in RCW 41.48.020(1) and section 209 of the social security act (42 U.S.C.A. Sec. 409); and refers to the first four thousand two hundred dollars paid to any employee in any calendar year.

"State", where not otherwise clearly indicated by the context, means the commissioner of employment security or other officer designated by the governor to administer the plan at the state level for all participating political subdivisions.

(3) The terms and conditions of this plan are intended and shall be construed to be in conformity with the requirements of the federal social security act as amended and with the requirements of chapter 41.48 RCW, and particularly RCW 41.48.050, as amended by chapter 4, Laws of the extraordinary session of 1955.

(4) The rights and benefits accruing to employees from membership in the state employees' retirement system shall in no way be altered or impaired by this plan or by the additional and supplementary OASI coverage which such employees may receive hereunder. Nothing herein shall be construed to alter in any way the obligations of any political subdivision or its employees to the retirement system.

(5) There shall be no additional cost to or involvement of the state with respect to OASI coverage for state employee members of the state employees' retirement system until this plan has been approved by the legislature.

(6) OASI coverage shall be applicable to all services performed by its employees for a political subdivision which has approved this plan.

(7) Each employee to whom OASI coverage is made applicable under this plan pursuant to an extension or modification under RCW 41.48.030 of the existing agreement between the secretary of health, education, and welfare and the governor shall be required to pay into the OASI contribution ((fund)) account established by RCW 41.48.060 during the period of such coverage contributions with respect to his <u>or her</u> wages in an amount equal to the employee tax imposed by the federal insurance contributions act (section 3101, Internal Revenue Code of 1954), in consideration of the employee's retention in service by the political subdivision. The subdivision shall withhold such

contributions from the wages paid to the employee; and shall remit the contributions so withheld in each calendar quarter to the state for deposit in the contribution ((fund)) account not later than the twentieth calendar day of the month following that quarter.

(8) Each political subdivision shall pay into the contribution ((fund)) account with respect to the wages of its employees during the period of their OASI coverage pursuant to this plan contributions in an amount equal to the employer tax imposed by the federal insurance contributions act (section 3111, Internal Revenue Code of 1954), from the fund of the subdivision from which such employees' wages are paid. The subdivision shall remit such contributions to the state for deposit in the contribution ((fund)) account on a quarterly basis, not later than the twentieth calendar day of the month following each calendar quarter.

(9) If any political subdivision other than that comprising the state, its agencies, instrumentalities, and institutions of higher learning fails to remit as provided herein employer contributions or employee contributions, or any part of either, such delinquent contributions may be recovered with interest at the rate of six percent per annum by action in a court of competent jurisdiction against the political subdivision; or such delinquent contributions may at the request of the governor be deducted from any moneys payable to such subdivision by the state.

(10) Each political subdivision shall be charged with a share of the cost of administration of this plan by the state, to be computed as that proportion of the overall cost of administration which its total annual contributions bear to the total annual contributions paid by all subdivisions on behalf of employees covered by the plan. The state shall compute the share of cost allocable to each subdivision and bill the subdivision therefor at the end of each fiscal year. The subdivision shall within ninety days thereafter remit its share of the cost to the state for deposit in the general fund of the state.

(11) Each political subdivision shall submit to the state, through the employment security department, P.O. Box 367, Olympia, Washington, or such other officer or agency as the governor may subsequently designate, on forms furnished by the state, not later than the twentieth calendar day of the month following the end of each calendar quarter, the following information:

A. The social security account number of each employee;

B. <u>The name of each employee;</u>

C. The amount of wages subject to contributions as required hereunder paid to each employee during the quarter;

D. <u>The total amount of wages subject to contributions paid to all employees</u> during the quarter;

E. The total amount of employee contributions withheld and remitted for the quarter; and

F. <u>The total amount of employer contributions paid by the subdivision for the quarter.</u>

(12) Each political subdivision shall furnish in the same manner as provided in subsection (11), upon reasonable notice, such other and further reports or information as the governor may from time to time require. Each subdivision shall comply with such requirements as the secretary of health, education, and welfare or the governor may from time to time establish with respect to any or all of the reports or information which are or may be provided for under subsection (11) or this subsection in order to assure the correctness and verification thereof.

(13) The governing body of each political subdivision shall designate an officer of the subdivision to administer such accounting, reporting, and other functions as will be required for the effective operation of this plan within the subdivision, as provided herein. The commissioner of employment security, or such other officer as the governor may designate, shall perform or supervise those functions with respect to employees of the subdivision comprising the state, its agencies, instrumentalities, and institutions of higher learning; and shall serve as the representative of the participating political subdivisions in the administration of this plan with the secretary of health, education, and welfare.

(14) OASI coverage may be made applicable as provided herein to employees of any political subdivision regardless of the approval or disapproval of this plan by any other subdivision.

(15) Each political subdivision, with the approval of a majority of its employees as indicated by vote thereon in conjunction with the referendum to be held pursuant to RCW 41.48.030 (3) and (4), may designate the first day of any month beginning with January of 1955 as the effective date of OASI coverage for such employees; except that after January 1, 1958, a subdivision may not so designate an effective date prior to the first day of the current calendar year.

(16) The governor may terminate the operation of this plan in its entirety with respect to any political subdivision, in his <u>or her</u> discretion, if he <u>or she</u> finds that the subdivision has failed to comply substantially with any requirement or provision of this plan. The plan shall not be so terminated until reasonable notice and opportunity for hearing thereon have been given to the subdivision under such conditions, consistent with the provisions of the social security act, as shall have been established in regulations by the governor.

Sec. 61. RCW 41.44.030 and 1967 ex.s. c 28 s 6 are each amended to read as follows:

As used in this chapter, unless a different meaning is plainly required by the context:

(1) "Retirement system" means the statewide city employees retirement system provided for herein.

(2) "City" or "cities" includes town or towns.

(3) "Employee" means any appointive officer or employee and shall include elective officials to the extent specified herein.

(4) "Member" means any person included in the membership of the retirement system as provided herein.

(5) "Board" means the "board of trustees" provided for herein.

(6) "Retirement fund" means "statewide city employees retirement fund" provided for herein.

(7) "Service" means service rendered to a city for compensation; and for the purpose of this chapter a member shall be considered as being in service only while he <u>or she</u> is receiving compensation from the city for such service or is on leave granted for service in the armed forces of the United States as contemplated in RCW 41.44.120.

(8) "Prior service" means the service of a member for compensation rendered a city prior to the effective date and shall include service in the armed forces of the United States to the extent specified herein and service specified in RCW 41.44.120(5).

(9) "Current service" means service after the employee has become a member of the system.

(10) "Creditable service" means such service as is evidenced by the record of normal contributions, plus prior service as evidenced by prior service certificate.

(11) "Beneficiary" means any person in receipt of a pension, annuity, retirement allowance, disability allowance, or any other benefit herein.

(12) "Compensation" means the compensation payable in cash, plus the monetary value, as determined by the board of trustees, of any allowance in lieu thereof (but for the purposes of this chapter such "compensation" shall not exceed three hundred dollars per month, except as to those employees of any member city the legislative body of which shall not later than July 1, 1953, have irrevocably elected by resolution or ordinance to increase the limitation herein contained, effective as to all of its employees, from three hundred dollars to four hundred dollars, commencing on said date, or which shall so elect prior to January 1st of any succeeding year, effective as of January 1st of any such employees shall, commencing on the specified date, not exceed four hundred dollars or an amount equal to such increased limitation established by such ordinance or resolution per month): PROVIDED HOWEVER, That the foregoing limitation shall not apply to uniformed personnel.

(13) "Compensation earnable" means the full rate of compensation that would be payable to an employee if he or she worked the full normal working time (but for the purposes of this chapter, such "compensation earnable" shall not exceed three hundred dollars per month, except as to those employees of any member city the legislative body of which shall not later than July 1, 1953, have irrevocably elected by resolution or ordinance to increase the limitation herein contained, effective as to all of its employees, from three hundred dollars to four hundred dollars, commencing on said date, or which shall so elect prior to January 1st of any succeeding year, effective as of January 1st of any such succeeding year, and as to such employees shall, commencing on the specified date, not exceed four hundred dollars or an amount equal to such increased limitation established by such ordinance or resolution per month): PROVIDED, HOWEVER, That the foregoing limitation shall not apply to uniformed personnel: PROVIDED FURTHER, That after January 1, 1968 this term shall mean the full rate of compensation payable to an employee if he or she worked the full normal working time.

(14) "Final compensation" means the highest average annual compensation earnable in any five consecutive years of actual service rendered during the ten years immediately preceding retirement, or where the employee has less than five consecutive years of actual service, the earnable compensation for the last five years preceding his <u>or her</u> retirement.

(15) "Matching contribution" means the contribution of the city deposited in an amount equal to the normal contributions of the employee.

(16) "Normal contributions" means the contributions at the rate provided for in RCW 41.44.130, excluding those referred to in subsection (6).

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(17) "Released matching contributions" means such "matching contributions" as are no longer held for the benefit of the employee.

(18) "Regular interest" means interest compounded annually at such rate as shall have been adopted by the board of trustees in accordance with the provisions of this chapter.

(19) "Accumulated normal contributions" means the sum of all normal contributions, deducted from the compensation of a member, standing to the credit of his <u>or her</u> individual account, together with regular interest thereon.

(20) "Pension" means payments derived from contributions made by the city as provided herein.

(21) "Annuity" means payments derived from contributions made by a member as provided herein.

(22) "Retirement allowance" means the pension plus annuity.

(23) "Fiscal year" means any year commencing with January 1st and ending with December 31st next following.

(24) "Miscellaneous personnel" means officers and employees other than those in the uniformed police or fire service: PROVIDED, Those members of the fire department who are ineligible to the benefits of a ((firemen's)) firefighters' pension system established by or pursuant to any other state law, are also included in the miscellaneous personnel.

(25) "Uniformed personnel" means any employee who is a ((policeman)) police officer in service or who is subject to call to active service or duty as such.

(26) "Effective date" when used with regard to employees means the date on which any individual or group of employees became members of any retirement system and when used with regard to any city or town shall mean the date on which it became a participant.

(27) "Actuarial equivalent" means a benefit of equal value when computed at regular interest upon the basis of such mortality tables as shall be adopted by the board of trustees.

(28) "Persons having an insurable interest in his <u>or her</u> life" means and includes only such persons who, because of relationship from ties of blood or marriage, have reason to expect some benefit from the continuation of the life of the member.

(29) "Additional contributions" means contributions made pursuant to subsection (6) of RCW 41.44.130.

(30) "Accumulated additional contributions" means the sum of all "additional contributions" made by a member standing to the credit of the individual account, together with regular interest thereon.

(31) "Part time employees" means those employees who, although regularly and continuously employed, do not regularly perform their duties the full number of hours required of other regular employees, including but not confined to such employees as police judges, city attorneys, and other officers and employees who are also engaged in outside employment or occupations.

(32) "Excess interest income" means that interest income earned and received from investments in excess of the interest income on investments required to meet actuarial funding requirements.

Sec. 62. RCW 41.44.070 and 1967 ex.s. c 28 s 7 are each amended to read as follows:

(1) The board of trustees shall consist of seven members, one of whom shall be the state insurance commissioner, ex officio; three elective city officials eligible to the benefits of the system who shall be appointed by the governor from a list of six city officials submitted by the executive committee of the association of Washington cities as the official representative of cities and towns in the state. Original terms of office of the appointees shall be one, two and three years as designated by the governor; thereafter terms shall be for three years duration. Appointments to fill vacancies other than those caused by expiration of a term, shall be for the unexpired term. Appointees shall serve until successors have been appointed and qualified.

In addition to these four members, there shall be three city employees who shall be elected by a secret ballot vote of the city employees who are members of the system. The method and details of such election shall be determined by the board of trustees. The first such election shall be held in June of 1968. The original terms of office for the elected city employee members shall be one, two and three years as designated by the board of trustees, and such terms shall begin July 1, 1968; thereafter terms shall be for three years' duration. In the case of vacancies of elected city employee positions the board of trustees shall appoint city employees to serve for the unexpired terms. Such appointees shall serve until successors have been elected.

(2) The board shall annually, dating from the first officially recorded meeting, elect a ((chairman)) chair and secretary. Four members shall constitute a quorum.

(3) Each member of the board shall take an oath of office that he <u>or she</u> will diligently and honestly administer the affairs of the board, and that he <u>or she</u> will not knowingly violate or ((wilfully)) <u>willfully</u> permit to be violated any of the provisions of this chapter.

Sec. 63. RCW 41.44.080 and 1961 c 227 s 2 are each amended to read as follows:

The administration of the system is hereby vested in the board of trustees created in RCW 41.44.070 of this chapter and the board shall:

(1) Keep in convenient form such data as shall be deemed necessary for actuarial valuation purposes;

(2) From time to time, through its actuary, make an actuarial investigation into the mortality and service experience of the beneficiaries under this chapter and the various accounts created for the purpose of showing the financial status of the retirement fund;

(3) Adopt for the retirement system the mortality tables and such other tables as shall be deemed necessary;

(4) Certify annually the amount of appropriation which each city shall pay into the retirement fund in the next fiscal year, at such a time that the local authorities shall have ample opportunity for including such expense in the budget;

(5) Keep a record of all its proceedings, which shall be open to inspection by the public;

(6) From time to time adopt such rules and regulations not inconsistent with this chapter, for the administration of the provisions of this chapter, for the administration of the fund created by this chapter and the several accounts thereof, and for the transaction of the business of the board;

(7) Provide for investment, reinvestment, deposit, and withdrawal of funds;

(8) Prepare and publish annually a financial statement showing the condition of the fund and the various accounts thereof, and setting forth such other facts, recommendations, and data as may be of use in the advancement of knowledge concerning the statewide city employees retirement system, and furnish a copy thereof to each city which has joined the retirement system, and to such members as may request copies thereof;

(9) Serve without compensation but shall be reimbursed for expense incident to service as individual members thereof;

(10) Determine equitable amount of administrative expense and death-inline-of-duty benefit expense to be borne by each city;

(11) Make available to any city considering participation in the system, the services of the actuary employed by the board for the purpose of ascertaining the probable cost of such participation. The cost of any such calculation or valuation shall be paid by the city requesting same to the retirement system;

(12) Perform such other functions as are required for the execution of the provisions of this chapter;

(13) No member of the board shall be liable for the negligence, default, or failure of any employee or of any other member of the board to perform the duties of his <u>or her</u> office and no member of the board shall be considered or held to be an insurer of the funds or assets of the retirement system but shall be liable only for his <u>or her</u> own personal default or individual failure to perform his <u>or her</u> duties as such member and to exercise reasonable diligence to provide for the safeguarding of the funds and assets of the system.

(14) Fix the amount of interest to be credited at a rate which shall be based upon the net annual earnings of the fund for the preceding twelve-month period and from time to time make any necessary changes in such rate.

(15) Distribute excess interest income to retired members on a cost of living index basis, as published by the United States department of health, education, and welfare, applied only to the annuity and current service portion of the retired members' retirement allowance: PROVIDED, That such distribution shall not exceed the income earned and received on open end investments.

Sec. 64. RCW 41.44.110 and 1971 ex.s. c 271 s 14 are each amended to read as follows:

(1) Subject to subsection (2) of this section, membership of this retirement system shall be composed of the following groups of employees in any participating city or cities:

(a) Miscellaneous personnel as defined in this chapter;

(b) Uniformed personnel as defined in this chapter;

(c) Elective officials, who shall have the right to membership in this retirement system upon filing written notice of such election with the board of trustees;

(d) Employees of the retirement system itself shall be entitled to membership and any costs in connection with such membership shall be a part of the cost of administration.

(e) Employees of any state association of cities and towns shall be entitled to membership, upon election to participate made by the board of directors pursuant to RCW 41.44.050, and any costs in connection with such membership which would be borne by a city in the case of employees of a city shall be borne by the association.

(2) Any city may, when electing to participate in this retirement system in the manner set forth in RCW 41.44.050, include any one group or combination of the groups mentioned in subsection (1) of this section. For an initial period not to exceed one year from the effective date of any city's entry into this system, if so provided at the time of its election to participate, only a majority of the employees of any group or combination of groups must be members of the system.

At all times subsequent to the effective date of the city's entry into this system, or at all times after expiration of such initial period, if such initial period is established at the time of the city's election to participate, all employees of any group or combination of groups must be included or excluded as members of this system. Groups (c) and (d) shall be considered as being composed of miscellaneous personnel as far as benefits and obligations are concerned except when the contrary is clearly indicated.

(3) Subject to subsection (2) of this section, membership in the retirement system shall be compulsory for all employees in groups (a) and (b), after qualification as provided in subsection (4) of this section.

(4) Subject to subsection (2) of this section, all employees in city service, on the effective date, or on June 9, 1949, or on expiration of the initial period therein provided if they have completed six consecutive months' service or six months' service in any calendar year prior to the expiration of such initial period, shall be members of the system, provided that such employees who are not regular full time employees and are earning less than one hundred dollars per month, or are part time employees serving in an official or special capacity may with the acquiescence of the legislative body of the city or town in which they are employed, elect on or before January 1, 1950, to discontinue membership by giving written notice of such election to the board. All other regular employees earning more than one hundred dollars per month shall become members upon the completion of six consecutive months' service or six months' service in any calendar year. Any employee otherwise eligible, employed in a permanent position, may elect in writing to become a member of the system at any time during the initial period, or at any time prior to completing such six months' service. Such individual employees other than regular employees, who are earning less than one hundred dollars per month or who are serving in an official or special capacity may elect to become members with the acquiescence of the legislative body of the city or town in which they are employed upon the completion of six months of consecutive service or six months' service in any calendar year.

(5) It shall be the duty of the proper persons in each city to immediately report to the board routine changes in the status of personnel and to immediately furnish such other information regarding the employment of members as the board may from time to time require.

(6) Should any member withdraw more than one-quarter of his <u>or her</u> accumulated contributions, or should he <u>or she</u> die or be retired, he <u>or she</u> shall thereupon cease to be a member.

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(7) Transfer of any employee from one city to another shall not cause the employee to lose membership in the system providing the city to which he <u>or she</u> transfers participates in the retirement system created herein.

Sec. 65. RCW 41.44.120 and 1971 ex.s. c 271 s 15 are each amended to read as follows:

(1) Subject to subsections (4) and (5) of this section the following members shall be entitled to prior service credit:

(a) Each member in service on the effective date.

(b) Each member entering after the effective date if such entry is within one year after rendering service prior to the effective date.

(c) Each member entering in accordance with the provisions and subject to the conditions and limitations prescribed in subsection (5) of this section.

As soon as practicable, the board shall issue to each member entitled to prior service credit a certificate certifying the aggregate length of service rendered prior to the effective date. Such certificate shall be final and conclusive as to his <u>or her</u> prior service unless hereafter modified by the board, upon application of the member.

(2) Each city joining the system shall have the privilege of selecting the rate at which prior service pensions shall be calculated for its employees and may select any one of the three rates set forth below:

(a) 1.33% of final compensation multiplied by the number of years of prior service credited to the member. This rate may be referred to as "full prior service credit."

(b) 1.00% of final compensation multiplied by the number of years of prior service credited to the member. This rate may be referred to as "full ((*{three-fourths*})) prior service credit."

(c) .667% of final compensation multiplied by the number of years of prior service credited to the member. This rate may be referred to as "one-half prior service credit."

(3) The above rates shall apply at the age of sixty-two or over for members included in the miscellaneous personnel and at age sixty or over for members in the uniformed personnel: PROVIDED, That if a member shall retire before attaining either of the ages above referred to, the total prior service pension shall be reduced to the percentages computed and established in accordance with the following tables, to wit:

Miscellaneous Personnel Percent of Full Prior Service Allowable

	Male			Female	
Age		Factor	Age		Factor
45		65.48	45		66.78
46		66.86	46		67.91
47		68.29	47		69.09
48		69.77	48		70.34
49		71.28	49		71.67
50		72.82	50		73.10
51		74.43	51		74.71
52		76.13	52		76.41
53		77.93	53		78.21

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54	 79.84	54	 80.11
55	 81.86	55	 82.12
56	 84.00	56	 84.24
57	 86.28	57	 86.50
58	 88.69	58	 88.89
59	 91.26	59	 91.42
60	 94.00	60	 94.11
61	 96.90	61	 96.96
62	 100.00	62	 100.00

Percent of Full Prior Service Allowable Uniformed Personnel

Age	Factor
45	 69.66
46	 71.13
47	 72.65
48	 74.22
49	 75.83
50	 77.47
51	 79.18
52	 80.99
53	 82.91
54	 84.93
55	 87.09
56	 89.37
57	 91.79
58	 94.36
59	 97.09
60	 100.00

(4) If sickness, injury, or service in the armed forces of the United States during the national emergency identified with World War I or World War II and/ or service in the armed forces of the United States of America for extended active duty by any employee who shall have been regularly granted a leave of absence from the city service by reason thereof, prevents any regular employee from being in service on the effective date, the board shall grant prior service credit to such person when he <u>or she</u> is again employed. The legislative authority in each participating city shall specify the amount of prior service to be granted or current service credit to be made available to such employees: PROVIDED, That in no case shall such service credit exceed five years. Certificate of honorable discharge from or documentary evidence of such service shall be submitted to the board before any such credit may be granted or made available. Prior or current service rates, or both, for such employees shall not exceed the rates established for fellow employees.

(5) There shall be granted to any person who was an employee of a private enterprise or a portion thereof which shall be hereafter acquired by a city as a matter of public convenience or necessity, where it is in the public interest to retain the trained personnel of such enterprise or portion thereof, credit for prior service for the period such person was actually employed by such private enterprise, except that this shall apply only to those persons who shall be employees of such enterprise or portion thereof at the time of its acquisition by the city and who remain in the service of such city until the effective date of membership of such person under this chapter.

There shall be granted to any person who was an employee of any state association of cities and towns, which association elects to participate in the retirement system established by this chapter, credit for prior service for the period such person was actually employed by such association, except that this shall apply only to those persons who shall be employees of such association on May 21, 1971.

Credit for such prior service shall be given only if payment for the additional cost of including such service has been made or if payment of such additional cost or reimbursement therefor has been otherwise provided for to the satisfaction of the board or if such person be entitled to any private pension or retirement benefits as a result of such service with such private enterprise, credit will be given only if he <u>or she</u> agrees at the time of his <u>or her</u> employment by the municipality to accept a reduction in the payment of any benefits payable under this chapter that are based in whole or in part on such added and accredited service by the amount of these private pension or retirement benefits received. The conditions and limitations provided for in this subsection (5) shall be embodied in any certificate of prior service issued or granted by the board where any portion of the prior service credited under this subsection is included therein.

The city may receive payments for these purposes from a third party and shall make from such payments contributions with respect to such prior service as may be necessary to enable the fund to assume its obligations.

Sec. 66. RCW 41.44.130 and 1965 ex.s. c 99 s 3 are each amended to read as follows:

(1) The normal rates of contribution of members shall be based on sex and age at time of entry into the system, which age shall be the age at the birthday nearest the date of such entry.

(2) The normal rates of contribution for miscellaneous personnel shall be so fixed as to provide an annuity which, together with the pension provided by the city, shall produce as nearly as may be, a retirement allowance at the age of sixty-two years, of one and one-third percent of the final compensation multiplied by the number of years of service of the retiring employee. The normal rate established for age sixty shall be the rate for any member who has attained a greater age before entrance into the retirement system and the normal contribution established for age twenty-four shall be the rate for any member who enters the system at an earlier age.

(3) The normal rates of contribution for uniformed personnel shall be so fixed as to provide an annuity which, together with the pension that would be derived from equal contributions by the city, shall produce as nearly as may be for members who enter service at age thirty-seven or below, a retirement allowance, at age fifty-five with twenty-five or more years of service, or at an age greater than fifty-five after twenty-five years of service, equal to fifty percent of final compensation; and for members entering service at ages over thirty-seven, a retirement allowance at age sixty-two which shall be the same proportion of fifty percent of final compensation as the member's actual years credited bear to twenty-five years. The normal rate established for age fifty shall be the rate for any member who has attained a greater age before entrance into the retirement system.

(4) Subject to the provisions of this chapter, the board shall adopt rules and regulations governing the making of deductions from the compensation of employees and shall certify to the proper officials in each city the normal rate of contribution for each member provided for in subsections (2) and (3) of this section. The proper officials in each city shall apply such rate of contribution to the full compensation of uniformed personnel and to so much of the compensation of miscellaneous personnel as does not exceed three hundred dollars per month, or four hundred dollars per month, or to any increased amount of such compensation as to members whose member cities have duly elected to increase the limitation provided for in subsection (12) of RCW 41.44.030 and shall certify to the board on each and every payroll the total amount to be contributed and shall furnish immediately to the board a copy of each and every payroll; and each of said amounts shall be forwarded immediately to the board and the board shall credit the deduction shown on such payroll to individual accounts of the members represented on such payrolls.

(5) Every member shall be deemed to consent and agree to the contribution made and provided for herein, and shall receipt in full for his <u>or her</u> salary or compensation. Payment less said contributions shall be a full and complete discharge of all claims and demands whatsoever for the service rendered by such person during the period covered by such payment, except his <u>or her</u> claim to the benefits to which he or she may be entitled under the provisions of this chapter.

(6) Any member may elect to contribute in excess of the contributions provided for in this section in accordance with rules to be established by the board for the purpose of providing additional benefits, but the exercise of this privilege shall not place on the member city or cities any additional financial obligation. The board shall have authority to fix the rate of interest to be paid or allowed upon the additional contributions and from time to time make any necessary changes in said rate. Refunds of additional contributions shall be governed by the same rules as those covering normal contributions unless the board shall establish separate rules therefor.

Sec. 67. RCW 41.44.140 and 1967 ex.s. c 28 s 4 are each amended to read as follows:

Retirement of a member for service shall be made by the board as follows:

(1) Each member included in the miscellaneous personnel in service on the effective date, who, on or before such effective date, has attained the age of sixty-five years or over shall be compulsorily retired forthwith: PROVIDED, That there shall be no compulsory retirements for a period of two years immediately following the effective date, but any member having attained the age of sixty-five may voluntarily retire at any time after attaining such age. Members included in the miscellaneous personnel attaining age sixty-five after effective date shall be retired on the first day of the calendar month next succeeding the month in which the member shall have attained sixty-five, but none of such members shall be subject to compulsory retirement until two years after the effective date. The legislative authority of the city shall have the privilege at all times of extending time for retirement of any such member to his or her attainment of any age not exceeding age seventy: PROVIDED, That any

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such extension shall not increase the retirement age of such member in excess of one year at a time.

(2) Any member included in the miscellaneous personnel may retire by filing with the board a written application duly attested, setting forth on what date he <u>or she</u> desires to be retired, such application to be made at least thirty days prior to date of retirement: PROVIDED, That said member, at the time specified for his <u>or her</u> retirement, shall have attained the age of sixty years, or shall have thirty years of creditable service regardless of attained age: PROVIDED FURTHER, That during the two years immediately following the effective date voluntary service retirement of such members under sixty-two years of age shall not be granted.

(3) Each member included in the uniformed personnel in service on the effective date who on or before such effective date has attained the minimum age for social security benefits shall be compulsorily retired forthwith: PROVIDED, That there shall be no compulsory service retirements for a period of two years immediately following the effective date, but any such member having attained the minimum age for social security benefits may voluntarily retire at any time after attaining such age. Members included in the uniformed personnel attaining the minimum age for social security benefits after the effective date shall be retired on the first day of the calendar month next succeeding the month in which the members shall have attained the minimum age for social security benefits, but none of such members shall be subject to compulsory retirement until two years after the effective date. The legislative authority shall have the privilege at all times of extending time for retirement of any such member: PROVIDED, That any such extension shall not increase the retirement age of such member in excess of one year at a time.

(4) Any member included in the uniformed personnel may retire by filing with the board a written application duly attested, setting forth on what date he <u>or she</u> desires to be retired, such application to be made at least thirty days prior to date of retirement: PROVIDED, That said members, at the time specified for retirement, shall have twenty-five years of creditable service regardless of age, or shall have attained the age of fifty-five years regardless of years of creditable service: PROVIDED FURTHER, That during the two years immediately following the effective date voluntary service retirement of such members under the minimum age for social security benefits shall not be granted.

(5) After the retirement of any employee, any member city, by unanimous vote of its legislative body and with the consent of the board, may reemploy or retain such employee in its service to fill a supervisory or key position.

Sec. 68. RCW 41.44.150 and 1965 ex.s. c 99 s 5 are each amended to read as follows:

(1) A member upon retirement for service, shall receive a retirement allowance subject to the provisions of subsection (2) of this section, which shall consist of:

(a) An annuity which shall be the actuarial equivalent of his <u>or her</u> accumulated normal contributions at the time of his <u>or her</u> retirement; and

(b) A pension provided by the contributions of the city, equal to the annuity purchased by the accumulated normal contributions of the member;

(c) For any member having credit for prior service an additional pension, provided by the contributions of the city, as set forth in RCW 41.44.120 at the rate selected by the city employing the member;

(d) Any member, excepting a part time employee, who has ten or more years of creditable service and who is retired by reason of attaining the age of sixtyfive or over if included in the miscellaneous personnel or the age of fifty-five or over if included in the uniformed personnel, and whose retirement allowance is calculated to be less than sixty dollars per month, shall receive such additional pension, provided by the contributions of the city, as will make his or her total retirement allowance equal to sixty dollars per month. An annuity purchased by accumulated additional contributions in such case shall be paid in addition to the minimum guaranteed as herein provided. A part time employee having ten or more years of creditable service, retired by reason of attaining the ages in this subdivision specified and whose retirement allowance is calculated to be less than forty dollars per month, shall receive such additional pension, provided by the contributions of the city, as will make the total retirement allowance equal to forty dollars per month, together with an annuity purchased by his or her accumulated additional contributions, if any, in addition to the minimum guaranteed.

Nothing herein contained shall be construed in a manner to increase or to decrease any pension being paid or to be paid to a member retired prior to June 11, 1953.

(e) Any member, excepting a part time employee, who has been or is retired by reason of attaining the age of sixty-five or over if included in the miscellaneous personnel or the age of fifty-five or over if included in the uniformed personnel, and whose retirement allowance is calculated to be less than sixty dollars per month, shall receive such additional pension, provided by the contributions of the city, as will make his <u>or her</u> total retirement allowance equal to six dollars per month for each year of his <u>or her</u> creditable service: PROVIDED, That the total additional retirement allowance shall be limited to an amount equal to such amount as will make his <u>or her</u> total retirement allowance not more than sixty dollars per month. An annuity purchased by accumulated additional contributions, if any, in such case shall be paid in addition to the minimum guaranteed, as herein provided.

Nothing herein contained shall be construed in a manner to increase or to decrease any pension being paid or to be paid to a member retired prior to June 11, 1953.

(f) The normal retirement age for uniformed personnel shall be age fiftyfive with twenty-five years of creditable service, or shall be at an age greater than age fifty-five upon the completion of twenty-five years or more of creditable service. Upon retirement at the normal age, the retirement allowance shall be equal to fifty percent of final compensation. If retirement occurs at an age other than the normal age, the retirement allowance shall be the same proportion of fifty percent of final compensation as the member's actual years of service bears to the years of service that were or would have been served up to the normal retirement age: PROVIDED, That if retirement occurs prior to the normal age of retirement, said allowance shall be the actuarial equivalent of said allowance at the normal age of retirement. Nothing herein contained shall be construed in a manner to increase or to decrease any pension being paid or to be paid to a member retired prior to August 6, 1965.

(2) If the retirement allowance of the member as provided in this section, is in excess of three-fourths of his <u>or her</u> final compensation, the pension of the member, purchased by the contributions of the city, shall be reduced to such an amount as shall make the member's retirement allowance equal to three-fourths of his <u>or her</u> final compensation, except as provided in subdivision (3) of this section.

(3) A member, upon retirement from service, shall receive in addition to the retirement allowance provided in this section, an additional annuity which shall be the actuarial equivalent of any accumulated additional contributions which he <u>or she</u> has to his <u>or her</u> credit at the time of his <u>or her</u> retirement.

Sec. 69. RCW 41.44.160 and 1965 ex.s. c 99 s 6 are each amended to read as follows:

Any member who has at least ten years of creditable service within the fifteen years immediately preceding retirement and has not attained the age of sixty-five years, or who attains or has attained the age of sixty-five years prior to two years after the effective date, may be retired by the board for permanent and total disability, either ordinary or accidental not incurred in line of duty, and any member, regardless of his <u>or her</u> age or years of service, may be retired by the board for any permanent and total disability incurred in line of duty, upon examination as follows:

Any member while in service, or while physically or mentally incapacitated for the performance of duty, if such incapacity has been continuous from discontinuance of city service, shall be examined by such medical authority as the board shall employ, upon the application of the head of the office or department in which the member is employed with approval of the legislative body, or upon application of said member, or a person acting in his or her behalf, stating that said member is permanently and totally incapacitated, either physically or mentally, for the performance of duty and ought to be retired. If examination shows, to the satisfaction of the board, that the member should be retired, he or she shall be retired forthwith: PROVIDED, That no such application shall be considered or granted upon the application of a member unless said member or someone in his or her behalf, in case of the incapacity of a member, shall have filed the application within a period of one year from and after the discontinuance of service of said member: PROVIDED, The board shall retire the said member for disability forthwith: PROVIDED, That the disability retirement allowance shall be effective on the first of the month following that in which the member last received salary or wages in city service.

The board shall secure such medical services and advice as it may deem necessary to carry out the purpose of this section and RCW 41.44.180.

Sec. 70. RCW 41.44.170 and 1973 1st ex.s. c 154 s 78 are each amended to read as follows:

On retirement for permanent and total disability not incurred in line of duty a member shall receive a retirement allowance which shall consist of:

(1) An annuity which shall be the actuarial equivalent of his <u>or her</u> accumulated normal contributions; and

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(2) A pension provided by the contributions of the city which, together with his <u>or her</u> annuity provided by his <u>or her</u> accumulated normal contributions, shall make his <u>or her</u> retirement allowance equal to thirty percent of his <u>or her</u> final compensation for the first ten years of service, which allowance shall be increased by one and one-half percent for each year of service in excess of ten years to a maximum of fifty percent of his <u>or her</u> final compensation; otherwise he <u>or she</u> shall receive a retirement allowance of forty dollars per month or, except as to a part time employee, such sum, monthly, not in excess of sixty dollars per month, as is equal to six dollars per month for each year of his <u>or her</u> creditable service, whichever is greater. If the retirement allowance of a part time employee, based upon the pension hereinabove provided, does not exceed forty dollars per month, then such part time employee shall receive a retirement allowance of forty dollars per month and no more.

Nothing herein contained shall be construed in a manner to increase or to decrease any pension being paid or to be paid to a member retired prior to August 6, 1965.

(3) If it appears to the satisfaction of the board that permanent and total disability was incurred in line of duty, a member shall receive in lieu of the retirement allowance provided under subdivisions (1) and (2) of this section full pay from, and be furnished all hospital and medical care by, the city for a period of six months from the date of his <u>or her</u> disability, and commencing at the expiration of such six month period, shall receive a retirement allowance, regardless of his <u>or her</u> age or years of service, equal to fifty percent of his <u>or her</u> final compensation exclusive of any other benefit he <u>or she</u> may receive.

(4) No disability retirement allowance shall exceed seventy-five percent of final compensation, anything herein to the contrary notwithstanding, except as provided in subdivision (7) of this section.

(5) Upon the death of a member while in receipt of a disability retirement allowance, his <u>or her</u> accumulated contributions, as they were at the date of his <u>or her</u> retirement, less any annuity payments made to him <u>or her</u>, shall be paid to his <u>or her</u> estate, or to such persons having an insurable interest in his <u>or her</u> life as he <u>or she</u> shall have nominated by written designation duly executed and filed with the board. In the alternative, if there be a surviving spouse, or if no surviving spouse, there are surviving a child or children under the age of eighteen years, upon written notice to the board by such spouse, or if there be no such spouse, by the duly appointed, qualified and acting guardian of such child or children, within sixty days of the date of such member's death, there shall be paid to such spouse during his or her lifetime, or, if there be no such spouse, to such child or children, until they shall reach the age of eighteen years, a monthly pension equal to one-half of the monthly final compensation of such deceased member. If any such spouse or child or children shall marry, then such person so marrying shall thereafter receive no further pension herein provided.

(6) If disability is due to intemperance, ((wilful)) willful misconduct, or violation of law, on the part of the member, the board, in its discretion, may pay to said member, in one lump sum his <u>or her</u> accumulated contribution, in lieu of a retirement allowance, and such payment shall constitute full satisfaction of all obligations of the city to such member.

(7) In addition to the annuity and pension provided for in subdivisions (1) and (2) of this section, a member shall receive an annuity which shall be the actuarial equivalent of his <u>or her</u> accumulated additional contributions.

Sec. 71. RCW 41.44.180 and 1961 c 227 s 8 are each amended to read as follows:

(1) The board may, at its pleasure, require any disability beneficiary under age sixty-two in the miscellaneous personnel and under age fifty-five in the uniformed personnel to undergo medical examination by medical authority designated by the board. Upon the basis of such examination the board shall determine whether such disability beneficiary is still totally and permanently incapacitated, either physically or mentally, for service in the office or department of the city where he <u>or she</u> was employed or in any other position in that city, the duties of which he <u>or she</u> might reasonably be expected to carry out.

(2) If the board shall determine that the beneficiary is not so incapacitated his <u>or her</u> retirement allowance shall be canceled and he <u>or she</u> shall be reinstated forthwith in city service. If the city is unable to find employment for a disability beneficiary found to be no longer totally and permanently disabled, the board shall continue the disability retirement allowance of the beneficiary until such time as employment is available, except as provided in paragraph (4) of this section.

(3) Should a disability beneficiary reenter city service and be eligible for membership in the retirement system, his <u>or her</u> retirement allowance shall be canceled and he <u>or she</u> shall immediately become a member of the retirement system, his <u>or her</u> rate of contribution for future years being that established for his <u>or her</u> age at the time of such reentry. His <u>or her</u> individual account shall be credited with his <u>or her</u> accumulated contributions less the annuity payments made to him <u>or her</u> shall again be held for the benefit of said member and shall no longer be included in the amounts available to meet the obligations of the city on account of benefits that have been granted. Such member shall receive credit for prior service in the same manner as if he <u>or she</u> had never been retired for disability.

(4) Should any disability beneficiary under age sixty-two in the miscellaneous personnel or under age fifty-five in the uniformed personnel, refuse to submit to medical examination, his or her retirement allowance may be discontinued until his or her withdrawal of such refusal, and should refusal continue for one year, his or her retirement allowance may be canceled. Should said disability beneficiary, prior to attaining age sixty-two or age fifty-five, as the case may be, engage in a gainful occupation the board shall reduce the amount of his or her retirement allowance to an amount, which when added to the compensation earned by him or her in such occupation, shall not exceed the amount of the final compensation on the basis of which his or her retirement allowance was determined. Should the earning capacity of such beneficiary be further altered, the board may further alter his or her retirement allowance as indicated above. When said disability beneficiary reaches age sixty-two, if included in the miscellaneous personnel, or age fifty-five, in the uniformed personnel, his or her retirement allowance shall be made equal to the amount upon which he or she was originally retired, and shall not again be modified for any cause except as provided in RCW 41.44.250.

(5) Should the retirement allowance of any disability beneficiary be canceled for any cause other than reentrance into city service, he <u>or she</u> shall be paid his <u>or her</u> accumulated contributions, less annuity payments made to him <u>or her</u>.

Sec. 72. RCW 41.44.190 and 1967 ex.s. c 28 s 5 are each amended to read as follows:

(1) Should service of a member of the miscellaneous personnel be discontinued except by death or retirement, he or she shall be paid six months after the day of discontinuance such part of his or her accumulated contributions as he or she shall demand. Six months after the date of such discontinuance, unless on leave of absence regularly granted, or unless he or she has exercised the option hereinafter provided, his or her rights to all benefits as a member shall cease, without notice, and his or her accumulated contributions shall be returned to him or her in any event or held for his or her account if for any reason the return of the same is prevented. Should service of a member of the uniformed personnel be discontinued except by death or retirement, he or she shall be paid six months after the day of discontinuance such part of his or her accumulated contributions as he or she shall demand, and six months after the date of such discontinuance, unless on leave of absence regularly granted, his or her rights to all benefits as a member shall cease, without notice, and his or her accumulated contributions shall be returned to him or her in any event, or held for his or her account if for any reason the same is prevented: PROVIDED, That the board may in its discretion, grant the privilege of withdrawal in the amounts above specified at any time following such discontinuance. Any member whose service is discontinued except by death or retirement, and who has five or more years of creditable service when such discontinuance occurs, may, at his or her option, leave his or her accumulated contributions in the fund and thereby be entitled to receive a deferred retirement allowance commencing at retirement age sixty for miscellaneous personnel and at age fifty-five for uniformed personnel, such retirement allowance to be computed in the same manner provided in subsection (1) of RCW 41.44.150: PROVIDED, That this option may be revoked at any time prior to commencement of annuity payments by filing a written notice of such intention with the board together with a written application for a refund of such accumulated contributions. The board may establish rules and regulations to govern withdrawal and redeposit of contributions.

(2) Should a former member, within five years after discontinuance of service, return to service in the same city in which he <u>or she</u> was employed he <u>or she</u> may restore to the fund in such manner as may be agreed upon by such person and the board, his <u>or her</u> withdrawn normal accumulated contributions as they were at the time of his <u>or her</u> separation from service and upon completion of such redeposit all his <u>or her</u> rights and privileges existing at the time of discontinuance of service shall be restored and his <u>or her</u> obligations as a member shall begin again. The rate of contribution of such returning member shall be the same as it was at the time he <u>or she</u> separated from service.

(3) Upon the death of any person who has not been retired, pursuant to the provisions hereof, there shall be paid to his <u>or her</u> estate, or to such persons having an insurable interest in his <u>or her</u> life as he <u>or she</u> shall have nominated by written designation duly executed and filed with the board, his <u>or her</u>

accumulated contributions less any payments therefrom already made to him <u>or</u> <u>her</u>. Such payment may be made in one lump sum or may be paid in installments over a period of not to exceed five years, as may be designated by the member or his <u>or her</u> beneficiary, with such rate of interest as may be determined by the board.

(4) In lieu of the death benefit otherwise payable under subsection (3) of this section, there shall be paid a total allowance equal to one-fourth average final compensation per month to the surviving spouse of a member with at least twenty years service as such, at the time of death and who has not been retired and who, by reason of membership in the system, is covered by the Old Age and Survivors Insurance provisions of the Federal Social Security Act, but not at the time of death qualified to receive the benefits thereof. Said allowance shall become payable upon the death of said member or upon the date the surviving spouse becomes ineligible for any benefit payment from the Federal OASI, if later, and shall cease upon death or remarriage, or upon the date the surviving spouse would become entitled, upon application therefor; to any insurance benefit from the Federal OASI system, whichever event shall first occur: PROVIDED, That said benefit shall cease upon the beneficiary becoming employed by any member city of said system: PROVIDED FURTHER, That this allowance shall consist of:

(a) An amount which shall be the actuarial equivalent of the normal contributions at the time specified for retirement;

(b) An amount provided by the contributions of the city, equal to the annuity purchased by the accumulated normal contributions of the member;

(c) Such additional amount, provided by the contributions of the city, as will make the total allowance equal to one-fourth average final compensation per month;

(d) An annuity purchased by the accumulated additional contributions, if any, in addition to the minimum guaranteed.

(5) In lieu of the death benefit otherwise payable under subsection (3) of this section, the surviving spouse of a member who dies after having attained the minimum requirements for his <u>or her</u> service retirement as required by RCW 41.44.140 may elect to receive the allowance which would have been paid to such surviving spouse had the member been retired on the date of his <u>or her</u> death and had he <u>or she</u> elected to receive the lesser retirement allowances provided for in option C of RCW 41.44.220.

(6) If a former member shall, within one year from date of discontinuance of service, be employed by another city participating in this retirement system he <u>or</u> <u>she</u> shall have the privilege of redepositing and the matching contributions deposited by the city or cities in which he <u>or she</u> was formerly employed shall again be held for the benefit of such member. If such redepositing member possessed a prior service certificate the city employing him <u>or her</u> at time of retirement shall accept the liability evidenced by such certificate.

Reinstatement of a prior service certificate shall be effective only upon a showing that normal contributions are on deposit in the retirement fund, to the credit of the member, covering all current service.

Sec. 73. RCW 41.44.200 and 1953 c 228 s 8 are each amended to read as follows:

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Whenever a member withdraws his or her accumulated normal contributions the matching contributions of the city so released shall be transferred to a reserve account created for the purpose of showing the amount of credits due each city through such operation. Such credits may be used by the city to apply on any charges made against the city but only so much thereof as will insure leaving in such account an amount estimated to be sufficient to again match contributions redeposited by employees returning to service as contemplated in RCW 41.44.190. The board may credit such reserve accounts with interest at such rate as the board deems equitable: PROVIDED, That as to any member city which has elected to and is making contributions in lieu of those required in RCW 41.44.090(1)(a), there shall be no release of the city's matching contributions after the date of its commencement to make such lieu contributions: PROVIDED FURTHER, That any released contributions of any such city which have been credited to its reserve account prior to the date of such commencement, shall be available to it for the purposes hereinabove specified, unless the board shall determine that their immediate use for such purposes would result in a harmful effect upon the assets of the system, in which event the board shall have the right to defer their use for a reasonable time in which to permit it to make adjustments in the current assets of the system to prevent the same.

Sec. 74. RCW 41.44.210 and 1973 1st ex.s. c 154 s 79 are each amended to read as follows:

Upon the death of any member who dies from injuries or disease arising out of or incurred in the performance of his or her duty or duties, of which the board of trustees shall be the judge, if death occurs within one year from date of discontinuance of city service caused by such injury, there shall be paid to his or her estate or to such person or persons having an insurable interest in his or her life, as he or she shall have nominated by written designation duly executed and filed with the board, the sum of one thousand dollars, purchased by the contributions of the cities participating in the retirement system; and in addition thereto there shall be paid to the surviving spouse during such spouse's lifetime, or if there be no surviving spouse, then to his or her minor child or children until they shall have reached the age of eighteen years, a monthly pension equal to one-half the monthly final compensation of such deceased member. If any such spouse, or child or children shall marry, then such person so marrying shall thereafter receive no further pension herein provided. Cost of the lump sum benefit above provided shall be determined by actuarial calculation and prorated equitably to each city. The benefits provided in this section shall be exclusive of any other benefits due the member under this chapter.

Sec. 75. RCW 41.44.220 and 1965 ex.s. c 99 s 9 are each amended to read as follows:

A member may elect to receive in lieu of the retirement allowance provided for in RCW 41.44.150, its actuarial equivalent in the form of a lesser retirement allowance, payable in accordance with the terms and conditions of one of the options set forth below in this section. Election of any option must be made by written application filed with the board at least thirty days in advance of retirement, or may be made by any member after he <u>or she</u> has attained the minimum requirements for his <u>or her</u> service retirement as required by RCW Ch. 117

41.44.140, and shall not be effective unless approved by the board prior to retirement of the member.

Option A. The lesser retirement allowance shall be payable to the member throughout his <u>or her</u> life: PROVIDED, That if he <u>or she</u> die before he <u>or she</u> receives in annuity payments referred to in paragraph (a) of subsection (1) of RCW 41.44.150 a total amount equal to the amount of his <u>or her</u> accumulated contributions as it was at date of his <u>or her</u> retirement, the balance of such accumulated contributions shall be paid in one sum to his <u>or her</u> estate or to such person having an insurable interest in his <u>or her</u> life as he <u>or she</u> shall nominate by written designation duly executed and filed with the board.

Option B. The lesser retirement allowance shall be payable to the member throughout life, and after death of the member, one-half of the lesser retirement allowance shall be continued throughout the life of and paid to the wife or husband of this member.

Option C. The lesser retirement allowance shall be payable to the member throughout life, and after death of the member it shall be continued throughout the life of and paid to the wife or husband of the member.

A member may apply for some other benefit or benefits and the board may grant such application provided such other benefit or benefits, together with the reduced retirement allowance, shall be certified by the actuary to be of equivalent value to his <u>or her</u> retirement allowance.

The surviving spouse may elect to receive a cash refund of the member's accumulated contributions in lieu of the monthly benefit under either Option B or Option C.

Sec. 76. RCW 41.44.250 and 1951 c 275 s 15 are each amended to read as follows:

The payment of any retirement allowance to a member who has been retired from service shall be suspended during the time that the beneficiary is in receipt of compensation for service to any city or town that is a member of the statewide city employees' retirement system, except as to the amount by which such retirement allowance may exceed such compensation for the same period. It is the intent of this section to prevent any retired person from being able to receive both his <u>or her</u> retirement allowance and compensation for service to any city or town that is a member of the statewide city employees' retirement system: PROVIDED, That nothing in this section shall prevent county or state welfare departments from furnishing to any retired employee under the terms of this chapter the hospital, medical, dental, and other benefits granted to pensioners under the provisions of Title 74 RCW.

Sec. 77. RCW 41.48.020 and 1955 ex.s. c 4 s 2 are each amended to read as follows:

For the purposes of this chapter:

(1) "Wages" means all remuneration for employment as defined herein, including the cash value of all remuneration paid in any medium other than cash, except that such term shall not include that part of such remuneration which, even if it were for "employment" within the meaning of the federal insurance contributions act, would not constitute "wages" within the meaning of that act;

(2) "Employment" means any service performed by an employee in the employ of the state, or any political subdivision thereof, for such employer,

except (a) service which in the absence of an agreement entered into under this chapter would constitute "employment" as defined in the social security act; or (b) service which under the social security act may not be included in an agreement between the state and the secretary of health, education, and welfare entered into under this chapter;

(3) "Employee" includes all officers and employees of the state or its political subdivisions except officials compensated on a fee basis;

(4) "Secretary of health, education, and welfare" includes any individual to whom the secretary of health, education, and welfare has delegated any of his <u>or</u> <u>her</u> functions under the social security act with respect to coverage under such act of employees of states and their political subdivisions, and with respect to any action taken prior to April 11, 1953, includes the federal security administrator and any individual to whom such administrator has delegated any such function;

(5) "Political subdivision" includes an instrumentality of the state, of one or more of its political subdivisions, or of the state and one or more of its political subdivisions. Such term also includes a proprietary enterprise acquired, purchased, or originated by the state or any of its political subdivisions subsequent to December, 1950. Such a subdivision may elect to accept federal OASI coverage under this chapter.

(6) "Federal insurance contributions act" means subchapter A of chapter 9 of the federal internal revenue code of 1939 and subchapters A and B of chapter 21 of the federal internal revenue code of 1954, as such codes have been and may from time to time be amended; and the term "employee tax" means the tax imposed by section 1400 of such code of 1939 and section 3101 of such code of 1954.

Sec. 78. RCW 41.48.040 and 1955 ex.s. c 4 s 4 are each amended to read as follows:

(1) Every employee of the state whose services are covered by an agreement entered into under RCW 41.48.030 shall be required to pay for the period of such coverage, into the contribution ((fund)) account established by RCW 41.48.060, contributions, with respect to wages (as defined in RCW 41.48.020), equal to the amount of employee tax which would be imposed by the federal insurance contributions act if such services constituted employment within the meaning of that act. Such liability shall arise in consideration of the employees' retention in the service of the state, or his <u>or her</u> entry upon such service, after the enactment of this chapter.

(2) The contribution imposed by this section shall be collected by deducting the amount of the contribution from wages as and when paid, but failure to make such deduction shall not relieve the employee from liability for such contribution.

(3) If more or less than the correct amount of the contribution imposed by this section is paid or deducted with respect to any remuneration, proper adjustments, or refund if adjustment is impracticable, shall be made, without interest, in such manner and at such times as the state agency shall prescribe.

Sec. 79. RCW 41.48.050 and 1981 c 119 s 1 are each amended to read as follows:

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(1) Each political subdivision of the state is hereby authorized to submit for approval by the governor a plan for extending the benefits of title II of the social security act, in conformity with the applicable provisions of such act, to those employees of such political subdivisions who are not covered by an existing pension or retirement system. Each pension or retirement system established by the state or a political subdivision thereof is hereby authorized to submit for approval by the governor a plan for extending the benefits of title II of the social security act, in conformity with applicable provisions of such act, to members of such pension or retirement system. Each such plan and any amendment thereof shall be approved by the governor if he <u>or she</u> finds that such plan, or such plan as amended, is in conformity with such requirements as are provided in regulations of the governor, except that no such plan shall be approved unless—

(a) It is in conformity with the requirements of the social security act and with the agreement entered into under RCW 41.48.030;

(b) It provides that all services which constitute employment as defined in RCW 41.48.020 and are performed in the employ of the political subdivision by employees thereof, shall be covered by the plan;

(c) It specifies the source or sources from which the funds necessary to make the payments required by paragraph (a) of subsection (3) and by subsection (4) of this section are expected to be derived and contains reasonable assurance that such sources will be adequate for such purposes;

(d) It provides that in the plan of coverage for members of the state teachers' retirement system or for state employee members of the state employees' retirement system, there shall be no additional cost to or involvement of the state until such plan has received prior approval by the legislature;

(e) It provides for such methods of administration of the plan by the political subdivision as are found by the governor to be necessary for the proper and efficient administration of the plan;

(f) It provides that the political subdivision will make such reports, in such form and containing such information, as the governor may from time to time require and comply with such provisions as the governor or the secretary of health, education, and welfare may from time to time find necessary to assure the correctness and verification of such reports; and

(g) It authorizes the governor to terminate the plan in its entirety, in his <u>or</u> <u>her</u> discretion, if he <u>or she</u> finds that there has been a failure to comply substantially with any provision contained in such plan, such termination to take effect at the expiration of such notice and on such conditions as may be provided by regulations of the governor and may be consistent with the provisions of the social security act.

(h) It provides that law enforcement officers and firefighters of each political subdivision of this state who are covered by the Washington Law Enforcement Officers' and Firefighters' Retirement System Act (chapter 209, Laws of 1969 ex. sess.) as now in existence or hereafter amended shall constitute a separate "coverage group" for purposes of the plan or agreement entered into under this section and for purposes of section 216 of the social security act. To the extent that the plan or agreement entered into between the state and any political subdivision of this state is inconsistent with this subsection, the governor shall seek to modify the inconsistency.

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(i) It provides that the plan or agreement may be terminated by any political subdivision as to any such coverage group upon giving at least two years advance notice in writing to the governor, effective at the end of the calendar quarter specified in the notice. It shall specify that before notice of such termination is given, a referendum shall be held among the members of the coverage group under the following conditions:

(i) The referendum shall be conducted under the supervision of the legislative body of the political subdivision.

(ii) Not less than sixty days' notice of such referendum shall be given to members of the coverage group.

(iii) An opportunity to vote by secret ballot in such referendum shall be given and shall be limited to all members of the coverage group.

(iv) The proposal for termination shall be approved only if a majority of the coverage group vote in favor of termination.

(v) If a majority of the coverage group vote in favor of termination, the legislative body of the political subdivision shall certify the results of the referendum to the governor and give notice of termination of such coverage group.

(2) The governor shall not finally refuse to approve a plan submitted by a political subdivision under subsection (1), and shall not terminate an approved plan, without reasonable notice and opportunity for hearing to the political subdivision affected thereby.

(3)(a) Each political subdivision as to which a plan has been approved under this section shall pay into the contribution ((fund)) account, with respect to wages (as defined in RCW 41.48.020), at such time or times as the governor may by regulation prescribe, contributions in the amounts and at the rates specified in the applicable agreement entered into by the governor under RCW 41.48.030.

(b) Each political subdivision required to make payments under paragraph (a) of this subsection is authorized, in consideration of the employee's retention in, or entry upon, employment after enactment of this chapter, to impose upon each of its employees, as to services which are covered by an approved plan, a contribution with respect to his <u>or her</u> wages (as defined in RCW 41.48.020), not exceeding the amount of employee tax which is imposed by the federal insurance contributions act, and to deduct the amount of such contribution from his <u>or her</u> wages as and when paid. Contributions so collected shall be paid into the OASI contribution ((fund)) <u>account</u> in partial discharge of the liability of such political subdivision or instrumentality under paragraph (a) of this subsection. Failure to deduct such contribution shall not relieve the employee or employer of liability therefor.

(4) Delinquent reports and payments due under paragraph (f) of subsection (1) and paragraph (a) of subsection (3) of this section will be subject to an added interest charge of six percent per year or, if higher, the rate chargeable to the state by the secretary by virtue of federal law, if the late report or payment contributes to any federal penalty for late filing of reports or for late deposit of contributions. Delinquent contributions, interest, and penalties may be recovered by civil action or may, at the request of the governor, be deducted from any other moneys payable to the political subdivision by any department or agency of the state.

Sec. 80. RCW 41.48.090 and 1951 c 184 s 10 are each amended to read as follows:

The governor shall make and publish such rules and regulations, not inconsistent with the provisions of this chapter, as he <u>or she</u> finds necessary or appropriate to the efficient administration of the functions with which he <u>or she</u> is charged under this chapter.

Sec. 81. RCW 41.48.100 and 1951 c 184 s 11 are each amended to read as follows:

Any authority conferred upon the governor by this chapter may be exercised by an official or state agency designated by him <u>or her</u>.

Sec. 82. RCW 41.50.020 and 1975-'76 2nd ex.s. c 105 s 4 are each amended to read as follows:

There is created a department of state government to be known as the department of retirement systems. The executive and administrative head of the department shall be the director, who shall be appointed by the governor with the consent of the senate. The director shall serve at the pleasure of the governor and may be removed upon written notification by the governor to the respective retirement boards.

The director shall have complete charge of and supervisory powers over the department and shall be paid a salary fixed by the governor in accordance with the provisions of RCW 43.03.040. If a vacancy occurs in the position of director while the senate is not in session, the governor shall make a temporary appointment until the next meeting of the senate at which time he <u>or she</u> shall present to that body the name of the person appointed to the position of director.

Sec. 83. RCW 41.56.070 and 2007 c 75 s 2 and 2007 c 75 s 1 are each reenacted and amended to read as follows:

In the event the commission elects to conduct an election to ascertain the exclusive bargaining representative, and upon the request of a prospective bargaining representative showing written proof of at least thirty percent representation of the public employees within the unit, the commission shall hold an election by secret ballot to determine the issue. The ballot shall contain the name of such bargaining representative and of any other bargaining representative showing written proof of at least ten percent representation of the public employees within the unit, together with a choice for any public employee to designate that he or she does not desire to be represented by any bargaining agent. Where more than one organization is on the ballot and neither of the three or more choices receives a majority vote of the public employees within the bargaining unit, a run-off election shall be held. The run-off ballot shall contain the two choices which received the largest and second-largest number of votes. No question concerning representation may be raised within one year of a certification or attempted certification. Where there is a valid collective bargaining agreement in effect, no question of representation may be raised except during the period not more than ninety nor less than sixty days prior to the expiration date of the agreement. Any agreement which contains a provision for automatic renewal or extension of the agreement shall not be a valid agreement; nor shall any agreement be valid if it provides for a term of existence for more than three years, except that any agreement entered into between school

districts, cities, counties, or municipal corporations, and their respective employees, may provide for a term of existence of up to six years.

Sec. 84. RCW 41.56.080 and 1975 1st ex.s. c 296 s 19 are each amended to read as follows:

The bargaining representative which has been determined to represent a majority of the employees in a bargaining unit shall be certified by the commission as the exclusive bargaining representative of, and shall be required to represent, all the public employees within the unit without regard to membership in said bargaining representative: PROVIDED, That any public employee at any time may present his <u>or her</u> grievance to the public employer and have such grievance adjusted without the intervention of the exclusive bargaining representative, if the adjustment is not inconsistent with the terms of a collective bargaining agreement then in effect, and if the exclusive bargaining representative has been given reasonable opportunity to be present at any initial meeting called for the resolution of such grievance.

Sec. 85. RCW 41.56.120 and 1967 ex.s. c 108 s 12 are each amended to read as follows:

Nothing contained in this chapter shall permit or grant any public employee the right to strike or refuse to perform his <u>or her</u> official duties.

Sec. 86. RCW 41.56.220 and 1980 c 87 s 17 are each amended to read as follows:

Any public employee who represents fifty percent or more of a bargaining unit or who represents on a statewide basis a group of five or more bargaining units shall have the right to absent himself <u>or herself</u> from his <u>or her</u> employment without pay and without suffering any discrimination in his <u>or her</u> future employment and without losing benefits incident to his <u>or her</u> employment while representing his <u>or her</u> bargaining unit at the legislature of the state of Washington during any regular or special session thereof: PROVIDED, That such employee is replaced by his <u>or her</u> bargaining unit with an employee who shall be paid by the employer and who shall be qualified to perform the duties and obligations of the absent member in accordance with the rules of the civil service or other standards established by his <u>or her</u> employer for such absent employee.

Sec. 87. RCW 41.56.450 and 1983 c 287 s 2 are each amended to read as follows:

If an agreement has not been reached following a reasonable period of negotiations and mediation, and the executive director, upon the recommendation of the assigned mediator, finds that the parties remain at impasse, then an interest arbitration panel shall be created to resolve the dispute. The issues for determination by the arbitration panel shall be limited to the issues certified by the executive director. Within seven days following the issuance of the determination of the executive director, each party shall name one person to serve as its arbitrator on the arbitration panel. The two members so appointed shall meet within seven days following the appointment of the later appointed member to attempt to choose a third member to act as the neutral ((chairman)) chair of the arbitration panel. Upon the failure of the arbitrators to select a neutral ((chairman)) chair within seven days, the two appointed members shall use one of the two following options in the appointment of the

third member, who shall act as ((chairman)) chair of the panel: (1) By mutual consent, the two appointed members may jointly request the commission to, and the commission shall, appoint a third member within two days of such request. Costs of each party's appointee shall be borne by each party respectively; other costs of the arbitration proceedings shall be borne by the commission; or (2) either party may apply to the commission, the federal mediation and conciliation service, or the American Arbitration Association to provide a list of five qualified arbitrators from which the neutral ((chairman)) chair shall be chosen. Each party shall pay the fees and expenses of its arbitrator, and the fees and expenses of the neutral ((chairman)) chair shall be tween the parties.

The arbitration panel so constituted shall promptly establish a date, time, and place for a hearing and shall provide reasonable notice thereof to the parties to the dispute. A hearing, which shall be informal, shall be held, and each party shall have the opportunity to present evidence and make argument. No member of the arbitration panel may present the case for a party to the proceedings. The rules of evidence prevailing in judicial proceedings may be considered, but are not binding, and any oral testimony or documentary evidence or other data deemed relevant by the ((chairman)) chair of the arbitration panel may be received in evidence. A recording of the proceedings shall be taken. The arbitration panel has the power to administer oaths, require the attendance of witnesses, and require the production of such books, papers, contracts, agreements, and documents as may be deemed by the panel to be material to a just determination of the issues in dispute. If any person refuses to obey a subpoena issued by the arbitration panel, or refuses to be sworn or to make an affirmation to testify, or any witness, party, or attorney for a party is guilty of any contempt while in attendance at any hearing held hereunder, the arbitration panel may invoke the jurisdiction of the superior court in the county where the labor dispute exists, and the court has jurisdiction to issue an appropriate order. Any failure to obey the order may be punished by the court as a contempt thereof. The hearing conducted by the arbitration panel shall be concluded within twenty-five days following the selection or designation of the neutral ((chairman)) chair of the arbitration panel, unless the parties agree to a longer period.

The neutral ((chairman)) chair shall consult with the other members of the arbitration panel, and, within thirty days following the conclusion of the hearing, the neutral ((chairman)) chair shall make written findings of fact and a written determination of the issues in dispute, based on the evidence presented. A copy thereof shall be served on the commission, on each of the other members of the arbitration panel, and on each of the parties to the dispute. That determination shall be final and binding upon both parties, subject to review by the superior court upon the application of either party solely upon the question of whether the decision of the panel was arbitrary or capricious.

Sec. 88. RCW 41.56.470 and 1973 c 131 s 6 are each amended to read as follows:

During the pendency of the proceedings before the arbitration panel, existing wages, hours, and other conditions of employment shall not be changed by action of either party without the consent of the other but a party may so consent without prejudice to his <u>or her</u> rights or position under chapter 131, Laws of 1973.

Sec. 89. RCW 41.58.010 and 1981 c 338 s 21 are each amended to read as follows:

(1) There is hereby created the public employment relations commission (hereafter called the "commission") to administer the provisions of this chapter. The commission shall consist of three members who shall be citizens appointed by the governor by and with the advice and consent of the senate. One of the original members shall be appointed for a term of three years, one for a term of four years, and one for a term of five years. Their successors shall be appointed for terms of five years each, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he or she succeeds. Commission members shall be eligible for reappointment. The governor shall designate one member to serve as ((chairman)) chair of the commission. Any member of the commission may be removed by the governor, upon notice and hearing, for neglect of duty or malfeasance in office, but for no other cause. Commission members shall not be eligible for state retirement under chapter 41.40 RCW by virtue of their service on the commission.

(2) In making citizen member appointments initially, and subsequently thereafter, the governor shall be cognizant of the desirability of appointing persons knowledgeable in the area of labor relations in the state.

(3) A vacancy in the commission shall not impair the right of the remaining members to exercise all of the powers of the commission, and two members of the commission shall, at all times, constitute a quorum of the commission.

(4) The commission shall at the close of each fiscal year make a report in writing to the legislature and to the governor stating the cases it has heard, the decisions it has rendered, the names, salaries, and duties of all employees and officers in the employ or under the supervision of the commission, and an account of all moneys it has disbursed.

Sec. 90. RCW 41.58.801 and 1979 c 151 s 66 are each amended to read as follows:

All reports, documents, surveys, books, records, files, papers, or other writings in the possession of the marine employee commission, the office of the superintendent of public instruction, the state board for community ((eollege education)) and technical colleges, and the department of labor and industries and pertaining to the functions transferred to the commission by chapter 296, Laws of 1975 1st ex. sess. shall by January 1, 1976, be delivered to the custody of the commission. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed in carrying out the functions transferred by chapter 296, Laws of 1975 1st ex. sess. shall by January 1, 1976, be transferred to the commission.

Any appropriation or portion thereof remaining as of January 1, 1976, and which is made to an agency for the purpose of carrying out functions transferred from such agency pursuant to chapter 296, Laws of 1975 1st ex. sess., shall, by January 1, 1976, be transferred and credited to the commission for the purpose of carrying out such functions. This paragraph shall not affect the transfer of moneys prior to January 1, 1976, pursuant to section 67, chapter 269, Laws of 1975 1st ex. sess.

Whenever any question arises as to the transfer of any funds, including unexpended balances within any accounts, books, documents, records, papers, files, equipment, or any other tangible property used or held in the exercise of the performance of the functions transferred under chapter 296, Laws of 1975 1st ex. sess., the director of financial management or his <u>or her</u> successor shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

Sec. 91. RCW 41.59.090 and 1975 1st ex.s. c 288 s 10 are each amended to read as follows:

The employee organization which has been determined to represent a majority of the employees in a bargaining unit shall be certified by the commission as the exclusive bargaining representative of, and shall be required to represent all the employees within the unit without regard to membership in that bargaining representative: PROVIDED, That any employee at any time may present his <u>or her</u> grievance to the employer and have such grievance adjusted without the intervention of the exclusive bargaining representative, as long as such representative has been given an opportunity to be present at that adjustment and to make its views known, and as long as the adjustment is not inconsistent with the terms of a collective bargaining agreement then in effect.

Sec. 92. RCW 41.59.120 and 2010 c 235 s 804 are each amended to read as follows:

(1) Either an employer or an exclusive bargaining representative may declare that an impasse has been reached between them in collective bargaining and may request the commission to appoint a mediator for the purpose of assisting them in reconciling their differences and resolving the controversy on terms which are mutually acceptable. If the commission determines that its assistance is needed, not later than five days after the receipt of a request therefor, it shall appoint a mediator in accordance with rules and regulations for such appointment prescribed by the commission. The mediator shall meet with the parties or their representatives, or both, forthwith, either jointly or separately, and shall take such other steps as he or she may deem appropriate in order to persuade the parties to resolve their differences and effect a mutually acceptable agreement. The mediator, without the consent of both parties, shall not make findings of fact or recommend terms of settlement. The services of the mediator, including, if any, per diem expenses, shall be provided by the commission without cost to the parties. Nothing in this subsection (1) shall be construed to prevent the parties from mutually agreeing upon their own mediation procedure, and in the event of such agreement, the commission shall not appoint its own mediator unless failure to do so would be inconsistent with the effectuation of the purposes and policy of this chapter.

(2) If the mediator is unable to effect settlement of the controversy within ten days after his or her appointment, either party, by written notification to the other, may request that their differences be submitted to fact-finding with recommendations, except that the time for mediation may be extended by mutual agreement between the parties. Within five days after receipt of the aforesaid written request for fact-finding, the parties shall select a person to serve as fact finder and obtain a commitment from that person to serve. If they are unable to agree upon a fact finder or to obtain such a commitment within that time, either

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party may request the commission to designate a fact finder. The commission, within five days after receipt of such request, shall designate a fact finder in accordance with rules and regulations for such designation prescribed by the commission. The fact finder so designated shall not be the same person who was appointed mediator pursuant to subsection (1) of this section without the consent of both parties.

The fact finder, within five days after his <u>or her</u> appointment, shall meet with the parties or their representatives, or both, either jointly or separately, and make inquiries and investigations, hold hearings, and take such other steps as he <u>or she</u> may deem appropriate. For the purpose of such hearings, investigations and inquiries, the fact finder shall have the power to issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence. If the dispute is not settled within ten days after his <u>or her</u> appointment, the fact finder shall make findings of fact and recommend terms of settlement within thirty days after his <u>or her</u> appointment, which recommendations shall be advisory only.

(3) Such recommendations, together with the findings of fact, shall be submitted in writing to the parties and the commission privately before they are made public. Either the commission, the fact finder, the employer, or the exclusive bargaining representative may make such findings and recommendations public if the dispute is not settled within five days after their receipt from the fact finder.

(4) The costs for the services of the fact finder, including, if any, per diem expenses and actual and necessary travel and subsistence expenses, and any other incurred costs, shall be borne by the commission without cost to the parties.

(5) Nothing in this section shall be construed to prohibit an employer and an exclusive bargaining representative from agreeing to substitute, at their own expense, their own procedure for resolving impasses in collective bargaining for that provided in this section or from agreeing to utilize for the purposes of this section any other governmental or other agency or person in lieu of the commission.

(6) Any fact finder designated by an employer and an exclusive representative or the commission for the purposes of this section shall be deemed an agent of the state.

(7) This section does not apply to negotiations and mediations conducted under RCW 28A.657.050.

Sec. 93. RCW 41.59.140 and 1975 1st ex.s. c 288 s 15 are each amended to read as follows:

(1) It shall be an unfair labor practice for an employer:

(a) To interfere with, restrain, or coerce employees in the exercise of the rights guaranteed in RCW 41.59.060.

(b) To dominate or interfere with the formation or administration of any employee organization or contribute financial or other support to it: PROVIDED, That subject to rules and regulations made by the commission pursuant to RCW 41.59.110, an employer shall not be prohibited from permitting employees to confer with it or its representatives or agents during working hours without loss of time or pay; Ch. 117

(c) To encourage or discourage membership in any employee organization by discrimination in regard to hire, tenure of employment or any term or condition of employment, but nothing contained in this subsection shall prevent an employer from requiring, as a condition of continued employment, payment of periodic dues and fees uniformly required to an exclusive bargaining representative pursuant to RCW 41.59.100;

(d) To discharge or otherwise discriminate against an employee because he <u>or she</u> has filed charges or given testimony under this chapter;

(e) To refuse to bargain collectively with the representatives of its employees.

(2) It shall be an unfair labor practice for an employee organization:

(a) To restrain or coerce (i) employees in the exercise of the rights guaranteed in RCW 41.59.060: PROVIDED, That this paragraph shall not impair the right of an employee organization to prescribe its own rules with respect to the acquisition or retention of membership therein; or (ii) an employer in the selection of his <u>or her</u> representatives for the purposes of collective bargaining or the adjustment of grievances;

(b) To cause or attempt to cause an employer to discriminate against an employee in violation of subsection (1)(c) of this section;

(c) To refuse to bargain collectively with an employer, provided it is the representative of its employees subject to RCW 41.59.090.

(3) The expressing of any views, argument, or opinion, or the dissemination thereof to the public, whether in written, printed, graphic, or visual form, shall not constitute or be evidence of an unfair labor practice under any of the provisions of this chapter, if such expression contains no threat of reprisal or force or promise of benefit.

Sec. 94. RCW 42.04.020 and 1919 c 139 s 1 are each amended to read as follows:

That no person shall be competent to qualify for or hold any elective public office within the state of Washington, or any county, district, precinct, school district, municipal corporation or other district or political subdivision, unless he <u>or she</u> be a citizen of the United States and state of Washington and an elector of such county, district, precinct, school district, municipality or other district or political subdivision.

Sec. 95. RCW 42.08.020 and Code 1881 s 653 are each amended to read as follows:

When a public officer by official misconduct or neglect of duty, shall forfeit his <u>or her</u> official bond or render his <u>or her</u> sureties therein liable upon such bond, any person injured by such misconduct or neglect, or who is by law entitled to the benefit of the security, may maintain an action at law thereon in his <u>or her</u> own name against the officer and his <u>or her</u> sureties to recover the amount to which he <u>or she</u> may by reason thereof be entitled.

Sec. 96. RCW 42.08.030 and Code 1881 s 654 are each amended to read as follows:

Before an action can be commenced by a plaintiff, other than the state, or the municipal or public corporation named in the bond, leave shall be obtained of the court or judge thereof where the action is triable. Such leave shall be granted upon the production of a certified copy of the bond and an affidavit of the plaintiff, or some person in his <u>or her</u> behalf, showing the delinquency. But if the matter set forth in his <u>or her</u> affidavit be such that, if true, the party applying would clearly not be entitled to recover in the action, the leave shall not be granted. If it does not appear from the complaint that the leave herein provided for has been granted, the defendant, on motion, shall be entitled to judgment of nonsuit; if it does, the defendant may controvert the allegation, and if the issue be found in his <u>or her</u> favor, judgment shall be given accordingly.

Sec. 97. RCW 42.08.050 and Code 1881 s 656 are each amended to read as follows:

In an action upon an official bond, if judgments have been recovered against the surety therein other than by confession, equal in the aggregate to the penalty or any part thereof of such bond, and if such recovery be established on the trial, judgment shall not be given against such surety for an amount exceeding such penalty, or such portion thereof as is not already recovered against him <u>or her</u>.

Sec. 98. RCW 42.08.090 and 1890 p 35 s 4 are each amended to read as follows:

Whenever any such official bond shall not contain the substantial matter or condition or conditions required by law, or there shall be any defect in the approval or filing thereof, such bond shall not be void so as to discharge such officer and his <u>or her</u> sureties, but they shall be bound to the state, or party interested, and the state or such party may, by action instituted in any court of competent jurisdiction, suggest the defect of such bond or such approval or filing, and recover his <u>or her</u> proper and equitable demand or damages from such officer, and the person or persons, who intended to become, and were included in such bond as sureties.

Sec. 99. RCW 42.08.100 and 1955 c 157 s 11 are each amended to read as follows:

The official bonds of officers shall be approved and filed as follows, to wit: The official bond of the secretary of state shall be approved by the governor and filed in the office of the state auditor. The official bonds of all other state officers required by law to give bonds, except as otherwise expressly provided by law, shall be approved by the governor and filed in the office of the secretary of state.

The official bonds of all county and township officers, except the county superintendent of schools, shall be approved by the board of county commissioners, if in session, and if not in session, by the ((chairman)) chair of such board, and filed and recorded in the office of the county clerk of their respective counties: PROVIDED, That the bond of the county clerk shall be recorded in the office of the county auditor and filed in the office of the county treasurer.

Sec. 100. RCW 42.08.110 and 1890 p 35 s 6 are each amended to read as follows:

Whenever the sureties, or any one of them, in the official bond of any county or township officer shall die, remove from the state, become insolvent or insufficient, or the penalty of such bond shall become insufficient, on account of recoveries had thereon, or otherwise, it shall be the duty of the board of county commissioners of the proper county, of their own motion, or on the showing of any person, supported by affidavit, to summon any such officer to appear before them at a stated time, not less than five days after service of such summons, and show cause why he <u>or she</u> should not execute an additional official bond with good and sufficient sureties.

Sec. 101. RCW 42.08.120 and 1890 p 36 s 7 are each amended to read as follows:

Should such officer, after due notice, fail to appear at the time appointed, the matter may be heard and determined in his <u>or her</u> absence; if after examination the board of county commissioners shall be of opinion that the bond of such officer has become insufficient from any cause whatever, they shall require an additional bond with such security as may be deemed necessary, which said additional bond shall be executed and filed within such time as the board of county commissioners may order; and if any such officer shall fail to execute and file such additional bond within the time prescribed by such order, his <u>or her</u> office shall become vacant.

Sec. 102. RCW 42.08.130 and 1890 p 36 s 8 are each amended to read as follows:

Whenever the official bond of any state officer shall become insufficient from any cause whatever, the like proceedings may be had before the superior court of the county in which said state officer holds his <u>or her</u> office with reference thereto: PROVIDED, That such proceedings may be commenced by a written motion supported by affidavit.

Sec. 103. RCW 42.08.140 and 1890 p 36 s 9 are each amended to read as follows:

Every such additional bond shall be of like force and obligation upon the principal and sureties therein, and shall subject the officer and his <u>or her</u> sureties to the same liabilities as are prescribed respecting the original bonds of officers.

Sec. 104. RCW 42.08.160 and 1901 c 14 s 1 are each amended to read as follows:

In all cases where official bonds are required or may be hereafter required, from state, county, township, or precinct officers, the officer or officers whose duty it is or may be to approve such bonds, shall not accept or approve any such bonds except such bond be that of a surety company, unless the sureties thereon shall severally justify before an officer authorized to administer oaths as follows: (1) On a bond given by a state or county officer that he <u>or she</u> is a resident and freeholder within this state, and on a bond given by a township or precinct officer that he <u>or she</u> is a resident and freeholder within the county in which such township or precinct is situated. (2) That he <u>or she</u> is worth double the amount for which he <u>or she</u> becomes surety over and above all his <u>or her</u> debts and liabilities, in property situated within this state which is not exempt from seizure and sale under execution.

Sec. 105. RCW 42.12.030 and 1981 c 180 s 5 are each amended to read as follows:

Whenever any officer resigns his <u>or her</u> office before the expiration of his <u>or</u> <u>her</u> term, or the office becomes vacant from any other cause, and at a subsequent special election such vacancy is filled, the person so elected to fill such vacancy shall hold office for the remainder of the unexpired term.

Sec. 106. RCW 42.14.010 and 1963 c 203 s 2 are each amended to read as follows:

Unless otherwise clearly required by the context, the following definitions apply:

(1) "Unavailable" means either that a vacancy in the office exists or that the lawful incumbent of the office is absent or unable to exercise the powers and discharge the duties of the office following an attack and a declaration of existing emergency by the governor or his <u>or her</u> successor.

(2) "Attack" means any acts of warfare taken by an enemy of the United States causing substantial damage or injury to persons or property in the United States and in the state of Washington.

Sec. 107. RCW 42.14.030 and 1963 c 203 s 4 are each amended to read as follows:

In the event enemy attack reduces the number of legislators available for duty, then those legislators available for duty shall constitute the legislature and shall have full power to act in separate or joint assembly by majority vote of those present. In the event of an attack, (1) quorum requirements for the legislature shall be suspended, and (2) where the affirmative vote of a specified proportion of members for approval of a bill, resolution, or other action would otherwise be required, the same proportion of those voting thereon shall be sufficient. In the event of an attack, the governor shall call the legislature into session as soon as practicable, and in any case within thirty days following the inception of the attack. If the governor fails to issue such call, the legislature shall, on the thirtieth day from the date of inception of the attack, automatically convene at the place where the governor then has his or her office. Each legislator shall proceed to the place of session as expeditiously as practicable. At such session or at any session in operation at the inception of the attack, and at any subsequent sessions, limitations on the length of session and on the subjects which may be acted upon shall be suspended.

Sec. 108. RCW 42.14.060 and 1963 c 203 s 7 are each amended to read as follows:

The governor shall, subject to such rules and regulations as he <u>or she</u> may adopt, permit each appointed officer of the state to designate temporary interim successors to the office of such officer.

Sec. 109. RCW 42.16.013 and 1981 c 9 s 3 are each amended to read as follows:

The state treasurer shall make such transfers to the state payroll revolving account in the amounts to be disbursed as certified by the respective agencies: PROVIDED, That if the payroll is prepared on behalf of an agency from data authenticated and certified by the agency under a centralized system established pursuant to regulation of the director of financial management, the state treasurer shall make the transfer upon the certification of the head of the agency preparing the centralized payroll or his <u>or her</u> designee.

Sec. 110. RCW 42.16.014 and 1981 c 9 s 4 are each amended to read as follows:

Disbursements from the revolving account and fund created by RCW 42.16.010 through 42.16.017 shall be by warrant in accordance with the provisions of RCW 43.88.160: PROVIDED, That when the payroll is prepared

under a centralized system established pursuant to regulations of the director of financial management, disbursements on behalf of the agency shall be certified by the head of the agency preparing the centralized payroll or his <u>or her</u> designee: PROVIDED FURTHER, That disbursements from a centralized paying agency representing amounts withheld, and/or contributions, for payment to any individual payee on behalf of several agencies, may be by single warrant representing the aggregate amounts payable by all such agencies to such payee. The procedure for disbursement and certification of these aggregate amounts shall be established by the director of financial management.

All payments to employees or other payees, from the revolving account and fund created by RCW 42.16.010 through 42.16.017, whether certified by an agency or by the director of financial management on behalf of such agency, shall be made wherever possible by a single warrant reflecting on its face the amount charged to each revolving account and fund.

Sec. 111. RCW 42.16.020 and 1981 c 19 s 3 are each amended to read as follows:

No state, county, municipal, or other public officer within the state of Washington, who receives from the state, or from any county or municipality therein, a fixed and stated salary as compensation for services rendered as such public officer shall be allowed or paid any per diem for attending or testifying on behalf of the state of Washington, or any county or municipality therein, at any trial or other judicial proceeding, in any state, county, or municipal court within this state; nor shall such officer, in any case, be allowed nor paid any per diem for attending or testifying in any state or municipal court of this state, in regard to matters and information that have come to his or her knowledge in connection with and as a result of the performance of his or her duties as a public officer as aforesaid: Provided, This section shall not apply when any deduction shall be made from the regular salary of such officer by reason of his or her being in attendance upon the superior court, but in such cases regular witness fees shall be paid; and further, that if a public officer be subpoenaed and required to appear or testify in judicial proceedings in a county other than that in which he or she resides, then said public officer shall be entitled to receive per diem and mileage as provided by statute in other cases; and, provided further, that this section shall not apply to police officers when called as witnesses in the superior courts during hours when they are off duty as such officers. A law enforcement officer who has issued a notice of traffic infraction is not entitled to receive witness fees or mileage in a contested traffic infraction case.

Sec. 112. RCW 42.16.040 and Code 1881 s 2099 are each amended to read as follows:

All fees are invariably due in advance where demanded by the officer required to perform any official act, and no officer shall be required to perform any official act unless his <u>or her</u> fees are paid when he <u>or she</u> demands the same: PROVIDED, This section shall not apply when the officer performs any official act for his <u>or her</u> county or the state.

Sec. 113. RCW 42.20.020 and 1909 c 249 s 83 are each amended to read as follows:

Every public officer who, for any reward, consideration, or gratuity paid or agreed to be paid, shall, directly or indirectly, grant to another the right or

authority to discharge any function of his <u>or her</u> office, or permit another to perform any of his <u>or her</u> duties, shall be guilty of a gross misdemeanor.

Sec. 114. RCW 42.20.030 and 1909 c 249 s 84 are each amended to read as follows:

Every person who shall falsely personate or represent any public officer, or who shall ((wilfully)) willfully intrude himself or herself into a public office to which he or she has not been duly elected or appointed, or who shall ((wilfully)) willfully exercise any of the functions or perform any of the duties of such officer, without having duly qualified therefor, as required by law, or who, having been an executive or administrative officer, shall ((wilfully)) willfully exercise any of the functions of her office after his or her right to do so has ceased, or wrongfully refuse to surrender the official seal or any books or papers appertaining to such office, upon the demand of his or her lawful successor, shall be guilty of a gross misdemeanor.

Sec. 115. RCW 42.20.050 and 1909 c 249 s 128 are each amended to read as follows:

Every public officer who, being authorized by law to make or give a certificate or other writing, shall knowingly make and deliver as true such a certificate or writing containing any statement which he <u>or she</u> knows to be false, in a case where the punishment thereof is not expressly prescribed by law, shall be guilty of a gross misdemeanor.

Sec. 116. RCW 42.20.080 and 1909 c 249 s 318 are each amended to read as follows:

Every officer or other person mentioned in RCW 42.20.070, who shall ((wilfully)) willfully disobey any provision of law regulating his <u>or her</u> official conduct in cases other than those specified in said section, shall be guilty of a gross misdemeanor.

Sec. 117. RCW 42.20.110 and 1911 c 115 s 1 are each amended to read as follows:

It shall be a misdemeanor for any judge or justice of any court not of record, during the hearing of any cause or proceeding therein, to address any person in his <u>or her</u> presence in unfit, unseemly<u></u>, or improper language.

Sec. 118. RCW 42.24.110 and 1965 c 116 s 4 are each amended to read as follows:

Any person who knowingly approves or pays or causes to be approved or paid a false or untrue claim shall be guilty of a gross misdemeanor and, in addition, he <u>or she</u> shall be civilly liable on his <u>or her</u> bond to the municipal corporation or political subdivision, as the case may be, for the amount so paid or for three hundred dollars whichever is the greater.

Sec. 119. RCW 42.24.140 and 1969 c 74 s 3 are each amended to read as follows:

To protect the municipal corporation or political subdivision from any losses on account of advances made as provided in RCW 42.24.120 through 42.24.160, the municipal corporation or political subdivision shall have a prior lien against and a right to withhold any and all funds payable or to become payable by the municipal corporation or political subdivision to such officer or employee to whom such advance has been given, as provided in RCW 42.24.120 through 42.24.160, up to the amount of such advance and interest at the rate of ten percent per annum, until such time as repayment or justification has been made. No advance of any kind may be made to any officer or employee under RCW 42.24.120 through 42.24.160, at any time when he <u>or she</u> is delinquent in accounting for or repaying a prior advance under RCW 42.24.120 through 42.24.160.

Sec. 120. RCW 42.24.150 and 1995 c 194 s 9 are each amended to read as follows:

On or before the fifteenth day following the close of the authorized travel period for which expenses have been advanced to any officer or employee, he <u>or</u> <u>she</u> shall submit to the appropriate official a fully itemized travel expense voucher, for all reimbursable items legally expended, accompanied by the unexpended portion of such advance, if any.

Any advance made for this purpose, or any portion thereof, not repaid or accounted for in the time and manner specified herein, shall bear interest at the rate of ten percent per annum from the date of default until paid.

Sec. 121. RCW 42.24.160 and 1969 c 74 s 5 are each amended to read as follows:

An advance made under RCW 42.24.120 through 42.24.160 shall be considered as having been made to such officer or employee to be expended by him <u>or her</u> as an agent of the municipal corporation or political subdivision for the municipal corporation's or political subdivision's purposes only, and specifically to defray necessary costs while performing his <u>or her</u> official duties.

No such advance shall be considered as a personal loan to such officer or employee and any expenditure thereof, other than for official business purposes, shall be considered a misappropriation of public funds.

Sec. 122. RCW 42.26.050 and 1979 c 151 s 76 are each amended to read as follows:

The agency requesting a petty cash account or an increase in the amount of petty cash advanced under the provisions of this chapter shall submit its request to the director of financial management in the form and detail prescribed by him <u>or her</u>. The agency's written request and the approval authorized by this chapter shall be the only documentation or certification required as a condition precedent to the issuance of such warrant. A copy of his <u>or her</u> approval shall be forwarded by the director of financial management to the state treasurer.

Sec. 123. RCW 42.26.070 and 1979 c 151 s 77 are each amended to read as follows:

The head of the agency or an employee designated by him <u>or her</u> shall have full responsibility as custodian for the petty cash account and its proper use under this chapter and applicable regulations of the director of financial management. The custodian of the petty cash account shall be covered by a surety bond in the full amount of the account at all times and all advances to it, conditioned upon the proper accounting for and legal expenditure of all such funds, in addition to other conditions required by law.

Sec. 124. RCW 42.30.040 and 1971 ex.s. c 250 s 4 are each amended to read as follows:

A member of the public shall not be required, as a condition to attendance at a meeting of a governing body, to register his <u>or her</u> name and other information,

to complete a questionnaire, or otherwise to fulfill any condition precedent to his <u>or her</u> attendance.

Sec. 125. RCW 42.30.090 and 1971 ex.s. c 250 s 9 are each amended to read as follows:

The governing body of a public agency may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all members are absent from any regular or adjourned regular meeting the clerk or secretary of the governing body may declare the meeting adjourned to a stated time and place. He or she shall cause a written notice of the adjournment to be given in the same manner as provided in RCW 42.30.080 for special meetings, unless such notice is waived as provided for special meetings. Whenever any meeting is adjourned a copy of the order or notice of adjournment shall be conspicuously posted immediately after the time of the adjournment on or near the door of the place where the regular, adjourned regular, special, or adjourned special meeting was held. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings by ordinance, resolution, bylaw, or other rule.

Sec. 126. RCW 42.30.120 and 1985 c 69 s 1 are each amended to read as follows:

(1) Each member of the governing body who attends a meeting of such governing body where action is taken in violation of any provision of this chapter applicable to him <u>or her</u>, with knowledge of the fact that the meeting is in violation thereof, shall be subject to personal liability in the form of a civil penalty in the amount of one hundred dollars. The civil penalty shall be assessed by a judge of the superior court and an action to enforce this penalty may be brought by any person. A violation of this chapter does not constitute a crime and assessment of the civil penalty by a judge shall not give rise to any disability or legal disadvantage based on conviction of a criminal offense.

(2) Any person who prevails against a public agency in any action in the courts for a violation of this chapter shall be awarded all costs, including reasonable attorneys' fees, incurred in connection with such legal action. Pursuant to RCW 4.84.185, any public agency who prevails in any action in the courts for a violation of this chapter may be awarded reasonable expenses and attorney fees upon final judgment and written findings by the trial judge that the action was frivolous and advanced without reasonable cause.

Sec. 127. RCW 42.56.040 and 1973 c 1 s 25 are each amended to read as follows:

(1) Each state agency shall separately state and currently publish in the Washington Administrative Code and each local agency shall prominently display and make available for inspection and copying at the central office of such local agency, for guidance of the public:

(a) Descriptions of its central and field organization and the established places at which, the employees from whom, and the methods whereby, the

public may obtain information, make submittals or requests, or obtain copies of agency decisions;

(b) Statements of the general course and method by which its operations are channeled and determined, including the nature and requirements of all formal and informal procedures available;

(c) Rules of procedure;

(d) Substantive rules of general applicability adopted as authorized by law, and statements of general policy or interpretations of general applicability formulated and adopted by the agency; and

(e) Each amendment or revision to, or repeal of any of the foregoing.

(2) Except to the extent that he <u>or she</u> has actual and timely notice of the terms thereof, a person may not in any manner be required to resort to, or be adversely affected by, a matter required to be published or displayed and not so published or displayed.

Sec. 128. RCW 46.21.030 and 1963 c 120 s 3 are each amended to read as follows:

The compact administrator provided for in Article VII of the compact shall not be entitled to any additional compensation on account of his <u>or her</u> service as such administrator, but shall be entitled to expenses incurred in connection with his <u>or her</u> duties and responsibilities as such administrator, in the same manner as for expenses incurred in connection with any other duties or responsibilities of his <u>or her</u> office or employment.

Sec. 129. RCW 46.23.020 and 1982 c 212 s 2 are each amended to read as follows:

(1) The Washington state department of licensing is authorized and encouraged to execute a reciprocal agreement with the Canadian province of British Columbia, and with any other state which is not a member of the nonresident violator compact, concerning the rendering of mutual assistance in the disposition of traffic infractions committed by persons licensed in one state or province while in the jurisdiction of the other.

(2) Such agreements shall provide that if a person licensed by either state or province is issued a citation by the other state or province for a moving traffic violation covered by the agreement, he <u>or she</u> shall not be detained or required to furnish bail or collateral, and that if he <u>or she</u> fails to comply with the terms of the citation, his <u>or her</u> license shall be suspended or renewal refused by the state or province that issued the license until the home jurisdiction is notified by the issuing jurisdiction that he <u>or she</u> has complied with the terms of the citation.

(3) Such agreement shall also provide such terms and procedures as are necessary and proper to facilitate its administration.

Sec. 130. RCW 49.32.072 and 1933 ex.s. c 7 s 7 are each amended to read as follows:

No court of the state of Washington or any judge or judges thereof shall have jurisdiction to issue a temporary or permanent injunction in any case involving or growing out of a labor dispute, as herein defined, except after hearing the testimony of witnesses in open court (with opportunity for crossexamination) in support of the allegations of a complaint made under oath, and testimony in opposition thereto, if offered, and except after findings of fact by the court, to the effect(1) That unlawful acts have been threatened and will be committed unless restrained or have been committed and will be continued unless restrained, but no injunction or temporary restraining order shall be issued on account of any threat or unlawful act excepting against the person or persons, association, or organization making the threat or committing the unlawful act or actually authorizing or ratifying the same after actual knowledge thereof;

(2) That substantial and irreparable injury to complainant's property will follow;

(3) That as to each item of relief granted greater injury will be inflicted upon complainant by the denial of relief than will be inflicted upon defendants by the granting of relief;

(4) That complainant has no adequate remedy at law; and

(5) That the public officers charged with the duty to protect complainant's property are unable or unwilling to furnish adequate protection.

Such hearing shall be held after due and personal notice thereof has been given, in such manner as the court shall direct, to all persons against whom relief is sought, and also to the chief of those public officials of the county and city within which the unlawful acts have been threatened or committed charged with the duty to protect complainant's property: PROVIDED, HOWEVER, That if a complainant shall also allege that, unless a temporary restraining order shall be issued without notice, a substantial and irreparable injury to complainant's property will be unavoidable, such a temporary restraining order may be issued upon testimony under oath, sufficient, if sustained, to justify the court in issuing a temporary injunction upon a hearing after notice. Such a temporary restraining order shall be effective for no longer than five days and shall become void at the expiration of said five days. No temporary restraining order or temporary injunction shall be issued except on condition that complainant shall first file an undertaking with adequate security in an amount to be fixed by the court sufficient to recompense those enjoined for any loss, expense, or damage caused by the improvident or erroneous issuance of such order or injunction, including all reasonable costs (together with a reasonable ((attorney's)) attorneys' fee) and expense of defense against the order or against the granting of any injunctive relief sought in the same proceeding and subsequently denied by the court.

The undertaking herein mentioned shall be understood to signify an agreement entered into by the complainant and the surety upon which a decree may be rendered in the same suit or proceeding against said complainant and surety, upon a hearing to assess damages of which hearing complainant and surety shall have reasonable notice, the said complainant and surety submitting themselves to the jurisdiction of the court for that purpose. But nothing herein contained shall deprive any party having a claim or cause of action under or upon such undertaking from electing to pursue his <u>or her</u> ordinary remedy by suit at law or in equity.

Sec. 131. RCW 60.08.020 and 1983 c 33 s 1 are each amended to read as follows:

In order to make such lien effectual, the lien claimant shall, within ninety days from the date of delivery of such chattel to the owner, file in the office of the auditor of the county in which such chattel is kept, a lien notice, which notice shall state the name of the claimant, the name of the owner, a description of the chattel upon which the claimant has performed labor or furnished material, the

amount for which a lien is claimed, and the date upon which such expenditure of labor or material was completed, which notice shall be signed by the claimant or someone on his <u>or her</u> behalf, and may be in substantially the following form:

CHATTEL LIEN NOTICE.

	Claimant,
against	0
	Owner.

Notice is hereby given that has and claims a lien upon (here insert description of chattel), owned by for the sum of dollars, for and on account of labor, skill and material expended upon said which was completed upon the day of, 19...

Claimant.

Sec. 132. RCW 60.08.060 and 1983 c 33 s 2 are each amended to read as follows:

Upon presentation of such lien notice to the auditor of any county, he <u>or she</u> shall file the same, and endorse thereon the time of the reception, the number thereof, and shall enter the same in a suitable book or file (but need not record the same). Such book or file shall have herewith an alphabetic index, in which the county auditor shall index such notice by noting the name of the owner, name of lien claimant, description of property, date of lien (which shall be the date upon which such expenditure of labor, skill or material was completed), date of filing and when released, the date of release.

Sec. 133. RCW 60.10.070 and 1969 c 82 s 8 are each amended to read as follows:

As used in this chapter, "commercially reasonable" shall be construed in a manner consistent with the following:

The fact that a better price could have been obtained by a sale at a different time or in a different method from that selected by the lien holder is not of itself sufficient to establish that the sale was not made in a commercially reasonable manner. If the lien holder either sells the collateral in the usual manner in any recognized market therefor or if he <u>or she</u> sells at the price current in such market at the time of his <u>or her</u> sale or if he <u>or she</u> has otherwise sold in conformity with reasonable commercial practices among dealers in the type of property sold he <u>or she</u> has sold in a commercially reasonable manner. A disposition which has been approved in any judicial proceeding or by any bona fide creditors' committee or representative of creditors shall conclusively be deemed to be commercially reasonable, but this sentence does not indicate that any such approval must be obtained in any case nor does it indicate that any disposition not so approved is not commercially reasonable.

Sec. 134. RCW 60.16.010 and 1917 c 110 s 1 are each amended to read as follows:

Any person or corporation who shall do or cause to be done any labor upon any orchard or orchard lands, in pruning, spraying, cultivating, and caring for the same, at the request of the owner thereof, or his <u>or her</u> agent, shall have a lien upon such orchard and orchard lands for such work and labor so performed.

Sec. 135. RCW 60.24.020 and 1923 c 10 s 1 are each amended to read as follows:

Every person performing labor upon or who shall assist in obtaining or securing saw logs, spars, piles, cord wood, shingle bolts, or other timber, and the owner or owners of any tugboat or towboat, which shall tow or assist in towing, from one place to another within this state, any saw logs, spars, piles, cord wood, shingle bolts, or other timber, and the owner or owners of any team or any logging engine, which shall haul or assist in hauling from one place to another within this state, any saw logs, spars, piles, cord wood, shingle bolts, or other timber, and the owner or owners of any logging or other railroad over which saw logs, spars, piles, cord wood, shingle bolts, or other timber shall be transported and delivered, shall have a lien upon the same for the work or labor done upon, or in obtaining or securing, or for services rendered in towing, transporting, hauling, or driving, the particular saw logs, spars, cord wood, shingle bolts, or other timber in said claim of lien described whether such work, labor, or services was done, rendered, or performed at the instance of the owner of the same or his or her agent. Scalers, and bull cooks, and cooks, flunkeys and waiters in lumber camps, shall be regarded as persons who assist in obtaining or securing the timber herein mentioned.

Sec. 136. RCW 60.24.030 and 1893 c 132 s 2 are each amended to read as follows:

Every person performing work or labor or assisting in manufacturing saw logs and other timber into lumber and shingles, has a lien upon such lumber while the same remains at the mill where it was manufactured, or in the possession or under the control of the manufacturer, whether such work or labor was done at the instance of the owner of such logs or his <u>or her</u> agent or any contractor or subcontractor of such owner. The term <u>"lumber,"</u> as used in this chapter, shall be held and be construed to mean all logs or other timber sawed or split for use, including beams, joists, planks, boards, shingles, laths, staves, hoops, and every article of whatsoever nature or description manufactured from saw logs or other timber.

Sec. 137. RCW 60.24.035 and 1893 c 132 s 3 are each amended to read as follows:

Any person who shall permit another to go upon his <u>or her</u> timber land and cut thereon saw logs, spars, piles, or other timber, has a lien upon the same for the price agreed to be paid for such privilege, or for the price such privilege would be reasonably worth in case there was no express agreement fixing the price.

Sec. 138. RCW 60.24.075 and 1986 c 179 s 2 are each amended to read as follows:

Every person, within sixty days after the close of the rendition of the services, or after the close of the work or labor mentioned in the preceding sections, claiming the benefit hereof, must file for record with the county auditor of the county in which such saw logs, spars, piles, and other timber were cut, or

in which such lumber or shingles were manufactured, a claim containing a statement of his <u>or her</u> demand and the amount thereof, after deducting as nearly as possible all just credits and offsets, with the name of the person by whom he <u>or she</u> was employed, with a statement of the terms and conditions of his <u>or her</u> contract, if any, and in case there is no express contract, the claim shall state what such service, work, or labor is reasonably worth; and it shall also contain a description of the property to be charged with the lien sufficient for identification with reasonable certainty, which claim must be verified by the oath of himself <u>or herself</u> or some other person to the effect that the affiant believes the same to be true, which claim shall be substantially in the following form:

..... Claimant, vs.

Notice is hereby given that of county, state of Washington, claims a lien upon a of, being about in quantity, which were cut or manufactured in county, state of Washington, are marked thus, and are now lying in, for labor performed upon and assistance rendered in said; that the name of the owner or reputed owner is; that employed said to perform such labor and render such assistance upon the following terms and conditions, to wit:

The said agreed to pay the said for such labor and assistance; that said contract has been faithfully performed and fully complied with on the part of said, who performed labor upon and assisted in said for the period of; that said labor and assistance were so performed and rendered upon said between the day of and the day of, and the rendition of said service was closed on the day of, and sixty days have not elapsed since that time; that the amount of claimant's demand for said service is; that no part thereof has been paid except, and there is now due and remaining unpaid thereon, after deducting all just credits and offsets, the sum of, in which amount he <u>or she</u> claims a lien upon said of said county to secure payment for the work and labor performed in obtaining or securing the said logs, spars, piles, or other timber, lumber, or shingles herein described.

State of Washington, county of ss.

 \dots being first duly sworn, on oath says that he <u>or she</u> is \dots named in the foregoing claim, has heard the same read, knows the contents thereof, and believes the same to be true.

Subscribed and sworn to before me this day of

Sec. 139. RCW 60.24.100 and 1893 c 132 s 9 are each amended to read as follows:

The county auditor must record any claim filed under this chapter in a book kept by him <u>or her</u> for that purpose, which record must be indexed, as deeds and other conveyances are required by law to be indexed, and for which he <u>or she</u> may receive the same fees as are allowed by law for recording deeds and other instruments.

Sec. 140. RCW 60.24.130 and 1899 c 90 s 1 are each amended to read as follows:

The sheriff of the county wherein the lien is filed shall be the receiver when one is appointed, and the superior court upon a showing made shall appoint such receiver without notice, who shall be allowed such fees as may seem just to the court, which fees shall be accounted for by such sheriff as other fees collected by him or her in his or her official capacity: PROVIDED, That at any time when any property is in the custody of such sheriff under the provisions of this chapter, and any person claiming any interest therein, may deposit with the clerk of the court in which such action is pending, a sum of money in an amount equal to the claim sued upon, together with one hundred dollars, to cover costs and interest, (unless the court shall make an order fixing a different amount to cover such costs and interest, then such an amount as the court shall fix to secure such costs and interest, which such action is being prosecuted) and shall have the right to demand and receive forthwith from such sheriff the possession and custody of such property: PROVIDED, That in no action brought under the provisions of this chapter shall costs be allowed to lien holders unless a demand has been made for payment of his or her lien claim before commencement of suit, unless the court shall find the claimants at time of bringing action had reasonable ground to believe that the owner or the person having control of the property upon which such lien is claimed was attempting to defraud such claimant, or prevent the collection of such lien.

Sec. 141. RCW 60.24.140 and 1893 c 132 s 13 are each amended to read as follows:

If the defendant or defendants appear in a suit to enforce any lien provided by this chapter, he, she, or they shall make their answer on the merits of the complaint, and any motion or demurrer against the said complaint must be filed with the answer; and no motion shall be allowed to make complaint more definite and certain, if it appear to the court that the defendant or defendants have or should have knowledge of the facts, or that it can be made more certain and definite by facts which will appear necessarily in the testimony; but the case, unless the court sustains the demurrer to the complaint, shall be heard on the merits as speedily as possible, and amendments of the pleadings, if necessary, shall be liberally allowed.

Sec. 142. RCW 60.24.150 and 1893 c 132 s 14 are each amended to read as follows:

Any person who shall bring a civil action to enforce the lien herein provided for, or any person having a lien as herein provided for, who shall be made a party to any such civil action, has the right to demand that such lien be enforced against the whole or any part of the saw logs, spars, piles, or other timber or manufactured lumber or shingles upon which he <u>or she</u> has performed labor or which he <u>or she</u> has assisted in securing or obtaining, or which he <u>or she</u> has cut on his <u>or her</u> timber land during the eight months next preceding the filing of his <u>or her</u> lien, for all his <u>or her</u> labor upon or for all his <u>of her</u> assistance in obtaining or securing said logs, spars, piles, or other timber, or in manufacturing said lumber or shingles during the whole or any part of the eight months mentioned in section seven (7) of this act, or for timber cut during the whole or any part of the eight months above mentioned. And where proceedings are commenced against any lot of saw logs, spars, piles, or other timber or lumber or shingles as herein provided, and some of the lienors claim liens against the specific logs, spars, piles, or other timber or lumber or shingles proceeded against, and others against the same generally, to secure their claims for work and labor, the priority of the liens shall be determined as hereinbefore provided.

Sec. 143. RCW 60.24.170 and 1893 c 132 s 16 are each amended to read as follows:

It shall be conclusively presumed by the court that a party purchasing the property liened upon within thirty days given herein to claimants wherein to file their liens, is not an innocent third party, nor that he <u>or she</u> has become a bona fide owner of the property liened upon, unless it shall appear that he <u>or she</u> has paid full value for the said property, and has seen that the purchase money of the said property has been applied to the payment of such bona fide claims as are entitled to liens upon the said property under the provisions of this chapter, according to the priorities herein established.

Sec. 144. RCW 60.24.190 and 1893 c 132 s 18 are each amended to read as follows:

In each civil action, judgment must be rendered in favor of each person having a lien for the amount due to him <u>or her</u>, and the court or judge thereof shall order any property subject to the lien herein provided for to be sold by the sheriff of the proper county in the same manner that personal property is sold on execution, and the court or judge shall apportion the proceeds of such sale to the payment of each judgment, according to the priorities established in this chapter pro rata in its class according to the amount of such judgment.

Sec. 145. RCW 60.24.200 and 1893 c 132 s 20 are each amended to read as follows:

Any person who shall eloign, injure, or destroy, or who shall render difficult, uncertain, or impossible of identification any saw logs, spars, piles, shingles, or other timber upon which there is a lien as herein provided, without the express consent of the person entitled to such lien, shall be liable to the lien holder for the damages to the amount secured by his <u>or her</u> lien, and it being shown to the court in the civil action to enforce said lien, it shall be the duty of the court to enter a personal judgment for the amount in such action against the said person, provided he <u>or she</u> be a party to such action, or the damages may be recovered by a civil action against such person.

Sec. 146. RCW 60.28.030 and 1979 ex.s. c 38 s 1 are each amended to read as follows:

Any person, firm, or corporation filing a claim against the reserve fund shall have four months from the time of the filing thereof in which to bring an action to foreclose the lien. The lien shall be enforced by action in the superior court of the county where filed, and shall be governed by the laws regulating the proceedings in civil actions touching the mode and manner of trial and the proceedings and laws to secure property so as to hold it for the satisfaction of any lien against it: PROVIDED, That the public body shall not be required to make any detailed answer to any complaint or other pleading but need only certify to the court the name of the contractor; the work contracted to be done; the date of the contract; the date of completion and final acceptance of the work; the amount retained; the amount of taxes certified due or to become due to the

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state; and all claims filed with it showing respectively the dates of filing, the names of claimants, and amounts claimed. Such certification shall operate to arrest payment of so much of the funds retained as is required to discharge the taxes certified due or to become due and the claims filed in accordance with this chapter. In any action brought to enforce the lien, the claimant, if he <u>or she</u> prevails, is entitled to recover, in addition to all other costs, attorney fees in such sum as the court finds reasonable. If a claimant fails to bring action to foreclose his <u>or her</u> lien within the four months period, the reserve fund shall be discharged from the lien of his <u>or her</u> claim and the funds shall be paid to the contractor. The four months limitation shall not, however, be construed as a limitation upon the right to sue the contractor or his <u>or her</u> surety where no right of foreclosure is sought against the fund.

Sec. 147. RCW 60.28.060 and 2009 c 432 s 9 are each amended to read as follows:

If within thirty days after receipt of notice by the department of revenue, the employment security department, and the department of labor and industries of the completion of the contract, the amount of all taxes, increases, and penalties due from the contractor or any of his or her successors or assignees or to become due with respect to such contract have not been paid, the department of revenue, the employment security department, and the department of labor and industries may certify to the disbursing officer the amount of all taxes, increases, and penalties due from the contractor, together with the amount of all taxes due and to become due with respect to the contract and may request payment thereof in accordance with the priority provided by this chapter. The disbursing officer shall within ten days after receipt of such certificate and request pay to the department of revenue, the employment security department, and the department of labor and industries the amount of all taxes, increases, and penalties certified to be due or to become due and all claims which by statute are a lien upon the retained percentage withheld by the disbursing officer in accordance with the priority provided by this chapter. If the contractor owes no taxes imposed pursuant to Titles 50, 51, and 82 RCW, the department of revenue, the employment security department, and the department of labor and industries shall so certify to the disbursing officer.

Sec. 148. RCW 60.32.010 and 1897 c 43 s 1 are each amended to read as follows:

Every person performing labor for any person, company, or corporation, in the operation of any railway, canal, or transportation company, or any water, mining, or manufacturing company, sawmill, lumber or timber company, shall have a prior lien on the franchise, earnings, and on all the real and personal property of said person, company, or corporation, which is used in the operation of its business, to the extent of the moneys due him <u>or her</u> from such person, company, or corporation, operating said franchise or business, for labor performed within six months next preceding the filing of his <u>or her</u> claim therefor, as hereinafter provided; and no mortgage, deed of trust, or conveyance shall defeat or take precedence over said lien.

Sec. 149. RCW 60.32.020 and 1977 ex.s. c 176 s 1 are each amended to read as follows:

No person shall be entitled to the lien given by RCW 60.32.010, unless he <u>or she</u> shall, within ninety days after he <u>or she</u> has ceased to perform labor for such person, company<u></u>, or corporation, filed for record with the county auditor of the county in which said labor was performed, or in which is located the principal office of such person, company<u></u>, or corporation in this state, a notice of claim, containing a statement of his <u>or her</u> demand, after deducting all just credits and offsets, the name of the person, company<u></u>, or corporation, and the name of the person or persons employing claimant, if known, with the statement of the terms and conditions of his <u>or her</u> contract, if any, and the time he <u>or she</u> commenced the employment, and the date of his <u>or her</u> last service, and shall serve a copy thereof on said person, company<u></u>, or corporation within thirty days after the same is so filed for record.

Any number of claimants may join in the same notice for the purpose of filing and enforcing their liens, but the amount claimed by each claimant shall be separately stated.

Sec. 150. RCW 60.34.010 and 1953 c 205 s 1 are each amended to read as follows:

Every person performing labor in the operation of any restaurant, hotel, tavern, or other place of business engaged in the selling of prepared foods or drinks, or any hotel service employee, shall have a lien on the earnings and on all the property of his <u>or her</u> employer used in the operation of said business to the extent of the moneys due him <u>or her</u> for labor performed within three months next preceding the filing of his <u>or her</u> claim therefor.

Sec. 151. RCW 60.34.020 and 1953 c 205 s 2 are each amended to read as follows:

The lien claimant shall within thirty days after he <u>or she</u> has ceased to perform such labor, file for record with the auditor of the county in which the labor was performed a notice of claim, containing a statement of his <u>or her</u> demand, the name of the employer and the name of the person employing him <u>or</u> <u>her</u>, if known, with a statement of the terms and conditions of his <u>or her</u> contract, if any, and the time he <u>or she</u> commenced the employment, and the date of his <u>or</u> <u>her</u> last service, and shall serve or mail a copy thereof to said employer within said period.

Sec. 152. RCW 60.40.020 and Code 1881 s 3287 are each amended to read as follows:

When an attorney refuses to deliver over money or papers, to a person from or for whom he <u>or she</u> has received them in the course of professional employment, whether in an action or not, he <u>or she</u> may be required by an order of the court in which an action, if any, was prosecuted, or if no action was prosecuted, then by order of any judge of a court of record, to do so within a specified time, or show cause why he <u>or she</u> should not be punished for a contempt.

Sec. 153. RCW 60.44.060 and 1937 c 69 s 6 are each amended to read as follows:

Such lien may be enforced by a suit at law brought by the claimant or his <u>or</u> <u>her</u> assignee within one year after the filing of such lien against the said tort feasor and/or insurer. In the event that such tort feasor and/or insurer shall have made payment or settlement on account of such injury, the fact of such payment

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shall only for the purpose of such suit be prima facie evidence of the negligence of the tort feasor and of the liability of the payer to compensate for such negligence.

Sec. 154. RCW 60.52.010 and 1890 p 451 s 1 are each amended to read as follows:

In order to secure to the owner or owners of sires payment for service, the following provisions are enacted: That every owner of a sire having a service fee, in order to have a lien upon the female served, and upon the get of any such sire, under the provisions of this chapter, for such service, shall file for record with the county auditor of the county where said sire is kept for service a statement, verified by oath or affirmation, to the best of his <u>or her</u> knowledge and belief, giving the name, age, description, and pedigree, as well as the terms and conditions upon which such sire is advertised for service: PROVIDED, That owners of sires who are not in possession of pedigrees for such sires shall not be debarred from the benefits of this chapter.

Sec. 155. RCW 60.56.005 and 1993 c 53 s 1 are each amended to read as follows:

For purposes of this chapter "agister" means a farmer, ((ranchman)) rancher, herder of cattle, livery and boarding stable keeper, veterinarian, or other person, to whom horses, mules, cattle, or sheep are entrusted for the purpose of feeding, herding, pasturing, training, caring for, or ranching.

Sec. 156. RCW 60.60.040 and Code 1881 s 1983 are each amended to read as follows:

The moneys arising from sales made under the provisions of this chapter shall first be applied to the payment of the costs and expenses of the sale, and then to the payment of the lawful charges of the person or persons having a lien thereon for advances, freight, transportation, wharfage, or storage, for whose benefit the sale shall (([have])) have been made; the surplus, if any, shall be retained subject to the future lawful charge of the person or persons for whose benefit the sale was made, upon the property of the same owner still remaining in store uncalled for, if any there be, and to the demand of the owner of the property, who shall have paid such charges or otherwise satisfied such lien, and all moneys remaining uncalled for, for the period of three months, shall be paid to the county treasurer, and shall remain in his <u>or her</u> hands a special fund for the benefit of the lawful claimant thereof.

Sec. 157. RCW 60.66.020 and 1890 p 96 s 2 are each amended to read as follows:

Whenever any baggage, property, or other valuables which have been retained by any hotel keeper, inn keeper, lodging house keeper, or boarding house keeper, in his <u>or her</u> possession by virtue of the provision of RCW 60.66.010, shall remain unredeemed for the period of three months after the same shall have been so retained, then it shall be lawful for such hotel keeper, inn keeper, lodging house keeper, or boarding house keeper to sell such baggage, property, or other valuables at public auction, after giving the owner thereof ten days' notice of the time and place of such sale, through the post office, or by advertising in some newspaper published in the county where such sale is made, or by posting notices in three conspicuous places in such county, and out of the proceeds of such sale to pay all legal charges due from the owner of such baggage, property, or valuables, including proper charges for storage of the same, and the overplus, if any, shall be paid to the owner upon demand.

Sec. 158. RCW 60.76.010 and 1961 c 86 s 1 are each amended to read as follows:

Every employer who is required to pay contributions, by agreement or otherwise, into a fund of any employee benefit plan in order that his <u>or her</u> employee may participate therein, shall pay such contributions in the required amounts and at the stipulated time or each employee affected thereby shall have a lien on the earnings and on all property used in the operation of said employer's business to the extent of the moneys, plus any penalties, due to be paid by or on his <u>or her</u> behalf in order to qualify him <u>or her</u> for participation therein, and for any moneys expended or obligations incurred for medical, hospital, or other expenses to which he <u>or she</u> would have been entitled had such required contributions been paid.

Sec. 159. RCW 60.76.020 and 1961 c 86 s 2 are each amended to read as follows:

The lien claimant, or his <u>or her</u> representative on his <u>or her</u> behalf, or the trustee of the fund on the claimant's behalf, within sixty days after such payment becomes due shall file for record with the auditor of the county wherein the claimant is or was employed by such employer a notice of claim, containing a statement of the demand, the name of the employer. and the name of the person employing the claimant, if known, with a statement of the pertinent terms and conditions of the employee benefit plan and the time when such contributions are due and were to have been paid, and shall serve or mail a copy thereof to said employer within such time.

Sec. 160. RCW 61.12.040 and Code 1881 s 609 are each amended to read as follows:

When default is made in the performance of any condition contained in a mortgage, the mortgagee or his <u>or her</u> assigns may proceed in the superior court of the county where the land, or some part thereof, lies, to foreclose the equity of redemption contained in the mortgage.

Sec. 161. RCW 61.12.090 and 1988 c 231 s 36 are each amended to read as follows:

A decree of foreclosure of mortgage or other lien may be enforced by execution as an ordinary judgment or decree for the payment of money. The execution shall contain a description of the property described in the decree. The sheriff shall endorse upon the execution the time when he <u>or she</u> receives it, and he <u>or she</u> shall thereupon forthwith proceed to sell such property, or so much thereof as may be necessary to satisfy the judgment, interest, and costs upon giving the notice prescribed in RCW 6.21.030.

Sec. 162. RCW 61.12.093 and 1965 c 80 s 1 are each amended to read as follows:

In actions to foreclose mortgages on real property improved by structure or structures, if the court finds that the mortgagor or his <u>or her</u> successor in interest has abandoned said property for six months or more, the purchaser at the sheriff's sale shall take title in and to such property free from all redemption rights as provided for in RCW 6.23.010 et seq. upon confirmation of the sheriff's sale by the court. Lack of occupancy by, or by authority of, the mortgagor or his

<u>or her</u> successor in interest for a continuous period of six months or more prior to the date of the decree of foreclosure, coupled with failure to make payment upon the mortgage obligation within the said six month period, will be prima facie evidence of abandonment.

Sec. 163. RCW 61.12.094 and 1965 c 80 s 2 are each amended to read as follows:

When proceeding under RCW 61.12.093 through 61.12.095, no deficiency judgment shall be allowed. No mortgagee shall deprive any mortgagor, his <u>or</u> <u>her</u> successors in interest, or any redemptioner of redemption rights by default decree without alleging such intention in the complaint: PROVIDED, HOWEVER, That such complaint need not be served upon any person who acquired the status of such successor in interest or redemptioner after the recording of lis pendens in such foreclosure action.

Sec. 164. RCW 61.12.120 and Code 1881 s 614 are each amended to read as follows:

The plaintiff shall not proceed to foreclose his <u>or her</u> mortgage while he <u>or</u> <u>she</u> is prosecuting any other action for the same debt or matter which is secured by the mortgage, or while he <u>or she</u> is seeking to obtain execution of any judgment in such other action; nor shall he <u>or she</u> prosecute any other action for the same matter while he <u>or she</u> is foreclosing his <u>or her</u> mortgage or prosecuting a judgment of foreclosure.

Sec. 165. RCW 63.10.030 and 1983 c 158 s 3 are each amended to read as follows:

(1) Where the lessee's liability on expiration of a consumer lease is based on the estimated residual value of the property, such estimated residual value shall be a reasonable approximation of the anticipated actual fair market value of the property on lease expiration. There shall be a rebuttable presumption that the estimated residual value is unreasonable to the extent that the estimated residual value exceeds the actual residual value by more than three times the average payment allocable to a monthly period under the lease. In addition, where the lessee has such liability on expiration of a consumer lease there shall be a rebuttable presumption that the lessor's estimated residual value is not in good faith to the extent that the estimated residual value exceeds the actual residual value by more than three times the average payment allocable to a monthly period under the lease and such lessor shall not collect from the lessee the amount of such excess liability on expiration of a consumer lease unless the lessor brings a successful action with respect to such excess liability. In all actions, the lessor shall pay the lessee's reasonable attorneys' fees. The presumptions stated in this section shall not apply to the extent the excess of estimated over actual residual value is due to physical damage to the property beyond reasonable wear and use, or to excessive use, and the lease may set standards for such wear and use if such standards are not unreasonable. Nothing in this subsection shall preclude the right of a willing lessee to make any mutually agreeable final adjustment with respect to such excess residual liability, provided such an agreement is reached after termination of the lease.

(2) Penalties or other charges for delinquency, default, or early termination may be specified in the lease but only at an amount which is reasonable in the light of the anticipated or actual harm caused by the delinquency, default, or early termination, the difficulties of proof of loss, and the inconvenience or nonfeasibility of otherwise obtaining an adequate remedy.

(3) If a lease has a residual value provision at the termination of the lease, the lessee may obtain, at his <u>or her</u> expense, a professional appraisal of the leased property by an independent third party agreed to be both parties. Such appraisal shall be final and binding on the parties.

Sec. 166. RCW 63.14.030 and 1981 c 77 s 2 are each amended to read as follows:

The retail seller shall deliver to the retail buyer, at the time the buyer signs the contract, a copy of the contract as signed by the buyer, unless the contract is completed by the buyer in situations covered by RCW 63.14.060, and if the contract is accepted at a later date by the seller, the seller shall mail to the buyer at his <u>or her</u> address shown on the retail installment contract a copy of the contract as accepted by the seller or a copy of the memorandum as required in RCW 63.14.060. Until the seller does so, the buyer shall be obligated to pay only the sale price. Any acknowledgment by the buyer of delivery of a copy of the contract shall be in a size equal to at least ten point bold type and, if contained in the contract, shall appear directly above the buyer's signature.

Sec. 167. RCW 63.14.040 and 1999 c 113 s 2 are each amended to read as follows:

(1) The retail installment contract shall contain the names of the seller and the buyer, the place of business of the seller, the residence or other address of the buyer as specified by the buyer and a description or identification of the goods sold or to be sold, or service furnished or rendered or to be furnished or rendered. The contract also shall contain the following items, which shall be set forth in the sequence appearing below:

(a) The sale price of each item of goods or services;

(b) The amount of the buyer's down payment, if any, identifying the amounts paid in money and allowed for goods traded in;

(c) The difference between items (a) and (b);

(d) The aggregate amount, if any, included for insurance, specifying the type or types of insurance and the terms of coverage;

(e) The aggregate amount of official fees, if any;

(f) The amount, if any, actually paid or to be paid by the retail seller pursuant to an agreement with the buyer to discharge a security interest or lien on like-kind goods traded in or lease interest in the circumstance of a lease for like goods being terminated in conjunction with the sale pursuant to a retail installment contract;

(g) The principal balance, which is the sum of items (c), (d), (e), and (f);

(h) The dollar amount or rate of the service charge;

(i) The amount of the time balance owed by the buyer to the seller, which is the sum of items (g) and (h), if (h) is stated in a dollar amount; and

(j) Except as otherwise provided in the next two sentences, the maximum number of installment payments required and the amount of each installment and the due date of each payment necessary to pay such balance. If installment payments other than the final payment are stated as a series of equal scheduled amounts and if the amount of the final installment payment does not substantially exceed the scheduled amount of each preceding installment payment, the maximum number of payments and the amount and due date of each payment need not be separately stated and the amount of the scheduled final installment payment may be stated as the remaining unpaid balance. The due date of the first installment payment may be fixed by a day or date or may be fixed by reference to the date of the contract or to the time of delivery or installation.

Additional items may be included to explain the calculations involved in determining the balance to be paid by the buyer.

(2) Every retail installment contract shall contain the following notice in ten point bold face type or larger directly above the space reserved in the contract for the signature of the buyer: "NOTICE TO BUYER:

(a) Do not sign this contract before you read it or if any spaces intended for the agreed terms, except as to unavailable information, are blank.

(b) You are entitled to a copy of this contract at the time you sign it.

(c) You may at any time pay off the full unpaid balance due under this contract, and in so doing you may receive a partial rebate of the service charge.

(d) The service charge does not exceed% (must be filled in) per annum computed monthly.

(e) You may cancel this contract if it is solicited in person, and you sign it, at a place other than the seller's business address shown on the contract, by sending notice of such cancellation by certified mail return receipt requested to the seller at his <u>or her</u> address shown on the contract which notice shall be posted not later than midnight of the third day (excluding Sundays and holidays) following your signing this contract. If you choose to cancel this contract, you must return or make available to the seller at the place of delivery any merchandise, in its original condition, received by you under this contract."

((Clause)) <u>Subsection</u> (2)(e) <u>of this section</u> needs to be included in the notice only if the contract is solicited in person by the seller or his <u>or her</u> representative, and the buyer signs it, at a place other than the seller's business address shown on the contract.

Sec. 168. RCW 63.14.060 and 1967 c 234 s 4 are each amended to read as follows:

Retail installment contracts negotiated and entered into by mail or telephone without solicitation in person by ((salesmen)) salespersons or other representatives of the seller and based upon a catalog of the seller, or other printed solicitation of business, if such catalog or other printed solicitation clearly sets forth the cash sale prices and other terms of sales to be made through such medium, may be made as provided in this section. The provisions of this chapter with respect to retail installment contracts shall be applicable to such sales, except that the retail installment contract, when completed by the buyer need not contain the items required by RCW 63.14.040.

When the contract is received from the retail buyer, the seller shall prepare a written memorandum containing all of the information required by RCW 63.14.040 to be included in a retail installment contract. In lieu of delivering a copy of the contract to the retail buyer as provided in RCW 63.14.030, the seller shall deliver to the buyer a copy of such memorandum prior to the due date of the first installment payable under the contract: PROVIDED, That if the catalog or other printed solicitation does not set forth all of the other terms of sales in

addition to the cash sales prices, such memorandum shall be delivered to the buyer prior to or at the time of delivery of the goods or services.

Sec. 169. RCW 63.14.080 and 1967 c 234 s 5 are each amended to read as follows:

For the purpose of this section, "periodic time balance" means the unpaid portion of the time balance as of the last day of each month, or other uniform time interval established by the regular consecutive payment period scheduled in a retail installment contract.

Notwithstanding the provisions of any retail installment contract to the contrary, and if the rights of the purchaser have not been terminated or forfeited under the terms of the contract, any buyer may prepay in full the unpaid portion of the time balance thereof at any time before its final due date and, if he or she does so, he or she shall receive a refund credit of the unearned portion of the service charge for such prepayment. The amount of such refund credit shall be computed according to the "rule of seventy-eighths", that is it shall represent at least as great a portion of the original service charge, as the sum of the periodic time balances not yet due bears to the sum of all the periodic time balances under the schedule of payments in the contract: PROVIDED, That where the earned service charge (total service charge minus refund credit) thus computed is less than the following minimum service charge: Fifteen dollars where the principal balance is not in excess of two hundred and fifty dollars, twenty-five dollars where the principal balance exceeds two hundred and fifty dollars but is not in excess of five hundred dollars, thirty-seven dollars and fifty cents where the principal balance exceeds five hundred dollars but is not in excess of one thousand dollars, and fifty dollars where the principal balance exceeds one thousand dollars; then such minimum service charge shall be deemed to be the earned service charge: AND PROVIDED FURTHER, That where the amount of such refund credit is less than one dollar, no refund credit need be made.

Sec. 170. RCW 63.14.110 and 1999 c 113 s 3 are each amended to read as follows:

(1) If, in a retail installment transaction, a retail buyer makes any subsequent purchases of goods or services from a retail seller from whom he or she has previously purchased goods or services under one or more retail installment contracts, and the amounts under such previous contract or contracts have not been fully paid, the subsequent purchases may, at the seller's option, be included in and consolidated with one or more of the previous contracts. All the provisions of this chapter with respect to retail installment contracts shall be applicable to such subsequent purchases except as hereinafter stated in this subsection. In the event of such consolidation, in lieu of the buyer's executing a retail installment contract respecting each subsequent purchase, as provided in this section, it shall be sufficient if the seller shall prepare a written memorandum of each such subsequent purchase, in which case the provisions of RCW 63.14.020, 63.14.030, and 63.14.040 shall not be applicable. Unless previously furnished in writing to the buyer by the seller, by sales slip, memoranda, or otherwise, such memorandum shall set forth with respect to each subsequent purchase items (a) to (h) inclusive of RCW 63.14.040(1), and in addition, if the service charge is stated as a dollar amount, the amount of the time balance owed by the buyer to the seller for the subsequent purchase, the

outstanding balance of the previous contract or contracts, the consolidated time balance, and the revised installments applicable to the consolidated time balance, if any, in accordance with RCW 63.14.040. If the service charge is not stated in a dollar amount, in addition to the items (a) to (h) inclusive of RCW 63.14.040(1), the memorandum shall set forth the outstanding balance of the previous contract or contracts, the consolidated outstanding balance, in accordance with RCW 63.14.040.

The seller shall deliver to the buyer a copy of such memorandum prior to the due date of the first installment of such consolidated contract.

(2) When such subsequent purchases are made, if the seller has retained title or taken a lien or other security interest in any of the goods purchased under any one of the contracts included in the consolidation:

(a) The entire amount of all payments made prior to such subsequent purchases shall be deemed to have been applied on the previous purchases;

(b) The amount of any down payment on the subsequent purchase shall be allocated in its entirety to such subsequent purchase;

(c) Each payment received after the subsequent purchase shall be deemed to be allocated to all of the various time balances in the same proportion or ratio as the original cash sale prices of the various retail installment transactions bear to one another: PROVIDED, That the seller may elect, where the amount of each installment payment is increased in connection with the subsequent purchase, to allocate only the increased amount to the time balance of the subsequent retail installment transaction, and to allocate the amount of each installment payment prior to the increase to the time balance(s) existing at the time of the subsequent purchase.

The provisions of this subsection shall not apply to cases where such previous and subsequent purchases involve equipment, parts, or other goods attached or affixed to goods previously purchased and not fully paid, or to services in connection therewith rendered by the seller at the buyer's request.

Sec. 171. RCW 63.14.140 and 1984 c 280 s 6 are each amended to read as follows:

If the cost of any insurance is included in the retail installment contract, retail charge agreement, or lender credit card agreement:

(1) The contract or agreement shall state the nature, purpose, term, and amount of such insurance, and in connection with the sale of a motor vehicle, the contract shall state that the insurance coverage ordered under the terms of this contract does not include "bodily injury liability," "public liability," and "property damage liability" coverage, where such coverage is in fact not included;

(2) The contract or agreement shall state whether the insurance is to be procured by the buyer or the seller;

(3) The amount, included for such insurance, shall not exceed the premiums chargeable in accordance with the rate fixed for such insurance by the insurer, except where the amount is less than one dollar;

(4) If the insurance is to be procured by the seller or holder, he <u>or she</u> shall, within forty-five days after delivery of the goods or furnishing of the services under the contract, deliver, mail, or cause to be mailed to the buyer, at his or her

address as specified in the contract, a notice thereof or a copy of the policy or policies of insurance or a certificate or certificates of the insurance so procured.

Sec. 172. RCW 63.14.150 and 1984 c 280 s 7 are each amended to read as follows:

No provision of a retail installment contract, retail charge agreement, or lender credit card agreement is valid by which the buyer agrees not to assert against the seller or against an assignee a claim or defense arising out of the sale, or by which the buyer agrees to submit to suit in a county other than the county where the buyer signed the contract or where the buyer resides or has his <u>or her</u> principal place of business.

Sec. 173. RCW 63.14.152 and 1967 c 234 s 11 are each amended to read as follows:

The seller, holder, or buyer may bring an action for declaratory judgment to establish whether service charges contracted for or received in connection with a retail installment transaction are in excess of those allowed by chapter 234, Laws of 1967. Such an action shall be brought against the current holder or against the buyer or his <u>or her</u> successor in interest or, if the entire principal balance has been fully paid, by the buyer or his <u>or her</u> successor in interest against the holder to whom the final payment was made. No such action shall be commenced after six months following the date the final payment becomes due, whether by acceleration or otherwise, nor after six months following the date the principal balance is fully paid, whichever first occurs. If the buyer commences such an action and fails to establish that the service charge is in excess of that allowed by RCW 63.14.130, and if the court finds the action was frivolously commenced, the defendant or defendants may, in the court's discretion, recover reasonable attorneys' fees and costs from the buyer.

Sec. 174. RCW 63.14.154 and 1989 c 20 s 18 and 1989 c 14 s 8 are each reenacted and amended to read as follows:

(1) In addition to any other rights he <u>or she</u> may have, the buyer shall have the right to cancel a retail installment transaction for other than the seller's breach by sending notice of such cancellation to the seller at his <u>or her</u> place of business as set forth in the contract or charge agreement by certified mail, return receipt requested, which shall be posted not later than midnight of the third day (excluding Sundays and holidays) following the date the buyer signs the contract or charge agreement:

(a) If the retail installment transaction was entered into by the buyer and solicited in person or by a commercial telephone solicitation as defined by chapter 20, Laws of 1989 by the seller or his <u>or her</u> representative at a place other than the seller's address, which may be his <u>or her</u> main or branch office, shown on the contract; and

(b) If the buyer returns goods received or makes them available to the seller as provided in (($\frac{\text{clause (b) of}}{\text{clause (b) of}}$)) subsection (2)(b) of this section.

(2) In the event of cancellation pursuant to this section:

(a) The seller shall, without request, refund to the buyer within ten days after such cancellation all deposits, including any down payment, made under the contract or charge agreement and shall return all goods traded in to the seller on account or in contemplation of the contract less any reasonable costs actually incurred in making ready for sale the goods so traded in; (b) The seller shall be entitled to reclaim and the buyer shall return or make available to the seller at the place of delivery in its original condition any goods received by the buyer under the contract or charge agreement;

(c) The buyer shall incur no additional liability for such cancellation.

Sec. 175. RCW 63.14.158 and 1967 c 234 s 14 are each amended to read as follows:

The holder of a retail installment contract or contracts may, upon agreement in writing with the buyer, refinance the payment of the unpaid time balance or balances of the contract or contracts by providing for a new schedule of installment payments.

The holder may charge and contract for the payment of a refinance charge by the buyer and collect and receive the same but such refinance charge (1) shall be based upon the amount refinanced, plus any additional cost of insurance and of official fees incident to such refinancing, after the deduction of a refund credit in an amount equal to that to which the buyer would have been entitled under RCW 63.14.080 if he <u>or she</u> had prepaid in full his <u>or her</u> obligations under the contract or contracts, but in computing such refund credit there shall not be allowed the minimum earned service charge as authorized by ((clause (d) of)) subsection (1)(<u>d</u>) of such section, and (2) may not exceed the rate of service charge provided under RCW 63.14.130. Such agreement for refinancing may also provide for the payment by the buyer of the additional cost to the holder of the contract or contracts as refinanced, any insurance coverages provided for therein, subject to the provisions of RCW 63.14.140.

The refinancing agreement shall set forth the amount of the unpaid time balance or balances to be refinanced, the amount of any refund credit, the amount to be refinanced after the deduction of the refund credit, the amount or rate of the service charge under the refinancing agreement, any additional cost of insurance and of official fees to the buyer, the new unpaid time balance, if the service charge is stated as a dollar amount, and the new schedule of installment payments. Where there is a consolidation of two or more contracts, then the provisions of RCW 63.14.110 shall apply.

Sec. 176. RCW 63.14.200 and 1963 c 236 s 20 are each amended to read as follows:

In the enforcement of this chapter, the attorney general may accept an assurance of discontinuance of any act or practice deemed in violation of this chapter, from any person engaging in, or who has engaged in, such act or practice. Any such assurance shall be in writing and be filed with and subject to the approval of the superior court of the county in which the alleged violator resides or has his <u>or her</u> principal place of business, or in Thurston county. Failure to perform the terms of any such assurance shall constitute prima facie proof of a violation of this chapter for the purpose of securing any injunction as provided in RCW 63.14.190 and for the purpose of RCW 63.14.180 hereof: PROVIDED, That after commencement of any action by a prosecuting attorney, as provided herein, the attorney general may not accept an assurance of discontinuance without the consent of the prosecuting attorney.

Sec. 177. RCW 63.29.010 and 2005 c 285 s 1 are each amended to read as follows:

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As used in this chapter, unless the context otherwise requires:

(1) "Department" means the department of revenue established under RCW 82.01.050.

(2) "Apparent owner" means the person whose name appears on the records of the holder as the person entitled to property held, issued, or owing by the holder.

(3) "Attorney general" means the chief legal officer of this state referred to in chapter 43.10 RCW.

(4) "Banking organization" means a bank, trust company, savings bank, land bank, safe deposit company, private banker, or any organization defined by other law as a bank or banking organization.

(5) "Business association" means a nonpublic corporation, joint stock company, investment company, business trust, partnership, or association for business purposes of two or more individuals, whether or not for profit, including a banking organization, financial organization, insurance company, or utility.

(6) "Domicile" means the state of incorporation of a corporation and the state of the principal place of business of an unincorporated person.

(7) "Fare card" means any pass or instrument, and value contained therein, purchased to utilize public transportation facilities or services. "Fare card" does not include "gift card" or "gift certificate" as those terms are defined in RCW 19.240.010.

(8) "Financial organization" means a savings and loan association, cooperative bank, building and loan association, or credit union.

(9) "Gift certificate" has the same meaning as in RCW 19.240.010.

(10) "Holder" means a person, wherever organized or domiciled, who is:

(a) In possession of property belonging to another,

(b) A trustee, or

(c) Indebted to another on an obligation.

(11) "Insurance company" means an association, corporation, fraternal or mutual benefit organization, whether or not for profit, which is engaged in providing insurance coverage, including accident, burial, casualty, credit life, contract performance, dental, fidelity, fire, health, hospitalization, illness, life (including endowments and annuities), malpractice, marine, mortgage, surety, and wage protection insurance.

(12) "Intangible property" does not include contract claims which are unliquidated but does include:

(a) Moneys, checks, drafts, deposits, interest, dividends, and income;

(b) Credit balances, customer overpayments, gift certificates, security deposits, refunds, credit memos, unpaid wages, unused airline tickets, and unidentified remittances, but does not include discounts which represent credit balances for which no consideration was given;

(c) Stocks, and other intangible ownership interests in business associations;

(d) Moneys deposited to redeem stocks, bonds, coupons, and other securities, or to make distributions;

(e) Liquidated amounts due and payable under the terms of insurance policies; and

(f) Amounts distributable from a trust or custodial fund established under a plan to provide health, welfare, pension, vacation, severance, retirement, death,

stock purchase, profit sharing, employee savings, supplemental unemployment insurance, or similar benefits.

(13) "Last known address" means a description of the location of the apparent owner sufficient for the purpose of the delivery of mail.

(14) "Owner" means a depositor in the case of a deposit, a beneficiary in case of a trust other than a deposit in trust, a creditor, claimant, or payee in the case of other intangible property, or a person having a legal or equitable interest in property subject to this chapter or his <u>or her</u> legal representative.

(15) "Person" means an individual, business association, state or other government, governmental subdivision or agency, public corporation, public authority, estate, trust, two or more persons having a joint or common interest, or any other legal or commercial entity.

(16) "State" means any state, district, commonwealth, territory, insular possession, or any other area subject to the legislative authority of the United States.

(17) "Third party bank check" means any instrument drawn against a customer's account with a banking organization or financial organization on which the banking organization or financial organization is only secondarily liable.

(18) "Utility" means a person who owns or operates for public use any plant, equipment, property, franchise, or license for the transmission of communications or the production, storage, transmission, sale, delivery, or furnishing of electricity, water, steam, or gas.

Sec. 178. RCW 63.29.070 and 2003 1st sp.s. c 13 s 4 are each amended to read as follows:

(1) Funds held or owing under any life or endowment insurance policy or annuity contract that has matured or terminated are presumed abandoned if unclaimed for more than three years after the funds became due and payable as established from the records of the insurance company holding or owing the funds, but property described in subsection (3)(b) of this section is presumed abandoned if unclaimed for more than two years.

(2) If a person other than the insured or annuitant is entitled to the funds and an address of the person is not known to the company or it is not definite and certain from the records of the company who is entitled to the funds, it is presumed that the last known address of the person entitled to the funds is the same as the last known address of the insured or annuitant according to the records of the company.

(3) For purposes of this chapter, a life or endowment insurance policy or annuity contract not matured by actual proof of the death of the insured or annuitant according to the records of the company is matured and the proceeds due and payable if:

(a) The company knows that the insured or annuitant has died; or

(b)(i) The insured has attained, or would have attained if he <u>or she</u> were living, the limiting age under the mortality table on which the reserve is based;

(ii) The policy was in force at the time the insured attained, or would have attained, the limiting age specified in ((subparagraph)) (b)(i) of this subsection; and

(iii) Neither the insured nor any other person appearing to have an interest in the policy within the preceding two years, according to the records of the

company, has assigned, readjusted, or paid premiums on the policy, subjected the policy to a loan, corresponded in writing with the company concerning the policy, or otherwise indicated an interest as evidenced by a memorandum or other record on file prepared by an employee of the company.

(4) For purposes of this chapter, the application of an automatic premium loan provision or other nonforfeiture provision contained in an insurance policy does not prevent a policy from being matured or terminated under subsection (1) of this section if the insured has died or the insured or the beneficiaries of the policy otherwise have become entitled to the proceeds thereof before the depletion of the cash surrender value of a policy by the application of those provisions.

(5) If the laws of this state or the terms of the life insurance policy require the company to give notice to the insured or owner that an automatic premium loan provision or other nonforfeiture provision has been exercised and the notice, given to an insured or owner whose last known address according to the records of the company is in this state, is undeliverable, the company shall make a reasonable search to ascertain the policyholder's correct address to which the notice must be mailed.

(6) Notwithstanding any other provision of law, if the company learns of the death of the insured or annuitant and the beneficiary has not communicated with the insurer within four months after the death, the company shall take reasonable steps to pay the proceeds to the beneficiary.

(7) Commencing two years after June 30, 1983, every change of beneficiary form issued by an insurance company under any life or endowment insurance policy or annuity contract to an insured or owner who is a resident of this state must request the following information:

(a) The name of each beneficiary, or if a class of beneficiaries is named, the name of each current beneficiary in the class;

(b) The address of each beneficiary; and

(c) The relationship of each beneficiary to the insured.

Sec. 179. RCW 63.29.120 and 2003 1st sp.s. c 13 s 6 are each amended to read as follows:

(1) Intangible property and any income or increment derived therefrom held in a fiduciary capacity for the benefit of another person is presumed abandoned unless the owner, within three years after it has become payable or distributable, has increased or decreased the principal, accepted payment of principal or income, communicated concerning the property, or otherwise indicated an interest as evidenced by a memorandum or other record on file prepared by the fiduciary.

(2) Funds in an individual retirement account or a retirement plan for selfemployed individuals or similar account or plan established pursuant to the internal revenue laws of the United States are not payable or distributable within the meaning of subsection (1) of this section unless, under the terms of the account or plan, distribution of all or part of the funds would then be mandatory.

(3) For the purpose of this section, a person who holds property as an agent for a business association is deemed to hold the property in a fiduciary capacity for that business association alone, unless the agreement between him <u>or her</u> and the business association provides otherwise.

(4) For the purposes of this chapter, a person who is deemed to hold property in a fiduciary capacity for a business association alone is the holder of the property only insofar as the interest of the business association in the property is concerned, and the business association is the holder of the property insofar as the interest of any other person in the property is concerned.

Sec. 180. RCW 63.29.200 and 1983 c 179 s 20 are each amended to read as follows:

(1) Upon the payment or delivery of property to the department, the state assumes custody and responsibility for the safekeeping of the property. A person who pays or delivers property to the department in good faith is relieved of all liability to the extent of the value of the property paid or delivered for any claim then existing or which thereafter may arise or be made in respect to the property.

(2) A holder who has paid money to the department pursuant to this chapter may make payment to any person appearing to the holder to be entitled to payment and, upon filing proof of payment and proof that the payee was entitled thereto, the department shall promptly reimburse the holder for the payment without imposing any fee or other charge. If reimbursement is sought for a payment made on an instrument, including a travelers check or money order, the holder must be reimbursed under this subsection upon filing proof that the instrument was duly presented and that payment was made to a person who appeared to the holder to be entitled to payment. The holder must be reimbursed for payment made under this subsection even if the payment was made to a person whose claim was barred under RCW 63.29.290(1).

(3) A holder who has delivered property (including a certificate of any interest in a business association) other than money to the department pursuant to this chapter may reclaim the property if still in the possession of the department, without paying any fee or other charge, upon filing proof that the owner has claimed the property from the holder.

(4) The department may accept the holder's affidavit as sufficient proof of the facts that entitle the holder to recover money and property under this section.

(5) If the holder pays or delivers property to the department in good faith and thereafter another person claims the property from the holder or another state claims the money or property under its laws relating to escheat or abandoned or unclaimed property, the department, upon written notice of the claim, shall defend the holder against the claim and indemnify the holder against any liability on the claim.

(6) For the purposes of this section, "good faith" means that:

(a) Payment or delivery was made in a reasonable attempt to comply with this chapter;

(b) The person delivering the property was not a fiduciary then in breach of trust in respect to the property and had a reasonable basis for believing, based on the facts then known to him <u>or her</u>, that the property was abandoned for the purposes of this chapter; and

(c) There is no showing that the records pursuant to which the delivery was made did not meet reasonable commercial standards of practice in the industry.

(7) Property removed from a safe deposit box or other safekeeping repository is received by the department subject to the holder's right under this subsection to be reimbursed for the actual cost of the opening and to any valid lien or contract providing for the holder to be reimbursed for unpaid rent or storage charges. The department shall reimburse or pay the holder out of the proceeds remaining after deducting the department's selling cost. The liability of the department for this reimbursement to the holder shall be limited to the proceeds of the sale of the property remaining after the deduction of the department's costs.

Sec. 181. RCW 63.29.350 and 2010 c 29 s 2 are each amended to read as follows:

(1) It is unlawful for any person to seek or receive from any person or contract with any person for any fee or compensation for locating or purporting to locate any property which he <u>or she</u> knows has been reported or paid or delivered to the department of revenue pursuant to this chapter, or funds held by a county that are proceeds from a foreclosure for delinquent property taxes, assessments, or other liens, or, funds that are otherwise held by a county because of a person's failure to claim funds held as reimbursement for unowed taxes, fees, or other government charges, in excess of five percent of the value thereof returned to such owner. Any person violating this section is guilty of a misdemeanor and shall be fined not less than the amount of the fee or charge he <u>or she</u> has sought or received or contracted for, and not more than ten times such amount, or imprisoned for not more than thirty days, or both.

(2) The legislature finds that the practices covered by this section are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. Any violation of this section is not reasonable in relation to the development and preservation of business. It is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW. Remedies provided by chapter 19.86 RCW are cumulative and not exclusive.

Sec. 182. RCW 63.32.040 and 1939 c 148 s 3 are each amended to read as follows:

If the owner of said personal property so sold, or his <u>or her</u> legal representative, shall, at any time within three years after such money shall have been deposited in said police pension fund or the city current expense fund, furnish satisfactory evidence to the police pension fund board or the city treasurer of said city of the ownership of said personal property, he or ((they)) <u>she</u> shall be entitled to receive from said police pension fund or city current expense fund the amount so deposited therein with interest.

Sec. 183. RCW 63.40.020 and 1988 c 132 s 4 are each amended to read as follows:

Before said personal property shall be sold, a notice of such sale fixing the time and place thereof which shall be at a suitable place, which will be noted in the advertisement for sale, and containing a description of the property to be sold shall be published at least once in an official newspaper in said county at least ten days prior to the date fixed for said sale. The notice shall be signed by the sheriff or his <u>or her</u> deputy. If the owner fails to reclaim said property prior to the time fixed for the sale in such notice, the sheriff or his <u>or her</u> deputy shall conduct said sale and sell the property described in the notice at public auction to

the highest and best bidder for cash, and upon payment of the amount of such bid shall deliver the said property to such bidder.

Sec. 184. RCW 63.40.040 and 1961 c 104 s 4 are each amended to read as follows:

If the owner of said personal property so sold, or his <u>or her</u> legal representative, shall, at any time within three years after such money shall have been deposited in the county current expense fund, furnish satisfactory evidence to the county treasurer of said county of the ownership of said personal property, he or ((they)) <u>she</u> shall be entitled to receive from said county current expense fund the amount so deposited therein.

Sec. 185. RCW 63.48.020 and 1971 ex.s. c 68 s 2 are each amended to read as follows:

The director of revenue shall request from the bureau of accounts of the United States treasury department records providing the following information: The names of depositors at the post offices of this state whose accounts are unclaimed, their last addresses as shown by the records of the post office department, and the balance in each account. He <u>or she</u> shall agree to return to the bureau of accounts promptly all account cards showing last addresses in another state.

Sec. 186. RCW 64.04.030 and 1929 c 33 s 9 are each amended to read as follows:

Warranty deeds for the conveyance of land may be substantially in the following form, without express covenants:

The grantor (here insert the name or names and place or residence) for and in consideration of (here insert consideration) in hand paid, conveys and warrants to (here insert the grantee's name or names) the following described real estate (here insert description), situated in the county of, state of Washington. Dated this day of, 19...

Every deed in substance in the above form, when otherwise duly executed, shall be deemed and held a conveyance in fee simple to the grantee, his <u>or her</u> heirs and assigns, with covenants on the part of the grantor: (1) That at the time of the making and delivery of such deed he <u>or she</u> was lawfully seized of an indefeasible estate in fee simple, in and to the premises therein described, and had good right and full power to convey the same; (2) that the same were then free from all encumbrances; and (3) that he <u>or she</u> warrants to the grantee, his <u>or her</u> heirs and assigns, the quiet and peaceable possession of such premises, and will defend the title thereto against all persons who may lawfully claim the same, and such covenants shall be obligatory upon any grantor, his <u>or her</u> heirs and personal representatives, as fully and with like effect as if written at full length in such deed.

Sec. 187. RCW 64.04.040 and 1929 c 33 s 10 are each amended to read as follows:

Bargain and sale deeds for the conveyance of land may be substantially in the following form, without express covenants:

The grantor (here insert name or names and place of residence), for and in consideration of (here insert consideration) in hand paid, bargains, sells, and

conveys to (here insert the grantee's name or names) the following described real estate (here insert description) situated in the county of, state of Washington. Dated this day of, 19...

Every deed in substance in the above form when otherwise duly executed, shall convey to the grantee, his <u>or her</u> heirs or assigns an estate of inheritance in fee simple, and shall be adjudged an express covenant to the grantee, his <u>or her</u> heirs or assigns, to wit: That the grantor was seized of an indefeasible estate in fee simple, free from encumbrances, done or suffered from the grantor, except the rents and services that may be reserved, and also for quiet enjoyment against the grantor, his <u>or her</u> heirs and assigns, unless limited by express words contained in such deed; and the grantee, his <u>or her</u> heirs, executors, administrators, and assigns may recover in any action for breaches as if such covenants were expressly inserted.

Sec. 188. RCW 64.04.050 and 1929 c 33 s 11 are each amended to read as follows:

Quitclaim deeds may be in substance in the following form:

The grantor (here insert the name or names and place of residence), for and in consideration of (here insert consideration) conveys and quitclaims to (here insert grantee's name or names) all interest in the following described real estate (here insert description), situated in the county of \ldots , state of Washington. Dated this \ldots day of \ldots , 19...

Every deed in substance in the above form, when otherwise duly executed, shall be deemed and held a good and sufficient conveyance, release and quitclaim to the grantee, his <u>or her</u> heirs and assigns in fee of all the then existing legal and equitable rights of the grantor in the premises therein described, but shall not extend to the after acquired title unless words are added expressing such intention.

Sec. 189. RCW 64.04.070 and 1871 p 195 s 1 are each amended to read as follows:

Whenever any person or persons having sold and conveyed by deed any lands in this state, and who, at the time of such conveyance, had no title to such land, and any person or persons who may hereafter sell and convey by deed any lands in this state, and who shall not at the time of such sale and conveyance have the title to such land, shall acquire a title to such lands so sold and conveyed, such title shall inure to the benefit of the purchasers or conveyee or conveyees of such lands to whom such deed was executed and delivered, and to his <u>or her</u> and their heirs and assigns forever. And the title to such lands so sold and conveyed shall pass to and vest in the conveyee or conveyees of such lands and to his <u>or her</u> or their heirs and assigns, and shall thereafter run with such land.

Sec. 190. RCW 64.08.020 and 1929 c 33 s 4 are each amended to read as follows:

Acknowledgments of deeds conveying or encumbering real estate situated in this state, or any interest therein, and other instruments in writing, required to be acknowledged, may be taken in any other state or territory of the United States, the District of Columbia, or in any possession of the United States, before

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any person authorized to take the acknowledgments of deeds by the laws of the state, territory, district, or possession wherein the acknowledgment is taken, or before any commissioner appointed by the governor of this state, for that purpose, but unless such acknowledgment is taken before a commissioner so appointed by the governor, or before the clerk of a court of record of such state, territory, district, or possession, or before a notary public or other officer having a seal of office, the instrument shall have attached thereto a certificate of the clerk of a court of record of the county, parish, or other political subdivision of such state, territory, district, or possession wherein the acknowledgment was taken, under the seal of said court, certifying that the person who took the acknowledgment, and whose name is subscribed to the certificate thereof, was at the date thereof such officer as he <u>or she</u> represented himself <u>or herself</u> to be, authorized by law to take acknowledgments of deeds, and that the clerk verily believes the signature of the person subscribed to the certificate of acknowledgment to be genuine.

Sec. 191. RCW 64.08.070 and 1988 c 69 s 3 are each amended to read as follows:

A certificate of acknowledgment for a corporation, substantially in the following form or, after December 31, 1985, substantially in the form set forth in RCW 42.44.100(2), shall be sufficient for the purposes of this chapter and for any acknowledgment required to be taken in accordance with this chapter:

State of		
County of	 ss.	

On this day of, 19..., before me personally appeared, to me known to be the (president, vice president, secretary, treasurer, or other authorized officer or agent, as the case may be) of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he <u>or she</u> was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written. (Signature and title of officer with place of residence of notary public.)

Sec. 192. RCW 64.08.090 and 1972 ex.s. c 58 s 1 are each amended to read as follows:

The superintendents, associate and assistant superintendents, business managers, records officers, and camp superintendents of any correctional institution or facility operated by the state of Washington are hereby authorized and empowered to take acknowledgments on any instruments of writing, and certify the same in the manner required by law, and to administer all oaths required by law to be administered, all of the foregoing acts to have the same effect as if performed by a notary public: PROVIDED, That such authority shall only extend to taking acknowledgments for and administering oaths to officers, employees, and residents of such institutions and facilities. None of the individuals herein empowered to take acknowledgments and administer oaths

shall demand or accept any fee or compensation whatsoever for administering or taking any oath, affirmation, or acknowledgment under the authority conferred by this section.

In certifying any oath or in signing any instrument officially, an individual empowered to do so under this section shall, in addition to his <u>or her</u> name, state in writing his <u>or her</u> place of residence, the date of his <u>or her</u> action, and affix the seal of the institution where he <u>or she</u> is employed: PROVIDED, That in certifying any oath to be used in any of the courts of this state, it shall not be necessary to append an impression of the official seal of the institution.

Sec. 193. RCW 64.12.040 and Code 1881 s 603 are each amended to read as follows:

If upon trial of such action it shall appear that the trespass was casual or involuntary, or that the defendant had probable cause to believe that the land on which such trespass was committed was his <u>or her</u> own, or that of the person in whose service or by whose direction the act was done, or that such tree or timber was taken from uninclosed woodlands, for the purpose of repairing any public highway or bridge upon the land or adjoining it, judgment shall only be given for single damages.

Sec. 194. RCW 64.12.050 and Code 1881 s 604 are each amended to read as follows:

When any two or more persons are opposing claimants under the laws of the United States to any land in this state, and one is threatening to commit upon such land waste which tends materially to lessen the value of the inheritance and which cannot be compensated by damages and there is imminent danger that unless restrained such waste will be committed, the party, on filing his <u>or her</u> complaint and satisfying the court or judge of the existence of the facts, may have an injunction to restrain the adverse party. In all cases he <u>or she</u> shall give notice and bond as is provided in other cases where injunction is granted, and the injunction when granted shall be set aside or modified as is provided generally for injunction and restraining orders.

Sec. 195. RCW 64.16.005 and 1967 c 163 s 2 are each amended to read as follows:

Any alien may acquire and hold lands, or any right thereto, or interest therein, by purchase, devise, or descent; and he <u>or she</u> may convey, mortgage, and devise the same, and if he <u>or she</u> shall die intestate, the same shall descend to his <u>or her</u> heirs, and in all cases such lands shall be held, conveyed, mortgaged, or devised, or shall descend in like manner and with like effect as if such alien were a native citizen of this state or of the United States.

Sec. 196. RCW 64.20.030 and 1899 c 96 s 1 are each amended to read as follows:

Any Indian who owns within this state any land or real estate allotted to him or her by the government of the United States may with the consent of congress, either special or general, sell and convey by deed made, executed, and acknowledged before any officer authorized to take acknowledgments to deeds within this state, any stone, mineral, petroleum, or timber contained on said land or the fee thereof and such conveyance shall have the same effect as a deed of any other person or persons within this state; it being the intention of this section

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to remove from Indians residing in this state all existing disabilities relating to alienation of their real estate.

Sec. 197. RCW 64.32.040 and 1963 c 156 s 4 are each amended to read as follows:

Each apartment owner shall be entitled to the exclusive ownership and possession of his <u>or her</u> apartment but any apartment may be jointly or commonly owned by more than one person. Each apartment owner shall have the common right to a share, with other apartment owners, in the common areas and facilities.

Sec. 198. RCW 64.32.060 and 1963 c 156 s 6 are each amended to read as follows:

Each apartment owner shall comply strictly with the bylaws and with the administrative rules and regulations adopted pursuant thereto, as either may be lawfully amended from time to time, and with the covenants, conditions, and restrictions set forth in the declaration or in the deed to his <u>or her</u> apartment. Failure to comply with any of the foregoing shall be ground for an action to recover sums due, for damages or injunctive relief, or both, maintainable by the manager or board of directors on behalf of the association of apartment owners or by a particularly aggrieved apartment owner.

Sec. 199. RCW 64.32.070 and 1963 c 156 s 7 are each amended to read as follows:

(1) Subsequent to recording the declaration as provided in this chapter, and while the property remains subject to this chapter, no lien shall thereafter arise or be effective against the property. During such period, liens or encumbrances shall arise or be created only against each apartment and the percentage of undivided interest in the common areas and facilities and appurtenant to such apartment in the same manner and under the same conditions in every respect as liens or encumbrances may arise or be created upon or against any other separate parcel of real property subject to individual ownership: PROVIDED, That no labor performed or materials furnished with the consent of or at the request of the owner of any apartment, or such owner's agent, contractor, or subcontractor, shall be the basis for the filing of a lien against any other apartment or any other property of any other apartment owner not expressly consenting to or requesting the same, except that such express consent shall be deemed to be given by any apartment owner in the case of emergency repairs. Labor performed or materials furnished for the common areas and facilities, if authorized by the association of apartment owners, the manager or board of directors shall be deemed to be performed or furnished with the express consent of each apartment owner and shall be the basis for the filing of a lien against each of the apartments and shall be subject to the provisions of subsection (2) of this section.

(2) In the event a lien against two or more apartments becomes effective, the apartment owners of the separate apartments may remove their apartment and the percentage of undivided interest in the common areas and facilities appurtenant to such apartment from the lien by payment of the fractional or proportional amounts attributable to each of the apartments affected. Such individual payments shall be computed by reference to the percentages appearing on the declaration. Subsequent to any such payment, discharge, or satisfaction, the apartment and the percentage of undivided interest in the

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common areas and facilities appurtenant thereto shall thereafter be free and clear of the liens so paid, satisfied, or discharged. Such partial payment, satisfaction, or discharge shall not prevent the lienor from proceeding to enforce his <u>or her</u> rights against any apartment and the percentage of undivided interest in the common areas and facilities appurtenant thereto not so paid, satisfied, or discharged.

Sec. 200. RCW 64.32.180 and 1963 c 156 s 18 are each amended to read as follows:

No apartment owner may exempt himself <u>or herself</u> from liability for his <u>or</u> <u>her</u> contribution towards the common expenses by waiver of the use or enjoyment of any of the common areas and facilities or by abandonment of his <u>or her</u> apartment.

Sec. 201. RCW 64.32.200 and 1988 c 192 s 2 are each amended to read as follows:

(1) The declaration may provide for the collection of all sums assessed by the association of apartment owners for the share of the common expenses chargeable to any apartment and the collection may be enforced in any manner provided in the declaration including, but not limited to, (a) ten days notice shall be given the delinquent apartment owner to the effect that unless such assessment is paid within ten days any or all utility services will be forthwith severed and shall remain severed until such assessment is paid, or (b) collection of such assessment may be made by such lawful method of enforcement, judicial or extra-judicial, as may be provided in the declaration and/or bylaws.

(2) All sums assessed by the association of apartment owners but unpaid for the share of the common expenses chargeable to any apartment shall constitute a lien on such apartment prior to all other liens except only (a) tax liens on the apartment in favor of any assessing unit and/or special district, and (b) all sums unpaid on all mortgages of record. Such lien is not subject to the ban against execution or forced sales of homesteads under RCW 6.13.080 and may be foreclosed by suit by the manager or board of directors, acting on behalf of the apartment owners, in like manner as a mortgage of real property. In any such foreclosure the apartment owner shall be required to pay a reasonable rental for the apartment, if so provided in the bylaws, and the plaintiff in such foreclosures shall be entitled to the appointment of a receiver to collect the same. The manager or board of directors, acting on behalf of the apartment owners, shall have power, unless prohibited by the declaration, to bid on the apartment at foreclosure sale, and to acquire and hold, lease, mortgage, and convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment, the period of redemption shall be eight months after the sale. Suit to recover any judgment for any unpaid common expenses shall be maintainable without foreclosing or waiving the liens securing the same.

(3) Where the mortgagee of a mortgage of record or other purchaser of an apartment obtains possession of the apartment as a result of foreclosure of the mortgage, such possessor, his <u>or her</u> successors and assigns shall not be liable for the share of the common expenses or assessments by the association of apartment owners chargeable to such apartment which became due prior to such possession. Such unpaid share of common expenses of assessments shall be

deemed to be common expenses collectible from all of the apartment owners including such possessor, his <u>or her</u> successors and assigns.

Sec. 202. RCW 64.32.210 and 1963 c 156 s 21 are each amended to read as follows:

In a voluntary conveyance the grantee of an apartment shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his <u>or her</u> share of the common expenses up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. Any such grantee shall be entitled to a statement from the manager or board of directors, as the case may be, setting forth the amount of the unpaid assessments against the grantor and such grantee shall not be liable for, nor shall the apartment conveyed be subject to a lien for, any unpaid assessments against the grantor in excess of the amount therein set forth.

Sec. 203. RCW 64.32.220 and 1963 c 156 s 22 are each amended to read as follows:

The manager or board of directors, if required by the declaration, bylaws, or by a majority of the apartment owners, or at the request of a mortgagee having a mortgage of record covering an apartment, shall obtain insurance for the property against loss or damage by fire and such other hazards under such terms and for such amounts as shall be required or requested. Such insurance coverage shall be written on the property in the name of the manager or of the board of directors of the association of apartment owners, as trustee for each of the apartment owners in the percentages established in the declaration. Premiums shall be common expenses. Provision for such insurance shall be without prejudice to the right of each apartment owner to insure his <u>or her</u> own apartment and/or the personal contents thereof for his <u>or her</u> benefit.

Sec. 204. RCW 64.32.240 and 1963 c 156 s 24 are each amended to read as follows:

Without limiting the rights of any apartment owner, actions may be brought as provided by law and by the rules of court by the manager or board of directors, in either case in the discretion of the board of directors, on behalf of two or more of the apartment owners, as their respective interests may appear, with respect to any cause of action relating to the common areas and facilities or more than one apartment. Service of process on two or more apartment owners in any action relating to the common areas and facilities or more than one apartment may be made on the person designated in the declaration to receive service of process. Actions relating to the common areas and facilities for damages arising out of tortious conduct shall be maintained only against the association of apartment owners and any judgment lien or other charge resulting therefrom shall be deemed a common expense, which judgment lien or other charge shall be removed from any apartment and its percentage of undivided interest in the common areas and facilities upon payment by the respective owner of his or her proportionate share thereof based on the percentage of undivided interest owned by such apartment owner.

Sec. 205. RCW 65.04.070 and Code 1881 s 2730 are each amended to read as follows:

The auditor must file and record with the record of deeds, grants, and transfers certified copies of final judgments or decrees partitioning or affecting the title or possession of real property, any part of which is situated in the county of which he <u>or she</u> is recorder. Every such certified copy or partition, from the time of filing the same with the auditor for record, imparts notice to all persons of the contents thereof, and subsequent purchasers, mortgagees, and lien holders purchase and take with like notice and effect as if such copy or decree was a duly recorded deed, grant, or transfer.

Sec. 206. RCW 65.04.130 and Code 1881 s 2735 are each amended to read as follows:

Said county auditor is not bound to record any instrument, or file any paper or notice, or furnish any copies, or to render any service connected with his <u>or</u> <u>her</u> office, until his <u>or her</u> fees for the same, as prescribed by law, are if demanded paid or tendered.

Sec. 207. RCW 65.04.140 and 1886 p 163 s 1 are each amended to read as follows:

The county auditor in his or her capacity of recorder of deeds is sole custodian of all books in which are recorded deeds, mortgages, judgments, liens, incumbrances, and other instruments of writing, indexes thereto, maps, charts, town plats, survey and other books and papers constituting the records and files in said office of recorder of deeds, and all such records and files are, and shall be, matters of public information, free of charge to any and all persons demanding to inspect or to examine the same, or to search the same for titles of property. It is said recorder's duty to arrange in suitable places the indexes of said books of record, and when practicable, the record books themselves, to the end that the same may be accessible to the public and convenient for said public inspection, examination, and search, and not interfere with the said auditor's personal control and responsibility for the same, or prevent him or her from promptly furnishing the said records and files of his or her said office to persons demanding any information from the same. The said auditor or recorder must and shall, upon demand, and without charge, freely permit any and all persons, during reasonable office hours, to inspect, examine, and search any or all of the records and files of his or her said office, and to gather any information therefrom, and to make any desired notes or memoranda about or concerning the same, and to prepare an abstract or abstracts of title to any and all property therein contained.

Sec. 208. RCW 65.08.070 and 1927 c 278 s 2 are each amended to read as follows:

A conveyance of real property, when acknowledged by the person executing the same (the acknowledgment being certified as required by law), may be recorded in the office of the recording officer of the county where the property is situated. Every such conveyance not so recorded is void as against any subsequent purchaser or mortgagee in good faith and for a valuable consideration from the same vendor, his <u>or her</u> heirs or devisees, of the same real property or any portion thereof whose conveyance is first duly recorded. An instrument is deemed recorded the minute it is filed for record.

Sec. 209. RCW 65.08.120 and 1927 c 278 s 7 are each amended to read as follows:

The recording of an assignment of a mortgage is not in itself notice to the mortgagor, his <u>or her</u> heirs, assigns or personal representatives, to invalidate a payment made by any of them to a prior holder of the mortgage.

Sec. 210. RCW 65.08.150 and 1943 c 23 s 1 are each amended to read as follows:

A recording officer, upon payment or tender to him <u>or her</u> of the lawful fees therefor, shall record in his <u>or her</u> office any instrument authorized or permitted to be so recorded by the laws of this state or by the laws of the United States.

Sec. 211. RCW 65.12.005 and 1907 c 250 s 1 are each amended to read as follows:

The owner of any estate or interest in land, whether legal or equitable, except unpatented land, may apply as hereinafter provided to have the title of said land registered. The application may be made by the applicant personally, or by an agent thereunto lawfully authorized in writing, which authority shall be executed and acknowledged in the same manner and form as is now required as to a deed, and shall be recorded in the office of the county auditor in the county in which the land, or the major portion thereof, is situated before the making of the application by such agent. A corporation may apply by its authorized agent, and an infant or any other person under disability by his <u>or her</u> legal guardian. Joint tenants and tenants in common shall join in the application. The person in whose behalf the application is made shall be named as applicant.

Sec. 212. RCW 65.12.015 and 1907 c 250 s 3 are each amended to read as follows:

No title derived through sale for any tax or assessment, or special assessment, shall be entitled to be registered, unless it shall be made to appear that the title of the applicant, or those through whom he or she claims title has been adjudicated by a court of competent jurisdiction, and a decree of such court duly made and recorded, decreeing the title of the applicant, or that the applicant or those through whom he or she claims title have been in the actual and undisputed possession of the land under such title at least seven years, immediately prior to the application, and shall have paid all taxes and assessments legally levied thereon during said times; unless the same is vacant and unoccupied lands or lots, in which case, where title is derived through sale for any tax or assessment or special assessment for any such vacant and unoccupied lands or lots, and the applicant, or those through whom he or she claims title, shall have paid all taxes and assessments legally levied thereon for eight successive years immediately prior to the application, in which case such lands and lots shall be entitled to be registered as other lands provided for by this section.

Sec. 213. RCW 65.12.020 and 1907 c 250 s 4 are each amended to read as follows:

The application shall be in writing and shall be signed and verified by the oath of the applicant, or the person acting in his <u>or her</u> behalf. It shall set forth substantially:

(1) The name and place of residence of the applicant, and if the application is by one acting in behalf of another, the name and place of residence and capacity of the person so acting. (2) Whether the applicant (except in the case of a corporation) is married or not, and, if married, the name and residence of the husband or wife, and the age of the applicant.

(3) The description of the land and the assessed value thereof, exclusive of improvements, according to the last official assessment, the same to be taken as a basis for the payments required under RCW 65.12.670 and 65.12.790(1).

(4) The applicant's estate or interest in the same, and whether the same is subject to homestead exemption.

(5) The names of all persons or parties who appear of record to have any title, claim, estate, lien, or interest in the lands described in the application for registration.

(6) Whether the land is occupied or unoccupied, and if occupied by any other person than the applicant, the name and post office address of each occupant, and what estate he <u>or she</u> has or claims in the land.

(7) Whether the land is subject to any lien or incumbrance, and if any, give the nature and amount of the same, and if recorded, the book and page of record; also give the name and post office address of each holder thereof.

(8) Whether any other person has any estate or claims any interest in the land, in law or equity, in possession, remainder, reversion, or expectancy, and if any, set forth the name and post office address of every such person and the nature of his <u>or her</u> estate or claim.

(9) In case it is desired to settle or establish boundary lines, the names and post office addresses of all the owners of the adjoining lands that may be affected thereby, as far as he <u>or she</u> is able, upon diligent inquiry, to ascertain the same.

(10) If the application is on behalf of a minor, the age of such minor shall be stated.

(11) When the place of residence of any person whose residence is required to be given is unknown, it may be so stated if the applicant will also state that upon diligent inquiry he <u>or she</u> had been unable to ascertain the same.

Sec. 214. RCW 65.12.055 and 1907 c 250 s 10 are each amended to read as follows:

Every county auditor shall, before entering upon his <u>or her</u> duties as registrar of titles, give a bond with sufficient sureties, to be approved by a judge of the superior court of the state of Washington in and for his <u>or her</u> county, payable to the state of Washington, in such sum as shall be fixed by the said judge of the superior court, conditioned for the faithful discharge of his <u>or her</u> duties, and to deliver up all papers, books, records, and other property belonging to the county or appertaining to his <u>or her</u> office as registrar of titles, whole, safe and undefaced, when lawfully required so to do; said bond shall be filed in the office of the superior court in the county wherein the county auditor shall hold office.

Sec. 215. RCW 65.12.060 and 1907 c 250 s 11 are each amended to read as follows:

Deputy registrars shall perform any and all duties of the registrar in the name of the registrar, and the acts of such deputies shall be held to be the acts of the registrar, and in the case of the death of the registrar or his <u>or her</u> removal

from office, the vacancy shall be filled in the same manner as is provided by law for filling such vacancy in the office of the county auditor. The person so appointed to fill such vacancy shall file a bond and be vested with the same powers as the registrar whose office he <u>or she</u> is appointed to fill.

Sec. 216. RCW 65.12.065 and 1907 c 250 s 12 are each amended to read as follows:

No registrar or deputy registrar shall practice as an attorney or counselor at law, nor prepare any papers in any proceeding herein provided for, nor while in the office be in partnership with any attorney or counselor at law so practicing. The registrar shall be liable for any neglect or omission of the duties of his <u>or her</u> office when occasioned by a deputy registrar, in the same manner as for his <u>or her</u> own personal neglect or omission.

Sec. 217. RCW 65.12.070 and 1907 c 250 s 14 are each amended to read as follows:

If the applicant is not a resident of the state of Washington, he <u>or she</u> shall file with his <u>or her</u> application a paper, duly acknowledged, appointing an agent residing in this state, giving his <u>or her</u> name in full and post office address, and shall therein agree that the service of any legal process in proceedings under or growing out of the application shall be of the same legal effect when made on said agent as if made on the applicant within this state. If the agent so appointed dies or removes from the state, the applicant shall at once make another appointment in like manner, and if he <u>or she</u> fails so to do, the court may dismiss the application.

Sec. 218. RCW 65.12.090 and 1907 c 250 s 13 are each amended to read as follows:

The judges of the superior court in and for the state of Washington for the counties for which they were elected or appointed shall appoint a competent attorney in each county to be examiner of titles and legal adviser of the registrar. The examiner of titles in each county shall be paid in each case by the applicant such compensation as the judge of the superior court of the state of Washington in and for that county shall determine. Every examiner of titles shall, before entering upon the duties of his <u>or her</u> office, take and subscribe an oath of office to faithfully and impartially perform the duties of his <u>or her</u> office, and shall also give a bond in such amount and with such sureties as shall be approved by the judge of the registrar. A copy of the bond shall be entered upon the records of said court and the original shall be filed with the registrar.

Sec. 219. RCW 65.12.110 and 1907 c 250 s 17 are each amended to read as follows:

Immediately after the filing of the abstract of title, the court shall enter an order referring the application to an examiner of titles, who shall proceed to examine into the title and into the truth of the matters set forth in the application, and particularly whether the land is occupied, the nature of the occupation, if occupied, and by what right, and, also as to all judgments against the applicant or those through whom he <u>or she</u> claims title, which may be a lien upon the lands described in the application; he <u>or she</u> shall search the records and investigate all the facts brough to his <u>or her</u> notice, and file in the case a report thereon, including a certificate of his <u>or her</u> opinion upon the title. The clerk of the court

shall thereupon give notice to the applicant of the filing of such report. If the opinion of the examiner is adverse to the applicant, he <u>or she</u> shall be allowed by the court a reasonable time in which to elect to proceed further, or to withdraw his <u>or her</u> application. The election shall be made in writing, and filed with the clerk of the court.

Sec. 220. RCW 65.12.140 and 1907 c 250 s 20a are each amended to read as follows:

The clerk of the court shall also, on or before twenty days after the first publication, send a copy thereof by mail to such defendants who are not residents of the state whose place of address is known or stated in the application, and whose appearance is not entered and who are not in person served with the summons. The certificate of the clerk that he <u>or she</u> has sent such notice, in pursuance of this section, shall be conclusive evidence thereof. Other or further notice of the application for registration may be given in such manner and to such persons as the court or any judge thereof may direct. The summons shall be served at the expense of the applicant, and proof of the service thereof shall be made as proof of service is now made in other civil actions.

Sec. 221. RCW 65.12.150 and 1907 c 250 s 22 are each amended to read as follows:

Any person claiming an interest, whether named in the summons or not, may appear and file an answer within the time named in the summons, or within such further time as may be allowed by the court. The answer shall state all objections to the application, and shall set forth the interests claimed by the party filing the same, and shall be signed and sworn to by him <u>or her</u> or by some person in his <u>or her</u> behalf.

Sec. 222. RCW 65.12.160 and 1907 c 250 s 24 are each amended to read as follows:

If, in any case an appearance is entered and answer filed, the cause shall be set down for hearing on motion of either party, but a default and order shall first be entered against all persons who do not appear and answer in the manner provided in RCW 65.12.155. The court may refer the cause or any part thereof to one of the examiners of title, as referee, to hear the parties and their evidence, and make report thereon to the court. His <u>or her</u> report shall have the same force and effect as that of a referee appointed by the said superior court under the laws of this state now in force, and relating to the appointment, duties and powers of referees.

Sec. 223. RCW 65.12.170 and 1907 c 250 s 26 are each amended to read as follows:

If, in any case, after hearing, the court finds that the applicant has not title proper for registration, a decree shall be entered dismissing the application, and such decree may be ordered to be without prejudice. The applicant may dismiss his <u>or her</u> application at any time, before the final decree, upon such terms as may be fixed by the court, and upon motion to dismiss duly made by the court.

Sec. 224. RCW 65.12.175 and 1988 c 202 s 56 are each amended to read as follows:

If the court, after hearing, finds that the applicant has title, whether as stated in his <u>or her</u> application or otherwise, proper for registration, a decree of confirmation of title and registration shall be entered. Every decree of registration shall bind the land, and quiet the title thereto, except as herein otherwise provided, and shall be forever binding and conclusive upon all persons, whether mentioned by name in the application, or included in "all other persons or parties unknown claiming any right, title, estate, lien or interest in, to, or upon the real estate described in the application herein", and such decree shall not be opened by reason of the absence, infancy, or other disability of any person affected thereby, nor by any proceeding at law, or in equity, for reversing judgments or decrees, except as herein especially provided. Appellate review of the court's decision may be sought as in other civil actions.

Sec. 225. RCW 65.12.180 and 1907 c 250 s 28 are each amended to read as follows:

Any person having an interest in or lien upon the land who has not been actually served with process or notified of the filing of the application or the pendency thereof, may at any time within ninety days after the entry of such decree, and not afterwards, appear and file his or her sworn answer to such application in like manner as hereinbefore prescribed for making answer: PROVIDED, HOWEVER, That such person had no actual notice or information of the filing of such application or the pendency of the proceedings during the pendency thereof, or until within three months of the time of the filing of such answer, which facts shall be made to appear before answering by the affidavit of the person answering or the affidavit of someone in his or her behalf having knowledge of the facts, and PROVIDED, ALSO, that no innocent purchaser for value has acquired an interest. If there is any such purchaser, the decree of registration shall not be opened, but shall remain in full force and effect forever, subject only to the right of appeal hereinbefore provided; but any person aggrieved by such decree in any case may pursue his or her remedy by suit in the nature of an action of tort against the applicant or any other person for fraud in procuring the decree; and may also bring his or her action for indemnity as hereinafter provided. Upon the filing of such answer, and not less than ten days' notice having been given to the applicant, and to such other interested parties as the court may order in such manner as shall be directed by the court, the court shall proceed to review the case, and if the court is satisfied that the order or decree ought to be opened, an order shall be entered to that effect, and the court shall proceed to review the proceedings, and shall make such order in the case as shall be equitable in the premises. An appeal may be allowed in this case, as well as from all other decrees affecting any registered title within a like time, and in a like manner, as in the case of an original decree under this chapter, and not otherwise.

Sec. 226. RCW 65.12.200 and 1907 c 250 s 31 are each amended to read as follows:

Every decree of registration shall bear the date of the year, day, hour, and minute of its entry, and shall be signed by the judge of the superior court of the state of Washington in and for the county in which the land is situated; it shall state whether the owner is married or unmarried, and if married, the name of the husband or wife; if the owner is under disability it shall state the nature of the disability, and if a minor, shall state his <u>or her</u> age. It shall contain a description of the land as finally determined by the court, and shall set forth the estate of the owner, and also in such manner as to show their relative priority, all particular

estates, mortgages, easements, liens, attachments, homesteads, and other incumbrances, including rights of husband and wife, if any, to which the land or the owner's estate is subject, and shall contain any other matter or information properly to be determined by the court in pursuance of this chapter. The decree shall be stated in a convenient form for transcription upon the certificate of title, to be made as hereinafter provided by the registrar of titles. Immediately upon the filing of the decree of registration, the clerk shall file a certified copy thereof in the office of the registrar of titles.

Sec. 227. RCW 65.12.235 and 1973 c 121 s 1 are each amended to read as follows:

Upon the filing of such application and the payment of a fee of five dollars, the registrar of titles, if it shall appear that the application is signed and acknowledged by all the registered owners of said land, shall issue to the (([applicant])) <u>applicant</u> a certificate in substantially the following form:

This is to certify, That the owner (or owners) in fee simple of the following described lands situated in the county of , state of Washington, the title to which has been heretofore registered under the laws of the state of Washington, to wit: (here insert description of the property), having heretofore filed his <u>or her</u> (or their) application for the withdrawal of the title to said lands from the registry system; NOW, THEREFORE, The title to said above described lands has been withdrawn from the effect and operation of the title registry system of the state of Washington and the owner (or owners) of said lands is (or are) by law authorized to contract concerning, convey, encumber, or otherwise deal with the title to said lands in the same manner and to the same extent as though said title had never been registered.

Witness my hand and seal this day of, 19...

Sec. 228. RCW 65.12.250 and 1907 c 250 s 34 are each amended to read as follows:

Immediately upon the filing of the decree of registration in the office of the registrar of titles, the registrar shall proceed to register the title or interest pursuant to the terms of the decree in the manner herein provided. The registrar shall keep a book known as the "Register of Titles", wherein he <u>or she</u> shall enter all first and subsequent original certificates of title by binding or recording them therein in the order of their numbers, consecutively, beginning with number one, with appropriate blanks for entry of memorials and notations allowed by this chapter. Each certificate, with such blanks, shall constitute a separate page of such book. All memorials and notations that may be entered upon the register

shall be entered upon the page whereon the last certificate of title of the land to which they relate is entered. The term "certificate of title" used in this chapter shall be deemed to include all memorials and notations thereon.

Sec. 229. RCW 65.12.255 and 1907 c 250 s 35 are each amended to read as follows:

The certificate of registration shall contain the name of the owner, a description of the land and of the estate of the owner, and shall by memorial or notation contain a description of all incumbrances, liens, and interests to which the estate of the owner is subject; it shall state the residence of the owner and, if a minor, give his <u>or her</u> age; if under disability, it shall state the nature of the disability; it shall state whether married or not, and, if married, the name of the husband or wife; in case of a trust, condition or limitation, it shall state the trust, condition, or limitation, as the case may be; and shall contain and conform in respect to all statements to the certified copy of the decree of registration filed with the registrar of titles as hereinbefore provided; and shall be in form substantially as follows:

FIRST CERTIFICATE OF TITLE

Pursuant to order of the superior court of the state of Washington, in and for county.

ss.

State of Washington,
County of ,

This is to certify that A..... B..... of, county of, state of, is now the owner of an estate (describe the estate) of, and in (describe the land), subject to the incumbrances, liens and interests noted by the memorial underwritten or indorsed thereon, subject to the exceptions and qualifications mentioned in the thirtieth section of "An Act relating to the registration and confirmation of titles to land," in the session laws of Washington for the year 1907 [RCW 65.12.195]. (Here note all statements provided herein to appear upon the certificate.)

In witness whereof, I have hereunto set my hand and affixed the official seal of my office this day of, A.D. 19...

(Seal)

Registrar of Titles.

Sec. 230. RCW 65.12.260 and 1907 c 250 s 36 are each amended to read as follows:

The registrar shall, at the time that he <u>or she</u> enters his <u>or her</u> original certificate of title, make an exact duplicate thereof, but putting on it the words "Owner's duplicate certificate of ownership", and deliver the same to the owner or to his <u>or her</u> attorney duly authorized. For the purpose of preserving evidence of the signature and handwriting of the owner in his <u>or her</u> office, it shall be the duty of the registrar to take from the owner, in every case where it is practicable so to do, his <u>or her</u> receipt for the certificate of title which shall be signed by the owner in person. Such receipt, when signed and delivered in the registrar's office, shall be witnessed by the registrar or deputy registrar. If such receipt is signed elsewhere, it shall be witnessed and acknowledged in the same manner as is now provided for the acknowledgment of deeds. When so signed, such receipt shall be prima facie evidence of the genuineness of such signature.

Sec. 231. RCW 65.12.265 and 1907 c 250 s 37 are each amended to read as follows:

Where two or more persons are registered owners as tenants in common or otherwise, one owner's duplicate certificate can be issued for the entirety, or a separate duplicate owner's certificate may be issued to each owner for his <u>or her</u> undivided share.

Sec. 232. RCW 65.12.290 and 1907 c 250 s 41 are each amended to read as follows:

The original certificate in the registration book, any copy thereof duly certified under the signature of the registrar of titles or his <u>or her</u> deputy, and authenticated by his <u>of her</u> seal and also the owner's duplicate certificate shall be received as evidence in all the courts of this state, and shall be conclusive as to all matters contained therein, except so far as is otherwise provided in this chapter. In case of a variance between the owner's duplicate certificate and the original certificate, the original shall prevail.

Sec. 233. RCW 65.12.300 and 1907 c 250 s 42 are each amended to read as follows:

The registrar of titles, under the direction of the court, shall make and keep indexes of all duplication and of all certified copies and decrees of registration and certificates of titles, and shall also index and file in classified order all papers and instruments filed in his <u>or her</u> office relating to applications and to registered titles. The registrar shall also, under the direction of the court, prepare and keep forms of indexes and entry books. The court shall prepare and adopt convenient forms of certificates of titles, and also general forms of memorials or notations to be used by the registrars of titles in registering the common forms of conveyance and other instruments to express briefly their effect.

Sec. 234. RCW 65.12.310 and 1907 c 250 s 43 are each amended to read as follows:

The registrar of titles shall keep tract indexes, in which shall be entered the lands registered in the numerical order of the townships, ranges, sections, and in cases of subdivisions, the blocks and lots therein, and the names of the owners, with a reference to the volume and page of the register of titles in which the lands are registered. He <u>or she</u> shall also keep alphabetical indexes, in which shall be entered, in alphabetical order, the names of all registered owners, and all other persons interested in, or holding charges upon, or any interest in, the

registered land, with a reference to the volume and page of the register of titles in which the land is registered.

Sec. 235. RCW 65.12.320 and 1907 c 250 s 44 are each amended to read as follows:

The owner of registered land may convey, mortgage, lease, charge, or otherwise incumber, dispose of, or deal with the same as fully as if it had not been registered. He <u>or she</u> may use forms of deeds, trust deeds, mortgages and leases or voluntary instruments, like those now in use, and sufficient in law for the purpose intended. But no voluntary instrument of conveyance, except a will and a lease, for a term not exceeding three years, purporting to convey or affect registered land, shall take effect as a conveyance, or bind the land; but shall operate only as a contract between the parties, and as evidence of the authority to the registrar of titles to make registration. The act of registration shall be the operative act to convey or affect the land.

Sec. 236. RCW 65.12.360 and 1907 c 250 s 48 are each amended to read as follows:

No new certificate shall be entered or issued upon any transfer of registered land, which does not divest the title in fee simple of said land or some part thereof, from the owner or some one of the registered owners. All interest in the registered land, less than a freehold estate, shall be registered by filing with the registrar of titles, the instruments creating, transferring, or claiming such interest, and by a brief memorandum or memorial thereof, made by a registrar of titles upon the certificate of title, and signed by him <u>or her</u>. A similar memorandum, or memorial, shall also be made on the owner's duplicate.

The cancellation or extinguishment of such interests shall be registered in the same manner. When any party in interest does not agree as to the proper memorial to be made upon the filing of any instrument, (voluntary or involuntary), presented for registration, or where the registrar of titles is in doubt as to the form of such memorial, the question shall be referred to the court for decision, either on the certificate of the registrar of titles, or upon the demand in writing of any party in interest.

The registrar of titles shall bring before the court all the papers and evidence which may be necessary for the determination of the question by the court. The court, after notice to all parties in interest and a hearing, shall enter an order prescribing the form of the memorial, and the registrar of titles shall make registration in accordance therewith.

Sec. 237. RCW 65.12.370 and 1907 c 250 s 49 are each amended to read as follows:

No new certificates of titles shall be entered, and no memorial shall be made upon any certificate of title, in pursuance of any deed, or other voluntary instrument, unless the owner's duplicate certificate is presented with such instrument, except in cases provided for in this chapter, or upon the order of the court for cause shown; and whenever such order is made a memorial therefor shall be entered, or a new certificate issued, as directed by said order. The production of the owner's duplicate certificate, whenever any voluntary instrument is presented for registration, shall be conclusive authority from the registered owner to the registrar of titles, to enter a new certificate, or to make a memorial of registration in accordance with such instrument; and a new certificate or memorial shall be binding upon the registered owner and upon all persons claiming under him <u>or her</u> in favor of every purchaser for value and in good faith.

Sec. 238. RCW 65.12.380 and 1907 c 250 s 51 are each amended to read as follows:

An owner of registered land, conveying the same, or any portion thereof, in fee, shall execute a deed of conveyance, which the grantor shall file with the registrar of titles in the county where the land lies. The owner's duplicate certificate shall be surrendered at the same time and shall be by the registrar marked "Canceled". The original certificate of title shall also be marked "Canceled". The registrar of titles shall thereupon entered in the register of titles, a new certificate of title to the grantee, and shall prepare and deliver to such grantee an owner's duplicate certificate. All incumbrances, claims, or interests adverse to the title of the registered owner shall be stated upon the new certificate or certificates, except insofar as they may be simultaneously released or discharged.

When only a part of the land described in a certificate is transferred, or some estate or interest in the land is to remain in the transferor, a new certificate shall be issued to him <u>or her</u>, for the part, estate, or interest remaining in him <u>or her</u>.

Sec. 239. RCW 65.12.430 and 1907 c 250 s 56 are each amended to read as follows:

A trust deed shall be deemed to be a mortgage, and be subject to the same rules as a mortgage, excepting as to the manner of the foreclosure thereof. The registration of a mortgage shall be made in the following manner, to wit: The owner's duplicate certificate shall be presented to the registrar of titles with the mortgage deed or instrument to be registered, and the registrar shall enter upon the original certificate of title and also upon the owner's duplicate certificate, a memorial of the purport of the instrument registered, the time of filing, and the file number of the registered instrument. He or she shall also note upon the instrument registered, the time of filing, and a reference to the volume and page of the register of titles, wherein the same is registered. The registrar of titles shall also, at the request of the mortgagee, make out and deliver to him or her a duplicate certificate of title, like the owner's duplicate, except that the words, "Mortgagee's duplicate", shall be written or printed upon such certificate in large letters, diagonally across the face. A memorandum of the issuance of the mortgagee's duplicate shall be made upon the certificate of title.

Sec. 240. RCW 65.12.445 and 1907 c 250 s 59 are each amended to read as follows:

In any action affecting registered land a judgment or final decree shall be entitled to registration on the presentation of a certified copy of the entry thereof from the clerk of the court where the action is pending to the registrar of titles. The registrar of titles shall enter a memorial thereof upon the original certificates of title, and upon the owner's duplicate, and also upon the mortgagee's and lessee's duplicate, if any there be outstanding. When the registered owner of such land is, by such judgment or decree, divested of his <u>or her</u> estate in fee to the land or any part thereof, the plaintiff or defendant shall be entitled to a new certificate of title for the land, or that part thereof, designated in the judgment or decree, and the registrar of titles shall enter such new certificate of title, and issue a new owner's duplicate, in such manner as is provided in the case of voluntary conveyance: PROVIDED, HOWEVER, That no such new certificate of title shall be entered, except upon the order of the superior court of the county in which the land is situated, and upon the filing in the office of the registrar of titles, an order of the court directing the entry of such new certificate.

Sec. 241. RCW 65.12.450 and 1907 c 250 s 60 are each amended to read as follows:

Any person who has, by any action or proceeding to enforce or foreclose any mortgage, lien or charge upon registered land, become the owner in fee of the land, or any part thereof, shall be entitled to have his <u>or her</u> title registered, and the registrar of titles shall, upon application therefor, enter a new certificate of title for the land, or that part thereof, of which the applicant is the owner, and issue an owner's duplicate, in such manner as in the case of a voluntary conveyance of registered land: PROVIDED, HOWEVER, No such new certificate of title shall be entered, except after the time to redeem from such foreclosure has expired, and upon the filing in the office of the registrar of titles, an order of the superior court of the county directing the entry of such new certificates.

Sec. 242. RCW 65.12.470 and 1907 c 250 s 62 are each amended to read as follows:

Leases for registered land, for a term of three years or more, shall be registered in like manner as a mortgage, and the provisions herein relating to the registration of mortgages, shall also apply to the registration of leases. The registrar shall, at the request of the lessee, make out and deliver to him <u>or her</u> a duplicate of the certificate of title like the owner's duplicate, except the words, "Lessee's duplicate", shall be written or printed upon it in large letters diagonally across its face.

Sec. 243. RCW 65.12.480 and 1907 c 250 s 63 are each amended to read as follows:

Whenever a deed, or other instrument, is filed in the office of the registrar of titles, for the purpose of effecting a transfer of or charge upon the registered land, or any estate or interest in the same, and it shall appear that the transfer or charge is to be in trust or upon condition or limitation expressed in such deed or instrument, such deed or instrument shall be registered in the usual manner, except that the particulars of the trust, condition, limitation, or other equitable interest shall not be entered upon the certificate of title by memorial, but a memorandum or memorial shall be entered by the words, "in trust", or "upon condition", or other apt words, and by reference by number to the instrument authorizing or creating the same. A similar memorial shall be made upon the owner's duplicate certificate.

No transfer of, or charge upon, or dealing with, the land, estate or interest therein, shall thereafter be registered, except upon an order of the court first filed in the office of the registrar of titles, directing such transfer, charge, or dealing, in accordance with the true intent and meaning of the trust, condition, or limitation. Such registration shall be conclusive evidence in favor of the person taking such transfer, charge, or right; and those claiming under him <u>or her</u>, in good faith, and for a valuable consideration, that such transfer, charge, or other dealing is in accordance with the true intent and meaning of the trust, condition, or limitation.

Sec. 244. RCW 65.12.490 and 1907 c 250 s 64 are each amended to read as follows:

When the title to registered land passes from a trustee to a new trustee, a new certificate shall be entered to him <u>or her</u>, and shall be registered in like manner as upon an original conveyance in trust.

Sec. 245. RCW 65.12.500 and 1907 c 250 s 65 are each amended to read as follows:

Any trustee shall have authority to file an application for the registration of any land held in trust by him <u>or her</u>, unless expressly prohibited by the instrument creating the trust.

Sec. 246. RCW 65.12.530 and 1907 c 250 s 68 are each amended to read as follows:

The name and address of the attorney for the plaintiff in every action affecting the title to registered land, shall, in all cases, be endorsed upon the writ or other writing filed in the office of the registrar of titles, and he <u>or she</u> shall be deemed the attorney of the plaintiff until written notice that he <u>or she</u> has ceased to be such plaintiff's attorney shall be filed for registration by the plaintiff.

Sec. 247. RCW 65.12.550 and 1907 c 250 s 70 are each amended to read as follows:

Any person who has acquired any right, interest, or estate in registered land by virtue of any execution, judgment, order, or decree of the court, shall register his <u>or her</u> title so acquired, by filing in the office of the registrar of titles all writings or instruments permitted or required to be recorded in the case of unregistered land. If the interest or estate so acquired is the fee in the registered land, or any part thereof, the person acquiring such interest shall be entitled to have a new certificate of title, registered in him <u>or her</u>, in the same manner as is provided in the case of persons acquiring title by an action or proceeding in foreclosure of mortgages.

Sec. 248. RCW 65.12.560 and 1907 c 250 s 71 are each amended to read as follows:

The certificate of the clerk of the court in which any action or proceeding shall be pending, or any judgment or decree is of record, that such action or proceeding has been dismissed or otherwise disposed of, or that the judgment, decree, or order has been satisfied, released, reversed, or overruled, or of any sheriff or any other officer that the levy of any execution, attachment, or other process, certified by him <u>or her</u>, has been released, discharged, or otherwise disposed of, being filed in the office of the registrar of titles and noted upon the register, shall be sufficient to authorize the registrar to cancel or otherwise treat the memorial of such action, proceeding, judgment, decree, order, or levy, according to the purport of such certificate.

Sec. 249. RCW 65.12.570 and 1907 c 250 s 72 are each amended to read as follows:

Whenever registered land is sold, and the same is by law subject to redemption by the owner or any other person, the purchaser shall not be entitled to have a new certificate of title entered, until the time within which the land may be redeemed has expired. At any time after the time to redeem shall have expired, the purchaser may petition the court for an order directing the entry of a new certificate of title to him <u>or her</u>, and the court shall, after such notice as it may order, and hearing, grant and make an order directing the entry of such new certificate of title.

Sec. 250. RCW 65.12.590 and 1907 c 250 s 74 are each amended to read as follows:

Nothing contained in this chapter shall include, affect, or impair the jurisdiction of the superior court to order an executor, administrator, or guardian to sell or mortgage registered land for any purpose for which such order may be granted in the case of unregistered land. The purchaser or mortgagee, taking a deed or mortgage executed in pursuance of such order of the superior court, shall be entitled to register his <u>or her</u> title, and to the entry of a new certificate of title or memorial of registration, upon application to the superior court, and upon filing in the office of the registrar of titles, an order of said court, directing the entry of such certificates.

Sec. 251. RCW 65.12.600 and 1907 c 250 s 75 are each amended to read as follows:

An assignee for the benefit of creditors, receiver, trustee in bankruptcy, master in chancery, special commissioner, or other person appointed by the court, shall file in the office of the registrar of titles, the instrument or instruments by which he <u>or she</u> is vested with title, estate, or interest in any registered land, or a certified copy of an order of the court showing that such assignee, receiver, trustee in bankruptcy, master in chancery, special commissioner, or other person, is authorized to deal with such land, estate, or interest, and, if it is in the power of such person, he <u>or she</u> shall, at the same time, present to the registrar of titles, the owner's duplicate certificate of title; thereupon the registrar shall enter upon the register of titles, and the duplicate certificate, if presented, a memorial thereof, with a reference to such order or deed by its file number. Such memorial having been entered, the assignee, receiver, trustee in bankruptcy, master in chancery, special commissioner, or other person may, subject to the direction of the court, deal with or transfer such land as if he <u>or she</u> were a registered owner.

Sec. 252. RCW 65.12.610 and 1907 c 250 s 76 are each amended to read as follows:

Whenever registered land, or any right or interest therein, is taken by eminent domain, the state or body politic, or corporate or other authority exercising such right shall pay all fees on account of any memorial or registration or entry of new certificates, or duplicate thereof, and fees for the filing of instruments required by this chapter to be filed. When, for any reason, by operation of law, land which has been taken for public use reverts to the owner from whom it was taken, or his <u>or her</u> heirs or assigns, the court, upon petition of the person entitled to the benefit of the reversion, after such notice as it may order, and hearing, may order the entry of a new certificate of title to him <u>or her</u>.

Sec. 253. RCW 65.12.620 and 1907 c 250 s 77 are each amended to read as follows:

In every case where the registrar of titles enters a memorial upon a certificate of title, or enters a new certificate of title, in pursuance of any instrument executed by the registered owner, or by reason of any instrument or proceeding which affects or devises the title of the registered owner against his or her consent, if the outstanding owner's duplicate certificate is not presented, the registrar of titles shall not enter a new certificate or make a memorial, but the person claiming to be entitled thereto may apply by petition to the court. The court may order the registered owner, or any person withholding the duplicate certificate, to present or surrender the same, and direct the entry of a memorial or new certificate upon such presentation or surrender. If, in any case, the person withholding the duplicate certificate is not amenable to the process of the court, or cannot be found, or if, for any reason, the outstanding owner's duplicate certificate cannot be presented or surrendered without delay, the court may, by decree, annul the same, and order a new certificate of title to be entered. Such new certificate, and all duplicates thereof, shall contain a memorial of the annulment of the outstanding duplicate. If in any case of an outstanding mortgagee's or lessee's duplicate certificate shall be withheld or otherwise dealt with, like proceedings may be had to obtain registration as in case of the owner's withholding or refusing to deliver the duplicate receipt.

Sec. 254. RCW 65.12.635 and 1907 c 250 s 79 are each amended to read as follows:

Examiners of titles shall, upon the request of the registrar of titles, advise him <u>or her</u> upon any act or duty pertaining to the conduct of his <u>or her</u> office, and shall, upon request, prepare the form of any memorial to be made or entered by the registrar of titles. The examiner of titles shall have full power to administer oaths and examine witnesses involved in his <u>or her</u> investigation of titles.

Sec. 255. RCW 65.12.640 and 1907 c 250 s 80 are each amended to read as follows:

Every writing and instrument required or permitted by this chapter to be filed for registration, shall contain or have endorsed upon it, the full name, place of residence, and post office address of the grantee or other person requiring or claiming any right, title, or interest under such instrument. Any change in residence or post office address of such person shall be endorsed by the registrar of titles in the original instrument, on receiving a sworn statement of such change. All names and addresses shall also be entered on all certificates. All notices required by, or given in pursuance of the provisions of this chapter by the registrar of titles or by the court, after original registration, shall be served upon the person to be notified; if a resident of the state of Washington, as summons in civil actions are served; and proof of such service shall be made as on the return of a summons. All such notices shall be sent by mail, to the person to be notified, if not a resident of the state of Washington, and his or her residence and post office address, as stated in the certificate of title, or in any registered instrument under which he or she claims an interest. The certificate of the registrar of titles, or clerk of court, that any notice has been served, by mailing the same, as aforesaid, shall be conclusive proof of such notice: PROVIDED, HOWEVER, That the court may, in any case, order different or further service by publication or otherwise.

Sec. 256. RCW 65.12.650 and 1907 c 250 s 81 are each amended to read as follows:

Any person claiming any right or interest in registered land, adverse to the registered owner, arising subsequent to the date of the original registration, may, if no other provision is made in this chapter for registering the same, make a statement in writing, setting forth fully his <u>or her</u> alleged right or interest and how or under whom acquired, and a reference to the volume and page of the certificate of title of the registered owner, and a description of the land to which the right or interest is claimed. The statement shall be signed and sworn to, and shall state the adverse claimant's residence, and designate a place at which all notices may be served upon him <u>or her</u>. This statement shall be entitled to registration, as an adverse claim; and the court, upon the petition of any party in interest, shall grant a speedy hearing upon the question of the validity of such adverse claim, and shall enter such decree thereon as equity and justice may require.

If the claim is adjudged to be invalid, its registration shall be canceled. The court may, in any case, award such costs and damages, including reasonable attorneys' fees, as it may deem just in the premises.

Sec. 257. RCW 65.12.690 and 1907 c 250 s 85 are each amended to read as follows:

If such action be for recovery for loss or damage arising only through any omission, mistake, or misfeasance of the registrar of titles or his or her deputies, or of any examiner of titles, or any clerk of court or his or her deputy, in the performance of their respective duties, under the provisions of this chapter, then the county treasurer shall be the sole defendant to such action; but if such action be brought for loss or damage arising only through the fraud or wrongful act of some person or persons other than the registrar or his or her deputies, the examiners of title, the clerk of the court or his or her deputies, or arising jointly through the fraud or wrongful act of such other person or persons, and the omission, mistakes, or misfeasance of the registrar of titles or his or her deputies, the examiners of titles, the clerk of the court or his or her deputies, then such action shall be brought against both the county treasurer and such persons or persons aforesaid. In all such actions, where there are defendants other than the county treasurer, and damages shall have been recovered, no final judgment shall be entered against the county treasurer, until execution against the other defendants shall be returned unsatisfied in whole or in part, and the officer returning the execution shall certify that the amount still due upon the execution cannot be collected except by application to the indemnity (([assurance])) assurance fund. Thereupon the court, being satisfied as to the truth of such return, shall order final judgment against the treasurer, for the amount of the execution and costs, or so much thereof as remains unpaid. The county treasurer shall, upon such order of the court and final judgment, pay the amount of such judgment out of the assurance fund. It shall be the duty of the county attorney to appear and defend all such actions. If the funds in the assurance funds at any time are insufficient to pay any judgment in full, the balance unpaid shall draw interest at the legal rate of interest, and be paid with such interest out of the first funds coming into said fund.

Sec. 258. RCW 65.12.710 and 1971 ex.s. c 292 s 49 are each amended to read as follows:

No action or proceeding for compensation for or by reason of any deprivation, loss, or damage occasioned or sustained as provided in this chapter, shall be made, brought, or taken, except within the period of six years from the time when right to bring or take such action or proceeding first accrued; except that if, at any time, when such right of action first accrues, the person entitled to bring such action, or take such proceeding, is under the age of eighteen years, or insane, imprisoned, or absent from the United States in the service of the United States, or of this state, then such person, or anyone claiming from, by, or under him <u>or her</u>, may bring the action, or take the proceeding, at any time within two years after such disability is removed, notwithstanding the time before limited in that behalf has expired.

Sec. 259. RCW 65.12.720 and 1907 c 250 s 88 are each amended to read as follows:

No erasure, alteration, or amendment shall be made upon the register of titles after the entry of the certificate of title, or a memorial thereon, and the attestation of the same by the registrar of titles, except by order of the court. Any registered owner, or other person in interest, may at any time apply by petition to the court, on the ground that registered interests of any description, whether vested, contingent, expectant, or inchoate, have determined and ceased; or that new interests have arisen or been created, which do not appear upon the certificate; or that an error, omission, or mistake was made in entering the certificate; or any memorial thereon, or any duplicate certificate; or that the name of any person on the certificate has been changed; or that the registered owner has been married, or if registered, has married, that the marriage has been terminated, or that a corporation which owned registered land has been dissolved, and has not conveyed the same within three years after its dissolution; or upon any other reasonable ground; and the court shall have jurisdiction to hear and determine the petition after such notice as it may order, to all parties in interest, and may order the entry of a new certificate, the entry or cancellation of a memorial upon a certificate, or grant any other relief upon such terms and conditions, requiring security if necessary, as it may deem proper: PROVIDED, HOWEVER, That this section shall not be construed to give the court authority to open the original decree of registration, and that nothing shall be done or ordered by the court which shall impair the title or other interest of the purchaser, holding a certificate for value and in good faith, or his or her heirs or assigns, without his or her or their written consent.

Sec. 260. RCW 65.12.770 and 1907 c 250 s 93 are each amended to read as follows:

No proceeding or conviction for any act hereby declared to be a felony, shall affect any remedy which any person aggrieved or injured by such act may be entitled to at law, or in equity, against the person who has committed such act, or against his <u>or her</u> estate.

Sec. 261. RCW 65.12.790 and 1973 1st ex.s. c 195 s 76 are each amended to read as follows:

The fees to be paid to the registrar of titles shall be as follows:

(1) At or before the time of filing of the certified copy of the application with the registrar, the applicant shall pay, to the registrar, on all land having an assessed value, exclusive of improvements, of one thousand dollars or less, thirty-one and one-quarter cents on each one thousand dollars, or major fraction thereof, of the assessed value of said land, additional.

(2) For granting certificates of title, upon each applicant, and registering the same, two dollars.

(3) For registering each transfer, including the filing of all instruments connected therewith, and the issuance and registration of the instruments connected therewith, and the issuance and registration of the new certificate of title, ten dollars.

(4) When the land transferred is held upon any trust, condition, or limitation, an additional fee of three dollars.

(5) For entry of each memorial on the register, including the filing of all instruments and papers connected therewith, and endorsements upon duplicate certificates, three dollars.

(6) For issuing each additional owner's duplicate certificate, mortgagee's duplicate certificate, or lessee's duplicate certificate, three dollars.

(7) For filing copy of will, with letters testamentary, or filing copy of letters of administration, and entering memorial thereof, two dollars and fifty cents.

(8) For the cancellation of each memorial, or charge, one dollar.

(9) For each certificate showing the condition of the register, one dollar.

(10) For any certified copy of any instrument or writing on file in his <u>or her</u> office, the same fees now allowed by law to county clerks and county auditors for like service.

(11) For any other service required, or necessary to carry out this chapter, and not hereinbefore itemized, such fee or fees as the court shall determine and establish.

(12) For registration of each mortgage and issuance of duplicate of title a fee of five dollars; for each deed of trust and issuance of duplicate of title a fee of eight dollars.

Sec. 262. RCW 65.12.800 and 1907 c 250 s 96 are each amended to read as follows:

One-half of all fees provided for in RCW 65.12.790(1), shall be collected by the registrar, and paid to the county treasurer of the county in which the fees are paid, to be used for the current expenses of the county; and all the remaining fees provided for in said section, and all the subdivisions thereof, shall be collected by the registrar, and applied the same as the other fees of his <u>or her</u> office; but his <u>or her</u> salary as county clerk or county auditor, as now provided by law, shall not be increased on account of the additional duties, or by reason of the allowance of additional fees provided for herein; and the said registrar, as such, shall receive no salary.

Sec. 263. RCW 65.16.070 and 1941 c 213 s 7 are each amended to read as follows:

Publications commenced in a legal newspaper, when this act takes effect, may be completed in that newspaper notwithstanding any failure to obtain an order of approval under this act, and notwithstanding an order of termination of approval prior to completion of publication. The clerk of the superior court of each county shall post and keep posted in a prominent place in his <u>or her</u> office a list of the newspapers published in that county which are approved as legal newspapers.

Sec. 264. RCW 66.04.010 and 2011 c 325 s 2 and 2011 c 195 s 3 are each reenacted and amended to read as follows:

In this title, unless the context otherwise requires:

(1) "Alcohol" is that substance known as ethyl alcohol, hydrated oxide of ethyl, or spirit of wine, which is commonly produced by the fermentation or distillation of grain, starch, molasses, or sugar, or other substances including all dilutions and mixtures of this substance. The term "alcohol" does not include alcohol in the possession of a manufacturer or distiller of alcohol fuel, as described in RCW 66.12.130, which is intended to be denatured and used as a fuel for use in motor vehicles, farm implements, and machines or implements of husbandry.

(2) "Authorized representative" means a person who:

(a) Is required to have a federal basic permit issued pursuant to the federal alcohol administration act, 27 U.S.C. Sec. 204;

(b) Has its business located in the United States outside of the state of Washington;

(c) Acquires ownership of beer or wine for transportation into and resale in the state of Washington; and which beer or wine is produced by a brewery or winery in the United States outside of the state of Washington; and

(d) Is appointed by the brewery or winery referenced in (c) of this subsection as its authorized representative for marketing and selling its products within the United States in accordance with a written agreement between the authorized representative and such brewery or winery pursuant to this title.

(3) "Beer" means any malt beverage, flavored malt beverage, or malt liquor as these terms are defined in this chapter.

(4) "Beer distributor" means a person who buys beer from a domestic brewery, microbrewery, beer certificate of approval holder, or beer importers, or who acquires foreign produced beer from a source outside of the United States, for the purpose of selling the same pursuant to this title, or who represents such brewer or brewery as agent.

(5) "Beer importer" means a person or business within Washington who purchases beer from a beer certificate of approval holder or who acquires foreign produced beer from a source outside of the United States for the purpose of selling the same pursuant to this title.

(6) "Board" means the liquor control board, constituted under this title.

(7) "Brewer" or "brewery" means any person engaged in the business of manufacturing beer and malt liquor. Brewer includes a brand owner of malt beverages who holds a brewer's notice with the federal bureau of alcohol, tobacco, and firearms at a location outside the state and whose malt beverage is contract-produced by a licensed in-state brewery, and who may exercise within the state, under a domestic brewery license, only the privileges of storing, selling to licensed beer distributors, and exporting beer from the state.

(8) "Club" means an organization of persons, incorporated or unincorporated, operated solely for fraternal, benevolent, educational, athletic, or social purposes, and not for pecuniary gain.

(9) "Confection" means a preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruits, nuts, dairy products, or flavorings, in the form of bars, drops, or pieces.

(10) "Consume" includes the putting of liquor to any use, whether by drinking or otherwise.

(11) "Contract liquor store" means a business that sells liquor on behalf of the board through a contract with a contract liquor store manager.

(12) "Craft distillery" means a distillery that pays the reduced licensing fee under RCW 66.24.140.

(13) "Dentist" means a practitioner of dentistry duly and regularly licensed and engaged in the practice of his <u>or her</u> profession within the state pursuant to chapter 18.32 RCW.

(14) "Distiller" means a person engaged in the business of distilling spirits.

(15) "Domestic brewery" means a place where beer and malt liquor are manufactured or produced by a brewer within the state.

(16) "Domestic winery" means a place where wines are manufactured or produced within the state of Washington.

(17) "Druggist" means any person who holds a valid certificate and is a registered pharmacist and is duly and regularly engaged in carrying on the business of pharmaceutical chemistry pursuant to chapter 18.64 RCW.

(18) "Drug store" means a place whose principal business is, the sale of drugs, medicines, and pharmaceutical preparations and maintains a regular prescription department and employs a registered pharmacist during all hours the drug store is open.

(19) "Employee" means any person employed by the board.

(20) "Flavored malt beverage" means:

(a) A malt beverage containing six percent or less alcohol by volume to which flavoring or other added nonbeverage ingredients are added that contain distilled spirits of not more than forty-nine percent of the beverage's overall alcohol content; or

(b) A malt beverage containing more than six percent alcohol by volume to which flavoring or other added nonbeverage ingredients are added that contain distilled spirits of not more than one and one-half percent of the beverage's overall alcohol content.

(21) "Fund" means 'liquor revolving fund.'

(22) "Hotel" means buildings, structures, and grounds, having facilities for preparing, cooking, and serving food, that are kept, used, maintained, advertised, or held out to the public to be a place where food is served and sleeping accommodations are offered for pay to transient guests, in which twenty or more rooms are used for the sleeping accommodation of such transient guests. The buildings, structures, and grounds must be located on adjacent property either owned or leased by the same person or persons.

(23) "Importer" means a person who buys distilled spirits from a distillery outside the state of Washington and imports such spirituous liquor into the state for sale to the board or for export.

(24) "Imprisonment" means confinement in the county jail.

(25) "Liquor" includes the four varieties of liquor herein defined (alcohol, spirits, wine, and beer), and all fermented, spirituous, vinous, or malt liquor, or combinations thereof, and mixed liquor, a part of which is fermented, spirituous,

vinous or malt liquor, or otherwise intoxicating; and every liquid or solid or semisolid or other substance, patented or not, containing alcohol, spirits, wine, or beer, and all drinks or drinkable liquids and all preparations or mixtures capable of human consumption, and any liquid, semisolid, solid, or other substance, which contains more than one percent of alcohol by weight shall be conclusively deemed to be intoxicating. Liquor does not include confections or food products that contain one percent or less of alcohol by weight.

(26) "Malt beverage" or "malt liquor" means any beverage such as beer, ale, lager beer, stout, and porter obtained by the alcoholic fermentation of an infusion or decoction of pure hops, or pure extract of hops and pure barley malt or other wholesome grain or cereal in pure water containing not more than eight percent of alcohol by weight, and not less than one-half of one percent of alcohol by volume. For the purposes of this title, any such beverage containing more than eight percent of alcohol by weight shall be referred to as "strong beer."

(27) "Manufacturer" means a person engaged in the preparation of liquor for sale, in any form whatsoever.

(28) "Nightclub" means an establishment that provides entertainment and has as its primary source of revenue (a) the sale of alcohol for consumption on the premises, (b) cover charges, or (c) both.

(29) "Package" means any container or receptacle used for holding liquor.

(30) "Passenger vessel" means any boat, ship, vessel, barge, or other floating craft of any kind carrying passengers for compensation.

(31) "Permit" means a permit for the purchase of liquor under this title.

(32) "Person" means an individual, copartnership, association, or corporation.

(33) "Physician" means a medical practitioner duly and regularly licensed and engaged in the practice of his <u>or her</u> profession within the state pursuant to chapter 18.71 RCW.

(34) "Prescription" means a memorandum signed by a physician and given by him <u>or her</u> to a patient for the obtaining of liquor pursuant to this title for medicinal purposes.

(35) "Public place" includes streets and alleys of incorporated cities and towns; state or county or township highways or roads; buildings and grounds used for school purposes; public dance halls and grounds adjacent thereto; those parts of establishments where beer may be sold under this title, soft drink establishments, public buildings, public meeting halls, lobbies, halls and dining rooms of hotels, restaurants, theatres, stores, garages and filling stations which are open to and are generally used by the public and to which the public is permitted to have unrestricted access; railroad trains, stages, and other public conveyances of all kinds and character, and the depots and waiting rooms used in conjunction therewith which are open to unrestricted use and access by the public; publicly owned bathing beaches, parks, and/or playgrounds; and all other places of like or similar nature to which the general public has unrestricted right of access, and which are generally used by the public.

(36) "Regulations" means regulations made by the board under the powers conferred by this title.

(37) "Restaurant" means any establishment provided with special space and accommodations where, in consideration of payment, food, without lodgings, is habitually furnished to the public, not including drug stores and soda fountains.

(38) "Sale" and "sell" include exchange, barter, and traffic; and also include the selling or supplying or distributing, by any means whatsoever, of liquor, or of any liquid known or described as beer or by any name whatever commonly used to describe malt or brewed liquor or of wine, by any person to any person; and also include a sale or selling within the state to a foreign consignee or his <u>or her</u> agent in the state. "Sale" and "sell" shall not include the giving, at no charge, of a reasonable amount of liquor by a person not licensed by the board to a person not licensed by the board, for personal use only. "Sale" and "sell" also does not include a raffle authorized under RCW 9.46.0315: PROVIDED, That the nonprofit organization conducting the raffle has obtained the appropriate permit from the board.

(39) "Service bar" means a fixed or portable table, counter, cart, or similar work station primarily used to prepare, mix, serve, and sell alcohol that is picked up by employees or customers. Customers may not be seated or allowed to consume food or alcohol at a service bar.

(40) "Soda fountain" means a place especially equipped with apparatus for the purpose of dispensing soft drinks, whether mixed or otherwise.

(41) "Spirits" means any beverage which contains alcohol obtained by distillation, except flavored malt beverages, but including wines exceeding twenty-four percent of alcohol by volume.

(42) "Store" means a state liquor store established under this title.

(43) "Tavern" means any establishment with special space and accommodation for sale by the glass and for consumption on the premises, of beer, as herein defined.

(44) "VIP airport lounge" means an establishment within an international airport located beyond security checkpoints that provides a special space to sit, relax, read, work, and enjoy beverages where access is controlled by the VIP airport lounge operator and is generally limited to the following classifications of persons:

(a) Airline passengers of any age whose admission is based on a first-class, executive, or business class ticket;

(b) Airline passengers of any age who are qualified members or allowed guests of certain frequent flyer or other loyalty incentive programs maintained by airlines that have agreements describing the conditions for access to the VIP airport lounge;

(c) Airline passengers of any age who are qualified members or allowed guests of certain enhanced amenities programs maintained by companies that have agreements describing the conditions for access to the VIP airport lounge;

(d) Airport and airline employees, government officials, foreign dignitaries, and other attendees of functions held by the airport authority or airlines related to the promotion of business objectives such as increasing international air traffic and enhancing foreign trade where access to the VIP airport lounge will be controlled by the VIP airport lounge operator; and

(e) Airline passengers of any age or airline employees whose admission is based on a pass issued or permission given by the airline for access to the VIP airport lounge.

(45) "VIP airport lounge operator" means an airline, port district, or other entity operating a VIP airport lounge that: Is accountable for compliance with the alcohol beverage control act under <u>this title</u> (($\frac{66 \text{ RCW}}{1000}$)); holds the license

under chapter 66.24 RCW issued to the VIP airport lounge; and provides a point of contact for addressing any licensing and enforcement by the board.

(46)(a) "Wine" means any alcoholic beverage obtained by fermentation of fruits (grapes, berries, apples, et cetera) or other agricultural product containing sugar, to which any saccharine substances may have been added before, during or after fermentation, and containing not more than twenty-four percent of alcohol by volume, including sweet wines fortified with wine spirits, such as port, sherry, muscatel, and angelica, not exceeding twenty-four percent of alcohol by volume and not less than one-half of one percent of alcohol by volume. For purposes of this title, any beverage containing no more than fourteen percent of alcohol by volume when bottled or packaged by the manufacturer shall be referred to as "table wine," and any beverage containing alcohol in an amount more than fourteen percent by volume when bottled or packaged by the manufacturer shall be referred to as "fortified wine." However, "fortified wine" shall not include: (i) Wines that are both sealed or capped by cork closure and aged two years or more; and (ii) wines that contain more than fourteen percent alcohol by volume solely as a result of the natural fermentation process and that have not been produced with the addition of wine spirits, brandy, or alcohol.

(b) This subsection shall not be interpreted to require that any wine be labeled with the designation "table wine" or "fortified wine."

(47) "Wine distributor" means a person who buys wine from a domestic winery, wine certificate of approval holder, or wine importer, or who acquires foreign produced wine from a source outside of the United States, for the purpose of selling the same not in violation of this title, or who represents such vintner or winery as agent.

(48) "Wine importer" means a person or business within Washington who purchases wine from a wine certificate of approval holder or who acquires foreign produced wine from a source outside of the United States for the purpose of selling the same pursuant to this title.

(49) "Winery" means a business conducted by any person for the manufacture of wine for sale, other than a domestic winery.

Sec. 265. RCW 66.08.012 and 1961 c 307 s 7 are each amended to read as follows:

There shall be a board, known as the "Washington state liquor control board," consisting of three members, to be appointed by the governor, with the consent of the senate, who shall each be paid an annual salary to be fixed by the governor in accordance with the provisions of RCW 43.03.040. The governor may, in his <u>or her</u> discretion, appoint one of the members as ((chairman)) <u>chair</u> of the board, and a majority of the members shall constitute a quorum of the board.

Sec. 266. RCW 66.08.014 and 1986 c 105 s 1 are each amended to read as follows:

(1) The members of the board to be appointed after December 2, 1948, shall be appointed for terms beginning January 15, 1949, and expiring as follows: One member of the board for a term of three years from January 15, 1949; one member of the board for a term of six years from January 15, 1949; and one member of the board for a term of nine years from January 15, 1949. Each of the members of the board appointed hereunder shall hold office until his <u>or her</u>

successor is appointed and qualified. After June 11, 1986, the term that began on January 15, 1985, will end on January 15, 1989, the term beginning on January 15, 1988, will end on January 15, 1993, and the term beginning on January 15, 1991, will end on January 15, 1997. Thereafter, upon the expiration of the term of any member appointed after June 11, 1986, each succeeding member of the board shall be appointed and hold office for the term of six years. In case of a vacancy, it shall be filled by appointment by the governor for the unexpired portion of the term in which said vacancy occurs. No vacancy in the membership of the board shall impair the right of the remaining member or members to act, except as herein otherwise provided.

(2) The principal office of the board shall be at the state capitol, and it may establish such other offices as it may deem necessary.

(3) Any member of the board may be removed for inefficiency, malfeasance, or misfeasance in office, upon specific written charges filed by the governor, who shall transmit such written charges to the member accused and to the chief justice of the supreme court. The chief justice shall thereupon designate a tribunal composed of three judges of the superior court to hear and adjudicate the charges. Such tribunal shall fix the time of the hearing, which shall be public, and the procedure for the hearing, and the decision of such tribunal shall be final and not subject to review by the supreme court. Removal of any member of the board by the tribunal shall disqualify such member for reappointment.

(4) Each member of the board shall devote his <u>or her</u> entire time to the duties of his <u>or her</u> office and no member of the board shall hold any other public office. Before entering upon the duties of his <u>or her</u> office, each of said members of the board shall enter into a surety bond executed by a surety company authorized to do business in this state, payable to the state of Washington, to be approved by the governor in the penal sum of fifty thousand dollars conditioned upon the faithful performance of his <u>or her</u> duties, and shall take and subscribe to the oath of office prescribed for elective state officers, which oath and bond shall be filed with the secretary of state. The premium for said bond shall be paid by the board.

Sec. 267. RCW 66.08.022 and 1961 ex.s. c 6 s 2 are each amended to read as follows:

The attorney general shall be the general counsel of the liquor control board and he <u>or she</u> shall institute and prosecute all actions and proceedings which may be necessary in the enforcement and carrying out of the provisions of this chapter and <u>this title (($\frac{66 \text{ RCW}}{1000}$))</u>.

He <u>or she</u> shall assign such assistants as may be necessary to the exclusive duty of assisting the liquor control board in the enforcement of <u>this title</u> ((66 $\frac{RCW}{CW}$)).

Sec. 268. RCW 66.08.080 and 1994 c 154 s 313 are each amended to read as follows:

Except as provided by chapter 42.52 RCW, no member of the board and no employee of the board shall have any interest, directly or indirectly, in the manufacture of liquor or in any liquor sold under this title, or derive any profit or remuneration from the sale of liquor, other than the salary or wages payable to

him <u>or her</u> in respect of his <u>or her</u> office or position, and shall receive no gratuity from any person in connection with such business.

Sec. 269. RCW 66.08.100 and 1935 c 174 s 9 are each amended to read as follows:

No court of the state of Washington other than the superior court of Thurston county shall have jurisdiction over any action or proceeding against the board or any member thereof for anything done or omitted to be done in or arising out of the performance of his <u>or her</u> or their duties under this title. Neither the board nor any member or members thereof shall be personally liable in any action at law for damages sustained by any person because of any acts performed or done or omitted to be done by the board or any employee of the board in the performance of his <u>or her</u> duties and in the administration of this title.

Sec. 270. RCW 66.12.030 and 1933 ex.s. c 62 s 49 are each amended to read as follows:

(1) Nothing in this title shall prevent any person licensed to manufacture liquor from keeping liquor in his <u>or her</u> warehouse or place of business.

(2) Nothing in this title shall prevent the transshipment of liquor in interstate and foreign commerce; but no person shall import liquor into the state from any other state or country, except, as herein otherwise provided, for use or sale in the state, except the board.

(3) Every provision of this title which may affect transactions in liquor between a person in this state and a person in another state or in a foreign country shall be construed to affect such transactions so far only as the legislature has power to make laws in relation thereto.

Sec. 271. RCW 66.12.070 and 1999 c 88 s 1 are each amended to read as follows:

(1) Where a medicinal preparation contains liquor as one of the necessary ingredients thereof, and also contains sufficient medication to prevent its use as an alcoholic beverage, nothing in this title shall apply to or prevent its composition or sale by a druggist when compounded from liquor purchased by the druggist under a special permit held by him <u>or her</u>, nor apply to or prevent the purchase or consumption of the preparation by any person for strictly medicinal purposes.

(2) Where a toilet or culinary preparation, that is to say, any perfume, lotion, or flavoring extract or essence, or dietary supplement as defined by the federal food and drug administration, contains liquor and also contains sufficient ingredient or medication to prevent its use as a beverage, nothing in this title shall apply to or prevent the sale or purchase of that preparation by any druggist or other person who manufactures or deals in the preparation, nor apply to or prevent the purchase or consumption of the preparation by any person who purchases or consumes it for any toilet or culinary purpose.

(3) In order to determine whether any particular medicinal, toilet, dietary supplement, or culinary preparation referred to in this section contains sufficient ingredient or medication to prevent its use as an alcoholic beverage, the board may cause a sample of the preparation, purchased or obtained from any person whomsoever, to be analyzed by an analyst appointed or designated by the board; and if it appears from a certificate signed by the analyst that he <u>or she</u> finds the

sample so analyzed by him <u>or her</u> did not contain sufficient ingredient or medication to prevent its use as an alcoholic beverage, the certificate shall be conclusive evidence that the preparation, the sample of which was so analyzed, is not a preparation the sale or purchase of which is permitted by this section.

(4) Dietary supplements that contain more than one-half of one percent alcohol which are prepared and sold under this section shall be clearly labeled and the ingredients listed on the label in accordance with the provisions of the federal food, drug, and cosmetics act (21 U.S.C. Sec. 321) as now or hereafter amended.

Sec. 272. RCW 66.12.110 and 1999 c 281 s 3 are each amended to read as follows:

A person twenty-one years of age or over may bring into the state from without the United States, free of tax and markup, for his <u>or her</u> personal or household use such alcoholic beverages as have been declared and permitted to enter the United States duty free under federal law.

Such entry of alcoholic beverages in excess of that herein provided may be authorized by the board upon payment of an equivalent markup and tax as would be applicable to the purchase of the same or similar liquor at retail from a Washington state liquor store. The board shall adopt appropriate regulations pursuant to chapter 34.05 RCW for the purpose of carrying out the provisions of this section. The board may issue a spirits, beer, and wine private club license to a charitable or nonprofit corporation of the state of Washington, the majority of the officers and directors of which are United States citizens and the minority of the officers and directors of which are citizens of the Dominion of Canada, and where the location of the premises for such spirits, beer, and wine private club license is not more than ten miles south of the border between the United States and the province of British Columbia.

Sec. 273. RCW 66.20.020 and 1933 ex.s. c 62 s 13 are each amended to read as follows:

(1) Every permit shall be issued in the name of the applicant therefor, and no permit shall be transferable, nor shall the holder of any permit allow any other person to use the permit.

(2) No person shall apply in any false or fictitious name for the issuance to him <u>or her</u> of a permit, and no person shall furnish a false or fictitious address in his <u>or her</u> application for a permit.

(3) Nothing in this title shall be construed as limiting the right of any minister, priest or rabbi, or religious organization from obtaining wine for sacramental purposes directly from any source whatsoever, whether from within the limits of the state of Washington or from outside the state; nor shall any fee be charged, directly or indirectly, for the exercise of this right. The board shall have the power and authority to make reasonable rules and regulations concerning the importing of any such liquor or wine, for the purpose of preventing any unlawful use of such right.

Sec. 274. RCW 66.20.040 and 1933 ex.s. c 62 s 14 are each amended to read as follows:

No permit shall be valid or be accepted or used for the purchase of liquor until the applicant for the permit has written his <u>or her</u> signature thereon in the

prescribed manner, for the purposes of identification as the holder thereof, in the presence of the employee to whom the application is made.

Sec. 275. RCW 66.20.080 and 1933 ex.s. c 62 s 18 are each amended to read as follows:

Upon receipt of notice of the suspension or cancellation of his <u>or her</u> permit, the holder of the permit shall forthwith deliver up the permit to the board. Where the permit has been suspended only, the board shall return the permit to the holder at the expiration or termination of the period of suspension. Where the permit has been suspended or canceled, no employee shall knowingly issue to the person whose permit is suspended or canceled a permit under this title until the end of the period of suspension or within the period of one year from the date of cancellation.

Sec. 276. RCW 66.20.090 and 1933 ex.s. c 62 s 19 are each amended to read as follows:

Where any permit is presented to an employee by a person who is not the holder of the permit, or where any permit which is suspended or canceled is presented to an employee, the employee shall retain the permit in his <u>or her</u> custody and shall forthwith notify the board of the fact of its retention.

Sec. 277. RCW 66.20.100 and 1933 ex.s. c 62 s 20 are each amended to read as follows:

Any physician who deems liquor necessary for the health of a patient, whether an interdicted person or not, whom he <u>or she</u> has seen or visited professionally may give to the patient a prescription therefor, signed by the physician, or the physician may administer the liquor to the patient, for which purpose the physician may administer the liquor purchased by him <u>or her</u> under special permit and may charge for the liquor so administered; but no prescription shall be given or liquor be administered by a physician except to bona fide patients in cases of actual need, and when in the judgment of the physician the use of liquor as medicine in the quantity prescribed or administered is necessary; and any physician who administers liquor in evasion or violation of this title shall be guilty of a violation of this title.

Sec. 278. RCW 66.20.110 and 1933 ex.s. c 62 s 21 are each amended to read as follows:

Any dentist who deems it necessary that any patient then under treatment by him <u>or her</u> should be supplied with liquor as a stimulant or restorative may administer to the patient the liquor so needed, and for that purpose the dentist shall administer liquor obtained by him <u>or her</u> under special permit pursuant to this title, and may charge for the liquor so administered; but no liquor shall be administered by a dentist except to bona fide patients in cases of actual need; and every dentist who administers liquor in evasion or violation of this title shall be guilty of a violation of this title.

Sec. 279. RCW 66.20.150 and 1933 ex.s. c 62 s 41 are each amended to read as follows:

No person shall purchase or attempt to purchase liquor under a permit which is suspended, or which has been canceled, or of which he <u>or she</u> is not the holder.

Sec. 280. RCW 66.20.190 and 1981 1st ex.s. c 5 s 9 are each amended to read as follows:

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In addition to the presentation by the holder and verification by the licensee or store employee of such card of identification, the licensee or store employee who is still in doubt about the true age of the holder shall require the person whose age may be in question to sign a certification card and record an accurate description and serial number of his <u>or her</u> card of identification thereon. Such statement shall be upon a five-inch by eight-inch file card, which card shall be filed alphabetically by the licensee or store employee at or before the close of business on the day on which the statement is executed, in the file box containing a suitable alphabetical index and the card shall be subject to examination by any peace officer or agent or employee of the board at all times. The certification card shall also contain in bold-face type a statement stating that the signer understands that conviction for unlawful purchase of alcoholic beverages or misuse of the certification card may result in criminal penalties including imprisonment or fine or both.

Sec. 281. RCW 66.24.480 and 1951 c 120 s 2 are each amended to read as follows:

"Bottle club" means a club or association operating for profit or otherwise and conducting or maintaining premises in which the members or other persons may resort for the primary or incidental purpose of keeping or consuming liquor on the premises.

Except as permitted under a license issued by the Washington state liquor control board, it is unlawful for any person to conduct or maintain by himself <u>or herself</u> or by associating with others, or to in any manner aid, assist, or abet in conducting or maintaining a bottle club.

Sec. 282. RCW 66.28.130 and 1969 ex.s. c 112 s 2 are each amended to read as follows:

It shall not be unlawful for a retail licensee whose premises are open to the general public to sell, supply, or serve liquor to a person for consumption on the licensed retail premises if said person is standing or walking, nor shall it be unlawful for such licensee to permit any said person so standing or walking to consume liquor on such premises: PROVIDED HOWEVER, That the retail licensee of such a premises may, at his <u>or her</u> discretion, promulgate a house rule that no person shall be served nor allowed to consume liquor unless said person is seated.

Sec. 283. RCW 66.32.060 and 1955 c 39 s 8 are each amended to read as follows:

At the hearing, any person claiming any interest in any of the articles seized may appear and be heard upon filing a written claim setting forth particularly the character and extent of his <u>or her</u> interest, and the burden shall rest upon the claimant to show, by competent evidence, his <u>or her</u> property right or interest in the articles claimed, and that they were not used in violation of any of the provisions of this title, and were not in any manner kept or possessed with the intention of violating any of its provisions.

Sec. 284. RCW 66.36.010 and 1939 c 172 s 9 are each amended to read as follows:

Any room, house, building, boat, vehicle, structure, or place, except premises licensed under this title, where liquor, as defined in this title, is manufactured, kept, sold, bartered, exchanged, given away, furnished, or otherwise disposed of in violation of the provisions of this title or of the laws of this state relating to the manufacture, importation, transportation, possession, distribution, and sale of liquor, and all property kept in and used in maintaining such a place, are hereby declared to be a common nuisance. The prosecuting attorney of the county in which such nuisance is situated shall institute and maintain an action in the superior court of such county in the name of the state of Washington to abate and perpetually enjoin such nuisance. The plaintiff shall not be required to give bond in such action, and restraining orders, temporary injunctions, and permanent injunctions may be granted in said cause as in other injunction proceedings, and upon final judgment against the defendant, such court may also order that said room, house, building, boat, vehicle, structure, or place, shall be closed for a period of one year; or until the owner, lessee, tenant, or occupant thereof shall give bond with sufficient surety, to be approved by the court making the order, in the penal sum of not less than one thousand dollars payable to the state of Washington, and conditioned that liquor will not thereafter be manufactured, kept, sold, bartered, exchanged, given away, furnished, or otherwise disposed of thereon or therein in violation of the provisions of this title or of the laws of this state relating to the manufacture, importation, transportation, possession, distribution, and sale of liquor, and that he or she will pay all fines, costs, and damages assessed against him or her for any violation of this title or of the laws of this state relating to the manufacture, importation, transportation, possession, distribution, and sale of liquor. If any condition of such bond be violated, the whole amount may be recovered as a penalty for the use of the county wherein the premises are situated.

In all cases where any person has been convicted of a violation of this title or the laws of this state relating to the manufacture, importation, transportation, possession, distribution, and sale of liquor an action may be brought in the superior court of the county in which the premises are situated, to abate as a nuisance any real estate or other property involved in the commission of said offense, and in any such action a certified copy of the record of such conviction shall be admissible in evidence and prima facie evidence that the room, house, building, boat, vehicle, structure, or place against which such action is brought is a public nuisance.

Sec. 285. RCW 66.40.040 and 1933 ex.s. c 62 s 84 are each amended to read as follows:

Any unit referred to in RCW 66.40.010 may hold such election upon the question of whether the sale of liquor shall be permitted within the boundaries of such unit, upon the filing with the county auditor of the county within which such unit is located, of a petition subscribed by qualified electors of the unit equal in number to at least thirty percent of the electors voting at the last general election within such unit. Such petition shall designate the unit in which the election is desired to be had, the date upon which the election is desired to be held, and the question that is desired to be submitted. The persons signing such a petition shall state their post office address, the name or number of the precinct in which they reside, and in case the subscriber be a resident of a city, the street and house number, if any, of his <u>or her</u> residence, and the date of signature. Said petition shall be filed not less than sixty days nor more than ninety days prior to the date upon which the election is to be held. No signature shall be valid unless the above requirements are complied with, and unless the date of signing the

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same is less than ninety days preceding the date of filing. No signature shall be withdrawn after the filing of such petition. Such petition may consist of one or more sheets and shall be fastened together as one document, filed as a whole, and when filed shall not be withdrawn or added to. Such petition shall be a public document and shall be subject to the inspection of the public. Upon the request of anyone filing such a petition and paying, or tendering to the county auditor one dollar for each hundred names, or fraction thereof, signed thereto, together with a copy thereof, said county auditor shall immediately compare the original and copy and attach to such copy and deliver to such person his <u>or her</u> official certificate that such copy is a true copy of the original, stating the date when such original was filed in his <u>or her</u> office; and said officer shall furnish, upon the demand of any person, a copy of said petition, upon payment of the same fee required for the filing of original petitions.

Sec. 286. RCW 66.40.100 and 1933 ex.s. c 62 s 85 are each amended to read as follows:

Upon the filing of a petition as hereinbefore provided, the county auditor with whom it is filed shall cause the names on said petition to be compared with the names on the voters' official registration records provided for by law with respect to such unit. The officer or deputy making the comparison shall place his <u>or her</u> initials in ink opposite the signatures of those persons who are shown by such registration records to be legal voters and shall certify that the signatures so initialed are the signatures of legal voters of the state of Washington and of said unit, and shall sign such certificate. In the event that said petition, after such comparison, shall be found to have been signed by the percentage of legal voters of said unit referred to in RCW 66.40.040, the question shall be placed upon the ballot at the next general election.

Sec. 287. RCW 66.40.110 and 1933 ex.s. c 62 s 86 are each amended to read as follows:

Upon the ballot to be used at such general election the question shall be submitted in the following form:

"Shall the sale of liquor be permitted within (here specify the unit in which election is to be held)." Immediately below said question shall be placed the alternative answers, as follows:

"For sale of liquor() Against sale of liquor()."

Each person desiring to vote in favor of permitting the sale of liquor within the unit in which the election is to be held shall designate his <u>or her</u> choice beside the words "For sale of liquor", and those desiring to vote against the permitting of the sale of liquor within such unit shall designate their choice beside the words "Against sale of liquor", and the ballot shall be counted accordingly.

Sec. 288. RCW 66.40.140 and 1933 ex.s. c 62 s 88 are each amended to read as follows:

Whenever a majority of qualified voters voting upon said question in any such unit shall have voted "Against sale of liquor", the county auditor shall file with the liquor control board a certificate showing the result of the canvass at such election; and thereafter, except as hereinafter provided, it shall not be

lawful for a liquor store to be operated therein nor for licensees to maintain and operate licensed premises therein except as hereinafter provided:

(1) As to any stores maintained by the board within any such unit at the time of such licensing, the board shall have a period of thirty days from and after the date of the canvass of the vote upon such election to continue operation of its store or stores therein.

(2) As to any premises licensed hereunder within any such unit at the time of such election, such licensee shall have a period of sixty days from and after the date of the canvass of the vote upon such election in which to discontinue operation of its store or stores therein.

(3) Nothing herein contained shall prevent any distillery, brewery, rectifying plant or winery or the licensed operators thereof from selling its manufactured product, manufactured within such unit, outside the boundaries thereof.

(4) Nothing herein contained shall prevent any person residing in any unit in which the sale of liquor shall have been forbidden by popular vote as herein provided, who is otherwise qualified to receive and hold a permit under this title, from lawfully purchasing without the unit and transporting into or receiving within the unit, liquor lawfully purchased by him <u>or her</u> outside the boundaries of such unit.

Sec. 289. RCW 66.44.090 and 1955 c 289 s 2 are each amended to read as follows:

Any person doing any act required to be licensed under this title without having in force a license issued to him <u>or her</u> shall be guilty of a gross misdemeanor.

Sec. 290. RCW 66.44.140 and 1980 c 140 s 4 are each amended to read as follows:

Every person who shall sell or offer for sale, or transport in any manner, any spirituous liquor, without government stamp or seal attached thereto, or who shall operate without a license, any still or other device for the production of spirituous liquor, or shall have in his <u>or her</u> possession or under his <u>or her</u> control any mash capable of being distilled into spirituous liquor except as provided in RCW 66.12.130, shall be guilty of a gross misdemeanor and upon conviction thereof shall upon his <u>or her</u> first conviction be fined not less than five hundred dollars and confined in the county jail not less than one thousand dollars and confined in the county jail not less than one thousand dollars and confined in the county jail not less than one thousand dollars and confined in the county jail not less than one thousand dollars and confined in the county jail not less than one year.

Sec. 291. RCW 66.44.170 and 1955 c 289 s 7 are each amended to read as follows:

Any person who keeps or possesses liquor upon his <u>or her</u> person or in any place, or on premises conducted or maintained by him <u>or her</u> as principal or agent with the intent to sell it contrary to provisions of this title, shall be guilty of a violation of this title. The possession of liquor by the principal or agent on premises conducted or maintained, under federal authority, as a retail dealer in liquors, shall be prima facie evidence of the intent to sell liquor.

Sec. 292. RCW 66.44.292 and 1981 1st ex.s. c 5 s 23 are each amended to read as follows:

The Washington state liquor control board shall furnish notification of any hearing or hearings held, wherein any licensee or his <u>or her</u> employee is found to

have sold liquor to a minor, to the prosecuting attorney of the county in which the sale took place, upon which the prosecuting attorney may formulate charges against said minor or minors for such violation of RCW 66.44.290 as may appear.

Sec. 293. RCW 66.98.020 and 1933 ex.s. c 62 s 94 are each amended to read as follows:

If any clause, part_• or section of this act shall be adjudged invalid, such judgment shall not affect nor invalidate the remainder of the act, but shall be confined in its operation to the clause, part_• or section directly involved in the controversy in which such judgment was rendered. If the operation of any clause, part_• or section of this act shall be held to impair the obligation of contract, or to deny to any person any right or protection secured to him <u>or her</u> by the Constitution of the United States of America, or by the Constitution of the state of Washington, it is hereby declared that, had the invalidity of such clause, part or section been considered at the time of the enactment of this act, the remainder of the act would nevertheless have been adopted without such and any and all such invalid clauses, parts_• or sections.

Sec. 294. RCW 67.04.010 and 1921 c 181 s 1 are each amended to read as follows:

Any person who shall bribe or offer to bribe, any baseball player with intent to influence his <u>or her</u> play, action, or conduct in any baseball game, or any person who shall bribe or offer to bribe any umpire of a baseball game, with intent to influence him <u>or her</u> to make a wrong decision or to bias his <u>or her</u> opinion or judgment in relation to any baseball game or any play occurring therein, or any person who shall bribe or offer to bribe any manager, or other official of a baseball club, league, or association, by whatsoever name called, conducting said game of baseball to throw or lose a game of baseball, shall be guilty of a gross misdemeanor.

Sec. 295. RCW 67.04.020 and 1921 c 181 s 2 are each amended to read as follows:

Any baseball player who shall accept or agree to accept, a bribe offered for the purpose of wrongfully influencing his <u>or her</u> play, action, or conduct in any baseball game, or any umpire of a baseball game who shall accept or agree to accept a bribe offered for the purpose of influencing him <u>or her</u> to make a wrong decision, or biasing his <u>or her</u> opinions, rulings or judgment with regard to any play, or any manager of a baseball club, or club or league official, who shall accept, or agree to accept, any bribe offered for the purpose of inducing him <u>or her</u> to lose or cause to be lost any baseball game, as set forth in RCW 67.04.010, shall be guilty of a gross misdemeanor.

Sec. 296. RCW 67.04.030 and 1921 c 181 s 3 are each amended to read as follows:

To complete the offenses mentioned in RCW 67.04.010 and 67.04.020, it shall not be necessary that the baseball player, manager, umpire, or official, shall, at the time, have been actually employed, selected, or appointed to perform ((their)) his or her respective duties; it shall be sufficient if the bribe be offered, accepted, or agreed to with the view of probable employment, selection, or appointment of the person to whom the bribe is offered, or by whom it is accepted. Neither shall it be necessary that such baseball player, umpire, or

manager actually play or participate in a game or games concerning which said bribe is offered or accepted; it shall be sufficient if the bribe be given, offered, or accepted in view of his or ((their)) her possibly participating therein.

Sec. 297. RCW 67.04.040 and 1921 c 181 s 4 are each amended to read as follows:

By a "bribe" as used in RCW 67.04.010 through 67.04.080, is meant any gift, emolument, money or thing of value, testimonial, privilege, appointment, or personal advantage, or the promise of either, bestowed or promised for the purpose of influencing, directly or indirectly, any baseball player, manager, umpire, club or league official, to see which game an admission fee may be charged, or in which game of baseball any player, manager, or umpire is paid any compensation for his <u>or her</u> services. Said bribe as defined in RCW 67.04.010 through 67.04.080 need not be direct; it may be such as is hidden under the semblance of a sale, bet, wager, payment of a debt, or in any other manner designed to cover the true intention of the parties.

Sec. 298. RCW 67.04.050 and 1921 c 181 s 5 are each amended to read as follows:

Any baseball player, manager or club or league official who shall commit any willful act of omission or commission in playing, or directing the playing, of a baseball game, with intent to cause the ball club, with which he <u>or she</u> is affiliated, to lose a baseball game; or any umpire officiating in a baseball game, or any club or league official who shall commit any willful act connected with his <u>or her</u> official duties for the purpose and with the intent to cause a baseball club to win or lose a baseball game, which it would not otherwise have won or lost under the rules governing the playing of said game, shall be guilty of a gross misdemeanor.

Sec. 299. RCW 67.04.070 and 1921 c 181 s 7 are each amended to read as follows:

Nothing in RCW 67.04.010 through 67.04.080 shall be construed to prohibit the giving or offering of any bonus or extra compensation to any manager or baseball player by any person to encourage such manager or player to a higher degree of skill, ability, or diligence in the performance of his <u>or her</u> duties.

Sec. 300. RCW 67.04.090 and 1951 c 78 s 2 are each amended to read as follows:

As used in RCW 67.04.090 through 67.04.150 the following terms shall have the following meanings:

(1) "Minor" shall mean any person under the age of eighteen years, and who has not graduated from high school: PROVIDED, That should he <u>or she</u> become eighteen during his <u>or her</u> senior year he <u>or she</u> shall be a minor until the end of the school year;

(2) "Contract" shall mean any contract, agreement, bonus, or gratuity arrangement, whether oral or written;

(3) "Organized professional baseball" shall mean and include all persons, firms, corporations, associations, or teams or clubs, or agents thereof, engaged in professional baseball, or in promoting the interest of professional baseball, or sponsoring or managing other persons, firms, corporations, associations, teams, or clubs who play baseball in any of the major or minor professional baseball leagues, or any such league hereafter organized;

(4) "Agent" shall, in addition to its generally accepted legal meaning, mean and include those persons commonly known as "baseball scouts";

(5) "Prosecuting attorney" shall mean the prosecuting attorney, or his <u>or her</u> regular deputy, of the county in which the minor's parent is domiciled;

(6) "Parent" shall mean parent, parents, or guardian.

Sec. 301. RCW 67.04.120 and 1951 c 78 s 5 are each amended to read as follows:

The prosecuting attorney shall have the authority to examine all the parties to the proposed contract and any other interested person and shall approve such contract if the following facts and circumstances are found to exist:

(1) That the minor has not been signed, approached, or contacted, directly or indirectly, pertaining to a professional baseball contract except as herein permitted by approval of the prosecuting attorney;

(2) That the minor has been apprised of the fact that approval of the contract may deprive him <u>or her</u> of his <u>or her</u> amateur status;

(3) That the parent of the minor and the minor have consented to the contract;

(4) That the prosecuting attorney has concluded that the contract conforms to the provisions of RCW 67.04.090 through 67.04.150, and is a valid and binding contract;

(5) That the contract permits the minor to have at least five months available each year to continue his <u>or her</u> high school education.

Sec. 302. RCW 67.14.040 and 1973 1st ex.s. c 154 s 100 are each amended to read as follows:

The legislative authorities of each county, in their respective counties, shall have the power to grant license to persons to keep drinking houses or saloons therein, at which spirituous, malt, or fermented liquors and wines may be sold in less quantities than one gallon; and such license shall be called a retail license upon the payment, by the person applying for such license, of the sum of three hundred dollars a year into the county treasury, and the execution of a good and sufficient bond, executed to such county in the sum of one thousand dollars, to be approved by such legislative authority or the county auditor of the county in which such license is granted, conditioned that he or she will keep such drinking saloon or house in a quiet, peaceable, and orderly manner: PROVIDED, The foregoing shall not be so construed as to prevent the legislative authority of any county from granting licenses to drinking saloons or houses therein, when there is but little business doing, for less than three hundred dollars, but in no case for less than one hundred dollars per annum: AND PROVIDED FURTHER, That such license shall be used only in the precinct to which it shall be granted; PROVIDED FURTHER, that no license shall be used in more than one place at the same time. AND FURTHER PROVIDED, That no license shall be granted to any person to retail spirituous liquors until he or she shall furnish to the legislative authority satisfactory proof that he or she is a person of good moral character.

Sec. 303. RCW 67.14.070 and 1873 p 439 s 7 are each amended to read as follows:

Any person desiring a license to do any business provided by this chapter that a license shall be taken out for doing, shall have the same granted by paying

to the county treasurer of the county where he <u>or she</u> wishes to carry on such business the maximum sum that the county commissioners are by this chapter authorized to fix therefor, and executing such bond, to be approved by the county auditor, as is provided in this chapter, shall be given before license shall issue for carrying on such business.

Sec. 304. RCW 67.16.015 and 1977 c 75 s 80 are each amended to read as follows:

The commission shall organize by electing one of its members ((chairman)) chair, and shall appoint and employ a secretary, and such other clerical, office, and other help as is necessary in the performance of the duties imposed upon it by this chapter. The commission shall keep detailed records of all meetings and of the business transacted therein, and of all the collections and disbursements. The commission shall prepare and submit an annual report to the governor. All records of the commission shall be public records and as such, subject to public inspection.

Sec. 305. RCW 67.16.017 and 1984 c 287 s 100 are each amended to read as follows:

Each member of the Washington horse racing commission shall be compensated in accordance with RCW 43.03.250 and shall be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060 in going to, attending, and returning from meetings of the commission, and travel expenses incurred in the discharge of such duties as may be requested of him <u>or her</u> by a majority vote of the commission, but in no event shall a commissioner be paid in any one fiscal year in excess of one hundred twenty days, except the ((chairman)) chair of the commission who may be paid for not more than one hundred fifty days.

Sec. 306. RCW 67.70.030 and 1982 2nd ex.s. c 7 s 3 are each amended to read as follows:

There is created the state lottery commission to consist of five members appointed by the governor with the consent of the senate. Of the initial members, one shall serve a term of two years, one shall serve a term of three years, one shall serve a term of four years, one shall serve a term of five years, and one shall serve a term of six years. Their successors, all of whom shall be citizen members appointed by the governor with the consent of the senate, upon being appointed and qualified, shall serve six-year terms. No member of the commission who has served a full six-year term is eligible for reappointment. In case of a vacancy, it shall be filled by appointment by the governor for the unexpired portion of the term in which the vacancy occurs.

The governor shall designate one member of the commission to serve as ((ehairman)) chair at the governor's pleasure.

A majority of the members shall constitute a quorum for the transaction of business.

Sec. 307. RCW 67.70.050 and 1998 c 245 s 106 are each amended to read as follows:

There is created the office of director of the state lottery. The director shall be appointed by the governor with the consent of the senate. The director shall serve at the pleasure of the governor and shall receive such salary as is determined by the governor, but in no case may the director's salary be more than ninety percent of the salary of the governor. The director shall:

(1) Supervise and administer the operation of the lottery in accordance with the provisions of this chapter and with the rules of the commission.

(2) Appoint such deputy and assistant directors as may be required to carry out the functions and duties of his <u>or her</u> office: PROVIDED, That the provisions of the state civil service law, chapter 41.06 RCW, shall not apply to such deputy and assistant directors.

(3) Appoint such professional, technical, and clerical assistants and employees as may be necessary to perform the duties imposed by this chapter: PROVIDED, That the provisions of the state civil service law, chapter 41.06 RCW, shall not apply to such employees as are engaged in undercover audit or investigative work or security operations but shall apply to other employees appointed by the director, except as provided for in subsection (2) of this section.

(4) In accordance with the provisions of this chapter and the rules of the commission, license as agents to sell or distribute lottery tickets such persons as in his <u>or her</u> opinion will best serve the public convenience and promote the sale of tickets or shares. The director may require a bond from any licensed agent, in such amount as provided in the rules of the commission. Every licensed agent shall prominently display his <u>or her</u> license, or a copy thereof, as provided in the rules of the commission, and, if established, shall be deposited in the state lottery account created by RCW 67.70.230.

(5) Confer regularly as necessary or desirable with the commission on the operation and administration of the lottery; make available for inspection by the commission, upon request, all books, records, files, and other information and documents of the lottery; and advise the commission and recommend such matters as the director deems necessary and advisable to improve the operation and administration of the lottery.

(6) Subject to the applicable laws relating to public contracts, enter into contracts for the operation of the lottery, or any part thereof, and into contracts for the promotion of the lottery. No contract awarded or entered into by the director may be assigned by the holder thereof except by specific approval of the commission: PROVIDED, That nothing in this chapter authorizes the director to enter into public contracts for the regular and permanent administration of the lottery after the initial development and implementation.

(7) Certify quarterly to the state treasurer and the commission a full and complete statement of lottery revenues, prize disbursements, and other expenses for the preceding quarter.

(8) Carry on a continuous study and investigation of the lottery throughout the state: (a) For the purpose of ascertaining any defects in this chapter or in the rules issued thereunder by reason whereof any abuses in the administration and operation of the lottery or any evasion of this chapter or the rules may arise or be practiced, (b) for the purpose of formulating recommendations for changes in this chapter and the rules promulgated thereunder to prevent such abuses and evasions, (c) to guard against the use of this chapter and the rules issued thereunder as a cloak for the carrying on of professional gambling and crime, and (d) to ensure that this chapter and rules shall be in such form and be so administered as to serve the true purposes of this chapter.

(9) Make a continuous study and investigation of: (a) The operation and the administration of similar laws which may be in effect in other states or countries, (b) the operation of an additional game or games for the benefit of a particular program or purpose, (c) any literature on the subject which from time to time may be published or available, (d) any federal laws which may affect the operation of the lottery, and (e) the reaction of the citizens of this state to existing and potential features of the lottery with a view to recommending or effecting changes that will tend to serve the purposes of this chapter.

(10) Have all enforcement powers granted in chapter 9.46 RCW.

(11) Perform all other matters and things necessary to carry out the purposes and provisions of this chapter.

Sec. 308. RCW 67.70.070 and 1982 2nd ex.s. c 7 s 7 are each amended to read as follows:

No license as an agent to sell lottery tickets or shares may be issued to any person to engage in business exclusively as a lottery sales agent. Before issuing a license, the director shall consider such factors as: (1) The financial responsibility and security of the person and his <u>or her</u> business or activity, (2) the accessibility of his <u>or her</u> place of business or activity to the public, (3) the sufficiency of existing licenses to serve the public convenience, and (4) the volume of expected sales.

For purposes of this section, the term "person" means an individual, association, corporation, club, trust, estate, society, company, joint stock company, receiver, trustee, assignee, referee, or any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, and any combination of individuals. "Person" does not mean any department, commission, agency, or instrumentality of the state, or any county or municipality or any agency or instrumentality thereof, except for retail outlets of the state liquor control board.

Sec. 309. RCW 67.70.200 and 1987 c 511 s 9 are each amended to read as follows:

The director, in his <u>or her</u> discretion, may require any or all lottery sales agents to deposit to the credit of the state lottery account in banks designated by the state treasurer, all moneys received by such agents from the sale of lottery tickets or shares, less the amount, if any, retained as compensation for the sale of the tickets or shares, and to file with the director or his <u>or her</u> designated agents, reports of their receipts and transactions in the sale of lottery tickets in such form and containing such information as he <u>or she</u> may require. The director may make such arrangements for any person, including a bank, to perform such functions, activities, or services in connection with the operation of the lottery as he or she may deem advisable pursuant to this chapter and the rules of the commission, and such functions, activities, or services shall constitute lawful functions, activities, and services of such person.

Sec. 310. RCW 67.70.290 and 1982 2nd ex.s. c 7 s 29 are each amended to read as follows:

The state auditor shall conduct an annual postaudit of all accounts and transactions of the lottery and such other special postaudits as he <u>or she</u> may be directed to conduct pursuant to chapter 43.09 RCW.

Sec. 311. RCW 68.40.085 and 1953 c 290 s 24 are each amended to read as follows:

It is a misdemeanor for any cemetery authority, its officers, employees, or agents, or a cemetery broker or ((salesman)) salesperson to represent that an endowment care fund, or any other fund set up for maintaining care, is perpetual.

Sec. 312. RCW 68.40.090 and 1987 c 331 s 39 are each amended to read as follows:

Any person, partnership, corporation, association, or his <u>or her</u> or its agents or representatives who shall violate any of the provisions of this chapter or make any false statement appearing on any sign, contract, agreement, receipt, statement, literature, or other publication shall be guilty of a misdemeanor.

Sec. 313. RCW 68.44.030 and 1985 c 30 s 138 are each amended to read as follows:

Endowment care funds shall be kept invested in accordance with the provisions of RCW 11.100.020 subject to the following restrictions:

(1) No officer or director of the cemetery authority, trustee of the endowment care or special care funds, or spouse, sibling, parent, grandparent, or issue of such officer, director, or trustee, shall borrow any of such funds for himself <u>or herself</u>, directly or indirectly.

(2) No funds shall be loaned to the cemetery authority, its agents, or employees, or to any corporation, partnership, or other business entity in which the cemetery authority has any ownership interest.

(3) No funds shall be invested with persons or business entities operating in a business field directly related to cemeteries, including, but not limited to, mortuaries, monument production and sales, florists, and rental of funeral facilities.

(4) Notwithstanding any other provisions contained in this section, funds may be invested in any commercial bank, mutual savings bank, or savings and loan association duly chartered and operating under the laws of the United States or statutes of the state of Washington.

Sec. 314. RCW 68.50.040 and 1917 c 90 s 6 are each amended to read as follows:

Duplicate lists of all jewelry, moneys, papers, and other personal property of the deceased shall be made immediately upon finding the same by the coroner or his <u>or her</u> assistants. The original of such lists shall be kept as a public record at the morgue and the duplicate thereof shall be forthwith duly certified to by the coroner and filed with the county auditor.

Sec. 315. RCW 68.50.060 and 1891 c 123 s 1 are each amended to read as follows:

Any physician or surgeon of this state, or any medical student under the authority of any such physician or surgeon, may obtain, as hereinafter provided, and have in his <u>or her</u> possession human dead bodies, or the parts thereof, for the purposes of anatomical inquiry or instruction.

Sec. 316. RCW 68.50.080 and 1891 c 123 s 3 are each amended to read as follows:

Every physician or surgeon before receiving the dead body must give to the board or officer surrendering the same to him <u>or her</u> a certificate from the medical society of the county in which he <u>or she</u> resides, or if there is none, from

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the board of supervisors of the same, that he <u>or she</u> is a fit person to receive such dead body. He <u>or she</u> must also give a bond with two sureties, that each body so by him <u>or her</u> received will be used only for the promotion of anatomical science, and that it will be used for such purpose in this state only, and so as in no event to outrage the public feeling.

Sec. 317. RCW 68.50.102 and 1953 c 188 s 12 are each amended to read as follows:

Any party by showing just cause may petition the court to have autopsy made and results thereof made known to said party at his <u>or her</u> own expense.

Sec. 318. RCW 68.50.300 and 1981 c 176 s 2 are each amended to read as follows:

(1) The county coroner, medical examiner, or prosecuting attorney having jurisdiction may in such official's discretion release information concerning a person's death to the media and general public, in order to aid in identifying the deceased, when the identity of the deceased is unknown to the official and when he <u>or she</u> does not know the information to be readily available through other sources.

(2) The county coroner, medical examiner, or prosecuting attorney may withhold any information which directly or indirectly identifies a decedent until either:

(a) A notification period of forty-eight hours has elapsed after identification of the decedent by such official; or

(b) The next of kin of the decedent has been notified.

During the forty-eight hour notification period, such official shall make a good faith attempt to locate and notify the next of kin of the decedent.

Sec. 319. RCW 68.52.120 and 1947 c 6 s 4 are each amended to read as follows:

A copy of the petition with the names of petitioners omitted, together with a notice signed by the clerk of the board of county commissioners stating the day, hour, and place of the hearing, shall be published in three consecutive weekly issues of the official newspaper of the county prior to the date of hearing. Said clerk shall also cause a copy of the petition with the names of petitioners omitted, together with a copy of the notice attached, to be posted for not less than fifteen days before the date of hearing in each of three public places within the boundaries of the proposed district, to be previously designated by him or her and made a matter of record in the proceedings.

Sec. 320. RCW 68.52.260 and 1986 c 167 s 24 are each amended to read as follows:

Each cemetery commissioner, before assuming the duties of his <u>or her</u> office, shall take and subscribe an official oath to faithfully discharge the duties of his <u>or her</u> office, which oath shall be filed in the office of the county auditor.

Sec. 321. RCW 68.52.270 and 1947 c 6 s 19 are each amended to read as follows:

The board of cemetery district commissioners shall organize and elect a ((ehairman)) chair from ((their)) its number and shall appoint a secretary for such term as ((they)) the board may determine. The secretary shall keep a record of proceedings of the board and perform such other duties as may be prescribed by law or by the board, and shall also take and subscribe an oath for the faithful

discharge of his or her duties, which shall be filed with the county clerk. The office of the board of cemetery commissioners and principal place of business of the district shall be at some place in the district designated by the board. The board shall hold regular monthly meetings at its office on such day as it may by resolution determine and may adjourn such meetings as may be required for the transaction of business. Special meetings of the board may be called at any time by a majority of the commissioners or by the secretary and the ((ehairman)) chair of the board. Any commissioner not joining in the call of a special meeting shall be entitled to three days written notice by mail of such meeting, specifying generally the business to be transacted. All meetings of the board of cemetery commissioners shall be public and a majority shall constitute a quorum. All records of the board shall be open to the inspection of any elector of the district at any meeting of the board. The board shall adopt a seal for the district; manage and conduct the affairs of the district; make and execute all necessary contracts; employ any necessary service, and promulgate reasonable rules and regulations for the government of the district and the performance of its functions and generally perform all acts which may be necessary to carry out the purposes for which the district was formed.

Sec. 322. RCW 68.54.040 and 1969 ex.s. c 78 s 4 are each amended to read as follows:

The board of the merger district may, by resolution, reject the petition, or it may concur therein as presented, or it may modify the terms and conditions of the proposed merger, and shall transmit the petition, together with a copy of its resolution thereon to the merging district. If the petition is concurred in as presented or as modified, the board of the merging district shall forthwith present the petition to the auditor of the county in which the merging district is situated, who shall within thirty days examine the signatures thereon and certify to the sufficiency or insufficiency thereof, and for that purpose he <u>or she</u> shall have access to all registration books and records in the possession of the registration officers of the election precincts included, in whole or in part, within the merging district. Such books and records shall be prima facie evidence of truth of the certificate. No signatures may be withdrawn from the petition after the filing.

Sec. 323. RCW 68.54.050 and 1969 ex.s. c 78 s 5 are each amended to read as follows:

If the auditor finds that the petition contains the signatures of a sufficient number of qualified electors, he <u>or she</u> shall return it, together with his <u>or her</u> certificate of sufficiency attached thereto, to the board of the merging district. Thereupon such board shall adopt a resolution, calling a special election in the merging district, at which shall be submitted to the electors thereof, the question of the merger.

Sec. 324. RCW 68.54.070 and 1969 ex.s. c 78 s 7 are each amended to read as follows:

If three-fifths of all the qualified electors in the merging district sign the petition to merge, no election on the question of the merger is necessary. In such case, the auditor shall return the petition, together with his <u>or her</u> certificate of sufficiency attached thereto, to the board of the merging district. Thereupon the boards of the respective districts shall adopt their concurrent resolutions of

merger in the same manner and to the same effect as if the merger had been authorized by an election.

Sec. 325. RCW 68.54.110 and 1969 ex.s. c 78 s 11 are each amended to read as follows:

If three-fifths of all the qualified electors in the area to be merged sign a petition to merge the districts, no election on the question of the merger is necessary, in which case the auditor shall return the petition, together with his <u>or</u> <u>her</u> certificate of sufficiency attached thereto, to the boards of the merging districts. Thereupon the boards of the respective districts shall adopt their concurrent resolutions of transfer in the same manner and to the same effect as if the same had been authorized by an election.

Sec. 326. RCW 68.56.020 and 1943 c 247 s 37 are each amended to read as follows:

Any person violating any provision of RCW ((68.48.010)) <u>68.56.010</u> is liable, in a civil action by and in the name of the cemetery authority, to pay all damages occasioned by his <u>or her</u> unlawful acts. The sum recovered shall be applied in payment for the repair and restoration of the property injured or destroyed.

Sec. 327. RCW 68.56.060 and 1943 c 247 s 55 are each amended to read as follows:

The sexton, superintendent, or other person in charge of a cemetery, and such other persons as the cemetery authority designates have the authority of a police officer for the purpose of maintaining order, enforcing the rules and regulations of the cemetery association, the laws of the state, and the ordinances of the city or county, within the cemetery over which he <u>or she</u> has charge, and within such radius as may be necessary to protect the cemetery property.

Sec. 328. RCW 69.04.006 and 1945 c 257 s 7 are each amended to read as follows:

The term "director" means the director of the department of agriculture of the state of Washington and his <u>or her</u> duly authorized representatives.

Sec. 329. RCW 69.04.080 and 1945 c 257 s 26 are each amended to read as follows:

No person shall be subject to the penalties of RCW 69.04.060:

(1) For having violated RCW 69.04.040(3), if he <u>or she</u> establishes that he <u>or she</u> received and sold such article in good faith, unless he <u>or she</u> refuses on request of the director to furnish the name and address of the person in the state of Washington from whom he <u>or she</u> received such article and copies of all available documents pertaining to his <u>or her</u> receipt thereof; or

(2) For having violated RCW 69.04.040 (1), (3), or (4), if he <u>or she</u> establishes a guaranty or undertaking signed by, and containing the name and address of, the person in the state of Washington from whom he <u>or she</u> received such article in good faith, to the effect that such article complies with this chapter; or

(3) For having violated RCW 69.04.040(5), if he <u>or she</u> establishes a guaranty or undertaking signed by, and containing the name and address of, the person in the state of Washington from whom he <u>or she</u> received such advertisement in good faith, to the effect that such advertisement complies with this chapter; or

(4) For having violated RCW 69.04.040(9), if he <u>or she</u> establishes that he <u>or she</u> gave such guaranty or undertaking in good faith and in reliance on a guaranty or undertaking to him <u>or her</u>, which guaranty or undertaking was to the same effect and was signed by, and contained the name and address of, a person in the state of Washington.

Sec. 330. RCW 69.04.090 and 1945 c 257 s 27 are each amended to read as follows:

No publisher, radio broadcast licensee, advertising agency, or agency or medium for the dissemination of an advertisement, except the manufacturer, packer, distributor, or seller of the article to which the advertisement relates, shall be subject to the penalties of RCW 69.04.060 by reason of his <u>or her</u> dissemination of any false advertisement, unless he <u>or she</u> has refused on the request of the director to furnish the name and address of the manufacturer, packer, distributor, seller, or advertising agency in the state of Washington, who caused him <u>or her</u> to disseminate such false advertisement.

Sec. 331. RCW 69.04.160 and 1945 c 257 s 34 are each amended to read as follows:

(1) It shall be the duty of each state attorney, county attorney, or city attorney to whom the director reports any violation of this chapter, or regulations promulgated under it, to cause appropriate proceedings to be instituted in the proper courts, without delay, and to be duly prosecuted as prescribed by law.

(2) Before any violation of this chapter is reported by the director to any such attorney for the institution of a criminal proceeding, the person against whom such proceeding is contemplated shall be given appropriate notice and an opportunity to present his <u>or her</u> views to the director, either orally or in writing, with regard to such contemplated proceeding.

Sec. 332. RCW 69.04.170 and 1945 c 257 s 35 are each amended to read as follows:

Nothing in this chapter shall be construed as requiring the director to report for the institution of proceedings under this chapter, minor violations of this chapter, whenever he <u>or she</u> believes that the public interest will be adequately served in the circumstances by a suitable written notice or warning.

Sec. 333. RCW 69.04.190 and 1945 c 257 s 37 are each amended to read as follows:

Whenever in the judgment of the director such action will promote honesty and fair dealing in the interest of consumers, he <u>or she</u> shall promulgate regulations fixing and establishing for any food, under its common or usual name so far as practicable, a reasonable definition and standard of identity, a reasonable standard of quality, and/or reasonable standards of fill of container. In prescribing any standard of fill of container, consideration shall be given to and due allowance shall be made for product or volume shrinkage or expansion unavoidable in good commercial practice, and need for packing and protective material. In prescribing any standard of quality for any canned fruit or canned vegetable, consideration shall be given to and due allowance shall be made for the differing characteristics of the several varieties thereof. In prescribing a definition and standard of identity for any food or class of food in which optional ingredients are permitted, the director shall, for the purpose of promoting honesty and fair dealing in the interest of consumers, designate the optional ingredients which shall be named on the label.

Sec. 334. RCW 69.04.206 and 1971 c 49 s 2 are each amended to read as follows:

The director of the department of agriculture is hereby authorized to promulgate rules, regulations, and standards for the implementation of RCW 69.04.205 through 69.04.207. If the director has reason to believe that any packaging method, package, or container in use or proposed for use with respect to the marketing of bacon is false or misleading in any particular, or does not meet the requirements of RCW 69.04.205, he or she may direct that such use be withheld unless the packaging method, package, or container is modified in such manner as he of she may prescribe so that it will not be false or misleading. If the person, firm, or corporation using or proposing to use the packaging method, package, or container does not accept the determination of the director such person, firm, or corporation may request a hearing, but the use of the packaging method, package, or container shall, if the director so directs, be withheld pending hearing and final determination by the director. Any such determination by the director shall be conclusive unless, within thirty days after receipt of notice of such final determination, the person, firm, or corporation adversely affected thereby appeals to a court of proper jurisdiction.

Sec. 335. RCW 69.04.350 and 1945 c 257 s 53 are each amended to read as follows:

Whenever the director finds after investigation that the distribution in intrastate commerce of any class of food may, by reason of contamination with micro-organisms during the manufacture, processing, or packing thereof in any locality, be injurious to health, and that such injurious nature cannot be adequately determined after such articles have entered intrastate commerce, he or she then, and in such case only, shall promulgate regulations providing for the issuance, to manufacturers, processors, or packers of such class of food in such locality, of permits to which shall be attached such conditions governing the manufacture, processing, or packing of such class of food, for such temporary period of time, as may be necessary to protect the public health; and after the effective date of such regulations, and during such temporary period, no person shall introduce or deliver for introduction into intrastate commerce, any such food manufactured, processed, or packed by any such manufacturer, processor, or packer unless such manufacturer, processor, or packer holds a permit issued by the director as provided by such regulations. Insofar as practicable, such regulations shall conform with, shall specify the conditions prescribed by, and shall remain in effect only so long as those promulgated under section 404(a) of the federal act.

Sec. 336. RCW 69.04.390 and 1963 c 198 s 2 are each amended to read as follows:

Any poisonous or deleterious substance added to any food, except where such substance is required in the production thereof or cannot be avoided by good manufacturing practice, shall be deemed unsafe for purposes of the application of ((elause (2)(a) of)) RCW 69.04.210(2)(a); but when such substance is so required or cannot be so avoided, the director shall promulgate regulations limiting the quantity therein or thereon to such extent as he <u>or she</u> finds necessary for the protection of public health, and any quantity exceeding the limits so fixed shall also be deemed unsafe for purposes of the application of ((elause (2)(a) of)) RCW 69.04.210(2)(a). While such a regulation is in effect limiting the quantity of any such substance in the case of any food, such food shall not, by reason of bearing or containing any added amount of such substance, be considered to be adulterated within the meaning of ((elause (1) of)) RCW 69.04.210(1). In determining the quantity of such added substance to be tolerated in or on different articles of food, the director shall take into account the extent to which the use of such substance is required or cannot be avoided in the production of each such article, and the other ways in which the consumer may be affected by the same or other poisonous or deleterious substances.

Sec. 337. RCW 69.04.392 and 1975 1st ex.s. c 7 s 26 are each amended to read as follows:

(1) Any poisonous or deleterious pesticide chemical, or any pesticide chemical which generally is recognized among experts qualified by scientific training and experience to evaluate the safety of pesticide chemicals as unsafe for use, added to a raw agricultural commodity, shall be deemed unsafe for the purpose of the application of ((clause (2) of)) RCW 69.04.210(2)(a) unless:

(a) A tolerance for such pesticide chemical in or on the raw agricultural commodity has been prescribed pursuant to subsection (2) ((hereof)) of this section and the quantity of such pesticide chemical in or on the raw agricultural commodity is within the limits of the tolerance so prescribed; or

(b) With respect to use in or on such raw agricultural commodity, the pesticide chemical has been exempted from the requirement of a tolerance pursuant to subsection (2) ((hereof)) of this section.

While a tolerance or exemption from tolerance is in effect for a pesticide chemical with respect to any raw agricultural commodity, such raw agricultural commodity shall not, by reason of bearing or containing any added amount of such pesticide chemical, be considered to be adulterated within the meaning of ((clause (1) of)) RCW 69.04.210(1).

(2) The regulations promulgated under section 408 of the federal food, drug and cosmetic act, as of July 1, 1975, setting forth the tolerances for pesticide chemicals in or on any raw agricultural commodity, are hereby adopted as the regulations for tolerances applicable to this chapter: PROVIDED, That the director is hereby authorized to adopt by regulation any new or future amendments to such federal regulations for tolerances, including exemption from tolerance and zero tolerances, to the extent necessary to protect the public health. The director is also authorized to issue regulations in the absence of federal regulations and to prescribe therein tolerances for pesticides, exemptions, and zero tolerances, upon his or her own motion or upon the petition of any interested party requesting that such a regulation be established. It shall be incumbent upon such petitioner to establish, by data submitted to the director, that a necessity exists for such regulation and that the effect of such regulation will not be detrimental to the public health. If the data furnished by the petitioner is not sufficient to allow the director to determine whether such a regulation should be promulgated, the director may require additional data to be submitted and failure to comply with this request shall be sufficient grounds to deny the request of the petitioner for the issuance of such regulation.

(3) In adopting any new or amended tolerances by regulation issued pursuant to this section, the director shall give appropriate consideration, among other relevant factors, to the following: (a) The purpose of this chapter being to promote uniformity of state legislation with the federal act; (b) the necessity for the production of an adequate, wholesome, and economical food supply; (c) the other ways in which the consumer may be affected by the same pesticide chemical or by other related substances that are poisonous or deleterious; and (d) the opinion of experts qualified by scientific training and experience to determine the proper tolerance to be allowed for any pesticide chemical.

Sec. 338. RCW 69.04.570 and 1945 c 257 s 75 are each amended to read as follows:

No person shall introduce or deliver for introduction into intrastate commerce any new drug which is subject to section 505 of the federal act unless an application with respect to such drug has become effective thereunder. No person shall introduce or deliver for introduction into intrastate commerce any new drug which is not subject to section 505 of the federal act, unless (1) it has been found, by appropriate tests, that such drug is not unsafe for use under the conditions prescribed, recommended, or suggested in the labeling thereof; and (2) an application has been filed under this section of this chapter with respect to such drug: PROVIDED, That the requirement of ((elause)) subsection (2) of this section shall not apply to any drug introduced into intrastate commerce at any time prior to the enactment of this chapter or introduced into interstate commerce at any time prior to the enactment of the federal act: PROVIDED FURTHER, That if the director finds that the requirement of ((elause)) subsection (2) of this section as applied to any drug or class of drugs, is not necessary for the protection of the public health, he or she shall promulgate regulations of exemption accordingly.

Sec. 339. RCW 69.04.600 and 1945 c 257 s 78 are each amended to read as follows:

If the director finds, upon the basis of the information before him <u>or her</u> and after due notice and opportunity for hearing to the applicant, that the drug, subject to the application, is not safe for use under the conditions prescribed, recommended, or suggested in the labeling thereof, he <u>or she</u> shall, prior to such effective date, issue an order refusing to permit such application to become effective and stating the findings upon which it is based.

Sec. 340. RCW 69.04.620 and 1945 c 257 s 80 are each amended to read as follows:

Orders of the director issued under RCW 69.04.600 shall be served (1) in person by a duly authorized representative of the director or (2) by mailing the order by registered mail addressed to the applicant or respondent at his <u>or her</u> address last known to the director.

Sec. 341. RCW 69.04.750 and 1945 c 257 s 93 are each amended to read as follows:

Hearings authorized or required by this chapter shall be conducted by the director or his <u>or her</u> duly authorized representative designated for the purpose.

Sec. 342. RCW 69.04.790 and 1945 c 257 s 97 are each amended to read as follows:

Where a sample or specimen of any such article is taken for examination under this chapter, the director shall, upon request, provide a part thereof for examination by any person named on the label of such article, or the owner thereof, or his <u>or her</u> attorney or agent; except that the director is authorized, by regulation, to make such reasonable exceptions from, and to impose such reasonable terms and conditions relating to, the operation of this section as he <u>or</u> <u>she</u> finds necessary for the proper administration of the provisions of this chapter.

Sec. 343. RCW 69.04.840 and 1945 c 257 s 102 are each amended to read as follows:

The director may cause to be disseminated information regarding food, drugs, devices, or cosmetics in situations involving, in the opinion of the director, imminent danger to health or gross deception of, or fraud upon, the consumer. Nothing in this section shall be construed to prohibit the director from collecting, reporting, and illustrating the results of his <u>or her</u> examinations and investigations under this chapter.

Sec. 344. RCW 69.04.915 and 1989 1st ex.s. c 9 s 225 are each amended to read as follows:

The director of the department of agriculture shall by rule and regulation establish uniform standards for pull date labeling, and optimum storage conditions of perishable packaged food goods. In addition to his <u>or her</u> other duties, the director, in consultation with the secretary of the department of health where appropriate, may promulgate such other rules and regulations as may be necessary to carry out the purposes of RCW 69.04.900 through 69.04.920.

Sec. 345. RCW 69.07.060 and 1991 c 137 s 5 are each amended to read as follows:

The director may, subsequent to a hearing thereon, deny, suspend, or revoke any license provided for in this chapter if he <u>or she</u> determines that an applicant has committed any of the following acts:

(1) Refused, neglected, or failed to comply with the provisions of this chapter, the rules and regulations adopted hereunder, or any lawful order of the director.

(2) Refused, neglected, or failed to keep and maintain records required by this chapter, or to make such records available when requested pursuant to the provisions of this chapter.

(3) Refused the department access to any portion or area of the food processing plant for the purpose of carrying out the provisions of this chapter.

(4) Refused the department access to any records required to be kept under the provisions of this chapter.

(5) Refused, neglected, or failed to comply with any provisions of chapter 69.04 RCW, Washington <u>food</u>, <u>drug</u>, and <u>cosmetic</u> <u>act</u>, or any regulations adopted thereunder.

The provisions of this section requiring that a hearing be conducted before an action may be taken against a license do not apply to an action taken under RCW 69.07.065.

Sec. 346. RCW 69.25.080 and 1975 1st ex.s. c 201 s 9 are each amended to read as follows:

(1) For the purpose of preventing the entry into or movement in intrastate commerce of any egg product which is capable of use as human food and is misbranded or adulterated, the director shall, whenever processing operations are being conducted, unless under inspection by the United States department of agriculture, cause continuous inspection to be made, in accordance with the regulations promulgated under this chapter, of the processing of egg products, in each plant processing egg products for commerce, unless exempted under RCW 69.25.170. Without restricting the application of the preceding sentence to other kinds of establishments within its provisions, any food manufacturing establishment, institution, or restaurant which uses any eggs that do not meet the requirements of RCW 69.25.170(1)(a) in the preparation of any articles for human food, shall be deemed to be a plant processing egg products, with respect to such operations.

(2) The director, at any time, shall cause such retention, segregation, and reinspection as he <u>or she</u> deems necessary of eggs and egg products capable of use as human food in each official plant.

(3) Eggs and egg products found to be adulterated at official plants shall be condemned, and if no appeal be taken from such determination or condemnation, such articles shall be destroyed for human food purposes under the supervision of an inspector: PROVIDED, That articles which may by reprocessing be made not adulterated need not be condemned and destroyed if so reprocessed under the supervision of an inspector and thereafter found to be not adulterated. If an appeal be taken from such determination, the eggs or egg products shall be appropriately marked and segregated pending completion of an appeal inspection, which appeal shall be at the cost of the appellant if the director determines that the appeal is frivolous. If the determination of condemnation is sustained, the eggs or egg products shall be destroyed for human food purposes under the supervision of an inspector.

(4) The director shall cause such other inspections to be made of the business premises, facilities, inventory, operations, and records of egg handlers, and the records and inventory of other persons required to keep records under RCW 69.25.140, as he <u>or she</u> deems appropriate (and in the case of shell egg packers, packing eggs for the ultimate consumer, at least once each calendar quarter) to assure that only eggs fit for human food are used for such purpose, and otherwise to assure compliance by egg handlers and other persons with the requirements of RCW 69.25.140, except that the director shall cause such inspections to be made as he <u>or she</u> deems appropriate to assure compliance with such requirements at food manufacturing establishments, institutions, and restaurants, other than plants processing egg products. Representatives of the director shall be afforded access to all such places of business for purposes of making the inspections provided for in this chapter.

Sec. 347. RCW 69.25.100 and 1975 1st ex.s. c 201 s 11 are each amended to read as follows:

(1) Egg products inspected at any official plant under the authority of this chapter and found to be not adulterated shall be pasteurized before they leave the official plant, except as otherwise permitted by regulations of the director, and shall at the time they leave the official plant, bear in distinctly legible form on their shipping containers or immediate containers, or both, when required by regulations of the director, the official inspection legend and official plant

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number, of the plant where the products were processed, and such other information as the director may require by regulations to describe the products adequately and to assure that they will not have false or misleading labeling.

(2) No labeling or container shall be used for egg products at official plants if it is false or misleading or has not been approved as required by the regulations of the director. If the director has reason to believe that any labeling or the size or form of any container in use or proposed for use with respect to egg products at any official plant is false or misleading in any particular, he <u>or she</u> may direct that such use be withheld unless the labeling or container is modified in such manner as he <u>or she</u> may prescribe so that it will not be false or misleading. If the person using or proposing to use the labeling or container does not accept the determination of the director, such person may request a hearing, but the use of the labeling or container shall, if the director. Any such determination by the director shall be conclusive unless, within thirty days after receipt of notice of such final determination, the person adversely affected thereby appeals to the superior court in the county in which such person has its principal place of business.

Sec. 348. RCW 69.25.110 and 1975 1st ex.s. c 201 s 12 are each amended to read as follows:

(1) No person shall buy, sell, or transport, or offer to buy or sell, or offer or receive for transportation, in any business in intrastate commerce any restricted eggs, capable of use as human food, except as authorized by regulations of the director under such conditions as he <u>or she</u> may prescribe to assure that only eggs fit for human food are used for such purpose.

(2) No egg handler shall possess with intent to use, or use, any restricted eggs in the preparation of human food for intrastate commerce except that such eggs may be so possessed and used when authorized by regulations of the director under such conditions as he <u>or she</u> may prescribe to assure that only eggs fit for human food are used for such purpose.

(3) No person shall process any egg products for intrastate commerce at any plant except in compliance with the requirements of this chapter.

(4) No person shall buy, sell, or transport, or offer to buy or sell, or offer or receive for transportation, in intrastate commerce any egg products required to be inspected under this chapter unless they have been so inspected and are labeled and packaged in accordance with the requirements of RCW 69.25.100.

(5) No operator of any official plant shall allow any egg products to be moved from such plant if they are adulterated or misbranded and capable of use as human food.

(6) No person shall:

(a) Manufacture, cast, print, lithograph, or otherwise make any device containing any official mark or simulation thereof, or any label bearing any such mark or simulation, or any form of official certificate or simulation thereof, except as authorized by the director;

(b) Forge or alter any official device, mark, or certificate;

(c) Without authorization from the director, use any official device, mark, or certificate, or simulation thereof, or detach, deface, or destroy any official device or mark; or use any labeling or container ordered to be withheld from use under

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RCW 69.25.100 after final judicial affirmance of such order or expiration of the time for appeal if no appeal is taken under said section;

(d) Contrary to the regulations prescribed by the director, fail to use, or to detach, deface, or destroy any official device, mark, or certificate;

(e) Knowingly possess, without promptly notifying the director or his <u>or her</u> representative, any official device or any counterfeit, simulated, forged, or improperly altered official certificate or any device or label, or any eggs or egg products bearing any counterfeit, simulated, forged, or improperly altered official mark;

(f) Knowingly make any false statement in any shipper's certificate or other nonofficial or official certificate provided for in the regulations prescribed by the director;

(g) Knowingly represent that any article has been inspected or exempted, under this chapter when in fact it has not been so inspected or exempted; and

(h) Refuse access, at any reasonable time, to any representative of the director, to any plant or other place of business subject to inspection under any provisions of this chapter.

(7) No person, while an official or employee of the state or local governmental agency, or thereafter, shall use to his <u>or her</u> own advantage, or reveal other than to the authorized representatives of the United States government or the state in their official capacity, or as ordered by a court in a judicial proceeding, any information acquired under the authority of this chapter concerning any matter which the originator or relator of such information claims to be entitled to protection as a trade secret.

Sec. 349. RCW 69.25.120 and 1975 1st ex.s. c 201 s 13 are each amended to read as follows:

The director shall, whenever he <u>or she</u> determines that it would effectuate the purposes of this chapter, cooperate with any state, federal, or other governmental agencies in carrying out any provisions of this chapter. In carrying out the provisions of this chapter, the director may conduct such examinations, investigations, and inspections as he <u>or she</u> determines practicable through any officer or employee of any such agency commissioned by him <u>or her</u> for such purpose.

Sec. 350. RCW 69.25.140 and 1975 1st ex.s. c 201 s 15 are each amended to read as follows:

For the purpose of enforcing the provisions of this chapter and the regulations promulgated thereunder, all persons engaged in the business of transporting, shipping, or receiving any eggs or egg products in intrastate commerce or in interstate commerce, or holding such articles so received, and all egg handlers, shall maintain such records showing, for such time and in such form and manner, as the director may prescribe, to the extent that they are concerned therewith, the receipt, delivery, sale, movement, and disposition of all eggs and egg products handled by them, and shall, upon the request of the director, permit him <u>or her</u> at reasonable times to have access to and to copy all such records.

Sec. 351. RCW 69.25.170 and 1995 c 374 s 28 are each amended to read as follows:

(1) The director may, by regulation and under such conditions and procedures as he <u>or she</u> may prescribe, exempt from specific provisions of this chapter:

(a) The sale, transportation, possession, or use of eggs which contain no more restricted eggs than are allowed by the tolerance in the official state standards for consumer grades for shell eggs;

(b) The processing of egg products at any plant where the facilities and operating procedures meet such sanitary standards as may be prescribed by the director, and where the eggs received or used in the manufacture of egg products contain no more restricted eggs than are allowed by the official standards of the state consumer grades for shell eggs, and the egg products processed at such plant;

(c) The sale of eggs by any poultry producer from his <u>or her</u> own flocks directly to a household consumer exclusively for use by such consumer and members of his <u>or her</u> household and his <u>or her</u> nonpaying guests and employees, and the transportation, possession, and use of such eggs in accordance with this subsection;

(d) The sale of eggs by shell egg packers on his <u>or her</u> own premises directly to household consumers for use by such consumer and members of his <u>or her</u> household and his <u>or her</u> nonpaying guests and employees, and the transportation, possession, and use of such eggs in accordance with this subsection;

(e) The sale of eggs by any egg producer with an annual egg production from a flock of three thousand hens or less.

(2) The director may modify or revoke any regulation granting exemption under this chapter whenever he <u>or she</u> deems such action appropriate to effectuate the purposes of this chapter.

Sec. 352. RCW 69.25.180 and 1975 1st ex.s. c 201 s 19 are each amended to read as follows:

The director may limit the entry of eggs and egg products and other materials into official plants under such conditions as he <u>or she</u> may prescribe to assure that allowing the entry of such articles into such plants will be consistent with the purposes of this chapter.

Sec. 353. RCW 69.25.200 and 1975 1st ex.s. c 201 s 21 are each amended to read as follows:

When the director has embargoed any eggs or egg products, he <u>or she</u> shall petition the superior court of the county in which the eggs or egg products are located for an order affirming such embargo. Such court shall have jurisdiction for cause shown and after a prompt hearing to any claimant of eggs or egg products, shall issue an order which directs the removal of such embargo or the destruction or correction and release of such eggs and egg products. An order for destruction or the correction and release of such eggs and egg products shall contain such provision for the payment of pertinent court costs and fees and administrative expenses as is equitable and which the court deems appropriate in the circumstances. An order for correction and release may contain such provisions for a bond as the court finds indicated in the circumstance.

Sec. 354. RCW 69.25.260 and 1979 ex.s. c 238 s 10 are each amended to read as follows:

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Any egg handler or dealer may prepay the assessment provided for in RCW 69.25.250 by purchasing Washington state egg seals from the director to be placed on egg containers showing that the proper assessment has been paid. Any carton manufacturer or printer may apply to the director for a permit to place reasonable facsimiles of the Washington state egg seals to be imprinted on egg containers or on the identification labels which show egg grade and size and the name of the egg handler or dealer. The director shall, from time to time, prescribe rules and regulations governing the affixing of seals and he <u>or she</u> is authorized to cancel any such permit issued pursuant to this chapter, whenever he <u>or she</u> finds that a violation of the terms under which the permit has been granted has been violated.

Sec. 355. RCW 69.25.320 and 1995 c 374 s 31 are each amended to read as follows:

(1) In addition to any other records required to be kept and furnished the director under the provisions of this chapter, the director may require any person who sells to any retailer, or to any restaurant, hotel, boarding house, bakery, or any institution or concern which purchases eggs for serving to guests or patrons thereof or for its use in preparation of any food product for human consumption, candled or graded eggs other than those of his or her own production sold and delivered on the premises where produced, to furnish that retailer or other purchaser with an invoice covering each such sale, showing the exact grade or quality, and the size or weight of the eggs sold, according to the standards prescribed by the director, together with the name and address of the person by whom the eggs were sold. The person selling and the retailer or other purchaser shall keep a copy of said invoice on file at his or her place of business for a period of thirty days, during which time the copy shall be available for inspection at all reasonable times by the director: PROVIDED, That no retailer or other purchaser shall be guilty of a violation of this chapter if he or she can establish a guarantee from the person from whom the eggs were purchased to the effect that they, at the time of purchase, conformed to the information required by the director on such invoice: PROVIDED FURTHER, That if the retailer or other purchaser having labeled any such eggs in accordance with the invoice keeps them for such a time after they are purchased as to cause them to deteriorate to a lower grade or standard, and sells them under the label of the invoice grade or standard, he or she shall be guilty of a violation of this chapter.

(2) Each retailer and each distributor shall store shell eggs awaiting sale or display eggs under clean and sanitary conditions in areas free from rodents and insects. Shell eggs must be stored up off the floor away from strong odors, pesticides, and cleaners.

(3) After being received at the point of first purchase, all graded shell eggs packed in containers for the purpose of sale to consumers shall be held and transported under refrigeration at ambient temperatures no greater than forty-five degrees Fahrenheit (seven and two-tenths degrees Celsius). This provision shall apply without limitation to retailers, institutional users, dealer/wholesalers, food handlers, transportation firms, or any person who handles eggs after the point of first purchase.

(4) No invoice shall be required on eggs when packed for sale to the United States department of defense, or a component thereof, if labeled with grades promulgated by the United States secretary of agriculture.

Sec. 356. RCW 69.28.020 and 1939 c 199 s 29 are each amended to read as follows:

The director is hereby empowered, through his <u>or her</u> duly authorized agents, to enforce all provisions of this chapter. The director shall have the power to define, promulgate, and enforce such reasonable regulations as he <u>or she</u> may deem necessary in carrying out the provisions of this chapter.

Sec. 357. RCW 69.28.030 and 1939 c 199 s 24 are each amended to read as follows:

The director is hereby authorized, and it shall be his <u>or her</u> duty, upon the taking effect of this chapter and from time to time thereafter, to adopt, establish, and promulgate reasonable rules and regulations specifying grades or standards of quality governing the sale of honey: PROVIDED, That, in the interest of uniformity, such grades and standards of quality shall conform as nearly to those established by the United States department of agriculture as local conditions will permit.

Sec. 358. RCW 69.28.040 and 1939 c 199 s 28 are each amended to read as follows:

The director or any of his <u>or her</u> duly authorized agents shall have the power to enter and inspect at reasonable times every place, vehicle, $plant_{\underline{a}}$ or other place where honey is being produced, stored, packed, transported, exposed, or offered for sale, and to inspect all such honey and the containers thereof and to take for inspection such samples of said honey as may be necessary.

Sec. 359. RCW 69.28.190 and 1939 c 199 s 2 are each amended to read as follows:

The term "director" means the director of agriculture of the state of Washington or his <u>or her</u> duly authorized representative.

Sec. 360. RCW 69.28.410 and 1975 1st ex.s. c 283 s 3 are each amended to read as follows:

Whenever the director shall find, or shall have probable cause to believe, that any honey or product subject to the provisions of this chapter, as now or hereafter amended, is in intrastate commerce, which was introduced into such intrastate commerce in violation of the provisions of this chapter, as now or hereafter amended, he <u>or she</u> is hereby authorized to affix to such honey or product a notice placing an embargo on such honey or product, and prohibiting its sale in intrastate commerce, and no person shall move or sell such honey or product without first receiving permission from the director to move or sell such honey or product. But if, after such honey or product has been embargoed, the director shall find that such honey or product does not involve a violation of this chapter, as now or hereafter amended, such embargo shall be forthwith removed.

Sec. 361. RCW 69.28.420 and 1975 1st ex.s. c 283 s 4 are each amended to read as follows:

When the director has embargoed any honey or product, he <u>or she</u> shall, no later than twenty days after the affixing of notice of its embargo, petition the superior court for an order affirming such embargo. Such court shall then have jurisdiction, for cause shown and after prompt hearing to any claimant of such honey or product, to issue an order which directs the removal of such embargo or the destruction or the correction and release of such honey or product. An order for destruction or correction and release shall contain such provision for the payment of pertinent court costs and fees and administrative expenses, as is equitable and which the court deems appropriate in the circumstances. An order for correction and release may contain such provision for bond, as the court finds indicated in the circumstances.

Sec. 362. RCW 69.36.010 and 1929 c 82 s 1 are each amended to read as follows:

In this chapter, unless the context or subject matter otherwise requires((,)):

(1) The term "dangerous caustic or corrosive substance" means each and all of the acids, alkalis, and substances named below: (a) Hydrochloric acid and any preparation containing free or chemically unneutralized hydrochloric acid (HCl) in a concentration of ten percent or more; (b) sulphuric acid and any preparation containing free or chemically unneutralized sulphuric acid (H_2SO_4) in concentration of ten percent or more; (c) nitric acid or any preparation containing free or chemically unneutralized nitric acid (HNO₃) in a concentration of five percent or more; (d) carbolic acid (C_6H_5OH), otherwise known as phenol, and any preparation containing carbolic acid in a concentration of five percent or more; (e) oxalic acid and any preparation containing free or chemically unneutralized oxalic acid $(H_2C_2O_4)$ in a concentration of ten percent or more; (f) any salt of oxalic acid and any preparation containing any such salt in a concentration of ten percent or more; (g) acetic acid or any preparation containing free or chemically unneutralized acetic acid $(HC_2H_3O_2)$ in a concentration of twenty percent or more; (h) hypochlorous acid, either free or combined, and any preparation containing the same in a concentration so as to yield ten percent or more by weight of available chlorine, excluding calx chlorinata, bleaching powder, and chloride of lime; (i) potassium hydroxide and any preparation containing free or chemically unneutralized potassium hydroxide (KOH), including caustic potash and Vienna paste, in a concentration of ten percent or more; (j) sodium hydroxide and any preparation containing free or chemically unneutralized sodium hydroxide (NaOH), including caustic soda and lye, in a concentration of ten percent or more; (k) silver nitrate, sometimes known as lunar caustic, and any preparation containing silver nitrate (AgNO₃) in a concentration of five percent or more((7)); and (1) ammonia water and any preparation yielding free or chemically uncombined ammonia (NH₃), including ammonium hydroxide and "hartshorn", in a concentration of five percent or more.

(2) The term "misbranded parcel, package, or container" means a retail parcel, package, or container of any dangerous caustic or corrosive substance for household use, not bearing a conspicuous, easily legible label or sticker, containing (a) the name of the article; (b) the name and place of business of the manufacturer, packer, seller, or distributor; (c) the word "POISON", running parallel with the main body of reading matter on said label or sticker, on a clear, plain background of a distinctly contrasting color, in uncondensed gothic capital letters, the letters to be not less than twenty-four point size, unless there is on said label or sticker no other type so large, in which event the type shall be not smaller than the largest type on the label or sticker((τ)); and (d) directions for treatment in case of accidental personal injury by the dangerous caustic or corrosive substance; PROVIDED, That such directions need not appear on labels or stickers on parcels, packages, or containers at the time of shipment or

of delivery for shipment by manufacturers or wholesalers for other than household use. PROVIDED FURTHER, That this chapter is not to be construed as applying to any substance subject to the chapter, sold at wholesale or retail for use by a retail druggist in filling prescriptions or in dispensing, in pursuance of a prescription by a physician, dentist, or veterinarian; or for use by or under the direction of a physician, dentist, or veterinarian; or for use by a chemist in the practice or teaching of his <u>or her</u> profession; or for any industrial or professional use, or for use in any of the arts and sciences.

Sec. 363. RCW 69.36.020 and 1929 c 82 s 2 are each amended to read as follows:

No person shall sell, barter, or exchange, or receive, hold, pack, display, or offer for sale, barter, or exchange, in this state any dangerous caustic or corrosive substance in a misbranded parcel, package, or container, said parcel, package, or container being designed for household use; PROVIDED, That household products for cleaning and washing purposes, subject to this chapter and labeled in accordance therewith, may be sold, offered for sale, held for sale, and distributed in this state by any dealer, wholesale or retail; PROVIDED FURTHER, That no person shall be liable to prosecution and conviction under this chapter when he <u>or she</u> establishes a guaranty bearing the signature and address of a vendor residing in the United States from whom he <u>or she</u> purchased the dangerous caustic or corrosive substance, to the effect that such substance is not misbranded within the meaning of this chapter. No person in this state shall give any such guaranty when such dangerous caustic or corrosive substance is in fact misbranded within the meaning of this chapter.

Sec. 364. RCW 69.36.040 and 1929 c 82 s 5 are each amended to read as follows:

The director of agriculture shall enforce the provisions of this chapter, and he <u>or she</u> is hereby authorized and empowered to approve and register such brands and labels intended for use under the provisions of this chapter as may be submitted to him <u>or her</u> for that purpose and as may in his <u>or her</u> judgment conform to the requirements of this statute: PROVIDED, HOWEVER, That in any prosecution under this chapter the fact that any brand or label involved in said prosecution has not been submitted to said director for approval, or if submitted, has not been approved by him <u>or her</u>, shall be immaterial.

Sec. 365. RCW 69.41.130 and 1986 c 52 s 2 are each amended to read as follows:

Unless the brand name drug is requested by the patient or the patient's representative, the pharmacist shall substitute an equivalent drug product which he <u>or she</u> has in stock if its wholesale price to the pharmacist is less than the wholesale price of the prescribed drug product, and at least sixty percent of the savings shall be passed on to the purchaser.

Sec. 366. RCW 69.50.102 and 1981 c 48 s 1 are each amended to read as follows:

(a) As used in this chapter, "drug paraphernalia" means all equipment, products, and materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing, concealing,

injecting, ingesting, inhaling, or otherwise introducing into the human body a controlled substance. It includes, but is not limited to:

(1) Kits used, intended for use, or designed for use in planting, propagating, cultivating, growing, or harvesting of any species of plant which is a controlled substance or from which a controlled substance can be derived;

(2) Kits used, intended for use, or designed for use in manufacturing, compounding, converting, producing, processing, or preparing controlled substances;

(3) Isomerization devices used, intended for use, or designed for use in increasing the potency of any species of plant which is a controlled substance;

(4) Testing equipment used, intended for use, or designed for use in identifying or in analyzing the strength, effectiveness, or purity of controlled substances;

(5) Scales and balances used, intended for use, or designed for use in weighing or measuring controlled substances;

(6) Diluents and adulterants, such as quinine hydrochloride, mannitol, mannite, dextrose, and lactose, used, intended for use, or designed for use in cutting controlled substances;

(7) Separation gins and sifters used, intended for use, or designed for use in removing twigs and seeds from, or in otherwise cleaning or refining, marihuana;

(8) Blenders, bowls, containers, spoons, and mixing devices used, intended for use, or designed for use in compounding controlled substances;

(9) Capsules, balloons, envelopes, and other containers used, intended for use, or designed for use in packaging small quantities of controlled substances;

(10) Containers and other objects used, intended for use, or designed for use in storing or concealing controlled substances;

(11) Hypodermic syringes, needles, and other objects used, intended for use, or designed for use in parenterally injecting controlled substances into the human body;

(12) Objects used, intended for use, or designed for use in ingesting, inhaling, or otherwise introducing marihuana, cocaine, hashish, or hashish oil into the human body, such as:

(i) Metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes with or without screens, permanent screens, hashish heads, or punctured metal bowls;

(ii) Water pipes;

(iii) Carburetion tubes and devices;

(iv) Smoking and carburetion masks;

(v) Roach clips: Meaning objects used to hold burning material, such as a marihuana cigarette, that has become too small or too short to be held in the hand;

(vi) Miniature cocaine spoons, and cocaine vials;

(vii) Chamber pipes;

(viii) Carburetor pipes;

(ix) Electric pipes;

(x) Air-driven pipes;

(xi) Chillums;

(xii) Bongs; and

(xiii) Ice pipes or chillers.

(b) In determining whether an object is drug paraphernalia under this section, a court or other authority should consider, in addition to all other logically relevant factors, the following:

(1) Statements by an owner or by anyone in control of the object concerning its use;

(2) Prior convictions, if any, of an owner, or of anyone in control of the object, under any state or federal law relating to any controlled substance;

(3) The proximity of the object, in time and space, to a direct violation of this chapter;

(4) The proximity of the object to controlled substances;

(5) The existence of any residue of controlled substances on the object;

(6) Direct or circumstantial evidence of the intent of an owner, or of anyone in control of the object, to deliver it to persons whom he <u>or she</u> knows, or should reasonably know, intend to use the object to facilitate a violation of this chapter; the innocence of an owner, or of anyone in control of the object, as to a direct violation of this chapter shall not prevent a finding that the object is intended or designed for use as drug paraphernalia;

(7) Instructions, oral or written, provided with the object concerning its use;

(8) Descriptive materials accompanying the object which explain or depict its use;

(9) National and local advertising concerning its use;

(10) The manner in which the object is displayed for sale;

(11) Whether the owner, or anyone in control of the object, is a legitimate supplier of like or related items to the community, such as a licensed distributor or dealer of tobacco products;

(12) Direct or circumstantial evidence of the ratio of sales of the object(s) to the total sales of the business enterprise;

(13) The existence and scope of legitimate uses for the object in the community; and

(14) Expert testimony concerning its use.

Sec. 367. RCW 69.50.309 and 1971 ex.s. c 308 s 69.50.309 are each amended to read as follows:

A person to whom or for whose use any controlled substance has been prescribed, sold, or dispensed by a practitioner, and the owner of any animal for which such controlled substance has been prescribed, sold, or dispensed may lawfully possess it only in the container in which it was delivered to him <u>or her</u> by the person selling or dispensing the same.

Sec. 368. RCW 69.50.412 and 2002 c 213 s 1 are each amended to read as follows:

(1) It is unlawful for any person to use drug paraphernalia to plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, prepare, test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or otherwise introduce into the human body a controlled substance. Any person who violates this subsection is guilty of a misdemeanor.

(2) It is unlawful for any person to deliver, possess with intent to deliver, or manufacture with intent to deliver drug paraphernalia, knowing, or under circumstances where one reasonably should know, that it will be used to plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, prepare, test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or otherwise introduce into the human body a controlled substance. Any person who violates this subsection is guilty of a misdemeanor.

(3) Any person eighteen years of age or over who violates subsection (2) of this section by delivering drug paraphernalia to a person under eighteen years of age who is at least three years his <u>or her</u> junior is guilty of a gross misdemeanor.

(4) It is unlawful for any person to place in any newspaper, magazine, handbill, or other publication any advertisement, knowing, or under circumstances where one reasonably should know, that the purpose of the advertisement, in whole or in part, is to promote the sale of objects designed or intended for use as drug paraphernalia. Any person who violates this subsection is guilty of a misdemeanor.

(5) It is lawful for any person over the age of eighteen to possess sterile hypodermic syringes and needles for the purpose of reducing bloodborne diseases.

Sec. 369. RCW 69.50.502 and 1971 ex.s. c 308 s 69.50.502 are each amended to read as follows:

Issuance and execution of administrative inspection warrants shall be as follows:

(1) A judge of a superior court, or a judge of a district court within his <u>or her</u> jurisdiction, and upon proper oath or affirmation showing probable cause, may issue warrants for the purpose of conducting administrative inspections authorized by this chapter or rules hereunder, and seizures of property appropriate to the inspections. For purposes of the issuance of administrative inspection warrants, probable cause exists upon showing a valid public interest in the effective enforcement of this chapter or rules hereunder, sufficient to justify administrative inspection of the area, premises, building, or conveyance in the circumstances specified in the application for the warrant;

(2) A warrant shall issue only upon an affidavit of a designated officer or employee having knowledge of the facts alleged, sworn to before the judge and establishing the grounds for issuing the warrant. If the judge is satisfied that grounds for the application exist or that there is probable cause to believe they exist, he <u>or she</u> shall issue a warrant identifying the area, premises, building, or conveyance to be inspected, the purpose of the inspection, and, if appropriate, the type of property to be inspected, if any. The warrant shall:

(a) \underline{S} tate the grounds for its issuance and the name of each person whose affidavit has been taken in support thereof;

(b) Be directed to a person authorized by RCW 69.50.500 to execute it;

(c) <u>C</u>ommand the person to whom it is directed to inspect the area, premises, building, or conveyance identified for the purpose specified and, if appropriate, direct the seizure of the property specified;

(d) <u>I</u>dentify the item or types of property to be seized, if any;

(e) Direct that it be served during normal business hours and designate the judge to whom it shall be returned;

(3) A warrant issued pursuant to this section must be executed and returned within ten days of its date unless, upon a showing of a need for additional time, the court orders otherwise. If property is seized pursuant to a warrant, a copy shall be given to the person from whom or from whose premises the property is taken, together with a receipt for the property taken. The return of the warrant shall be made promptly, accompanied by a written inventory of any property taken. The inventory shall be made in the presence of the person executing the warrant and of the person from whose possession or premises the property was taken, if present, or in the presence of at least one credible person other than the person executing the warrant. A copy of the inventory shall be delivered to the person from whom or from whose premises the property was taken and to the applicant for the warrant;

(4) The judge who has issued a warrant shall attach thereto a copy of the return and all papers returnable in connection therewith and file them with the clerk of the court in which the inspection was made.

Sec. 370. RCW 69.50.506 and 1971 ex.s. c 308 s 69.50.506 are each amended to read as follows:

(a) It is not necessary for the state to negate any exemption or exception in this chapter in any complaint, information, indictment, or other pleading or in any trial, hearing, or other proceeding under this chapter. The burden of proof of any exemption or exception is upon the person claiming it.

(b) In the absence of proof that a person is the duly authorized holder of an appropriate registration or order form issued under this chapter, he <u>or she</u> is presumed not to be the holder of the registration or form. The burden of proof is upon him or her to rebut the presumption.

(c) No liability is imposed by this chapter upon any authorized state, county, or municipal officer, engaged in the lawful performance of his <u>or her</u> duties.

Sec. 371. RCW 69.50.507 and 1971 ex.s. c 308 s 69.50.507 are each amended to read as follows:

All final determinations, findings, and conclusions of the state board of pharmacy under this chapter are final and conclusive decisions of the matters involved. Any person aggrieved by the decision may obtain review of the decision in the superior court wherein he <u>or she</u> resides or in the superior court of Thurston county, such review to be in conformity with the administrative procedure act, chapter 34.05 RCW.

Sec. 372. RCW 70.08.060 and 1961 ex.s. c 5 s 4 are each amended to read as follows:

The director of public health under this chapter shall be registrar of vital statistics for all cities and counties under his <u>or her</u> jurisdiction and shall conduct such vital statistics work in accordance with the same laws and/or rules and regulations pertaining to vital statistics for a city of the first class.

Sec. 373. RCW 70.37.030 and 2002 c 91 s 1 are each amended to read as follows:

There is hereby established a public body corporate and politic, with perpetual corporate succession, to be known as the Washington health care facilities authority. The authority shall constitute a political subdivision of the state established as an instrumentality exercising essential governmental functions. The authority is a "public body" within the meaning of RCW 39.53.010. The authority shall consist of the governor who shall serve as ((chairman)) chair, the lieutenant governor, the insurance commissioner, the secretary of health, and one member of the public who shall be appointed by the governor, subject to confirmation by the senate, on the basis of the member's interest or expertise in health care delivery, for a term expiring on the fourth

anniversary of the date of appointment. In the event that any of the offices referred to shall be abolished, the resulting vacancy on the authority shall be filled by the officer who shall succeed substantially to the powers and duties thereof. The members of the authority shall be compensated in accordance with RCW 43.03.240 and shall be entitled to reimbursement, solely from the funds of the authority, for travel expenses incurred in the discharge of their duties under this chapter, subject to the provisions of RCW 43.03.050 and 43.03.060. A majority shall constitute a quorum.

The governor and the insurance commissioner each may designate an employee of his or her office to act on his or her behalf during the absence of the governor or the insurance commissioner at one or more of the meetings of the authority. The vote of the designee shall have the same effect as if cast by the governor or the insurance commissioner if the designation is in writing and is presented to the person presiding at the meetings included within the designation.

The governor may designate a member to preside during the governor's absence.

Sec. 374. RCW 70.37.050 and 1983 c 210 s 2 and 1983 c 167 s 171 are each reenacted and amended to read as follows:

The authority shall establish rules concerning its exercise of the powers authorized by this chapter. The authority shall receive from applicants requests for the providing of bonds for financing of health care facilities and shall investigate and determine the need and the feasibility of providing such bonds. Whenever the authority deems it necessary or advisable for the benefit of the public health to provide financing for a health care facility, it shall adopt a financing plan therefor and shall declare the estimated cost thereof, as near as may be, including as part of such cost funds necessary for the expenses incurred in the financing as well as in the construction or purchase or other acquisition or in connection with the rental or other payment for the use thereof, interest during construction, reserve funds and any funds necessary for initial start-up costs, and shall issue and sell its bonds for the purposes of carrying out the proposed financing plan: PROVIDED, That if a certificate of need is required for the proposed project, no such financing plan shall be adopted until such certificate has been issued pursuant to chapter 70.38 RCW by the secretary of the department of social and health services. The authority shall have power as a part of such plan to create a special fund or funds for the purpose of defraying the cost of such project and for other projects of the same participant subsequently or at the same time approved by it and for their maintenance, improvement, reconstruction, remodeling, and rehabilitation, into which special fund or funds it shall obligate and bind the participant to set aside and pay from the gross revenues of the project or from other sources an amount sufficient to pay the principal and interest of the bonds being issued, reserves and other requirements of the special fund and to issue and sell bonds payable as to both principal and interest out of such fund or funds relating to the project or projects of such participant.

Such bonds shall bear such date or dates, mature at such time or times, be in such denominations, be in such form, either coupon or registered, or both, as provided in RCW 39.46.030, carry such registration privileges, be made transferable, exchangeable, and interchangeable, be payable in such medium of

payment, at such place or places, be subject to such terms of redemption, bear such fixed or variable rate or rates of interest, and be sold in such manner, at such price, as the authority shall determine. Such bonds shall be executed by the ((chairman)) <u>chair</u>, by either its duly elected secretary or its executive director, and by the trustee if the authority determines to utilize a trustee for the bonds. Execution of the bonds may be by manual or facsimile signature: PROVIDED, That at least one signature placed thereon shall be manually subscribed. Any interest coupons appurtenant to the bonds shall be executed by facsimile or manual signature or signatures, as the authority shall determine.

Sec. 375. RCW 70.40.040 and 1979 c 141 s 98 are each amended to read as follows:

In carrying out the purposes of the chapter the secretary is authorized and directed:

(1) To require such reports, make such inspections and investigations, and prescribe such regulations as he or she deems necessary;

(2) To provide such methods of administration, appoint a head and other personnel of the section, and take such other action as may be necessary to comply with the requirements of the federal act and the regulations thereunder;

(3) To procure in his <u>or her</u> discretion the temporary or intermittent services of experts or consultants or organizations thereof, by contract, when such services are to be performed on a part time or fee for service basis and do not involve the performance of administrative duties;

(4) To the extent that he <u>or she</u> considers desirable to effectuate the purposes of this chapter, to enter into agreements for the utilization of the facilities and services of other departments, agencies, and institutions public or private;

(5) To accept on behalf of the state and to deposit with the state treasurer, any grant, gift, or contribution made to assist in meeting the cost of carrying out the purposes of this chapter, and to expend the same for such purpose; and

(6) To make an annual report to the governor on activities pursuant to this chapter, including recommendations for such additional legislation as the secretary considers appropriate to furnish adequate hospital and medical facilities to the people of this state.

Sec. 376. RCW 70.40.090 and 1979 c 141 s 101 are each amended to read as follows:

The secretary shall prepare and submit to the surgeon general a state plan which shall include the hospital and medical facility construction program developed under this chapter and which shall provide for the establishment, administration, and operation of hospital and medical facility construction activities in accordance with the requirements of the federal act and the regulations thereunder. The secretary shall, prior to the submission of such plan to the surgeon general, give adequate publicity to a general description of all the provisions proposed to be included therein, and hold a public hearing at which all persons or organizations with a legitimate interest in such plan may be given an opportunity to express their views. After approval of the plan by the surgeon general, the secretary shall publish a general description of the provisions thereof in at least one newspaper having general circulation in the state, and shall make the plan, or a copy thereof, available upon request to all interested persons or organizations. The secretary shall from time to time review the hospital and medical facility construction program and submit to the surgeon general any modifications thereof which he <u>or she</u> may find necessary and may submit to the surgeon general such modifications of the state plan, not inconsistent with the requirements of the federal act, as he <u>or she</u> may deem advisable.

Sec. 377. RCW 70.40.130 and 1979 c 141 s 104 are each amended to read as follows:

The secretary shall afford to every applicant for a construction project an opportunity for a fair hearing. If the secretary, after affording reasonable opportunity for development and presentation of applications in the order of relative need, finds that a project application complies with the requirements of RCW 70.40.120 and is otherwise in conformity with the state plan, he <u>or she</u> shall approve such application and shall recommend and forward it to the surgeon general.

Sec. 378. RCW 70.44.020 and 1990 c 259 s 38 are each amended to read as follows:

At any general election or at any special election which may be called for that purpose, the county legislative authority of a county may, or on petition of ten percent of the registered voters of the county based on the total vote cast in the last general county election, shall, by resolution, submit to the voters of the county the proposition of creating a public hospital district coextensive with the limits of the county. The petition shall be filed with the county auditor, who shall within fifteen days examine the signatures thereon and certify to the sufficiency thereof, and for that purpose the auditor shall have access to all registration books in the possession of election officers in the county. If the petition is found to be insufficient, it shall be returned to the persons filing it, who may amend or add names thereto for ten days, when it shall be returned to the auditor, who shall have an additional fifteen days to examine it and attach the certificate thereto. No person signing the petition may withdraw his or her name therefrom after filing. When the petition is certified as sufficient, the auditor shall forthwith transmit it, together with the certificate of sufficiency attached thereto, to the county legislative authority, who shall immediately transmit the proposition to the supervisor of elections or other election officer of the county, and he or she shall submit the proposition to the voters at the next general election or if such petition so requests, shall call a special election on such proposition in accordance with RCW ((29.13.010)) 29A.04.321 and ((29.13.020)) 29A.04.330. The notice of the election shall state the boundaries of the proposed district and the object of the election, and shall in other respects conform to the requirements of law governing the time and manner of holding elections. In submitting the question to the voters, the proposition shall be expressed on the ballot substantially in the following terms:

For public hospital district No. Against public hospital district No.

Sec. 379. RCW 70.44.171 and 1967 c 227 s 1 are each amended to read as follows:

The treasurer of the county in which a public hospital district is located shall be treasurer of the district, except that the commission by resolution may designate some other person having experience in financial or fiscal matters as treasurer of the district. If the treasurer is not the county treasurer, the commission shall require a bond, with a surety company authorized to do business in the state of Washington, in an amount and under the terms and conditions which the commission by resolution from time to time finds will protect the district against loss. The premium on any such bond shall be paid by the district.

All district funds shall be paid to the treasurer and shall be disbursed by him <u>or her</u> only on warrants issued by an auditor appointed by the commission, upon orders or vouchers approved by it. The treasurer shall establish a public hospital district fund, into which shall be paid all district funds, and he <u>or she</u> shall maintain such special funds as may be created by the commission, into which he <u>or she</u> shall place all money as the commission may, by resolution, direct.

If the treasurer of the district is the treasurer of the county all district funds shall be deposited with the county depositaries under the same restrictions, contracts, and security as provided for county depositaries. If the treasurer of the district is some other person, all funds shall be deposited in such bank or banks authorized to do business in this state as the commission by resolution shall designate, and with surety bond to the district or securities in lieu thereof of the kind, no less in amount, as provided in RCW 36.48.020 for deposit of county funds. Such surety bond or securities in lieu thereof shall be filed or deposited with the treasurer of the district, and approved by resolution of the commission.

All interest collected on district funds shall belong to the district and be deposited to its credit in the proper district funds.

A district may provide and require a reasonable bond of any other person handling moneys or securities of the district. The district may pay the premium on such bond.

Sec. 380. RCW 70.44.185 and 1971 ex.s. c 218 s 4 are each amended to read as follows:

Notwithstanding any other provision of law, including RCW 70.44.040, whenever the boundary line between contiguous hospital districts bisects an irrigation block unit placing part of the unit in one hospital district and the balance thereof in another such district, the county auditor, upon his <u>or her</u> approval of a request therefor after public hearing thereon, shall change the hospital district boundary lines so that the entire farm unit of the person so requesting shall be wholly in one of such hospital districts and give notice thereof to those hospital district and county officials as he <u>or she</u> shall deem appropriate therefor.

Sec. 381. RCW 70.50.020 and 1945 c 23 s 2 are each amended to read as follows:

The otologist shall cooperate with the state department of public instruction, and with the state, county, and city health officers, seeking for the children in the schools who are hard of hearing, or have an impaired sense of hearing, and making otological inspections and examinations of children referred to him <u>or</u> her by such departments and officers. Where necessary or proper, he <u>or she</u> shall make recommendations to parents or guardians of such children, and urge them to submit such recommendations to physicians to be selected by such parents or guardians.

Sec. 382. RCW 70.54.050 and 1909 c 249 s 287 are each amended to read as follows:

Every person who shall willfully expose himself or herself to another, or any animal affected with any contagious or infectious disease, in any public place or thoroughfare, except upon his <u>or her</u> or its necessary removal in a manner not dangerous to the public health; and every person so affected who shall expose any other person thereto without his <u>or her</u> knowledge, shall be guilty of a misdemeanor.

Sec. 383. RCW 70.58.010 and 1979 ex.s. c 52 s 2 are each amended to read as follows:

Each city of the first class shall constitute a primary registration district and each county and the territory of counties jointly comprising a health district, exclusive of the portion included within cities of the first class, shall constitute a primary registration area. All other counties and municipal areas not included in the foregoing shall be divided into registration areas by the state registrar as he <u>or she</u> may deem essential to obtain the most efficient registration of vital events as provided by law.

Sec. 384. RCW 70.58.020 and 1979 ex.s. c 52 s 3 are each amended to read as follows:

Under the direction and control of the state registrar, the health officer of each city of the first class shall be the local registrar in and for the primary registration district under his <u>or her</u> supervision as health officer and the health officer of each county and district health department shall be the local registrar in and for the registration area which he <u>or she</u> supervises as health officer and shall serve as such as long as he <u>or she</u> performs the registration duties as prescribed by law. He <u>or she</u> may be removed as local registrar of the registration area which he <u>or she</u> serves by the state board of health upon its finding of evidence of neglect in the performance of his <u>or her</u> duties as such areas not included in the foregoing and also in areas where the state board of health has removed the health officer from this position as registrar.

Each local registrar, subject to the approval of the state registrar, shall appoint in writing a sufficient number of deputy registrars to administer the laws relating to vital statistics, and shall certify the appointment of such deputies to the state registrar. Deputy registrars shall act in the case of absence, death, illness, or disability of the local registrar, or such other conditions as may be deemed sufficient cause to require their services.

Sec. 385. RCW 70.58.040 and 1961 ex.s. c 5 s 7 are each amended to read as follows:

A local registrar shall be paid the sum of one dollar for each birth, death, or fetal death certificate registered for his <u>or her</u> district which sum shall cover making out the burial-transit permit and record of the certificate to be filed and preserved in his <u>or her</u> office. If no births or deaths were registered during any month, the local registrar shall be paid the sum of one dollar for each report to that effect: PROVIDED, That all local health officers who are by statute required to serve as local registrars shall not be entitled to the fee of one dollar. Neither shall any members of their staffs be entitled to the above fee of one dollar when such persons serve as deputy registrars. All fees payable to local

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registrars shall be paid by the treasurer of the county or city, properly chargeable therewith, out of the funds of the county or city, upon warrants drawn by the auditor, or other proper officer of the county or city. No warrant shall be issued to a local registrar except upon a statement, signed by the state registrar, stating the names and addresses respectively of the local registrars entitled to fees from the county or city, and the number of certificates and reports of births, deaths, and fetal deaths, properly returned to the state registrar, by each local registrar, during three preceding calendar months prior to the date of the statement, and the amount of fees to which each local registrar is entitled, which statement the state registrar shall file with the proper officers during the months of January, April, July, and October of each year. Upon filing of the statement, the auditor or other proper officer of the county or city shall issue warrants for the amount due each local registrar.

Sec. 386. RCW 70.58.050 and 1907 c 83 s 22 are each amended to read as follows:

The local registrars are hereby charged with the strict and thorough enforcement of the provisions of this act in their districts, under the supervision and direction of the state registrar. And they shall make an immediate report to the state registrar of any violations of this law coming to their notice by observation or upon the complaint of any person, or otherwise. The state registrar is hereby charged with the thorough and efficient execution of the provisions of this act in every part of the state, and with supervisory power over local registrars, to the end that all of the requirements shall be uniformly complied with. He or she shall have authority to investigate cases of irregularity or violation of law, personally or by accredited representative, and all local registrars shall aid him or her, upon request, in such investigation. When he or she shall deem it necessary, he or she shall report cases of violation of any of the provisions of this act to the prosecuting attorney of the proper county with a statement of the fact and circumstances; and when any such case is reported to them by the state registrar, all prosecuting attorneys or officials acting in such capacity shall forthwith initiate and promptly follow up the necessary court proceedings against the parties responsible for the alleged violations of law. And upon request of the state registrar, the attorney general shall likewise assist in the enforcement of the provisions of this act.

Sec. 387. RCW 70.58.095 and 1983 1st ex.s. c 41 s 14 are each amended to read as follows:

The state registrar of vital statistics shall establish a new certificate of birth for a person born in this state when he <u>or she</u> receives a request that a new certificate be established and such evidence as required by regulation of the state board of health proving that such person has been acknowledged, or that a court of competent jurisdiction has determined the paternity of such person. When a new certificate of birth is established, the actual place and date of birth shall be shown. It shall be substituted for the original certificate of birth. Thereafter, the original certificate and the evidence of paternity, or acknowledgment shall not be subject to inspection except upon order of a court of competent jurisdiction, or upon written request of the department of social and health services, the attorney general, or a prosecuting attorney, stating that the documents are being sought in furtherance of an action to enforce a duty of support. If no certificate of birth is on file for the person for whom a new certificate is to be established under this section, a delayed registration of birth shall be filed with the state registrar of vital statistics as provided in RCW 70.58.120.

Sec. 388. RCW 70.58.145 and 1961 ex.s. c 5 s 20 are each amended to read as follows:

When a person alleged to be born in this state is unable to meet the requirements for a delayed registration of birth in accordance with RCW 70.58.120, he <u>or she</u> may petition the superior court of the county of residence or of the county of birth for an order establishing a record of the date and place of his <u>or her</u> birth, and his <u>or her</u> parentage. The court shall fix a time for hearing the petition, and the state registrar shall be given notice at least twenty days prior to the date set for hearing in order that he <u>or she</u> may present at the hearing any information he <u>or she</u> believes will be useful to the court. If the court from the evidence presented to it finds that the petitioner was born in this state, the court shall issue an order to establish a record of birth. This order shall include the birth data to be registered. If the court orders the birth of a person born in this state registrar.

Sec. 389. RCW 70.58.270 and 1907 c 83 s 16 are each amended to read as follows:

All superintendents or managers, or other persons in charge of hospitals, almshouses, lying-in or other institutions, public or private, to which persons resort for treatment of disease, confinement, or are committed by process of law, are hereby required to make a record of all the personal and statistical particulars relative to the inmates in their institutions, at the date of approval of this act, that are required in the form of the certificate provided for by this act, as directed by the state registrar; and thereafter such record shall be by them made for all future inmates at the time of their admission. And in case of persons admitted or committed for medical treatment of contagious disease, the physician in charge shall specify, for entry in the record, the nature of the disease, and where, in his or her opinion, it was contracted. The personal particulars and information required by this section shall be obtained from the individual himself or herself, if it is practicable to do so; and when they cannot be so obtained, they shall be secured in as complete a manner as possible from the relatives, friends, or other persons acquainted with the facts.

Sec. 390. RCW 70.74.010 and 2002 c 370 s 1 are each amended to read as follows:

As used in this chapter, unless a different meaning is plainly required by the context:

(1) The terms "authorized," "approved," or "approval" shall be held to mean authorized, approved, or approval by the department of labor and industries.

(2) The term "blasting agent" shall be held to mean and include any material or mixture consisting of a fuel and oxidizer, that is intended for blasting and not otherwise defined as an explosive; if the finished product, as mixed for use or shipment, cannot be detonated by means of a number 8 test blasting cap when unconfined. A number 8 test blasting cap is one containing two grams of a mixture of eighty percent mercury fulminate and twenty percent potassium chlorate, or a blasting cap of equivalent strength. An equivalent strength cap comprises 0.40-0.45 grams of PETN base charge pressed in an aluminum shell

with bottom thickness not to exceed 0.03 of an inch, to a specific gravity of not less than 1.4 g/cc., and primed with standard weights of primer depending on the manufacturer.

(3) The term "explosive" or "explosives" whenever used in this chapter, shall be held to mean and include any chemical compound or mechanical mixture that is commonly used or intended for the purpose of producing an explosion, that contains any oxidizing and combustible units, or other ingredients, in such proportions, quantities, or packing, that an ignition by fire, by friction, by concussion, by percussion, or by detonation of any part of the compound or mixture may cause such a sudden generation of highly heated gases that the resultant gaseous pressures are capable of producing destructive effects on contiguous objects or of destroying life or limb. In addition, the term "explosives" shall include all material which is classified as division 1.1, 1.2, 1.3, 1.4, 1.5, or 1.6 explosives by the United States department of transportation. For the purposes of this chapter, small arms ammunition, small arms ammunition primers, smokeless powder not exceeding fifty pounds, and black powder not exceeding five pounds shall not be defined as explosives, unless possessed or used for a purpose inconsistent with small arms use or other lawful purpose.

(4) Classification of explosives shall include, but not be limited to, the following:

(a) DIVISION 1.1 and 1.2 EXPLOSIVES: Possess mass explosion or detonating hazard and include dynamite, nitroglycerin, picric acid, lead azide, fulminate of mercury, black powder exceeding five pounds, blasting caps in quantities of 1001 or more, and detonating primers.

(b) DIVISION 1.3 EXPLOSIVES: Possess a minor blast hazard, a minor projection hazard, or a flammable hazard and include propellant explosives, including smokeless powder exceeding fifty pounds.

(c) DIVISION 1.4, 1.5, and 1.6 EXPLOSIVES: Include certain types of manufactured articles which contain division 1.1, 1.2, or 1.3 explosives, or all, as components, but in restricted quantities, and also include blasting caps in quantities of 1000 or less.

(5) The term "explosive-actuated power devices" shall be held to mean any tool or special mechanized device which is actuated by explosives, but not to include propellant-actuated power devices.

(6) The term "magazine", shall be held to mean and include any building or other structure, other than an explosives manufacturing building, used for the storage of explosives.

(7) The term "improvised device" means a device which is fabricated with explosives or destructive, lethal, noxious, pyrotechnic, or incendiary chemicals and which is designed, or has the capacity, to disfigure, destroy, distract, or harass.

(8) The term "inhabited building", shall be held to mean and include only a building regularly occupied in whole or in part as a habitation for human beings, or any church, schoolhouse, railroad station, store, or other building where people are accustomed to assemble, other than any building or structure occupied in connection with the manufacture, transportation, storage, or use of explosives.

(9) The term "explosives manufacturing plant" shall be held to mean and include all lands, with the buildings situated thereon, used in connection with the manufacturing or processing of explosives or in which any process involving explosives is carried on, or the storage of explosives thereat, as well as any premises where explosives are used as a component part or ingredient in the manufacture of any article or device.

(10) The term "explosives manufacturing building", shall be held to mean and include any building or other structure (excepting magazines) containing explosives, in which the manufacture of explosives, or any processing involving explosives, is carried on, and any building where explosives are used as a component part or ingredient in the manufacture of any article or device.

(11) The term "railroad" shall be held to mean and include any steam, electric, or other railroad which carries passengers for hire.

(12) The term "highway" shall be held to mean and include any public street, public alley, or public road, including a privately financed, constructed, or maintained road that is regularly and openly traveled by the general public.

(13) The term "efficient artificial barricade" shall be held to mean an artificial mound or properly revetted wall of earth of a minimum thickness of not less than three feet or such other artificial barricade as approved by the department of labor and industries.

(14) The term "person" shall be held to mean and include any individual, firm, partnership, corporation, company, association, society, joint stock company, joint stock association, and including any trustee, receiver, assignee, or personal representative thereof.

(15) The term "dealer" shall be held to mean and include any person who purchases explosives or blasting agents for the sole purpose of resale, and not for use or consumption.

(16) The term "forbidden or not acceptable explosives" shall be held to mean and include explosives which are forbidden or not acceptable for transportation by common carriers by rail freight, rail express, highway, or water in accordance with the regulations of the federal department of transportation.

(17) The term "handloader" shall be held to mean and include any person who engages in the noncommercial assembling of small arms ammunition for his <u>or her</u> own use, specifically the operation of installing new primers, powder, and projectiles into cartridge cases.

(18) The term "handloader components" means small arms ammunition, small arms ammunition primers, smokeless powder not exceeding fifty pounds, and black powder as used in muzzle loading firearms not exceeding five pounds.

(19) The term "fuel" shall be held to mean and include a substance which may react with the oxygen in the air or with the oxygen yielded by an oxidizer to produce combustion.

(20) The term "motor vehicle" shall be held to mean and include any selfpropelled automobile, truck, tractor, semi-trailer or full trailer, or other conveyance used for the transportation of freight.

(21) The term "natural barricade" shall be held to mean and include any natural hill, mound, wall, or barrier composed of earth or rock or other solid material of a minimum thickness of not less than three feet.

(22) The term "oxidizer" shall be held to mean a substance that yields oxygen readily to stimulate the combustion of organic matter or other fuel.

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(23) The term "propellant-actuated power device" shall be held to mean and include any tool or special mechanized device or gas generator system which is actuated by a propellant or which releases and directs work through a propellant charge.

(24) The term "public conveyance" shall be held to mean and include any railroad car, streetcar, ferry, cab, bus, airplane, or other vehicle which is carrying passengers for hire.

(25) The term "public utility transmission system" shall mean power transmission lines over 10 KV, telephone cables, or microwave transmission systems, or buried or exposed pipelines carrying water, natural gas, petroleum, or crude oil, or refined products and chemicals, whose services are regulated by the utilities and transportation commission, municipal, or other publicly owned systems.

(26) The term "purchaser" shall be held to mean any person who buys, accepts, or receives any explosives or blasting agents.

(27) The term "pyrotechnic" shall be held to mean and include any combustible or explosive compositions or manufactured articles designed and prepared for the purpose of producing audible or visible effects which are commonly referred to as fireworks as defined in chapter 70.77 RCW.

(28) The term "small arms ammunition" shall be held to mean and include any shotgun, rifle, pistol, or revolver cartridge, and cartridges for propellantactuated power devices and industrial guns. Military-type ammunition containing explosive bursting charges, incendiary, tracer, spotting, or pyrotechnic projectiles is excluded from this definition.

(29) The term "small arms ammunition primers" shall be held to mean small percussion-sensitive explosive charges encased in a cup, used to ignite propellant powder and shall include percussion caps as used in muzzle loaders.

(30) The term "smokeless powder" shall be held to mean and include solid chemicals or solid chemical mixtures in excess of fifty pounds which function by rapid combustion.

(31) The term "user" shall be held to mean and include any natural person, manufacturer, or blaster who acquires, purchases, or uses explosives as an ultimate consumer or who supervises such use.

Words used in the singular number shall include the plural, and the plural the singular.

Sec. 391. RCW 70.74.020 and 1982 c 111 s 1 are each amended to read as follows:

(1) No person shall manufacture, possess, store, sell, purchase, transport, or use explosives or blasting agents except in compliance with this chapter.

(2) The director of the department of labor and industries shall make and promulgate rules and regulations concerning qualifications of users of explosives and shall have the authority to issue licenses for users of explosives to effectuate the purpose of this chapter: PROVIDED, That where there is a finding by the director that the use or disposition of explosives in any class of industry presents no unusual hazard to the safety of life or limb of persons employed therewith, and where the users are supervised by a superior in an employment relationship who is sufficiently experienced in the use of explosives, and who possesses a license for such use under this chapter, the director in his or her discretion may exclude said users in those classes of industry from individual licensing.

(3) The director of the department of labor and industries shall make and promulgate rules and regulations concerning the manufacture, sale, purchase, use, transportation, storage, and disposal of explosives, and shall have the authority to issue licenses for the manufacture, purchase, sale, use, transportation, and storage of explosives to effectuate the purpose of this chapter. The director of the department of labor and industries is hereby delegated the authority to grant written waiver of this chapter whenever it can be shown that the manufacturing, handling, or storing of explosives are in compliance with applicable national or federal explosive safety standards: PROVIDED, That any resident of this state who is qualified to purchase explosives in this state and who has complied with the provisions of this chapter applicable to him or her may purchase explosives from an authorized dealer of a bordering state and may transport said explosives into this state for use herein: PROVIDED FURTHER, That residents of this state shall, within ten days of the date of purchase, present to the department of labor and industries a report signed by both vendor and vendee of every purchase from an out of state dealer, said report indicating the date of purchase, name of vendor, vendor's license number, vendor's business address, amount and kind of explosives purchased, the name of the purchaser, the purchaser's license number, and the name of receiver if different than purchaser.

(4) It shall be unlawful to sell, give away, or otherwise dispose of, or deliver to any person under twenty-one years of age any explosives including black powder, and blasting caps or other explosive igniters, whether said person is acting for himself or herself or for any other person: PROVIDED, That small arms ammunition and handloader components shall not be considered explosives for the purposes of this section: PROVIDED FURTHER, That if there is a finding by the director that said use or disposition of explosives poses no unusual hazard to the safety of life or limb in any class of industry, where persons eighteen years of age or older are employed as users, and where said persons are adequately trained and adequately supervised by a superior in an employment relationship who is sufficiently experienced in the use of explosives, and who possesses a valid license for such use under this chapter, the director in his or her discretion may exclude said persons in that class of industry from said minimum age requirement.

(5) All persons engaged in keeping, using, or storing any compound, mixture, or material, in wet condition, or otherwise, which upon drying out or undergoing other physical changes, may become an explosive within the definition of RCW 70.74.010, shall report in writing subscribed to by such person or his or her agent, to the department of labor and industries, report blanks to be furnished by such department, and such reports to require:

(a) The kind of compound, mixture, or material kept or stored, and maximum quantity thereof;

(b) Condition or state of compound, mixture, or material;

(c) Place where kept or stored.

The department of labor and industries may at any time cause an inspection to be made to determine whether the condition of the compound, mixture, or material is as reported.

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Sec. 392. RCW 70.74.110 and 1997 c 58 s 870 are each amended to read as follows:

All persons engaged in the manufacture of explosives, or any process involving explosives, or where explosives are used as a component part in the manufacture of any article or device, on August 11, 1969, shall within sixty days thereafter, and all persons engaging in the manufacture of explosives, or any process involving explosives, or where explosives are used as a component part in the manufacture of any article or device after August 11, 1969, shall, before so engaging, make an application in writing, subscribed to by such person or his <u>or her</u> agent, to the department of labor and industries, the application stating:

(1) Location of place of manufacture or processing;

(2) Kind of explosives manufactured, processed, or used;

(3) The distance that such explosives manufacturing building is located or intended to be located from the other factory buildings, magazines, inhabited buildings, railroads and highways, and public utility transmission systems;

(4) The name and address of the applicant;

(5) The reason for desiring to manufacture explosives;

(6) The applicant's citizenship, if the applicant is an individual;

(7) If the applicant is a partnership, the names and addresses of the partners, and their citizenship;

(8) If the applicant is an association or corporation, the names and addresses of the officers and directors thereof, and their citizenship; and

(9) Such other pertinent information as the director of labor and industries shall require to effectuate the purpose of this chapter.

There shall be kept in the main office on the premises of each explosives manufacturing plant a plan of said plant showing the location of all explosives manufacturing buildings and the distance they are located from other factory buildings where persons are employed and from magazines, and these plans shall at all times be open to inspection by duly authorized inspectors of the department of labor and industries. The superintendent of each plant shall upon demand of said inspector furnish the following information:

(a) The maximum amount and kind of explosive material which is or will be present in each building at one time.

(b) The nature and kind of work carried on in each building and whether or not said buildings are surrounded by natural or artificial barricades.

Except as provided in RCW 70.74.370, the department of labor and industries shall as soon as possible after receiving such application cause an inspection to be made of the explosives manufacturing plant, and if found to be in accordance with RCW 70.74.030 and 70.74.050 and 70.74.061, such department shall issue a license to the person applying therefor showing compliance with the provisions of this chapter if the applicant demonstrates that either the applicant or the officers, agents, or employees of the applicant are sufficiently experienced in the manufacture of explosives and the applicant meets the qualifications for a license under RCW 70.74.360. Such license shall continue in full force and effect until expired, suspended, or revoked by the department pursuant to this chapter.

Sec. 393. RCW 70.74.120 and 1988 c 198 s 6 are each amended to read as follows:

All persons engaged in keeping or storing and all persons having in their possession explosives on August 11, 1969, shall within sixty days thereafter, and all persons engaging in keeping or storing explosives or coming into possession thereof after August 11, 1969, shall before engaging in the keeping or storing of explosives or taking possession thereof, make an application in writing subscribed to by such person or his <u>or her</u> agent, to the department of labor and industries stating:

(1) The location of the magazine, if any, if then existing, or in case of a new magazine, the proposed location of such magazine;

(2) The kind of explosives that are kept or stored or possessed or intended to be kept or stored or possessed and the maximum quantity that is intended to be kept or stored or possessed thereat;

(3) The distance that such magazine is located or intended to be located from other magazines, inhabited buildings, explosives manufacturing buildings, railroads, highways, and public utility transmission systems;

(4) The name and address of the applicant;

(5) The reason for desiring to store or possess explosives;

(6) The citizenship of the applicant if the applicant is an individual;

(7) If the applicant is a partnership, the names and addresses of the partners and their citizenship;

(8) If the applicant is an association or corporation, the names and addresses of the officers and directors thereof and their citizenship;

(9) And such other pertinent information as the director of the department of labor and industries shall require to effectuate the purpose of this chapter.

The department of labor and industries shall, as soon as may be after receiving such application, cause an inspection to be made of the magazine, if then constructed, and, in the case of a new magazine, as soon as may be after same is found to be constructed in accordance with the specification provided in RCW 70.74.025, such department shall determine the amount of explosives that may be kept and stored in such magazine by reference to the quantity and distance tables specified in or adopted under this chapter and shall issue a license to the person applying therefor if the applicant demonstrates that either the applicant or the officers, agents, or employees of the applicant are sufficiently experienced in the handling of explosives and possess suitable storage facilities therefor, and that the applicant meets the qualifications for a license under RCW 70.74.360. Said license shall set forth the maximum quantity of explosives that may be had, kept, or stored by said person. Such license shall be valid until canceled for one or more of the causes hereinafter provided. Whenever by reason of change in the physical conditions surrounding said magazine at the time of the issuance of the license therefor, such as:

(a) The erection of buildings nearer said magazine;

(b) The construction of railroads nearer said magazine;

(c) The opening for public travel of highways nearer said magazine; or

(d) The construction of public utilities transmission systems near said magazine; then the amounts of explosives which may be lawfully had, kept_a or stored in said magazine must be reduced to conform to such changed conditions in accordance with the quantity and distance table notwithstanding the license, and the department of labor and industries shall modify or cancel such license in accordance with the changed conditions. Whenever any person to whom a

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license has been issued, keeps or stores in the magazine or has in his <u>or her</u> possession, any quantity of explosives in excess of the maximum amount set forth in said license, or whenever any person fails for thirty days to pay the annual license fee hereinafter provided after the same becomes due, the department is authorized to cancel such license. Whenever a license is canceled by the department for any cause herein specified, the department shall notify the person to whom such license is issued of the fact of such cancellation and shall in said notice direct the removal of all explosives stored in said magazine within ten days from the giving of said notice, or, if the cause of cancellation be the failure to pay the annual license fee, or the fact that explosives are kept for an unlawful purpose, the department of labor and industries shall order such person to dispossess himself <u>or herself</u> of said explosives stored in said magazine or to disposses oneself of the explosives as herein provided within the time specified in said notice shall constitute a violation of this chapter.

Sec. 394. RCW 70.74.310 and 1969 ex.s. c 137 s 27 are each amended to read as follows:

Any person other than a lawfully constituted peace officer of this state who shall deposit, leave, place, spray, scatter, spread, or throw in any building, or any place, or who shall counsel, aid, assist, encourage, incite, or direct any other person or persons to deposit, leave, place, spray, scatter, spread, or throw, in any building or place, or who shall have in his or her possession for the purpose of, and with the intent of depositing, leaving, placing, spraying, scattering, spreading, or throwing, in any building or place, or of counseling, aiding, assisting, encouraging, inciting, or directing any other person or persons to deposit, leave, place, spray, scatter, spread, or throw, any stink bomb, stink paint, tear bomb, tear shell, explosive, or flame-producing device, or any other device, material, chemical, or substance, which, when exploded or opened, or without such exploding or opening, by reason of its offensive and pungent odor, does or will annoy, injure, endanger, or inconvenience any person or persons, shall be guilty of a gross misdemeanor: PROVIDED, That this section shall not apply to persons in the military service, actually engaged in the performance of military duties, pursuant to orders from competent authority nor to any property owner or person acting under his or her authority in providing protection against the commission of a felony.

Sec. 395. RCW 70.77.450 and 1997 c 182 s 22 are each amended to read as follows:

The chief of the Washington state patrol, through the director of fire protection, may make an examination of the books and records of any licensee, or other person relative to fireworks, and may visit and inspect the premises of any licensee he <u>or she</u> may deem at any time necessary for the purpose of enforcing the provisions of this chapter. The licensee, owner, lessee, manager, or operator of any such building or premises shall permit the chief of the Washington state patrol, through the director of fire protection, his or her deputies or salaried assistants, the local fire official, and their authorized representatives to enter and inspect the premises at the time and for the purpose stated in this section.

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Sec. 396. RCW 70.77.495 and 2002 c 370 s 39 are each amended to read as follows:

It is unlawful for any person to set off fireworks of any kind in forest, fallows, grass, or brush covered land, either on his or her own land or the property of another, between April 15th and December 1st of any year, unless it is done under a written permit from the Washington state department of natural resources or its duly authorized agent, and in strict accordance with the terms of the permit and any other applicable law.

Sec. 397. RCW 70.77.545 and 1961 c 228 s 86 are each amended to read as follows:

A person is guilty of a separate offense for each day during which he or she commits, continues, or permits a violation of any provision of, or any order, rule, or regulation made pursuant to this chapter.

Sec. 398. RCW 70.79.100 and 1951 c 32 s 10 are each amended to read as follows:

(1) Within sixty days after the effective date of this chapter, and at any time thereafter that the office of the chief inspector may become vacant, the director of the department of labor and industries shall appoint a chief inspector who shall have had at the time of such appointment not less than ten years practical experience in the construction, maintenance, repair, or operation of high pressure boilers and unfired pressure vessels, as a mechanical engineer, steam engineer, boilermaker, or boiler inspector, and who shall have passed the same kind of examination as that prescribed for deputy or special inspectors in RCW 70.79.170 to be chief inspector until his or her successor shall have been appointed and qualified. Such chief inspector may be removed for cause after due investigation by the board and its recommendation to the director of the department of labor and industries.

Sec. 399. RCW 70.79.170 and 2005 c 22 s 7 are each amended to read as follows:

Examinations for deputy or special inspectors shall be in writing and shall be held by the chief and a member of the board, or by at least two national board commissioned inspectors. Such examinations shall be confined to questions the answers to which will aid in determining the fitness and competency of the applicant for the intended service. In case an applicant for an inspector's appointment or commission fails to pass the examination, he or she may appeal to the board for another examination which shall be given by the chief within ninety days. The record of an applicant's examination shall be accessible to said applicant and his or her employer.

Sec. 400. RCW 70.79.180 and 1951 c 32 s 19 are each amended to read as follows:

A commission may be suspended or revoked after due investigation and recommendation by the board to the director of the department of labor and industries for the incompetence or untrustworthiness of the holder thereof, or for willful falsification of any matter or statement contained in his or her application or in a report of any inspection. A person whose commission has been suspended or revoked, except for untrustworthiness, shall be entitled to apply to the board for reinstatement or, in the case of a revocation, for a new examination and commission after ninety days from such revocation.

Sec. 401. RCW 70.79.330 and 2008 c 181 s 205 are each amended to read as follows:

The owner or user of a boiler or pressure vessel required by this chapter to be inspected by the chief inspector, or his <u>or her</u> deputy inspector, shall pay directly to the chief inspector, upon completion of inspection, fees and expenses in accordance with a schedule adopted by the board and approved by the director of the department of labor and industries in accordance with the requirements of the administrative procedure act, chapter 34.05 RCW.

During a state of emergency declared under RCW 43.06.010(12), the governor may waive or suspend the collection of fees under this section or any portion of this section or under any administrative rule, and issue any orders to facilitate the operation of state or local government or to promote and secure the safety and protection of the civilian population.

Sec. 402. RCW 70.82.024 and 1955 c 326 s 4 are each amended to read as follows:

From and after the first day of May, 1955, all warrants drawn on the state cerebral palsy fund and not presented for payment shall be paid from the general fund, and it shall be the duty of the state treasurer and he <u>or she</u> is hereby directed to pay such warrants when presented from the general fund.

Sec. 403. RCW 70.82.030 and 1947 c 240 s 3 are each amended to read as follows:

Any resident of this state who is educable but so severely handicapped as the result of cerebral palsy that he <u>or she</u> is unable to take advantage of the regular system of free education of this state may be admitted to or be eligible for any service and facilities provided hereunder, provided such resident has lived in this state continuously for more than one year before his <u>or her</u> application for such admission or eligibility.

Sec. 404. RCW 70.93.040 and 1971 ex.s. c 307 s 4 are each amended to read as follows:

In addition to his <u>or her</u> other powers and duties, the director shall have the power to propose and to adopt pursuant to chapter 34.05 RCW rules and regulations necessary to carry out the provisions, purposes, and intent of this chapter.

Sec. 405. RCW 70.94.095 and 1969 ex.s. c 168 s 11 are each amended to read as follows:

It shall be the duty of the assessor of each component county to certify annually to the board the aggregate assessed valuation of all taxable property in all incorporated and unincorporated areas situated in any activated authority as the same appears from the last assessment roll of his <u>or her</u> county.

Sec. 406. RCW 70.94.120 and 2009 c 254 s 2 are each amended to read as follows:

(1) The city selection committee of each county which is included within an authority shall meet within one month after the activation of such authority for the purpose of making its initial appointments to the board of such authority and thereafter whenever necessary for the purpose of making succeeding appointments. All meetings shall be held upon at least two weeks written notice given by the county auditor to each member of the city selection committee of each county and he <u>or she</u> shall give such notice upon request of any member of

such committee. A similar notice shall be given to the general public by a publication of such notice in a newspaper of general circulation in such authority. The county auditor shall act as recording officer, maintain its records, and give appropriate notice of its proceedings and actions.

(2) As an alternative to meeting in accordance with subsection (1) of this section, the county auditor may administer the appointment process through the mail.

(a) At least four months prior to the expiration of the term of office, the county auditor must mail a request to each member of the city selection committee seeking nominations to the office. The members of the selection committee have until the last day of the fourth month to return the nomination to the auditor or the auditor's designee.

(b) Within five business days of the close of the nomination period, the county auditor will mail ballots by certified mail to the members of the city selection committee, specifying the date by which to return the completed ballot which is the last day of the third month prior to the expiration of the term of office. Each mayor who chooses to participate in the balloting shall mark the choice for appointment, sign the ballot, and return the ballot to the county auditor. Each completed ballot shall be date-stamped upon receipt by the mayor or staff of the mayor of the city or town. The timely return of completed ballots by a majority of the members of each city selection committee constitutes a valid appointment.

(3) At least two weeks' written notice must be given by the county auditor to each member of the city selection committee prior to the nomination process. A similar notice shall be given to the general public by publication in a newspaper of general circulation in the authority. A single notice is sufficient for both the nomination process and the balloting process.

Sec. 407. RCW 70.94.142 and 1987 c 109 s 35 are each amended to read as follows:

In connection with the subpoena powers given in RCW 70.94.141(2):

(1) In any hearing held under RCW 70.94.181 and 70.94.221, the board or the department, and their authorized agents:

(a) Shall issue a subpoena upon the request of any party and, to the extent required by rule or regulation, upon a statement or showing of general relevance and reasonable scope of the evidence sought;

(b) May issue a subpoena upon their own motion.

(2) The subpoena powers given in RCW 70.94.141(2) shall be statewide in effect.

(3) Witnesses appearing under the compulsion of a subpoena in a hearing before the board or the department shall be paid the same fees and mileage that are provided for witnesses in the courts of this state. Such fees and mileage, and the cost of duplicating records required to be produced by subpoena issued upon the motion of the board or department, shall be paid by the board or department. Such fees and mileage, and the cost of producing records required to be produced by subpoena issued upon the request of a party, shall be paid by that party.

(4) If an individual fails to obey the subpoena, or obeys the subpoena but refuses to testify when required concerning any matter under examination or investigation or the subject of the hearing, the board or department shall file its written report thereof and proof of service of its subpoena, in any court of competent jurisdiction in the county where the examination, hearing, or investigation is being conducted. Thereupon, the court shall forthwith cause the individual to be brought before it and, upon being satisfied that the subpoena is within the jurisdiction of the board or department and otherwise in accordance with law, shall punish him <u>or her</u> as if the failure or refusal related to a subpoena from or testimony in that court.

(5) The department may make such rules and regulations as to the issuance of its own subpoenas as are not inconsistent with the provisions of this chapter.

Sec. 408. RCW 70.94.390 and 1987 c 109 s 42 are each amended to read as follows:

The department may, at any time and on its own motion, hold a hearing to determine if the activation of an authority is necessary for the prevention, abatement, and control of air pollution which exists or is likely to exist in any area of the state. Notice of such hearing shall be conducted in accordance with chapter 42.30 RCW and chapter 34.05 RCW. If at such hearing the department finds that air pollution exists or is likely to occur in a particular area, and that the purposes of this chapter and the public interest will be best served by the activation of an authority it shall designate the boundaries of such area and set forth in a report to the appropriate county or counties recommendations for the activation of an authority: PROVIDED, That if at such hearing the department determines that the activation of an authority is not practical or feasible for the reason that a local or regional air pollution control program cannot be successfully established or operated due to unusual circumstances and conditions, but that the control and/or prevention of air pollution is necessary for the purposes of this chapter and the public interest, it may assume jurisdiction and so declare by order. Such order shall designate the geographic area in which, and the effective date upon which, the department will exercise jurisdiction for the control and/or prevention of air pollution. The department shall exercise its powers and duties in the same manner as if it had assumed authority under RCW 70.94.410.

All expenses incurred by the department in the control and prevention of air pollution in any county pursuant to the provisions of RCW 70.94.390 and 70.94.410 shall constitute a claim against such county. The department shall certify the expenses to the auditor of the county, who promptly shall issue his or her warrant on the county treasurer payable out of the current expense fund of the county. In the event that the amount in the current expense fund of the county is not adequate to meet the expenses incurred by the department, the department shall certify to the state treasurer that ((they have)) it has a prior claim on any money in the "liquor excise tax fund" that is to be apportioned to that county by the state treasurer as provided in RCW 82.08.170. In the event that the amount in the "liquor excise tax fund" that is to be apportioned to that county by the state treasurer is not adequate to meet the expenses incurred by the department, the department shall certify to the state treasurer that they have a prior claim on any excess funds from the liquor revolving fund that are to be distributed to that county as provided in RCW 66.08.190 through 66.08.220. All moneys that are collected as provided in this section shall be placed in the general fund in the account of the office of air programs of the department.

Sec. 409. RCW 70.94.715 and 1990 c 128 s 4 are each amended to read as follows:

The department of ecology is hereby authorized to develop an episode avoidance plan providing for the phased reduction of emissions wherever and whenever an air pollution episode is forecast. Such an episode avoidance plan shall conform with any applicable federal standards and shall be effective statewide. The episode avoidance plan may be implemented on an area basis in accordance with the occurrence of air pollution episodes in any given area.

The department of ecology may delegate authority to adopt source emission reduction plans and authority to implement all stages of occurrence up to and including the warning stage, and all intermediate stages up to the warning stage, in any area of the state, to the air pollution control authority with jurisdiction therein.

The episode avoidance plan, which shall be established by regulation in accordance with chapter 34.05 RCW, shall include, but not be limited to, the following:

(1) The designation of episode criteria and stages, the occurrence of which will require the carrying out of preplanned episode avoidance procedures. The stages of occurrence shall be (a) forecast, (b) alert, (c) warning, (d) emergency, and such intermediate stages as the department shall designate. "Forecast" means the presence of meteorological conditions that are conducive to accumulation of air contaminants and is the first stage of an episode. The department shall not call a forecast episode prior to the department or an authority calling a first stage impaired air quality condition as provided by RCW 70.94.473(1)(b) or calling a single-stage impaired air quality condition as provided by RCW 70.94.473(2). "Alert" means concentration of air contaminants at levels at which short-term health effects may occur, and is the second stage of an episode. "Warning" means concentrations are continuing to degrade, contaminant concentrations have reached a level which, if maintained, can result in damage to health, and additional control actions are needed and is the third level of an episode. "Emergency" means the air quality is posing an imminent and substantial endangerment to public health and is the fourth level of an episode;

(2) The requirement that persons responsible for the operation of air contaminant sources prepare and obtain approval from the director of source emission reduction plans, consistent with good operating practice and safe operating procedures, for reducing emissions during designated episode stages;

(3) Provision for the director of the department of ecology or his <u>or her</u> authorized representative, or the air pollution control officer if implementation has been delegated, on the satisfaction of applicable criteria, to declare and terminate the forecast, alert, warning and all intermediate stages, up to the warning episode stage, such declarations constituting orders for action in accordance with applicable source emission reduction plans;

(4) Provision for the governor to declare and terminate the emergency stage and all intermediate stages above the warning episode stage, such declarations constituting orders in accordance with applicable source emission reduction plans;

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(5) Provisions for enforcement by state and local police, personnel of the departments of ecology and social and health services, and personnel of local air pollution control agencies; and

(6) Provisions for reduction or discontinuance of emissions immediately, consistent with good operating practice and safe operating procedures, under an air pollution emergency as provided in RCW 70.94.720.

Source emission reduction plans shall be considered orders of the department and shall be subject to appeal to the pollution control hearings board according to the procedure in chapter 43.21B RCW.

Sec. 410. RCW 70.94.720 and 1971 ex.s. c 194 s 3 are each amended to read as follows:

Whenever the governor finds that emissions from the operation of one or more air contaminant sources is causing imminent danger to public health or safety, he <u>or she</u> may declare an air pollution emergency and may order the person or persons responsible for the operation of such air contaminant source or sources to reduce or discontinue emissions consistent with good operating practice, safe operating procedures, and source emission reduction plans, if any, adopted by the department of ecology or any local air pollution control authority to which the department of ecology has delegated authority to adopt emission reduction plans. Orders authorized by this section shall be in writing and may be issued without prior notice or hearing. In the absence of the governor, any findings, declarations, and orders authorized by this section may be made and issued by his <u>or her</u> authorized representative.

Sec. 411. RCW 70.95.210 and 1998 c 90 s 3 are each amended to read as follows:

Whenever the jurisdictional health department denies a permit or suspends a permit for a solid waste disposal site, it shall, upon request of the applicant or holder of the permit, grant a hearing on such denial or suspension within thirty days after the request therefor is made. Notice of the hearing shall be given (([to])) to all interested parties, including the county or city having jurisdiction over the site and the department. Within thirty days after the hearing, the health officer shall notify the applicant or the holder of the permit in writing of his or her determination and the reasons therefor. Any party aggrieved by such determination may appeal to the pollution control hearings board by filing with the hearings board a notice of appeal within thirty days after receipt of notice of the determination of the health officer. The hearings board shall hold a hearing in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW. If the jurisdictional health department denies a permit renewal or suspends a permit for an operating waste recycling facility that receives waste from more than one city or county, and the applicant or holder of the permit requests a hearing or files an appeal under this section, the permit denial or suspension shall not be effective until the completion of the appeal process under this section, unless the jurisdictional health department declares that continued operation of the waste recycling facility poses a very probable threat to human health and the environment.

Sec. 412. RCW 70.95B.020 and 1999 c 153 s 66 are each amended to read as follows:

As used in this chapter unless context requires another meaning:

(1) "Director" means the director of the department of ecology.

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

(3) "Certificate" means a certificate of competency issued by the director stating that the operator has met the requirements for the specified operator classification of the certification program.

(4) "Wastewater treatment plant" means a facility used to treat any liquid or waterborne waste of domestic origin or a combination of domestic, commercial, or industrial origin, and which by its design requires the presence of an operator for its operation. It shall not include any facility used exclusively by a single family residence, septic tanks with subsoil absorption, industrial wastewater treatment plants, or wastewater collection systems.

(5) "Operator in responsible charge" means an individual who is designated by the owner as the person on-site in responsible charge of the routine operation of a wastewater treatment plant.

(6) "Nationally recognized association of certification authorities" shall mean that organization which serves as an information center for certification activities, recommends minimum standards and guidelines for classification of potable water treatment plants, water distribution systems and wastewater facilities and certification of operators, facilitates reciprocity between state programs and assists authorities in establishing new certification programs and updating existing ones.

(7) "Wastewater collection system" means any system of lines, pipes, manholes, pumps, liftstations, or other facilities used for the purpose of collecting and transporting wastewater.

(8) "Operating experience" means routine performance of duties, on-site in a wastewater treatment plant, that affects plant performance or effluent quality.

(9) "Owner" means in the case of a town or city, the city or town acting through its chief executive officer or the lessee if operated pursuant to a lease or contract; in the case of a county, the ((chairman)) chair of the county legislative authority or the ((chairman's)) chair's designee; in the case of a water-sewer district, board of public utilities, association, municipality, or other public body, the president or ((chairman)) chair of the body or the president's or ((chairman's)) chair's designee; in the case of a privately owned wastewater treatment plant, the legal owner.

(10) "Wastewater certification program coordinator" means an employee of the department who administers the wastewater treatment plant operators' certification program.

Sec. 413. RCW 70.96A.180 and 1990 c 151 s 6 are each amended to read as follows:

(1) If treatment is provided by an approved treatment program and the patient has not paid or is unable to pay the charge therefor, the program is entitled to any payment (a) received by the patient or to which he <u>or she</u> may be entitled because of the services rendered, and (b) from any public or private source available to the program because of the treatment provided to the patient.

(2) A patient in a program, or the estate of the patient, or a person obligated to provide for the cost of treatment and having sufficient financial ability, is liable to the program for cost of maintenance and treatment of the patient therein in accordance with rates established.

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(3) The secretary shall adopt rules governing financial ability that take into consideration the income, savings, and other personal and real property of the person required to pay, and any support being furnished by him <u>or her</u> to any person he <u>or she</u> is required by law to support.

Sec. 414. RCW 70.98.050 and 1990 c 173 s 2 are each amended to read as follows:

(1) The department of health is designated as the state radiation control agency, hereinafter referred to as the agency, and shall be the state agency having sole responsibility for administration of the regulatory, licensing, and radiation control provisions of this chapter.

(2) The secretary of health shall be director of the agency, hereinafter referred to as the secretary, who shall perform the functions vested in the agency pursuant to the provisions of this chapter.

(3) The agency shall appoint a state radiological control officer, and in accordance with the laws of the state, fix his <u>or her</u> compensation and prescribe his <u>or her</u> powers and duties.

(4) The agency shall for the protection of the occupational and public health and safety:

(a) Develop programs for evaluation of hazards associated with use of ionizing radiation;

(b) Develop a statewide radiological baseline beginning with the establishment of a baseline for the Hanford reservation;

(c) Implement an independent statewide program to monitor ionizing radiation emissions from radiation sources within the state;

(d) Develop programs with due regard for compatibility with federal programs for regulation of by-product, source, and special nuclear materials;

(e) Conduct environmental radiation monitoring programs which will determine the presence and significance of radiation in the environment and which will verify the adequacy and accuracy of environmental radiation monitoring programs conducted by the federal government at its installations in Washington and by radioactive materials licensees at their installations;

(f) Formulate, adopt, promulgate, and repeal codes, rules, and regulations relating to control of sources of ionizing radiation;

(g) Advise, consult, and cooperate with other agencies of the state, the federal government, other states and interstate agencies, political subdivisions, and with groups concerned with control of sources of ionizing radiation;

(h) Have the authority to accept and administer loans, grants, or other funds or gifts, conditional or otherwise, in furtherance of its functions, from the federal government and from other sources, public or private;

(i) Encourage, participate in, or conduct studies, investigations, training, research, and demonstrations relating to control of sources of ionizing radiation, including the collection of statistical data and epidemiological research, where available, on diseases that result from exposure to sources of ionizing radiation;

(j) Collect and disseminate information relating to control of sources of ionizing radiation; including:

(i) Maintenance of a file of all license applications, issuances, denials, amendments, transfers, renewals, modifications, suspensions, and revocations;

(ii) Maintenance of a file of registrants possessing sources of ionizing radiation requiring registration under the provisions of this chapter and any administrative or judicial action pertaining thereto; and

(iii) Maintenance of a file of all rules and regulations relating to regulation of sources of ionizing radiation, pending or promulgated, and proceedings thereon;

(k) Collect and disseminate information relating to nonionizing radiation, including:

(i) Maintaining a state clearinghouse of information pertaining to sources and effects of nonionizing radiation with an emphasis on electric and magnetic fields;

(ii) Maintaining current information on the status and results of studies pertaining to health effects resulting from exposure to nonionizing radiation with an emphasis on studies pertaining to electric and magnetic fields;

(iii) Serving as the lead state agency on matters pertaining to electric and magnetic fields and periodically informing state agencies of relevant information pertaining to nonionizing radiation;

(1) In connection with any adjudicative proceeding as defined by RCW 34.05.010 or any other administrative proceedings as provided for in this chapter, have the power to issue subpoenas in order to compel the attendance of necessary witnesses and/or the production of records or documents.

(5) In order to avoid duplication of efforts, the agency may acquire the data requested under this section from public and private entities that possess this information.

Sec. 415. RCW 70.98.100 and 1961 c 207 s 10 are each amended to read as follows:

(1) The agency shall require each person who possesses or uses a source of ionizing radiation to maintain necessary records relating to its receipt, use, storage, transfer, or disposal and such other records as the agency may require which will permit the determination of the extent of occupational and public exposure from the radiation source. Copies of these records shall be submitted to the agency on request. These requirements are subject to such exemptions as may be provided by rules.

(2) The agency may by rule and regulation establish standards requiring that personnel monitoring be provided for any employee potentially exposed to ionizing radiation and may provide for the reporting to any employee of his <u>or her</u> radiation exposure record.

Sec. 416. RCW 70.98.190 and 1961 c 207 s 19 are each amended to read as follows:

Nothing in this chapter shall be construed to limit the kind or amount of radiation that may be intentionally applied to a person for diagnostic or therapeutic purposes by or under the immediate direction of a licensed practitioner of the healing arts acting within the scope of his <u>or her</u> professional license.

Sec. 417. RCW 70.105.095 and 1987 c 109 s 16 are each amended to read as follows:

(1) Whenever on the basis on any information the department determines that a person has violated or is about to violate any provision of this chapter, the department may issue an order requiring compliance either immediately or within a specified period of time. The order shall be delivered by registered mail or personally to the person against whom the order is directed.

(2) Any person who fails to take corrective action as specified in a compliance order shall be liable for a civil penalty of not more than ten thousand dollars for each day of continued noncompliance. In addition, the department may suspend or revoke any permits and/or certificates issued under the provisions of this chapter to a person who fails to comply with an order directed against him <u>or her</u>.

(3) Any order may be appealed pursuant to RCW 43.21B.310.

Sec. 418. RCW 70.106.040 and 1974 ex.s. c 49 s 4 are each amended to read as follows:

"Director" means the director of the department of agriculture of the state of Washington, or his <u>or her</u> duly authorized representative.

Sec. 419. RCW 70.106.100 and 1974 ex.s. c 49 s 10 are each amended to read as follows:

(1) The director may establish in accordance with the provisions of this chapter, by regulation, standards for the special packaging of any household substance if he <u>or she</u> finds that:

(a) The degree or nature of the hazard to children in the availability of such substance, by reason of its packaging is such that special packaging is required to protect children from serious personal injury or serious illness resulting from handling, using, or ingesting such substance; and

(b) The special packaging to be required by such standard is technically feasible, practicable, and appropriate for such substance.

(2) In establishing a standard under this section, the director shall consider:

(a) The reasonableness of such standard;

(b) Available scientific, medical, and engineering data concerning special packaging and concerning childhood accidental ingestions, illness, and injury caused by household substances;

(c) The manufacturing practices of industries affected by this chapter; and

(d) The nature and use of the household substance.

(3) In carrying out the provisions of this chapter, the director shall publish his <u>or her</u> findings, his <u>or her</u> reasons therefor, and citation of the sections of statutes which authorize his <u>or her</u> action.

(4) Nothing in this chapter authorizes the director to prescribe specific packaging designs, product content, package quantity, or, with the exception of authority granted in RCW 70.106.110(1)(b), labeling. In the case of a household substance for which special packaging is required pursuant to a regulation under this section, the director may in such regulation prohibit the packaging of such substance in packages which he <u>or she</u> determines are unnecessarily attractive to children.

(5) The director shall cause the regulations promulgated under this chapter to conform with the requirements or exemptions of the <u>f</u>ederal <u>h</u>azardous <u>s</u>ubstances <u>act</u> and with the regulations or interpretations promulgated pursuant thereto.

Sec. 420. RCW 70.106.110 and 1974 ex.s. c 49 s 11 are each amended to read as follows:

(1) For the purpose of making any household substance which is subject to a standard established under RCW 70.106.100 readily available to elderly <u>persons</u> or ((handicapped)) persons <u>with disabilities</u> unable to use such substance when packaged in compliance with such standard, the manufacturer or packer, as the case may be, may package any household substance, subject to such a standard, in packaging of a single size which does not comply with such standard if:

(a) The manufacturer or packer also supplies such substance in packages which comply with such standard; and

(b) The packages of such substance which do not meet such standard bear conspicuous labeling stating: "This package for households without young children"; except that the director may by regulation prescribe a substitute statement to the same effect for packaging too small to accommodate such labeling.

(2) In the case of a household substance which is subject to such a standard and which is dispensed pursuant to an order of a physician, dentist, or other licensed medical practitioner authorized to prescribe, such substance may be dispensed in noncomplying packages only when directed in such order or when requested by the purchaser.

(3) In the case of a household substance subject to such a standard which is packaged under subsection (1) of this section in a noncomplying package, if the director determines that such substance is not also being supplied by a manufacturer or packer in popular size packages which comply with such standard, he <u>or she</u> may, after giving the manufacturer or packer an opportunity to comply with the purposes of this chapter, by order require such substance to be packaged by such manufacturer or packer exclusively in special packaging complying with such standard if he <u>or she</u> finds, after opportunity for hearing, that such exclusive use of special packaging is necessary to accomplish the purposes of this chapter.

Sec. 421. RCW 70.108.020 and 1971 ex.s. c 302 s 21 are each amended to read as follows:

For the purposes of this chapter the following words and phrases shall have the indicated meanings:

(1) "Outdoor music festival" or "music festival" or "festival" means an assembly of persons gathered primarily for outdoor, live or recorded musical entertainment, where the predicted attendance is two thousand persons or more and where the duration of the program is five hours or longer: PROVIDED, That this definition shall not be applied to any regularly established permanent place of worship, stadium, athletic field, arena, auditorium, coliseum, or other similar permanently established places of assembly for assemblies which do not exceed by more than two hundred fifty people the maximum seating capacity of the structure where the assembly is held: PROVIDED, FURTHER, That this definition shall not apply to government sponsored fairs held on regularly established fairgrounds nor to assemblies required to be licensed under other laws or regulations of the state.

(2) "Promoter" means any person or other legal entity issued a permit to conduct an outdoor music festival.

(3) "Applicant" means the promoter who has the right of control of the conduct of an outdoor music festival who applies to the appropriate legislative authority for a license to hold an outdoor music festival.

(4) "Issuing authority" means the legislative body of the local governmental unit where the site for an outdoor music festival is located.

(5) "Participate" means to knowingly provide or deliver to the festival site supplies, materials, food, lumber, beverages, sound equipment, generators, or musical entertainment and/or to attend a music festival. A person shall be presumed to have knowingly provided as that phrase is used herein after he or she has been served with a court order.

Sec. 422. RCW 70.108.060 and 1971 ex.s. c 302 s 25 are each amended to read as follows:

Any local agency requested by an applicant to give written approval as required by RCW 70.108.040 may within fifteen days after the applicant has filed his <u>or her</u> application apply to the issuing authority for reimbursment of expenses reasonably incurred in reviewing such request. Upon a finding that such expenses were reasonably incurred, the issuing authority shall reimburse the local agency therefor from the funds of the permit fee. The issuing authority shall prior to the first scheduled date of the festival return to the applicant that portion of the permit fee remaining after all such reimbursements have been made.

Sec. 423. RCW 70.108.070 and 1972 ex.s. c 123 s 3 are each amended to read as follows:

After the application has been approved, the promoter shall deposit with the issuing authority, a cash deposit or surety bond. The bond or deposit shall be used to pay any costs or charges incurred to regulate health or to clean up afterwards outside the festival grounds or any extraordinary costs or charges incurred to regulate traffic or parking. The bond or other deposit shall be returned to the promoter when the issuing authority is satisfied that no claims for damage or loss will be made against said bond or deposit, or that the loss or damage claimed is less than the amount of the deposit, in which case the uncommitted balance thereof shall be returned: PROVIDED, That the bond or cash deposit or the uncommitted portion thereof shall be returned not later than thirty days after the last day of the festival.

In addition, the promoter shall be required to furnish evidence that he <u>or she</u> has in full force and effect a liability insurance policy in an amount of not less than one hundred thousand dollars bodily injury coverage per person covering any bodily injury negligently caused by any officer or employee of the festival while acting in the performance of his or her duties. The policy shall name the issuing authority of the permit as an additional named insured.

In addition, the promoter shall be required to furnish evidence that he <u>or she</u> has in full force and effect a one hundred thousand dollar liability property damage insurance policy covering any property damaged due to negligent failure by any officer or employee of the festival to carry out duties imposed by this chapter. The policy shall have the issuing authority of the permit as an additional named insured.

Sec. 424. RCW 70.108.150 and 1972 ex.s. c 123 s 5 are each amended to read as follows:

It shall be unlawful for any person, except law enforcement officers, to carry, transport, or convey, or to have in his <u>or her</u> possession or under his <u>or her</u> control any firearm while on the site of an outdoor music festival.

Any person violating the provisions of this section shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred dollars and not more than two hundred dollars or by imprisonment in the county jail for not less than ten days and not more than ninety days or by both such fine and imprisonment.

Sec. 425. RCW 70.110.080 and 1973 1st ex.s. c 211 s 8 are each amended to read as follows:

Personal service of any process in an action under this chapter may be made upon any person outside the state if such person has violated any provision of this chapter. Such person shall be deemed to have thereby submitted himself <u>or</u> <u>herself</u> to the jurisdiction of the courts of this state within the meaning of RCW 4.28.180 and 4.28.185, as now or hereafter amended.

Sec. 426. RCW 70.112.020 and 2010 1st sp.s. c 7 s 42 are each amended to read as follows:

There is established a statewide medical education system for the purpose of training resident physicians in family practice. The dean of the school of medicine shall be responsible for implementing the development and expansion of residency programs in cooperation with the medical profession, hospitals, and clinics located throughout the state. The ((chairman)) chair of the department of family medicine in the school of medicine shall determine where affiliated residency programs shall exist; giving consideration to communities in the state where the population, hospital facilities, number of physicians, and interest in medical education indicate the potential success of the residency program. The medical education system shall provide financial support for residents in training for those programs which are affiliated with the school of medicine and shall establish positions for appropriate faculty to staff these programs. The number of programs shall be determined by the board and be in keeping with the needs of the state.

Sec. 427. RCW 70.121.030 and 1979 ex.s. c 110 s 3 are each amended to read as follows:

(1) Any person who proposes to operate a uranium or thorium mill within the state of Washington after January 1, 1980, shall obtain a license from the department to mill thorium and uranium. The period of the license shall be determined by the secretary and shall be initially valid for not more than two years and renewable thereafter for periods of not more than five years. No license may be granted unless:

(a) The owner or operator of the mill submits to the department a plan for reclamation and disposal of tailings and for decommissioning the site that conforms to the criteria and standards then in effect for the protection of the public safety and health; and

(b) The owner of the mill agrees to transfer or revert to the appropriate state or federal agency upon termination of the license all lands, buildings, and grounds, and any interests therein, necessary to fulfill the purposes of this chapter except where the lands are held in trust for or are owned by any Indian tribe.

(2) Any person operating a uranium or thorium mill on January 1, 1980, shall, at the time of application for renewal of his <u>or her</u> license to mill thorium

or uranium, comply with the following conditions for continued operation of the mill:

(a) The owner or operator of the mill shall submit to the department a plan for reclamation and disposal of tailings and for decommissioning the site that conforms to the criteria and standards then in effect for the protection of the public safety and health; and

(b) The owner of the mill shall agree to transfer or revert to the appropriate state or federal agency upon termination of the license all lands, buildings, and grounds, and any interests therein, necessary to fulfill the purposes of this chapter except where the lands are held in trust for or are owned by any Indian tribe.

(3) The department shall, after public notice and opportunity for written comment, hold a public hearing to consider the adequacy of the proposed plan to protect the safety and health of the public required by subsections (1) and (2) of this section. The proceedings shall be recorded and transcribed. The public hearing shall provide the opportunity for cross-examination by both the department and the person proposing the plan required under this section. The department shall make a written determination as to the licensing of the mill which is based upon the findings included in the determination and upon the evidence presented during the public comment period. The determination is subject to judicial review. If a declaration of nonsignificance is issued for a license renewal application under rules adopted under chapter 43.21C RCW, the public hearing is not required.

(4) The department shall set a schedule of license and amendment fees predicated on the cost of reviewing the license application and of monitoring for compliance with the conditions of the license. A permit for construction of a uranium or thorium mill may be granted by the secretary prior to licensing.

Sec. 428. RCW 70.121.040 and 1979 ex.s. c 110 s 4 are each amended to read as follows:

The secretary or his <u>or her</u> representative shall monitor the operations of the mill for compliance with the conditions of the license by the owner or operator. The mill owner or operator shall be responsible for compliance, both during the lifetime of the facility and at shutdown, including but not limited to such requirements as fencing and posting the site; contouring, covering, and stabilizing the pile; and for decommissioning the facility.

Sec. 429. RCW 70.121.090 and 1979 ex.s. c 110 s 9 are each amended to read as follows:

Each licensee under this chapter, as a condition of his <u>or her</u> license, shall submit to whatever reasonable on-site inspections and on-site monitoring as required in order for the department to carry out its responsibilities and duties under this chapter. Such on-site inspections and monitoring shall be conducted without the necessity of any further approval or any permit or warrant therefor.

Sec. 430. RCW 71.06.010 and 1985 c 354 s 32 are each amended to read as follows:

As used in this chapter, the following terms shall have the following meanings:

"Psychopathic personality" means the existence in any person of such hereditary, congenital, or acquired condition affecting the emotional or volitional

rather than the intellectual field and manifested by anomalies of such character as to render satisfactory social adjustment of such person difficult or impossible.

"Sexual psychopath" means any person who is affected in a form of psychoneurosis or in a form of psychopathic personality, which form predisposes such person to the commission of sexual offenses in a degree constituting him <u>or her</u> a menace to the health or safety of others.

"Sex offense" means one or more of the following: Abduction, incest, rape, assault with intent to commit rape, indecent assault, contributing to the delinquency of a minor involving sexual misconduct, sodomy, indecent exposure, indecent liberties with children, carnal knowledge of children, soliciting or enticing or otherwise communicating with a child for immoral purposes, vagrancy involving immoral or sexual misconduct, or an attempt to commit any of the said offenses.

"Minor" means any person under eighteen years of age.

"Department" means department of social and health services.

"Court" means the superior court of the state of Washington.

"Superintendent" means the superintendent of a state institution designated for the custody, care, and treatment of sexual psychopaths or psychopathic delinquents.

Sec. 431. RCW 71.06.020 and 1959 c 25 s 71.06.020 are each amended to read as follows:

Where any person is charged in the superior court in this state with a sex offense and it appears that such person is a sexual psychopath, the prosecuting attorney may file a petition in the criminal proceeding, alleging that the defendant is a sexual psychopath and stating sufficient facts to support such allegation. Such petition must be filed and served on the defendant or his <u>or her</u> attorney at least ten days prior to hearing on the criminal charge.

Sec. 432. RCW 71.06.050 and 1959 c 25 s 71.06.050 are each amended to read as follows:

Upon completion of said observation period, the superintendent of the state hospital shall return the defendant to the court, together with a written report of his <u>or her</u> findings as to whether or not the defendant is a sexual psychopath and the facts upon which his <u>or her</u> opinion is based.

Sec. 433. RCW 71.06.060 and 1979 c 141 s 129 are each amended to read as follows:

After the superintendent's report has been filed, the court shall determine whether or not the defendant is a sexual psychopath. If said defendant is found to be a sexual psychopath, the court shall commit him <u>or her</u> to the secretary of social and health services for designation of the facility for detention, care, and treatment of the sexual psychopath. If the defendant is found not to be a sexual psychopath, the court shall order the sentence to be executed, or may discharge the defendant as the case may merit.

Sec. 434. RCW 71.06.080 and 1959 c 25 s 71.06.080 are each amended to read as follows:

Nothing in this chapter shall be construed as to affect the procedure for the ordinary conduct of criminal trials as otherwise set up by law. Nothing in this chapter shall be construed to prevent the defendant, his <u>or her</u> attorney, or the court of its own motion, from producing evidence and witnesses at the hearing

on the probable existence of sexual psychopathy or at the hearing after the return of the superintendent's report. Nothing in this chapter shall be construed as affecting the laws relating to the criminally insane or the insane criminal, nor shall this chapter be construed as preventing the defendant from raising the defense of insanity as in other criminal cases.

Sec. 435. RCW 71.06.091 and 1981 c 136 s 64 are each amended to read as follows:

A sexual psychopath committed pursuant to RCW 71.06.060 shall be retained by the superintendent of the institution involved until in the superintendent's opinion he or she is safe to be at large, or until he or she has received the maximum benefit of treatment, or is not amenable to treatment, but the superintendent is unable to render an opinion that he or she is safe to be at large. Thereupon, the superintendent of the institution involved shall so inform whatever court committed the sexual psychopath. The court then may order such further examination and investigation of such person as seems necessary, and may at its discretion, summon such person before it for further hearing, together with any witnesses whose testimony may be pertinent, and together with any relevant documents and other evidence. On the basis of such reports, investigation, and possible hearing, the court shall determine whether the person before it shall be released unconditionally from custody as a sexual psychopath, released conditionally, returned to the custody of the institution as a sexual psychopath, or transferred to the department of corrections to serve the original sentence imposed upon him or her. The power of the court to grant conditional release for any such person before it shall be the same as its power to grant, amend, and revoke probation as provided by chapter 9.95 RCW. When the sexual psychopath has entered upon the conditional release, the ((state board of prison terms and paroles)) indeterminate sentence review board shall supervise such person pursuant to the terms and conditions of the conditional release, as set by the court: PROVIDED, That the superintendent of the institution involved shall never release the sexual psychopath from custody without a court release as herein set forth.

Sec. 436. RCW 71.06.100 and 1967 c 104 s 4 are each amended to read as follows:

Where under RCW 71.06.091 the superintendent renders his <u>or her</u> opinion to the committing court, he <u>or she</u> shall provide the committing court, and, in the event of conditional release, the ((Washington state board of prison terms and paroles)) <u>indeterminate sentence review board</u>, with a copy of the hospital medical record concerning the sexual psychopath.

Sec. 437. RCW 71.06.120 and 1959 c 25 s 71.06.120 are each amended to read as follows:

Time served by a sexual psychopath in a state hospital shall count as part of his <u>or her</u> sentence whether such sentence is pronounced before or after adjudication of his <u>or her</u> sexual psychopathy.

Sec. 438. RCW 71.06.130 and 1967 c 104 s 5 are each amended to read as follows:

Where a sexual psychopath has been conditionally released by the committing court, as provided by RCW 71.06.091 for a period of five years, the

court shall review his <u>or her</u> record and when the court is satisfied that the sexual psychopath is safe to be at large, said sexual psychopath shall be discharged.

Sec. 439. RCW 71.06.260 and 1985 c 354 s 33 are each amended to read as follows:

At any time any person is committed as a sexual psychopath the court shall, after reasonable notice of the time, place and purpose of the hearing has been given to persons subject to liability under this section, inquire into and determine the financial ability of said person, or his <u>or her</u> parents if he <u>or she</u> is a minor, or other relatives to pay the cost of care, meals and lodging during his <u>or her</u> period of hospitalization. Such cost shall be determined by the department of social and health services. Findings of fact shall be made relative to the ability to pay such cost and a judgment entered against the person or persons found to be financially responsible and directing the payment of said cost or such part thereof as the court may direct. The person committed, or his <u>or her</u> parents or relatives, may apply for modification of said judgment, or the order last entered by the court, if a proper showing of equitable grounds is made therefor.

Sec. 440. RCW 71.12.570 and 1973 1st ex.s. c 142 s 2 are each amended to read as follows:

No person in an establishment as defined in this chapter shall be restrained from sending written communications of the fact of his <u>or her</u> detention in such establishment to a friend, relative, or other person. The physician in charge of such person and the person in charge of such establishment shall send each such communication to the person to whom it is addressed. All persons in an establishment ((as defined by chapter 71.12 RCW)) shall have no less than all rights secured to involuntarily detained persons by RCW 71.05.360 and ((71.05.370)) 71.05.217 and to voluntarily admitted or committed persons pursuant to RCW 71.05.050 and 71.05.380.

Sec. 441. RCW 71.12.640 and 1989 1st ex.s. c 9 s 234 are each amended to read as follows:

The prosecuting attorney of every county shall, upon application by the department of social and health services, the department of health, or its authorized representatives, institute and conduct the prosecution of any action brought for the violation within his <u>or her</u> county of any of the provisions of this chapter.

Sec. 442. RCW 71.24.100 and 2005 c 503 s 9 are each amended to read as follows:

A county authority or a group of county authorities may enter into a joint operating agreement to form a regional support network. Any agreement between two or more county authorities for the establishment of a regional support network shall provide:

(1) That each county shall bear a share of the cost of mental health services; and

(2) That the treasurer of one participating county shall be the custodian of funds made available for the purposes of such mental health services, and that the treasurer may make payments from such funds upon audit by the appropriate auditing officer of the county for which he <u>or she</u> is treasurer.

Sec. 443. RCW 72.01.060 and 1983 1st ex.s. c 41 s 26 are each amended to read as follows:

The secretary shall appoint the chief executive officers necessary to manage one or more of the public facilities operated by the department. This section, however, shall not apply to RCW 72.40.020.

Except as otherwise provided in this title, the chief executive officer of each institution may appoint all assistants and employees required for the management of the institution placed in his <u>or her</u> charge, the number of such assistants and employees to be determined and fixed by the secretary. The chief executive officer of any institution may, at his <u>or her</u> pleasure, discharge any person therein employed. The secretary shall investigate all complaints made against the chief executive officer of any institution and also any complaint against any other officer or employee thereof, if it has not been investigated and reported upon by the chief executive officer.

The secretary may, after investigation, for good and sufficient reasons, order the discharge of any subordinate officer or employee of an institution.

Each chief executive officer shall receive such salary as is fixed by the secretary, who shall also fix the compensation of other officers and the employees of each institution. Such latter compensation shall be fixed on or before the first day of April of each year and no change shall be made in the compensation, so fixed, during the twelve month period commencing April 1st.

Sec. 444. RCW 72.01.120 and 1979 c 141 s 148 are each amended to read as follows:

When improvements are to be made under contract, notice of the call for the same shall be published in at least two newspapers of general circulation in the state for two weeks prior to the award being made. The contract shall be awarded to the lowest responsible bidder. The secretary is authorized to require such security as he <u>or she</u> may deem proper to accompany the bids submitted, and shall also fix the amount of the bond or other security that shall be furnished by the person or firm to whom the contract is awarded. The secretary shall have the power to reject any or all bids submitted, if for any reason it is deemed for the best interest of the state to do so, and to readvertise in accordance with the provisions hereof. The secretary shall also have the power to reject the bid of any person or firm who has had a prior contract, and who did not, in the opinion of the secretary, faithfully comply with the same.

Sec. 445. RCW 72.01.140 and 2005 c 353 s 5 are each amended to read as follows:

The secretary shall:

(1) Make a survey, investigation, and classification of the lands connected with the state institutions under his <u>or her</u> control, and determine which thereof are of such character as to be most profitably used for agricultural, horticultural, dairying, and stock raising purposes, taking into consideration the costs of making them ready for cultivation, the character of the soil, its depth and fertility, the number of kinds of crops to which it is adapted, the local climatic conditions, the local annual rainfall, the water supply upon the land or available, the needs of all state institutions for the food products that can be grown or produced, and the amount and character of the available labor of inmates at the several institutions;

(2) Establish and carry on suitable farming operations at the several institutions under his <u>or her</u> control;

(3) Supply the several institutions with the necessary food products produced thereat;

(4) Exchange with, or furnish to, other institutions, food products at the cost of production;

(5) Sell and dispose of surplus food products produced.

Sec. 446. RCW 72.01.150 and 1979 c 141 s 150 are each amended to read as follows:

The secretary shall:

(1) Establish, install and operate, at the several state institutions under his <u>or</u> <u>her</u> control, such industries and industrial plants as may be most suitable and beneficial to the inmates thereof, and as can be operated at the least relative cost and the greatest relative benefit to the state, taking into consideration the needs of the state institutions for industrial products, and the amount and character of labor of inmates available at the several institutions;

(2) Supply the several institutions with the necessary industrial products produced thereat;

(3) Exchange with, or furnish to, other state institutions industrial products at prices to be fixed by the department, not to exceed in any case the price of such products in the open market;

(4) Sell and dispose of surplus industrial products produced, to such persons and under such rules, regulations, terms, and prices as may be in his <u>or her</u> judgment for the best interest of the state;

(5) Sell products of the plate mill to any department, to any state, county, or other public institution and to any governmental agency, of this or any other state under such rules, regulations, terms, and prices as may be in his <u>or her judgment</u> for the best interests of the state.

Sec. 447. RCW 72.01.180 and 1979 c 141 s 152 are each amended to read as follows:

The secretary shall have the power to select a member of the faculty of the University of Washington, or the Washington State University, skilled in scientific food analysis and dietetics, to be known as the state dietitian, who shall make and furnish to the department food analyses showing the relative food value, in respect to cost, of food products, and advise the department as to the quantity, comparative cost, and food values, of proper diets for the inmates of the state institutions under the control of the department. The state dietitian shall receive travel expenses while engaged in the performance of his <u>or her</u> duties in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended.

Sec. 448. RCW 72.01.240 and 1981 c 136 s 70 are each amended to read as follows:

Each secretary is hereby empowered to appoint one of the chaplains, authorized by RCW 72.01.210, to act as supervisor of chaplains for his <u>or her</u> department, in addition to his <u>or her</u> duties at one of the institutions designated in RCW 72.01.210.

Sec. 449. RCW 72.01.280 and 1979 c 141 s 158 are each amended to read as follows:

The superintendent of each public institution and the assistant physicians, steward, accountant and chief engineer of each hospital for the mentally ill may

be furnished with quarters, household furniture, board, fuel, and lights for themselves and their families, and the secretary may, when in his <u>or her</u> opinion any public institution would be benefited by so doing, extend this privilege to any officer at any of the public institutions under his <u>or her</u> control. The words "family" or "families" used in this section shall be construed to mean only the spouse and dependent children of an officer. Employees may be furnished with quarters and board for themselves. The secretary shall charge and collect from such officers and employees the full cost of the items so furnished, including an appropriate charge for depreciation of capital items.

Sec. 450. RCW 72.01.282 and 1981 c 136 s 71 are each amended to read as follows:

All moneys received by the secretary from charges made pursuant to RCW 72.01.280 shall be deposited by him <u>or her</u> in the state general fund.

Sec. 451. RCW 72.01.300 and 1979 c 141 s 161 are each amended to read as follows:

The secretary shall have the power, and it shall be his <u>or her</u> duty, to install and maintain in the department a proper cost accounting system of accounts for each of the institutions under the control of the department, for the purpose of detecting and avoiding unprofitable expenditures and operations.

Sec. 452. RCW 72.01.310 and 1979 c 141 s 162 are each amended to read as follows:

Any officer, including the secretary, or employee of the department or of the institutions under the control of the department, who, by solicitation or otherwise, exercises his <u>or her</u> influence, directly or indirectly, to influence other officers or employees of the state to adopt his <u>or her</u> political views or to favor any particular person or candidate for office, shall be removed from his <u>or her</u> office or position by the proper authority.

Sec. 453. RCW 72.01.380 and 1981 c 136 s 73 are each amended to read as follows:

The secretary is authorized to make rules and regulations providing for the conditions under which inmates will be granted leaves of absence, and providing for safeguards to prevent escapes while on leave of absence: PROVIDED, That leaves of absence granted to inmates under RCW 72.01.370 shall not allow or permit any inmate to go beyond the boundaries of this state. The secretary shall also make rules and regulations requiring the reimbursement of the state from the inmate granted leave of absence, or his <u>or her</u> family, for the actual costs incurred arising from any leave of absence granted under the authority of RCW 72.01.370, subsections (1) and (2): PROVIDED FURTHER, That no state funds shall be expended in connection with leaves of absence granted under RCW 72.01.370, subsections (1) and (2), unless such inmate and his <u>or her</u> immediate family are indigent and without resources sufficient to reimburse the state for the expenses of such leaves of absence.

Sec. 454. RCW 72.01.460 and 1981 c 136 s 77 are each amended to read as follows:

(1) Any lease of public lands with outdoor recreation potential authorized by the department shall be open and available to the public for compatible recreational use unless the department determines that the leased land should be closed in order to prevent damage to crops or other land cover, to improvements

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on the land, to the lessee, or to the general public or is necessary to avoid undue interference with carrying forward a departmental program. Any lessee may file an application with the department to close the leased land to any public use. The department shall cause written notice of the impending closure to be posted in a conspicuous place in the department's Olympia office, at the principal office of the institution administering the land, and in the office of the county auditor in which the land is located thirty days prior to the public hearing. This notice shall state the parcel or parcels involved and shall indicate the time and place of the public hearing. Upon a determination by the department that posting is not necessary, the lessee shall desist from posting. Upon a determination by the department that posting is necessary, the lessee shall post his <u>or her</u> leased premises so as to prohibit recreational uses thereon. In the event any such lands are so posted, it shall be unlawful for any person to hunt or fish, or for any person other than the lessee or his <u>or her</u> immediate family to use any such posted land for recreational purposes.

(2) The department may insert the provisions of subsection (1) of this section in all leases hereafter issued.

Sec. 455. RCW 72.02.100 and 1988 c 143 s 5 are each amended to read as follows:

Any person serving a sentence for a term of confinement in a state correctional facility for convicted felons, pursuant to court commitment, who is thereafter released upon an order of parole of the indeterminate ((sentencing)) sentence review board, or who is discharged from custody upon expiration of sentence, or who is ordered discharged from custody by a court of appropriate jurisdiction, shall be entitled to retain his or her earnings from labor or employment while in confinement and shall be supplied by the superintendent of the state correctional facility with suitable and presentable clothing, the sum of forty dollars for subsistence, and transportation by the least expensive method of public transportation not to exceed the cost of one hundred dollars to his or her place of residence or the place designated in his or her parole plan, or to the place from which committed if such person is being discharged on expiration of sentence, or discharged from custody by a court of appropriate jurisdiction: PROVIDED, That up to sixty additional dollars may be made available to the parolee for necessary personal and living expenses upon application to and approval by such person's community corrections officer. If in the opinion of the superintendent suitable arrangements have been made to provide the person to be released with suitable clothing and/or the expenses of transportation, the superintendent may consent to such arrangement. If the superintendent has reasonable cause to believe that the person to be released has ample funds, with the exception of earnings from labor or employment while in confinement, to assume the expenses of clothing, transportation, or the expenses for which payments made pursuant to RCW 72.02.100 or 72.02.110 or any one or more of such expenses, the person released shall be required to assume such expenses.

Sec. 456. RCW 72.02.110 and 1988 c 143 s 6 are each amended to read as follows:

As state, federal or other funds are available, the secretary of corrections or his <u>or her</u> designee is authorized, in his <u>or her</u> discretion, not to provide the forty dollars subsistence money or the optional sixty dollars to a person or persons released as described in RCW 72.02.100, and instead to utilize the authorization and procedure contained in this section relative to such person or persons.

Any person designated by the secretary serving a sentence for a term of confinement in a state correctional facility for convicted felons, pursuant to court commitment, who is thereafter released upon an order of parole of the indeterminate ((sentencing)) sentence review board, or is discharged from custody upon expiration of sentence, or is ordered discharged from custody by a court of appropriate jurisdiction, shall receive the sum of fifty-five dollars per week for a period of up to six weeks. The initial weekly payment shall be made to such person upon his or her release or parole by the superintendent of the institution. Subsequent weekly payments shall be made to such person by the community corrections officer at the office of such officer. In addition to the initial six weekly payments provided for in this section, a community corrections officer and his or her supervisor may, at their discretion, continue such payments up to a maximum of twenty additional weeks when they are satisfied that such person is actively seeking employment and that such payments are necessary to continue the efforts of such person to gain employment: PROVIDED, That if, at the time of release or parole, in the opinion of the superintendent funds are otherwise available to such person, with the exception of earnings from labor or employment while in confinement, such weekly sums of money or part thereof shall not be provided to such person.

When a person receiving such payments provided for in this section becomes employed, he <u>or she</u> may continue to receive payments for two weeks after the date he <u>or she</u> becomes employed but payments made after he <u>or she</u> becomes employed shall be discontinued as of the date he <u>or she</u> is first paid for such employment: PROVIDED, That no person shall receive payments for a period exceeding the twenty-six week maximum as established in this section.

The secretary of corrections may annually adjust the amount of weekly payment provided for in this section to reflect changes in the cost of living and the purchasing power of the sum set for the previous year.

Sec. 457. RCW 72.04A.090 and 1981 c 136 s 84 are each amended to read as follows:

Whenever a parolee breaches a condition or conditions under which he or she was granted parole, or violates any law of the state or rules and regulations of the ((board of prison terms and paroles)) indeterminate sentencing review board, any probation and parole officer may arrest, or cause the arrest and suspension of parole of, such parolee without a warrant, pending a determination by the board. The facts and circumstances of such conduct of the parolee shall be reported by the probation and parole officer, with recommendations, to the ((board of prison terms and paroles)) indeterminate sentence review board, who may order the revocation or suspension of parole, revise or modify the conditions of parole or take such other action as may be deemed appropriate in accordance with RCW 9.95.120. The ((board of prison terms and paroles)) indeterminate sentence review board, after consultation with the secretary of corrections, shall make all rules and regulations concerning procedural matters, which shall include the time when state probation and parole officers shall file with the board reports required by this section, procedures pertaining thereto and the filing of such information as may be necessary to enable the ((board of prison terms and paroles)) indeterminate sentence review board to perform its functions under this section.

The probation and parole officers shall have like authority and power regarding the arrest and detention of a probationer who has breached a condition or conditions under which he or she was granted probation by the superior court, or violates any law of the state, pending a determination by the superior court.

In the event a probation and parole officer shall arrest or cause the arrest and suspension of parole of a parolee or probationer in accordance with the provisions of this section, such parolee or probationer shall be confined and detained in the county jail of the county in which the parolee or probationer was taken into custody, and the sheriff of such county shall receive and keep in the county jail, where room is available, all prisoners delivered thereto by the probation and parole officer, and such parolees shall not be released from custody on bail or personal recognizance, except upon approval of the ((board of prison terms and paroles)) indeterminate sentence review board and the issuance by the board of an order of reinstatement on parole on the same or modified conditions of parole.

Sec. 458. RCW 72.04A.120 and 2011 1st sp.s. c 40 s 12 are each amended to read as follows:

(1) Any person placed on parole shall be required to pay the supervision intake fee, prescribed under RCW 9.94A.780(3). The department may exempt a person from the payment of all or any part of the assessment based upon any of the following factors:

(a) The offender has diligently attempted but has been unable to obtain employment which provides the offender sufficient income to make such payments.

(b) The offender is a student in a school, college, university, or a course of vocational or technical training designed to fit the student for gainful employment.

(c) The offender has an employment handicap, as determined by an examination acceptable to or ordered by the department.

(d) The offender's age prevents him or her from obtaining employment.

(e) The offender is responsible for the support of dependents and the payment of the assessment constitutes an undue hardship on the offender.

(f) Other extenuating circumstances as determined by the department.

(2) The department of corrections shall adopt a rule prescribing the amount of the assessment.

(3) Payment of the assessed amount shall constitute a condition of parole for purposes of the application of RCW 72.04A.090.

(4) All amounts required to be paid under this section shall be collected by the department of corrections and deposited by the department in the dedicated fund established pursuant to RCW 72.11.040.

Sec. 459. RCW 72.05.152 and 1987 c 185 s 37 are each amended to read as follows:

No inmate of a juvenile forest camp who is affected by this chapter or receives benefits pursuant to RCW 72.05.152 and 72.05.154 shall be considered as an employee or to be employed by the state or the department of social and health services or the department of natural resources, nor shall any such inmate,

except those provided for in RCW 72.05.154, come within any of the provisions of the workers' compensation act, or be entitled to any benefits thereunder, whether on behalf of himself <u>or herself</u> or any other person. All moneys paid to inmates shall be considered a gratuity.

Sec. 460. RCW 72.05.154 and 1973 c 68 s 2 are each amended to read as follows:

From and after July 1, 1973, any inmate working in a juvenile forest camp established and operated pursuant to RCW 72.05.150, pursuant to an agreement between the department of social and health services and the department of natural resources shall be eligible for the benefits provided by Title 51 RCW, as now or hereafter amended, relating to industrial insurance, with the exceptions provided by this section.

No inmate as described in RCW 72.05.152, until released upon an order of parole by the department of social and health services, or discharged from custody upon expiration of sentence, or discharged from custody by order of a court of appropriate jurisdiction, or his <u>or her</u> dependents or beneficiaries, shall be entitled to any payment for temporary disability or permanent total disability as provided for in RCW 51.32.090 or 51.32.060 respectively, as now or hereafter amended, or to the benefits of chapter 51.36 RCW relating to medical aid: PROVIDED, That RCW 72.05.152 and 72.05.154 shall not affect the eligibility, payment or distribution of benefits for any industrial injury to the inmate which occurred prior to his <u>or her</u> existing commitment to the department of social and health services.

Any and all premiums or assessments as may arise under this section pursuant to the provisions of Title 51 RCW shall be the obligation of and be paid by the state department of natural resources.

Sec. 461. RCW 72.19.040 and 1979 c 141 s 225 are each amended to read as follows:

The superintendent, subject to the approval of the secretary, shall appoint such associate superintendents as shall be deemed necessary. In the event the superintendent shall be absent from the institution, or during periods of illness or other situations incapacitating the superintendent from properly performing his <u>or her</u> duties, one of the associate superintendents of such institution shall act as superintendent during such period of absence, illness, or incapacity as may be designated by the secretary.

Sec. 462. RCW 72.20.040 and 1990 c 33 s 593 are each amended to read as follows:

The superintendent, subject to the direction and approval of the secretary shall:

(1) Have general supervision and control of the grounds and buildings of the institution, the subordinate officers and employees, and the inmates thereof, and all matters relating to their government and discipline.

(2) Make such rules, regulations, and orders, not inconsistent with law or with the rules, regulations, or directions of the secretary, as may seem to him <u>or</u> <u>her</u> proper or necessary for the government of such institution and for the employment, discipline, and education of the inmates, except for the program of education provided pursuant to RCW 28A.190.030 through 28A.190.050 which shall be governed by the school district conducting the program.

(3) Exercise such other powers, and perform such other duties as the secretary may prescribe.

Sec. 463. RCW 72.23.040 and 1959 c 28 s 72.23.040 are each amended to read as follows:

The superintendent shall provide an official seal upon which shall be inscribed the statutory name of the hospital under his <u>or her</u> charge and the name of the state. He <u>or she</u> shall affix the seal of the hospital to any notice, order of discharge, or other paper required to be given by him <u>or her</u> or issued.

Sec. 464. RCW 72.23.050 and 1979 ex.s. c 135 s 5 are each amended to read as follows:

The superintendent shall not be required to attend any court as a witness in a civil or juvenile court proceedings, but parties desiring his <u>or her</u> testimony can take and use his <u>or her</u> deposition; nor shall he <u>or she</u> be required to attend as a witness in any criminal case, unless the court before which his <u>or her</u> testimony shall be desired shall, upon being satisfied of the materiality of his <u>or her</u> testimony require his <u>or her</u> attendance; and, in time of peace, he<u>, she</u>, and all other persons employed at the hospital shall be exempt from performing military duty; and the certificate of the superintendent shall be evidence of such employment.

Sec. 465. RCW 72.23.060 and 1959 c 28 s 72.23.060 are each amended to read as follows:

The superintendent is authorized to accept and receive from any person or organization gifts of money or personal property on behalf of the state hospital under his <u>or her</u> charge, or on behalf of the patients therein. The superintendent is authorized to use such money or personal property for the purposes specified by the donor where such purpose is consistent with law. In the absence of a specified use the superintendent may use such money or personal property for the general benefit of the state hospital under his <u>or her</u> charge or for the general benefit of the patients therein. The superintendent shall keep an accurate record of the amount or kind of gift, the date received, and the name and address of the donor. The superintendent may deposit any money received as he <u>or she</u> sees fit upon the giving of adequate security. Any increase resulting from such gift may be used for the same purpose as the original gift. Gratuities received for services rendered by a state hospital staff in their official capacity shall be used for the purposes specified in this section.

Sec. 466. RCW 72.23.130 and 1959 c 28 s 72.23.130 are each amended to read as follows:

It shall be the duty of the superintendent to ascertain by diligent inquiry and correspondence, the history of each and every patient admitted to his <u>or her</u> hospital.

Sec. 467. RCW 72.23.160 and 1959 c 28 s 72.23.160 are each amended to read as follows:

If a patient shall escape from a state hospital the superintendent shall cause immediate search to be made for him <u>or her</u> and return him <u>or her</u> to said hospital wherever found. Notice of such escape shall be given to the committing court who may issue an order of apprehension and return directed to any peace officer within the state. Notice may be given to any sheriff or peace officer, who, when

requested by the superintendent, may apprehend and detain such escapee or return him <u>or her</u> to the state hospital without warrant.

Sec. 468. RCW 72.23.200 and 1971 ex.s. c 292 s 52 are each amended to read as follows:

No mentally ill person under the age of sixteen years shall be regularly confined in any ward in any state hospital which ward is designed and operated for the care of the mentally ill eighteen years of age or over. No person of the ages of sixteen and seventeen shall be placed in any such ward, when in the opinion of the superintendent such placement would be detrimental to the mental condition of such a person or would impede his <u>or her</u> recovery or treatment.

Sec. 469. RCW 72.23.230 and 1987 c 75 s 21 are each amended to read as follows:

The superintendent of a state hospital shall be the custodian without compensation of such personal property of a patient involuntarily hospitalized therein as may come into the superintendent's possession while the patient is under the jurisdiction of the hospital. As such custodian, the superintendent shall have authority to disburse moneys from the patients' funds for the following purposes only and subject to the following limitations:

(1) The superintendent may disburse any of the funds in his <u>or her</u> possession belonging to a patient for such personal needs of that patient as may be deemed necessary by the superintendent; and

(2) Whenever the funds belonging to any one patient exceed the sum of one thousand dollars or a greater sum as established by rules and regulations of the department, the superintendent may apply the excess to reimbursement for state hospitalization and/or outpatient charges of such patient to the extent of a notice and finding of responsibility issued under RCW 43.20B.340; and

(3) When a patient is paroled, the superintendent shall deliver unto the said patient all or such portion of the funds or other property belonging to the patient as the superintendent may deem necessary and proper in the interests of the patient's welfare, and the superintendent may during the parole period deliver to the patient such additional property or funds belonging to the patient as the superintendent may from time to time determine necessary and proper. When a patient is discharged from the jurisdiction of the hospital, the superintendent shall deliver to such patient all funds or other property belonging to the patient, subject to the conditions of subsection (2) of this section.

All funds held by the superintendent as custodian may be deposited in a single fund. Annual reports of receipts and expenditures shall be forwarded to the department, and shall be open to inspection by interested parties: PROVIDED, That all interest accruing from, or as a result of the deposit of such moneys in a single fund shall be used by the superintendent for the general welfare of all the patients of such institution: PROVIDED, FURTHER, That when the personal accounts of patients exceed three hundred dollars, the interest accruing from such excess shall be credited to the personal accounts of such patients. All such expenditures shall be accounted for by the superintendent.

The appointment of a guardian for the estate of such patient shall terminate the superintendent's authority to pay state hospitalization charges from funds subject to the control of the guardianship upon the superintendent's receipt of a certified copy of letters of guardianship. Upon the guardian's request, the superintendent shall forward to such guardian any funds subject to the control of the guardianship or other property of the patient remaining in the superintendent's possession, together with a final accounting of receipts and expenditures.

Sec. 470. RCW 72.23.240 and 1959 c 28 s 72.23.240 are each amended to read as follows:

Upon receipt of a written request signed by the superintendent stating that a designated patient of such hospital is involuntarily hospitalized therein, and that no guardian of his <u>or her</u> estate has been appointed, any person, bank, firm, or corporation having possession of any money, bank accounts, or choses in action owned by such patient, may, if the balance due does not exceed one thousand dollars, deliver the same to the superintendent and mail written notice thereof to such patient at such hospital. The receipt of the superintendent shall be full and complete acquittance for such payment and the person, bank, firm, or corporation making such payment shall not be liable to the patient or his <u>or her</u> legal representatives. All funds so received by the superintendent shall be deposited in such patient's personal account at such hospital and be administered in accordance with this chapter.

If any proceeding is brought in any court to recover property so delivered, the attorney general shall defend the same without cost to the person, bank, firm, or corporation effecting such delivery, and the state shall indemnify such person, bank, firm, or corporation against any judgment rendered as a result of such proceeding.

Sec. 471. RCW 72.25.020 and 1977 ex.s. c 80 s 50 are each amended to read as follows:

The secretary shall also return all nonresident sexual psychopaths, psychopathic delinquents, or mentally ill persons who are now confined in or who may hereafter be committed to a state hospital for the sexual psychopath, psychopathic delinquent, or the mentally ill in this state to the states or state in which they may have a legal residence. For the purpose of facilitating the return of such persons the secretary may enter into a reciprocal agreement with any other state for the mutual exchange of sexual psychopaths, psychopathic delinquents, or mentally ill persons now confined in or hereafter committed to any hospital for the sexual psychopath, psychopathic delinquent, or the mentally ill in one state whose legal residence is in the other, and he or she may give written permission for the return of any resident of Washington now or hereafter confined in a hospital for the sexual psychopath, psychopathic delinquent, or the mentally ill in another state. Such residents may be returned directly to the proper Washington state institution without further court proceedings: PROVIDED, That if the superintendent of such institution is of the opinion that the returned person is not a sexual psychopath, a psychopathic delinquent, or mentally ill person he or she may discharge said patient: PROVIDED FURTHER, That if such superintendent deems such person a sexual psychopath, a psychopathic delinquent, or mentally ill person, he or she shall file an application for commitment within ninety days of arrival at the Washington institution.

A person shall be deemed to be a resident of this state within the meaning of this chapter who has maintained his <u>or her</u> domiciliary residence in this state for

a period of one year preceding commitment to a state institution without receiving assistance from any tax supported organization and who has not subsequently acquired a domicile in another state: PROVIDED, That any period of time spent by such person while an inmate of a state hospital or state institution or while on parole, escape, or leave of absence therefrom shall not be counted in determining the time of residence in this or another state.

All expenses incurred in returning sexual psychopaths, psychopathic delinquents, or mentally ill persons from this to another state may be paid by this state, but the expense of returning residents of this state shall be borne by the state making the return. Mentally ill person for the purposes of this section shall be any person defined as mentally ill under RCW 72.23.010, as now or hereafter amended.

Sec. 472. RCW 72.27.050 and 1965 ex.s. c 26 s 5 are each amended to read as follows:

No person shall be transferred to another party state pursuant to this chapter unless the compact administrator first shall have obtained either:

(a) The written consent to such transfer by the proposed transferee or by others on his <u>or her</u> behalf, which consent shall be executed in accordance with the requirements of RCW 72.23.070, and if such person was originally committed involuntarily, such consent also shall be approved by the committing court; or

(b) An order of the superior court approving such transfer, which order shall be obtained from the committing court, if such person was committed involuntarily, otherwise from the superior court of the county where such person resided at the time of such commitment; and such order shall be issued only after notice and hearing in the manner provided for the involuntary commitment of mentally ill or mentally deficient persons as the case may be.

The courts of this state shall have concurrent jurisdiction with the appropriate courts of other party states to hear and determine petitions seeking the release or return of residents of this state who have been transferred from this state under this chapter to the same extent as if such persons were hospitalized in this state; and the laws of this state relating to the release of such persons shall govern the disposition of any such proceeding.

Sec. 473. RCW 72.41.020 and 1993 c 147 s 7 are each amended to read as follows:

There is hereby created a board of trustees for the state school for the blind to be composed of a resident from each of the state's congressional districts now or hereafter existing. Trustees with voting privileges shall be appointed by the governor with the consent of the senate. A representative of the parent-teachers association of the Washington state school for the blind, a representative of the Washington council of the blind, a representative of the national federation of the blind of Washington, one representative designated by the teacher association of the Washington state school for the blind, and a representative of the classified staff designated by his or her exclusive bargaining representative shall each be ex officio and nonvoting members of the board of trustees and shall serve during their respective tenures in such positions.

Trustees shall be appointed by the governor to serve for a term of five years except that any person appointed to fill a vacancy occurring prior to the expiration of any term shall be appointed within sixty days of the vacancy and appointed only for the remainder of the term.

One trustee shall be a resident and qualified elector from each of the state's congressional districts. The board shall not be deemed to be unlawfully constituted and a trustee shall not be deemed ineligible to serve the remainder of the trustee's unexpired term on the board solely by reason of the establishment of new or revised boundaries for congressional districts. No voting trustee may be an employee of the state school for the blind, a member of the board of directors of any school district, a member of the governing board of any public or private educational institution, a school district or educational service district administrator, appointed after July 1, 1986, or an elected officer or member of the legislative authority or any municipal corporation.

The board of trustees shall organize itself by electing a ((chairman)) chair from its members. The board shall adopt a seal and may adopt such bylaws, rules, and regulations as it deems necessary for its own government. A majority of the voting members of the board in office shall constitute a quorum, but a lesser number may convene from time to time and may compel the attendance of absent members in such manner as prescribed in its bylaws, rules, or regulations. The superintendent of the state school for the blind shall serve as, or may designate another person to serve as, the secretary of the board, who shall not be deemed to be a member of the board.

Sec. 474. RCW 72.41.030 and 1973 c 118 s 3 are each amended to read as follows:

Within thirty days of their appointment or July 1, 1973, whichever is sooner, the board of trustees shall organize, adopt bylaws for its own government, and make such rules and regulations not inconsistent with this chapter as they deem necessary. At such organizational meeting it shall elect from among its members a ((chairman)) chair and a vice ((chairman)) chair, each to serve for one year, and annually thereafter shall elect such officers to serve until their successors are appointed or qualified.

Sec. 475. RCW 72.42.031 and 2002 c 209 s 9 are each amended to read as follows:

(1) The board of trustees shall organize, adopt bylaws for its own governance, and adopt rules not inconsistent with this chapter as they deem necessary. At such organizational meeting it shall elect from among its members a ((chairman)) chair and a vice ((chairman)) chair, each to serve for one year, and annually thereafter shall elect such officers to serve until their successors are appointed or qualified.

(2) A majority of the voting members of the board in office constitutes a quorum, but a lesser number may adjourn from time to time and may compel the attendance of absent members in such manner as prescribed by its bylaws, rules, or regulations.

Sec. 476. RCW 72.60.100 and 1989 c 185 s 10 are each amended to read as follows:

Nothing in this chapter is intended to restore, in whole or in part, the civil rights of any inmate. No inmate compensated for work in correctional industries shall be considered as an employee or to be employed by the state or the department, nor shall any such inmate, except those provided for in RCW

72.60.102 and 72.64.065, come within any of the provisions of the workers' compensation act, or be entitled to any benefits thereunder whether on behalf of himself, herself, or of any other person.

Sec. 477. RCW 72.60.160 and 1981 c 136 s 103 are each amended to read as follows:

All articles, materials, and supplies herein authorized to be produced or manufactured in correctional institutions may be purchased from the institution producing or manufacturing the same by any state agency or political subdivision of the state, and the secretary shall require those institutions under his <u>or her</u> direction to give preference to the purchasing of their needs of such articles as are so produced.

Sec. 478. RCW 72.64.010 and 1979 c 141 s 265 are each amended to read as follows:

The secretary shall have the power and it shall be his <u>or her</u> duty to provide for the useful employment of prisoners in the adult correctional institutions: PROVIDED, That no prisoners shall be employed in what is known as the contract system of labor.

Sec. 479. RCW 72.64.040 and 1973 1st ex.s. c 154 s 105 are each amended to read as follows:

Where a prisoner is employed at any occupation for which pay is allowed or permitted, or at any gainful occupation from which the state derives an income, the department shall credit the prisoner with the total amount of his <u>or her</u> earnings.

The amount of earnings credited but unpaid to a prisoner may be paid to the prisoner's spouse, children, mother, father, brother, or sister as the inmate may direct upon approval of the superintendent. Upon release, parole, or discharge, all unpaid earnings of the prisoner shall be paid to him <u>or her</u>.

Sec. 480. RCW 72.64.065 and 1972 ex.s. c 40 s 3 are each amended to read as follows:

From and after July 1, 1973, any inmate working in a department of natural resources adult honor camp established and operated pursuant to RCW 72.64.050, 72.64.060, and 72.64.100 shall be eligible for the benefits provided by Title 51 RCW, as now or hereafter amended, relating to industrial insurance, with the exceptions herein provided.

No inmate as herein described, until released upon an order of parole by the state ((board of prison terms and paroles)) indeterminate sentence review board, or discharged from custody upon expiration of sentence, or discharged from custody by order of a court of appropriate jurisdiction, or his <u>or her</u> dependents or beneficiaries, shall be entitled to any payment for temporary disability or permanent total disability as provided for in RCW 51.32.090 or 51.32.060 respectively, as now or hereafter enacted, or to the benefits of chapter 51.36 RCW relating to medical aid.

Any and all premiums or assessments as may arise under this section pursuant to the provisions of Title 51 RCW shall be the obligation of and be paid by the state department of natural resources.

Sec. 481. RCW 72.64.070 and 1979 c 141 s 270 are each amended to read as follows:

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The department shall determine which prisoners shall be eligible for employment under RCW 72.64.060, and shall establish and modify lists of prisoners eligible for such employment, upon the requisition of an agency mentioned in RCW 72.64.060. The secretary may send to the place, and at the time designated, the number of prisoners requisitioned, or such number thereof as have been determined to be eligible for such employment and are available. No prisoner shall be eligible or shall be released for such employment until his <u>or her</u> eligibility therefor has been determined by the department.

The secretary may return to prison any prisoner transferred to camp pursuant to this section, when the need for such prisoner's labor has ceased or when the prisoner is guilty of any violation of the rules and regulations of the prison or camp.

Sec. 482. RCW 72.64.110 and 1980 c 17 s 1 are each amended to read as follows:

(1) The secretary may enter into a contract with any county of the state, upon the request of the sheriff thereof, wherein the secretary agrees to furnish confinement, care, treatment, and employment of county prisoners. The county shall reimburse the state for the cost of such services. Each county shall pay to the state treasurer the amounts found to be due.

(2) The secretary shall accept such county prisoner if he <u>or she</u> believes that the prisoner can be materially benefited by such confinement, care, treatment<u></u> and employment, and if adequate facilities to provide such care are available. No such person shall be transported to any facility under the jurisdiction of the secretary until the secretary has notified the referring court of the place to which said person is to be transmitted and the time at which he <u>or she</u> can be received.

(3) The sheriff of the county in which such an order is made placing a misdemeanant in a jail camp pursuant to this chapter, or any other peace officer designated by the court, shall execute an order placing such county prisoner in the jail camp or returning him <u>or her</u> therefrom to the court.

(4) The secretary may return to the committing authority, or to confinement according to his <u>or her</u> sentence, any person committed or transferred to a regional jail camp pursuant to this chapter when there is no suitable employment or when such person is guilty of any violation of rules and regulations of the regional jail camp.

Sec. 483. RCW 72.65.020 and 1984 c 209 s 28 are each amended to read as follows:

(1) The secretary is authorized to extend the limits of the place of confinement and treatment within the state of any prisoner convicted of a felony, sentenced to a term of confinement and treatment by the superior court, and serving such sentence in a state correctional institution under the jurisdiction of the department, by authorizing a work release plan for such prisoner, permitting him <u>or her</u>, under prescribed conditions, to do any of the following:

(a) Work at paid employment.

(b) Participate in a vocational training program: PROVIDED, That the tuition and other expenses of such a vocational training program shall be paid by the prisoner, by someone in his <u>or her</u> behalf, or by the department: PROVIDED FURTHER, That any expenses paid by the department shall be recovered by the department pursuant to the terms of RCW 72.65.050.

(c) Interview or make application to a prospective employer or employers, or enroll in a suitable vocational training program.

Such work release plan of any prison shall require that he <u>or she</u> be confined during the hours not reasonably necessary to implement the plan, in (1) a state correctional institution, (2) a county or city jail, which jail has been approved after inspection pursuant to RCW 70.48.050, or (3) any other appropriate, supervised facility, after an agreement has been entered into between the department and the appropriate authorities of the facility for the housing of work release prisoners.

(2) This section applies only to persons sentenced for crimes that were committed before July 1, 1984.

Sec. 484. RCW 72.65.030 and 1984 c 209 s 29 are each amended to read as follows:

(1) Any prisoner serving a sentence in a state correctional institution may make application to participate in the work release program to the superintendent of the institution in which he <u>or she</u> is confined. Such application shall set forth the name and address of his <u>or her</u> proposed employer or employers or shall specify the vocational training program, if any, in which he <u>or she</u> is enrolled. It shall include a statement to be executed by such prisoner that if his <u>or her</u> application be approved he <u>or she</u> agrees to abide faithfully by all terms and conditions of the particular work release plan adopted for him <u>or her</u>. It shall further set forth such additional information as the department or the secretary shall require.

(2) This section applies only to persons sentenced for crimes that were committed before July 1, 1984.

Sec. 485. RCW 72.65.040 and 1984 c 209 s 30 are each amended to read as follows:

(1) The superintendent of the state correctional institution in which a prisoner who has made application to participate in the work release program is confined, after careful study of the prisoner's conduct, attitude, and behavior within the institutions under the jurisdiction of the department, his or her criminal history and all other pertinent case history material, shall determine whether or not there is reasonable cause to believe that the prisoner will honor his or her trust as a work release participant. After having made such determination, the superintendent, in his or her discretion, may deny the prisoner's application, or recommend to the secretary, or such officer of the department as the secretary may designate, that the prisoner be permitted to participate in the work release program. The secretary or his or her designee, may approve, reject, modify, or defer action on such recommendation. In the event of approval, the secretary or his or her designee, shall adopt a work release plan for the prisoner, which shall constitute an extension of the limits of confinement and treatment of the prisoner when released pursuant thereto, and which shall include such terms and conditions as may be deemed necessary and proper under the particular circumstances. The plan shall be signed by the prisoner under oath that he <u>or she</u> will faithfully abide by all terms and conditions thereof. Further, as a condition, the plan shall specify where such prisoner shall be confined when not released for the purpose of the work release plan. At any time after approval has been granted to any prisoner to participate

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in the work release program, such approval may be revoked, and if the prisoner has been released on a work release plan, he <u>or she</u> may be returned to a state correctional institution, or the plan may be modified, in the sole discretion of the secretary or his <u>or her</u> designee. Any prisoner who has been initially rejected either by the superintendent or the secretary or his <u>or her</u> designee, may reapply for permission to participate in a work release program after a period of time has elapsed from the date of such rejection. This period of time shall be determined by the secretary or his <u>or her</u> designee, according to the individual circumstances in each case.

(2) This section applies only to persons sentenced for crimes that were committed before July 1, 1984.

Sec. 486. RCW 72.66.010 and 1981 c 136 s 113 are each amended to read as follows:

As used in this chapter the following words shall have the following meanings:

(1) "Department" means the department of corrections.

(2) "Furlough" means an authorized leave of absence for an eligible resident, without any requirement that the resident be accompanied by, or be in the custody of, any law enforcement or corrections official while on such leave.

(3) "Emergency furlough" means a specially expedited furlough granted to a resident to enable him <u>or her</u> to meet an emergency situation, such as the death or critical illness of a member of his <u>or her</u> family.

(4) "Resident" means a person convicted of a felony and serving a sentence for a term of confinement in a state correctional institution or facility, or a state approved work or training release facility.

(5) "Secretary" means the secretary of corrections, or his <u>or her</u> designee or designees.

Sec. 487. RCW 72.66.014 and 1973 c 20 s 4 are each amended to read as follows:

A resident may apply for a furlough if he <u>or she</u> is not precluded from doing so under this section. A resident shall be ineligible to apply for a furlough if:

(1) He <u>or she</u> is not classified by the secretary as eligible for or on minimum security status; or

(2) His or her minimum term of imprisonment has not been set; or

(3) He <u>or she</u> has a valid detainer pending and the agency holding the detainer has not provided written approval for him <u>or her</u> to be placed on a furlough-eligible status. Such written approval may include either specific approval for a particular resident or general approval for a class or group of residents.

Sec. 488. RCW 72.66.018 and 1973 c 20 s 6 are each amended to read as follows:

A furlough may only be granted to enable the resident:

(1) To meet an emergency situation, such as death or critical illness of a member of his <u>or her</u> family;

(2) To obtain medical care not available in a facility maintained by the department;

(3) To seek employment or training opportunities, but only when:

(a) There are scheduled specific work interviews to take place during the furlough;

(b) The resident has been approved for work or training release but his <u>or</u> <u>her</u> work or training placement has not occurred or been concluded; or

(c) When necessary for the resident to prepare a parole plan for a parole meeting scheduled to take place within one hundred and twenty days of the commencement of the furlough;

(4) To make residential plans for parole which require his <u>or her</u> personal appearance in the community;

(5) To care for business affairs in person when the inability to do so could deplete the assets or resources of the resident so seriously as to affect his <u>or her</u> family or his <u>or her</u> future economic security;

(6) To visit his <u>or her</u> family for the purpose of strengthening or preserving relationships, exercising parental responsibilities, or preventing family division or disintegration; or

(7) For any other purpose deemed to be consistent with plans for rehabilitation of the resident.

Sec. 489. RCW 72.66.022 and 1973 c 20 s 7 are each amended to read as follows:

Each resident applying for a furlough shall include in his <u>or her</u> application for the furlough:

(1) A furlough plan which shall specify in detail the purpose of the furlough and how it is to be achieved, the address at which the applicant would reside, the names of all persons residing at such address and their relationships to the applicant;

(2) A statement from the applicant's proposed sponsor that he <u>or she</u> agrees to undertake the responsibilities provided in RCW 72.66.024; and

(3) Such other information as the secretary shall require in order to protect the public or further the rehabilitation of the applicant.

Sec. 490. RCW 72.66.024 and 1973 c 20 s 8 are each amended to read as follows:

No furlough shall be granted unless the applicant for the furlough has procured a person to act as his <u>or her</u> sponsor. No person shall qualify as a sponsor unless he <u>or she</u> satisfies the secretary that he <u>or she</u> knows the applicant's furlough plan, is familiar with the furlough conditions prescribed pursuant to RCW 72.66.026, and submits a statement that he <u>or she</u> agrees to:

(1) See to it that the furloughed person is provided with appropriate living quarters for the duration of the furlough;

(2) Notify the secretary immediately if the furloughed person does not appear as scheduled, departs from the furlough plan at any time, becomes involved in serious difficulty during the furlough, or experiences problems that affect his <u>or her</u> ability to function appropriately;

(3) Assist the furloughed person in other appropriate ways, such as discussing problems and providing transportation to job interviews; and

(4) Take reasonable measures to assist the resident to return from furlough.

Sec. 491. RCW 72.66.024 and 1973 c 20 s 8 are each amended to read as follows:

No furlough shall be granted unless the applicant for the furlough has procured a person to act as his <u>or her</u> sponsor. No person shall qualify as a sponsor unless he <u>or she</u> satisfies the secretary that he <u>or she</u> knows the applicant's furlough plan, is familiar with the furlough conditions prescribed pursuant to RCW 72.66.026, and submits a statement that he <u>or she</u> agrees to:

(1) See to it that the furloughed person is provided with appropriate living quarters for the duration of the furlough;

(2) Notify the secretary immediately if the furloughed person does not appear as scheduled, departs from the furlough plan at any time, becomes involved in serious difficulty during the furlough, or experiences problems that affect his <u>or her</u> ability to function appropriately;

(3) Assist the furloughed person in other appropriate ways, such as discussing problems and providing transportation to job interviews; and

(4) Take reasonable measures to assist the resident to return from furlough.

Sec. 492. RCW 72.66.026 and 1973 c 20 s 9 are each amended to read as follows:

The terms and conditions prescribed under this section shall apply to each furlough, and each resident granted a furlough shall agree to abide by them.

(1) The furloughed person shall abide by the terms of his <u>or her</u> furlough plan.

(2) Upon arrival at the destination indicated in his <u>or her</u> furlough plan, the furloughed person shall, when so required, report to a state probation and parole officer in accordance with instructions given by the secretary prior to release on furlough. He <u>or she</u> shall report as frequently as may be required by the state probation and parole officer.

(3) The furloughed person shall abide by all local, state, and federal laws.

(4) With approval of the state probation and parole officer designated by the secretary, the furloughed person may accept temporary employment during a period of furlough.

(5) The furloughed person shall not leave the state at any time while on furlough.

(6) Other limitations on movement within the state may be imposed as a condition of furlough.

(7) The furloughed person shall not, in any public place, drink intoxicating beverages or be in an intoxicated condition. A furloughed person shall not enter any tavern, bar, or cocktail lounge.

(8) A furloughed person who drives a motor vehicle shall:

(a) <u>Have a valid Washington driver's license in his or her possession</u>,

(b) <u>Have the owner's written permission to drive any vehicle not his or her</u> own or his <u>or her</u> spouse's,

(c) <u>Have at least minimum personal injury and property damage liability</u> coverage on the vehicle he <u>or she</u> is driving, and

(d) <u>O</u>bserve all traffic laws.

(9) Each furloughed person shall carry with him <u>or her</u> at all times while on furlough a copy of his <u>or her</u> furlough order prescribed pursuant to RCW 72.66.028 and a copy of the identification card issued to him <u>or her</u> pursuant to RCW 72.66.032.

(10) The furloughed person shall comply with any other terms or conditions which the secretary may prescribe.

Sec. 493. RCW 72.66.028 and 1973 c 20 s 10 are each amended to read as follows:

Whenever the secretary grants a furlough, he <u>or she</u> shall do so by a special order which order shall contain each condition and term of furlough prescribed pursuant to RCW 72.66.026 and each additional condition and term which the secretary may prescribe as being appropriate for the particular person to be furloughed.

Sec. 494. RCW 72.66.032 and 1973 c 20 s 11 are each amended to read as follows:

The secretary shall issue a furlough identification card to each resident granted a furlough. The card shall contain the name of the resident and shall disclose the fact that he <u>or she</u> has been granted a furlough and the time period covered by the furlough.

Sec. 495. RCW 72.66.034 and 1973 c 20 s 12 are each amended to read as follows:

Prior to the granting of any furlough, the secretary shall examine the applicant's personality and past conduct and determine whether or not he <u>or she</u> represents a satisfactory risk for furlough. The secretary shall not grant a furlough to any person whom he <u>or she</u> believes represents an unsatisfactory risk.

Sec. 496. RCW 72.66.050 and 1971 ex.s. c 58 s 6 are each amended to read as follows:

At any time after approval has been granted for a furlough to any prisoner, such approval or order of furlough may be revoked, and if the prisoner has been released on an order of furlough, he <u>or she</u> may be returned to a state correctional institution, or the plan may be modified, in the discretion of the secretary. Any prisoner whose furlough application is rejected may reapply for a furlough after such period of time has elapsed as shall be determined at the time of rejection by the superintendent or secretary, whichever person initially rejected the application for furlough, such time period being subject to modification.

Sec. 497. RCW 72.66.080 and 1971 ex.s. c 58 s 9 are each amended to read as follows:

The secretary may enter into agreements with any agency of the state, a county, a municipal corporation or any person, corporation or association for the purpose of implementing furlough plans, and, in addition, may make such rules and regulations in furtherance of this chapter as he <u>or she</u> may deem necessary.

Sec. 498. RCW 72.66.090 and 1971 ex.s. c 58 s 10 are each amended to read as follows:

The secretary may issue warrants for the arrest of any prisoner granted a furlough, at the time of the revocation of such furlough, or upon the failure of the prisoner to report as designated in the order of furlough. Such arrest warrants shall authorize any law enforcement, probation and parole or peace officer of this state, or any other state where such prisoner may be located, to arrest such prisoner and to place him <u>or her</u> in physical custody pending his <u>or her</u> return to confinement in a state correctional institution. Any state probation and parole officer, if he <u>or she</u> has reasonable cause to believe that a person granted a furlough has violated a condition of his <u>or her</u> furlough, may suspend such person's furlough and arrest or cause the arrest and detention in physical custody

of the furloughed prisoner, pending the determination of the secretary whether the furlough should be revoked. The probation and parole officer shall report to the secretary all facts and circumstances and the reasons for the action of suspending such furlough. Upon the basis of the report and such other information as the secretary may obtain, he <u>or she</u> may revoke, reinstate, or modify the conditions of furlough, which shall be by written order of the secretary. If the furlough is revoked, the secretary shall issue a warrant for the arrest of the furloughed prisoner and his <u>or her</u> return to a state correctional institution.

Sec. 499. RCW 72.68.031 and 1981 c 136 s 115 are each amended to read as follows:

When, in the judgment of the secretary, the welfare of any person committed to or confined in any state correctional institution or facility necessitates that such person be transferred or moved for observation, diagnosis, or treatment to any state institution or facility for the care of the mentally ill, the secretary, with the consent of the secretary of social and health services, is authorized to order and effect such move or transfer: PROVIDED, That the sentence of such person shall continue to run as if he or she remained confined in a correctional institution or facility, and that such person shall not continue so detained or confined beyond the maximum term to which he or she was sentenced: PROVIDED, FURTHER, That the secretary and the ((board of prison terms and paroles)) indeterminate sentence review board shall adopt and implement procedures to assure that persons so transferred shall, while detained or confined at such institution or facility for the care of the mentally ill, be provided with substantially similar opportunities for parole or early release evaluation and determination as persons detained or confined in the state correctional institutions or facilities.

Sec. 500. RCW 72.68.040 and 2000 c 62 s 3 are each amended to read as follows:

The secretary may contract with the authorities of the federal government, or the authorities of any state of the United States, private companies in other states, or any county or city in this state providing for the detention in an institution or jail operated by such entity, for prisoners convicted of a felony in the courts of this state and sentenced to a term of imprisonment therefor in a state correctional institution for convicted felons under the jurisdiction of the department. After the making of a contract under this section, prisoners sentenced to a term of imprisonment in a state correctional institution for convicted felons may be conveyed by the superintendent or his <u>or her</u> assistants to the institution or jail named in the contract. The prisoners shall be delivered to the authorities of the institution or jail, there to be confined until their sentences have expired or they are otherwise discharged by law, paroled, or until they are returned to a state correctional institution for convicted felons for further confinement.

Sec. 501. RCW 72.68.050 and 1967 c 60 s 2 are each amended to read as follows:

Whenever a prisoner who is serving a sentence imposed by a court of this state is transferred from a state correctional institution for convicted felons under RCW 72.68.040 through 72.68.070, the superintendent shall send to the clerk of

the court pursuant to whose order or judgment the prisoner was committed to a state correctional institution for convicted felons a notice of transfer, disclosing the name of the prisoner transferred and giving the name and location of the institution to which the prisoner was transferred. The superintendent shall keep a copy of all notices of transfer on file as a public record open to inspection; and the clerk of the court shall file with the judgment roll in the appropriate case a copy of each notice of transfer which he <u>or she</u> receives from the superintendent.

Sec. 502. RCW 72.68.060 and 1979 c 141 s 285 are each amended to read as follows:

Should the presence of any prisoner confined, under authority of RCW 72.68.040 through 72.68.070, in an institution of another state or the federal government or in a county or city jail, be required in any judicial proceeding of this state, the superintendent of a state correctional institution for convicted felons or his <u>or her</u> assistants shall, upon being so directed by the secretary, or upon the written order of any court of competent jurisdiction, or of a judge thereof, procure such prisoner, bring him <u>or her</u> to the place directed in such order and hold him <u>or her</u> in custody subject to the further order and direction of the secretary, or of the court or of a judge thereof, until he <u>or she</u> is lawfully discharged from such custody. The superintendent or his <u>or her</u> assistants may, by direction of the secretary or of the court, or a judge thereof, deliver such prisoner into the custody of the sheriff of the county in which he <u>or she</u> was convicted, or may, by like order, return such prisoner to a state correctional institution for convicted felons or the institution from which he <u>or she</u> was taken.

Sec. 503. RCW 72.68.070 and 1979 c 141 s 286 are each amended to read as follows:

Upon the expiration of any contract entered into under RCW 72.68.040 through 72.68.070, all prisoners of this state confined in such institution or jail shall be returned by the superintendent or his <u>or her</u> assistants to a state correctional institution for convicted felons of this state, or delivered to such other institution as the secretary has contracted with under RCW 72.68.040 through 72.68.070.

Sec. 504. RCW 73.04.050 and 1945 c 144 s 9 are each amended to read as follows:

Every honorably discharged soldier, sailor, or marine of the military or naval service of the United States, who is a resident of this state, shall have the right to peddle, hawk, vend, and sell goods, other than his <u>or her</u> own manufacture and production, without paying for the license as now provided by law, by those who engage in such business; but any such soldier, sailor, or marine may engage in such business by procuring a license for that purpose as provided in RCW 73.04.060.

No county, city, or political subdivision in this state shall charge or collect any license fee on any business established by any veteran under the provisions of Public Law 346 of the 78th congress.

Sec. 505. RCW 73.04.060 and 1945 c 144 s 10 are each amended to read as follows:

On presentation to the county auditor or city clerk of the county in which any such soldier, sailor, or marine may reside, of a certificate of honorable discharge from the army or naval service of the United States, such county auditor or city clerk, as the case may be, shall issue without cost to such soldier, sailor, or marine, a license authorizing him <u>or her</u> to carry on the business of peddler, as provided in RCW 73.04.050.

Sec. 506. RCW 73.04.120 and 2008 c 6 s 508 are each amended to read as follows:

County clerks and county auditors, respectively, are authorized and directed to furnish free of charge to the legal representative, surviving spouse or surviving domestic partner, child or parent of any deceased veteran certified copies of marriage certificates, decrees of dissolution of marriage or domestic partnership, or annulment, or other documents contained in their files and to record and issue, free of charge, certified copies of such documents from other states, territories, or foreign countries affecting the marital status of such veteran whenever any such document shall be required in connection with any claim pending before the United States veterans' bureau or other governmental agency administering benefits to war veterans. Where these same documents are required of service personnel of the armed forces of the United States for determining entitlement to family allowances and other benefits, they shall be provided without charge by county clerks and county auditors upon request of the person in the service or his <u>or her</u> dependents.

Sec. 507. RCW 73.20.060 and 1945 c 139 s 2 are each amended to read as follows:

An affidavit, executed by the attorney-in-fact or agent, setting forth that the maker of the power of attorney is a member of the armed forces of the United States or within the class of persons described in RCW 73.20.050, and that he <u>or</u> <u>she</u> has not or had not, at the time of doing any act pursuant to the power of attorney, received actual knowledge or actual notice of the revocation or termination of the power of attorney, by death or otherwise, or notice of any facts indicating the same, shall, in the absence of fraud, be conclusive proof of the nonrevocation or nontermination of the power at such time. If the exercise of the power requires execution and delivery of any instrument which is recordable under the laws of this state, such affidavit shall likewise be recordable.

Sec. 508. RCW 73.36.010 and 1951 c 53 s 1 are each amended to read as follows:

As used in this chapter:

"Person" means an individual, a partnership, a corporation, or an association.

"Veterans administration" means the veterans administration, its predecessors or successors.

"Income" means moneys received from the veterans administration and revenue or profit from any property wholly or partially acquired therewith.

"Estate" means income on hand and assets acquired partially or wholly with "income".

"Benefits" means all moneys paid or payable by the United States through the veterans administration.

"Administrator" means the administrator of veterans affairs of the United States or his <u>or her</u> successor.

"Ward" means a beneficiary of the veterans administration.

"Guardian" means any fiduciary for the person or estate of a ward.

Sec. 509. RCW 73.36.040 and 1951 c 53 s 4 are each amended to read as follows:

No person other than a bank or trust company shall be guardian of more than five wards at one time, unless all the wards are members of one family. Upon presentation of a petition by an attorney of the veterans administration or other interested person, alleging that a guardian is acting in a fiduciary capacity for more than five wards as herein provided and requesting his <u>or her</u> discharge for that reason, the court, upon proof substantiating the petition, shall require a final accounting forthwith from such guardian and shall discharge him <u>or her</u> from guardianships in excess of five and forthwith appoint a successor.

Sec. 510. RCW 73.36.060 and 1951 c 53 s 6 are each amended to read as follows:

Where a petition is filed for the appointment of a guardian for a minor, a certificate of the administrator or his <u>or her</u> authorized representative, setting forth the age of such minor as shown by the records of the veterans administration and the fact that the appointment of a guardian is a condition precedent to the payment of any moneys due the minor by the veterans administration shall be prima facie evidence of the necessity for such appointment.

Sec. 511. RCW 73.36.090 and 1951 c 53 s 9 are each amended to read as follows:

(1) Upon the appointment of a guardian, he <u>or she</u> shall execute and file a bond to be approved by the court in an amount not less than the estimated value of the personal estate and anticipated income of the ward during the ensuing two years, except in cases where banks or trust companies are appointed as guardian and no bond is required by the general state law. The bond shall be in the form and be conditioned as required of guardians appointed under the general guardianship laws of this state. The court may from time to time require the guardian to file an additional bond.

(2) Where a bond is tendered by a guardian with personal sureties, there shall be at least two such sureties and they shall file with the court a certificate under oath which shall describe the property owned, both real and personal, and shall state that each is worth the sum named in the bond as the penalty thereof over and above all his <u>or her</u> debts and liabilities and the aggregate of other bonds in which he <u>or she</u> is principal or surety and exclusive of property exempt from execution. The court may require additional security or may require a corporate surety bond, the premium thereon to be paid from the ward's estate.

Sec. 512. RCW 73.36.100 and 1951 c 53 s 10 are each amended to read as follows:

(1) Every guardian, who has received or shall receive on account of his <u>or</u> <u>her</u> ward any money or other thing of value from the veterans administration, at the expiration of two years from date of his <u>or her</u> appointment, and every two years thereafter on the anniversary date of his <u>or her</u> appointment, or as much oftener as the court may require, shall file with the court a full, true and accurate account under oath of all moneys or other things of value received by him <u>or her</u>, all earnings, interest, or profits derived therefrom, and all property acquired therewith and of all disbursements therefrom, and showing the balance thereof in his <u>or her</u> hands at the date of the account and how invested. Each year when not

required to file an account with the court, the guardian shall file an account with the proper office of the veterans administration. If the interim account be not filed with the veterans administration, or, if filed, shall be unsatisfactory, the court shall upon receipt of notice thereof from the veterans administration require the guardian forthwith to file an account which shall be subject in all respects to the next succeeding paragraphs. Any account filed with the veterans administration and approved by the chief attorney thereof may be filed with the court and be approved by the court without hearing, unless a hearing thereon be requested by some party in interest.

(2) The guardian, at the time of filing any account with the court or veterans administration shall exhibit all securities or investments held by him or her to an officer of the bank or other depository wherein said securities or investments are held for safekeeping or to an authorized representative of the corporation which is surety on his or her bond, or to the judge or clerk of a court of record in this state, or upon request of the guardian or other interested party, to any other reputable person designated by the court, who shall certify in writing that he or she has examined the securities or investments and identified them with those described in the account and shall note any omissions or discrepancies. If the depository is the guardian, the certifying officer shall not be the officer verifying the account. The guardian may exhibit the securities or investments to the judge of the court, who shall endorse on the account and copy thereof, a certificate that the securities or investments shown therein as held by the guardian were each in fact exhibited to him or her and that those exhibited to him or her were the same as those in the account and noting any omission or discrepancy. The certificate, and the certificate of an official of the bank in which are deposited any funds for which the guardian is accountable, showing the amount on deposit, shall be prepared and signed in duplicate and one of each shall be filed by the guardian with his or her account.

(3) At the time of filing in the court any account, a certified copy thereof and a signed duplicate of each certificate filed with the court shall be sent by the guardian to the office of the veterans administration having jurisdiction over the area in which such court is located. A duplicate signed copy or a certified copy of any petition, motion, or other pleading pertaining to an account, or to any matter other than an account, and which is filed in the guardianship proceedings or in any proceedings for the purpose of removing the disability of minority or mental incapacity, shall be furnished by the persons filing the same to the proper office of the veterans administration. Unless hearing be waived in writing by the attorney of the veterans administration and by all other persons, if any, entitled to notice, the court shall fix a time and place for the hearing on the account, petition, motion, or other pleading, not less than fifteen days nor more than sixty days from the date same is filed, unless a different available date be stipulated in writing. Unless waived in writing, written notice of the time and place of hearing shall be given the veterans administration office concerned and to the guardian and any others entitled to notice, not less than fifteen days prior to the date fixed for the hearing. The notice may be given by mail, in which event it shall be deposited in the mails not less than fifteen days prior to said date. The court or clerk thereof, shall mail to said veterans administration office a copy of each order entered in any guardianship proceeding wherein the administrator is an interested party.

(4) If the guardian is accountable for property derived from sources other than the veterans administration, he <u>or she</u> shall be accountable as is or may be required under the applicable law of this state pertaining to the property of minors or persons of unsound mind who are not beneficiaries of the veterans administration, and as to such other property shall be entitled to the compensation provided by such law. The account for other property may be combined with the account filed in accordance with this section.

Sec. 513. RCW 73.36.110 and 1951 c 53 s 11 are each amended to read as follows:

If any guardian shall fail to file with the court any account as required by this chapter, or by an order of the court, when any account is due or within thirty days after citation issues and provided by law, or shall fail to furnish the veterans administration a true copy of any account, petition, or pleading as required by this chapter, such failure may in the discretion of the court be ground for his <u>or her</u> removal, in addition to other penalties provided by law.

Sec. 514. RCW 73.36.130 and 1951 c 53 s 13 are each amended to read as follows:

Every guardian shall invest the surplus funds of his <u>or her</u> ward's estate in such securities or property as authorized under the laws of this state but only upon prior order of the court; except that the funds may be invested, without prior court authorization, in direct unconditional interest-bearing obligations of this state or of the United States and in obligations the interest and principal of which are unconditionally guaranteed by the United States. A signed duplicate or certified copy of the petition for authority to invest shall be furnished the proper office of the veterans administration, and notice of hearing thereon shall be given said office as provided in the case of hearing on a guardian's account.

Sec. 515. RCW 73.36.150 and 1951 c 53 s 15 are each amended to read as follows:

(1) The court may authorize the purchase of the entire fee simple title to real estate in this state in which the guardian has no interest, but only as a home for the ward, or to protect his <u>or her</u> interest, or (if he <u>or she</u> is not a minor) as a home for his <u>or her</u> dependent family. Such purchase of real estate shall not be made except upon the entry of an order of the court after hearing upon verified petition. A copy of the petition shall be furnished the proper office of the veterans administration and notice of hearing thereon shall be given said office as provided in the case of hearing on a guardian's account.

(2) Before authorizing such investment the court shall require written evidence of value and of title and of the advisability of acquiring such real estate. Title shall be taken in the ward's name. This section does not limit the right of the guardian on behalf of his <u>or her</u> ward to bid and to become the purchaser of real estate at a sale thereof pursuant to decree of foreclosure of lien held by or for the ward, or at a trustee's sale, to protect the ward's right in the property so foreclosed or sold; nor does it limit the right of the guardian, if such be necessary to protect the ward's interest and upon prior order of the court in which the guardianship is pending, to agree with cotenants of the ward for a partition in kind, or to purchase from cotenants the entire undivided interests held by them, or to bid and purchase the same at a sale under a partition decree, or to compromise adverse claims of title to the ward's realty. Sec. 516. RCW 73.36.155 and 1951 c 53 s 16 are each amended to read as follows:

When a copy of any public record is required by the veterans administration to be used in determining the eligibility of any person to participate in benefits made available by the veterans administration, the official custodian of such public record shall without charge provide the applicant for such benefits or any person acting on his <u>or her</u> behalf or the authorized representative of the veterans administration with a certified copy of such record.

Sec. 517. RCW 73.36.160 and 1951 c 53 s 17 are each amended to read as follows:

In addition to any other provisions of law relating to judicial restoration and discharge of guardian, a certificate by the veterans administration showing that a minor ward has attained majority, or that an incompetent ward has been rated competent by the veterans administration upon examination in accordance with law shall be prima facie evidence that the ward has attained majority, or has recovered his <u>or her</u> competency. Upon hearing after notice as provided by this chapter and the determination by the court that the ward has attained majority or has recovered his <u>or her</u> competency, an order shall be entered to that effect, and the guardian shall file a final account. Upon hearing after notice to the former ward and to the veterans administration as in case of other accounts, upon approval of the final account, and upon delivery to the ward of the assets due him <u>or her</u> from the guardian, the guardian shall be discharged and his <u>or her</u> sureties released.

Sec. 518. RCW 73.36.165 and 1951 c 53 s 18 are each amended to read as follows:

(1) Whenever, in any proceeding under the laws of this state for the commitment of a person alleged to be of unsound mind or otherwise in need of confinement in a hospital or other institution for his or her proper care, it is determined after such adjudication of the status of such person as may be required by law that commitment to a hospital for mental disease or other institution is necessary for safekeeping or treatment and it appears that such person is eligible for care or treatment by the veterans administration or other agency of the United States government, the court, upon receipt of a certificate from the veterans administration or such other agency showing that facilities are available and that such person is eligible for care or treatment therein, may commit such person to said veterans administration or other agency. The person whose commitment is sought shall be personally served with notice of the pending commitment proceeding in the manner as provided by the law of this state; and nothing in this chapter shall affect his or her right to appear and be heard in the proceedings. Upon commitment, such person, when admitted to any hospital operated by any such agency within or without this state shall be subject to the rules and regulations of the veterans administration or other agency. The chief officer of any hospital of the veterans administration or institution operated by any other agency of the United States to which the person is so committed shall with respect to such person be vested with the same powers as superintendents of state hospitals for mental diseases within this state with respect to retention of custody, transfer, parole, or discharge. Jurisdiction is retained in the committing or other appropriate court of this state at any time to

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inquire into the mental condition of the person so committed, and to determine the necessity for continuance of his <u>or her</u> restraint, and all commitments pursuant to this chapter are so conditioned.

(2) The judgment or order of commitment by a court of competent jurisdiction of another state or of the District of Columbia, committing a person to the veterans administration, or other agency of the United States government for care or treatment shall have the same force and effect as to the committed person while in this state as in the jurisdiction in which is situated the court entering the judgment or making the order; and the courts of the committing state, or of the District of Columbia, shall be deemed to have retained jurisdiction of the person so committed for the purpose of inquiring into the mental condition of such person, and of determining the necessity for continuance of his <u>or her</u> restraint; as is provided in subsection (1) of this section with respect to persons committed by the courts of this state. Consent is hereby given to the application of the law of the committing state or district in respect to the authority of the chief officer of any hospital of the veterans administration, or of any institution operated in this state by any other agency of the United States to retain custody, or transfer, parole, or discharge the committed person.

(3) Upon receipt of a certificate of the veterans administration or such other agency of the United States that facilities are available for the care or treatment of any person heretofore committed to any hospital for the insane or other institution for the care or treatment of persons similarly afflicted and that such person is eligible for care or treatment, the superintendent of the institution may cause the transfer of such person to the veterans administration or other agency of the United States for care or treatment. Upon effecting any such transfer, the committing court or proper officer thereof shall be notified thereof by the transferring agency. No person shall be transferred to the veterans administration or other agency of the United States if he <u>or she</u> be confined pursuant to conviction of any felony or misdemeanor or if he <u>or she</u> has been acquitted of the charge solely on the ground of insanity, unless prior to transfer the court or other authority originally committing such person shall enter an order for such transfer appropriate motion and hearing.

Any person transferred as provided in this section shall be deemed to be committed to the veterans administration or other agency of the United States pursuant to the original commitment.

Passed by the Senate January 27, 2012. Passed by the House February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 118

[Senate Bill 6098]

PRIVATE INVESTIGATORS AND SECURITY GUARDS-FINGERPRINTING

AN ACT Relating to fingerprinting requirements for licensing of private investigators and private security guards; and amending RCW 18.165.030 and 18.170.030.

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

Sec. 1. RCW 18.165.030 and 1995 c 277 s 19 are each amended to read as follows:

An applicant must meet the following minimum requirements to obtain a private investigator license:

(1) Be at least eighteen years of age;

(2) Be a citizen or resident alien of the United States;

(3) Not have been convicted of a crime in any jurisdiction, if the director determines that the applicant's particular crime directly relates to his or her capacity to perform the duties of a private investigator and the director determines that the license should be withheld to protect the citizens of Washington state. The director shall make her or his determination to withhold a license because of previous convictions notwithstanding the restoration of employment rights act, chapter 9.96A RCW;

(4) Be employed by or have an employment offer from a private investigator agency or be licensed as a private investigator agency;

(5) Submit a set of fingerprints: however, if an applicant has been issued a license as a private security guard under chapter 18.170 RCW within the last twelve months, the applicant is not required to undergo a separate background check to become licensed under this chapter;

(6) Pay the required nonrefundable fee for each application; and

(7) Submit a fully completed application that includes proper identification on a form prescribed by the director for each company of employment.

Sec. 2. RCW 18.170.030 and 1995 c 277 s 1 are each amended to read as follows:

An applicant must meet the following minimum requirements to obtain a private security guard license:

(1) Be at least eighteen years of age;

(2) Be a citizen of the United States or a resident alien;

(3) Not have been convicted of a crime in any jurisdiction, if the director determines that the applicant's particular crime directly relates to his or her capacity to perform the duties of a private security guard, and the director determines that the license should be withheld to protect the citizens of Washington state. The director shall make her or his determination to withhold a license because of previous convictions notwithstanding the restoration of employment rights act, chapter 9.96A RCW;

(4) Be employed by or have an employment offer from a licensed private security company or be licensed as a private security company;

(5) Satisfy the training requirements established by the director;

(6) Submit a set of fingerprints: however, if an applicant has been issued a license as a private investigator under chapter 18.165 RCW within the last twelve months, the applicant is not required to undergo a separate background check to become licensed under this chapter;

(7) Pay the required nonrefundable fee for each application; and

(8) Submit a fully completed application that includes proper identification on a form prescribed by the director for each company of employment.

Passed by the Senate February 14, 2012. Passed by the House March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 119

[Senate Bill 6131]

BULK MERCURY—REGULATIONS

AN ACT Relating to clarifying certain issues with regard to the regulation of bulk mercury; and amending RCW 70.95M.010, 70.95M.050, and 70.95M.100.

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

Sec. 1. RCW 70.95M.010 and 2010 c 130 s 18 are each amended to read as follows:

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

(1) "Bulk mercury" includes any elemental, nonamalgamated mercury, regardless of volume quantity or weight and does not include <u>mercury-added</u> <u>products as defined in this section or</u> products containing mercury collected for recycling or disposal at a permitted disposal facility.

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

(3) "Director" means the director of the department of ecology.

(4) "Health care facility" includes a hospital, nursing home, extended care facility, long-term care facility, clinical or medical laboratory, state or private health or mental institution, clinic, physician's office, or health maintenance organization.

(5) "Manufacturer" includes any person, firm, association, partnership, corporation, governmental entity, organization, or joint venture that produces a mercury-added product or an importer or domestic distributor of a mercury-added product produced in a foreign country. In the case of a multicomponent product containing mercury, the manufacturer is the last manufacturer to produce or assemble the product. If the multicomponent product or mercury-added product is produced in a foreign country, the manufacturer is the first importer or domestic distributor.

(6) "Mercury-added button-cell battery" means a button-cell battery to which the manufacturer intentionally introduces mercury for the operation of the battery.

(7) "Mercury-added novelty" means a mercury-added product intended mainly for personal or household enjoyment or adornment. Mercury-added novelties include, but are not limited to, items intended for use as practical jokes, figurines, adornments, toys, games, cards, ornaments, yard statues and figures, candles, jewelry, holiday decorations, items of apparel, and other similar products. Mercury-added novelty does not include games, toys, or products that require a button-cell or lithium battery, liquid crystal display screens, or a lamp that contains mercury.

(8) "Mercury-added product" means a product, commodity, or chemical, or a product with a component that contains mercury or a mercury compound intentionally added to the product, commodity, or chemical in order to provide a specific characteristic, appearance, or quality, or to perform a specific function, or for any other reason. Mercury-added products include those products listed in the interstate mercury education and reduction clearinghouse mercury-added products database, but are not limited to, mercury thermometers, mercury thermostats, mercury barometers, lamps, and mercury switches or relays.

(9) "Mercury manometer" means a mercury-added product that is used for measuring blood pressure.

(10) "Mercury thermometer" means a mercury-added product that is used for measuring temperature.

(11) "Retailer" means a retailer of a mercury-added product.

(12) "Switch" means any device, which may be referred to as a switch, sensor, valve, probe, control, transponder, or any other apparatus, that directly regulates or controls the flow of electricity, gas, or other compounds, such as relays or transponders. "Switch" includes all components of the unit necessary to perform its flow control function. "Automotive mercury switch" includes a convenience switch, such as a switch for a trunk or hood light, and a mercury switch in antilock brake systems. "Utility switch" includes, but is not limited to, all devices that open or close an electrical circuit, or a liquid or gas valve. "Utility relay" includes, but is not limited to, all products or devices that open or close electrical contacts to control the operation of other devices in the same or other electrical circuit.

(13) "Wholesaler" means a wholesaler of a mercury-added product.

Sec. 2. RCW 70.95M.050 and 2010 c 130 s 19 are each amended to read as follows:

(1) Effective January 1, 2006, no person may sell, offer for sale, or distribute for sale or use in this state a mercury-added novelty. A manufacturer of mercury-added novelties must notify all retailers that sell the product about the provisions of this section and how to properly dispose of any remaining mercury-added novelty inventory.

(2)(a) Effective January 1, 2006, no person may sell, offer for sale, or distribute for sale or use in this state a manometer used to measure blood pressure or a thermometer that contains mercury. This subsection (2)(a) does not apply to:

(i) An electronic thermometer with a button-cell battery containing mercury;

(ii) A thermometer that contains mercury and that is used for food research and development or food processing, including meat, dairy products, and pet food processing;

(iii) A thermometer that contains mercury and that is a component of an animal agriculture climate control system or industrial measurement system or for veterinary medicine until such a time as the system is replaced or a nonmercury component for the system or application is available;

(iv) A thermometer or manometer that contains mercury that is used for calibration of other thermometers, manometers, apparatus, or equipment, unless a nonmercury calibration standard is approved for the application by the national institute of standards and technology;

(v) A thermometer that is provided by prescription. A manufacturer of a mercury thermometer shall supply clear instructions on the careful handling of the thermometer to avoid breakage and proper cleanup should a breakage occur; or

(vi) A manometer or thermometer sold or distributed to a hospital, or a health care facility controlled by a hospital, if the hospital has adopted a plan for

mercury reduction consistent with the goals of the mercury chemical action plan developed by the department under section 302, chapter 371, Laws of 2002.

(b) A manufacturer of thermometers that contain mercury must notify all retailers that sell the product about the provisions of this section and how to properly dispose of any remaining thermometer inventory.

(3) Effective January 1, 2006, no person may sell, install, or reinstall a commercial or residential thermostat that contains mercury unless the manufacturer of the thermostat conducts or participates in a thermostat recovery or recycling program designed to assist contractors in the proper disposal of thermostats that contain mercury in accordance with 42 U.S.C. Sec. 6901, et seq., the federal resource conservation and recovery act.

(4) No person may sell, offer for sale, or distribute for sale or use in this state a motor vehicle manufactured after January 1, 2006, if the motor vehicle contains an automotive mercury switch.

(5) Nothing in this section restricts the ability of a manufacturer, importer, or domestic distributor from transporting products through the state, or storing products in the state for later distribution outside the state.

(6) Effective June 30, 2012, the sale or purchase and delivery of bulk mercury is prohibited, including sales through the internet or sales by private parties. However, the prohibition in this subsection does not apply to immediate dangerous waste recycling facilities or treatment, storage, and disposal facilities as approved by the department and sales to research facilities, or industrial facilities that provide products or services to entities exempted from this chapter. ((The facilities described in this subsection must submit an inventory of their purchase and use of bulk mercury to the department on an annual basis, as well as any mercury waste generated from such actions.))

Sec. 3. RCW 70.95M.100 and 2003 c 260 s 12 are each amended to read as follows:

Nothing in this chapter applies to prescription drugs <u>and devices</u> regulated by the food and drug administration under the federal food, drug, and cosmetic act (21 U.S.C. Sec. 301 et seq.), to biological products regulated by the food and drug administration under the public health service act (42 U.S.C. Sec. 262 et seq.), or to any substance that may be lawfully sold over-the-counter without a prescription under the federal food, drug, and cosmetic act (21 U.S.C. Sec. 301 et seq.).

Passed by the Senate February 8, 2012. Passed by the House February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 120

[Senate Bill 6157]

JUVENILE DETENTION—JUVENILES WITH DEVELOPMENTAL DISABILITIES

AN ACT Relating to juvenile detention intake standards for juveniles who are developmentally disabled; and amending RCW 13.40.038.

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

Sec. 1. RCW 13.40.038 and 1992 c 205 s 105 are each amended to read as follows:

(1) It is the policy of this state that all county juvenile detention facilities provide a humane, safe, and rehabilitative environment and that unadjudicated youth remain in the community whenever possible, consistent with public safety and the provisions of chapter 13.40 RCW.

(2) The counties shall develop and implement detention intake standards and risk assessment standards to determine whether detention is warranted, whether the juvenile is developmentally disabled, and if ((so)) detention is warranted, whether the juvenile should be placed in secure, nonsecure, or home detention to implement the goals of this section.

(3) Inability to pay for a less restrictive detention placement shall not be a basis for denying a respondent a less restrictive placement in the community. ((The detention and risk assessment standards shall be developed and implemented no later than December 31, 1992.))

(4) The assessment standards to determine whether a juvenile entering detention is developmentally disabled must be developed and implemented no later than December 31, 2012.

Passed by the Senate February 14, 2012. Passed by the House February 28, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 121

[Senate Bill 6172]

FRANCHISE INVESTMENT PROTECTION

AN ACT Relating to franchise investment protection; and amending RCW 19.100.010, 19.100.020, 19.100.030, 19.100.040, 19.100.070, 19.100.080, 19.100.090, 19.100.184, 19.100.130, and 19.100.248.

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

Sec. 1. RCW 19.100.010 and 1994 c 92 s 3 are each amended to read as follows:

When used in this chapter, unless the context otherwise requires:

(1) "Advertisement" means any written or printed communication or any communication by means of recorded telephone messages or spoken on radio, television, or similar communication media published in connection with an offer or sale of a franchise.

(2) "Affiliate" means a person controlling, controlled by, or under common control with another person, every officer or director of such person, and every person occupying a similar status or performing similar functions.

(3) "Director" means the director of financial institutions.

(4) "Franchise" means:

(a) An agreement, express or implied, oral or written, by which:

(i) A person is granted the right to engage in the business of offering, selling, or distributing goods or services under a marketing plan prescribed or suggested in substantial part by the grantor or its affiliate;

(ii) The operation of the business is substantially associated with a trademark, service mark, trade name, advertising, or other commercial symbol designating, owned by, or licensed by the grantor or its affiliate; and

(iii) The person pays, agrees to pay, or is required to pay, directly or indirectly, a franchise fee.

(b) The following shall not be construed as a franchise within the meaning of this chapter:

(i) The payment of a reasonable service charge to the issuer of a credit card by an establishment accepting or honoring such credit card or any transaction relating to a bank credit card plan;

(ii) Actions or transactions otherwise permitted, prohibited or regulated under laws administered by the insurance commissioner of this state;

(iii) Any motor vehicle dealer franchise subject to the provisions of chapter 46.70 RCW.

(5) "Marketing plan" means a plan or system concerning an aspect of conducting business. A marketing plan may include one or more of the following:

(a) Price specifications, special pricing systems or discount plans;

(b) Sales or display equipment or merchandising devices;

(c) Sales techniques;

(d) Promotional or advertising materials or cooperative advertising;

(e) Training regarding the promotion, operation, or management of the business; or

(f) Operational, managerial, technical, or financial guidelines or assistance.

(6) "Bank credit card plan" means a credit card plan in which the issuer of credit cards is a national bank, state bank, trust company or any other banking institution subject to the supervision of the director of financial institutions of this state or any parent or subsidiary of such bank.

(7) "Franchisee" means a person to whom a franchise is offered or granted.

(8) "Franchisor" means a person who grants a franchise to another person.

(9) "Subfranchise" means an agreement, express or implied, oral or written, by which a person pays or agrees to pay, directly or indirectly, a franchisor or affiliate for the right to grant, sell or negotiate the sale of a franchise.

(10) "Subfranchisor" means a person to whom a subfranchise is granted.

(11) "Franchise broker" means a person who directly or indirectly engages in the business of the offer or sale of franchises. The term does not include a franchisor, subfranchisor, or their officers, directors, or employees.

(12) "Franchise fee" means any fee or charge that a franchisee or subfranchisor is required to pay or agrees to pay for the right to enter into a business or to continue a business under a franchise agreement, including, but not limited to, the payment either in lump sum or by installments of an initial capital investment fee, any fee or charges based upon a percentage of gross or net sales whether or not referred to as royalty fees, any payment for the mandatory purchase of goods or services or any payment for goods or services available only from the franchisor, or any training fees or training school fees or charges; however, the following shall not be considered payment of a franchise fee: (a) the purchase or agreement to purchase goods at a bona fide wholesale price; (b) the purchase or agreement to purchase goods by consignment; if, and only if the proceeds remitted by the franchisee from any such sale shall reflect

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only the bona fide wholesale price of such goods; (c) a bona fide loan to the franchisee from the franchisor; (d) the purchase or agreement to purchase goods at a bona fide retail price subject to a bona fide commission or compensation plan that in substance reflects only a bona fide wholesale transaction; (e) the purchase or lease or agreement to purchase or lease supplies or fixtures necessary to enter into the business or to continue the business under the franchise agreement at their fair market or rental value; (f) the purchase or lease or agreement to purchase or lease real property necessary to enter into the business under the franchise agreement at the business under the franchise agreement at the fair market or rental value; (g) amounts paid for trading stamps redeemable in cash only; (h) amounts paid for trading stamps to be used as incentives only and not to be used in, with, or for the sale of any goods.

(13) "Person" means a natural person, corporation, partnership, trust, or other entity and in the case of an entity, it shall include any other entity which has a majority interest in such an entity or effectively controls such other entity as well as the individual officers, directors, and other persons in act of control of the activities of each such entity.

(14) "Publish" means publicly to issue or circulate by newspaper, mail, radio, or television or otherwise to disseminate to the public.

(15) "Sale" or "sell" includes every contract of sale, contract to sell, or disposition of a franchise.

(16) "Offer" or "offer to sell" includes every attempt or offer to dispose of or solicitation of an offer to buy a franchise or an interest in a franchise.

(17) "File," "filed," or "filing," except in the phrase "filed with and subject to the approval of the superior court," means the receipt under this chapter of a record by the director or a designee of the director.

(18) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(19) "Prospective franchisee" means any person, including any agent, representative, or employee, who approaches or is approached by a franchise seller to discuss the possible establishment of a franchise relationship.

Sec. 2. RCW 19.100.020 and 1991 c 226 s 2 are each amended to read as follows:

(1) It is unlawful for any franchisor or subfranchisor to sell or offer to sell any franchise in this state unless the offer of the franchise has been registered under this chapter or exempted under RCW 19.100.030.

(2) For the purpose of this section, an offer to sell a franchise is made in this state when: (a) The offer is directed by the offeror into this state from within or outside this state and is received where it is directed, (b) the offer originates from this state and violates the franchise or business opportunity law of the state or foreign jurisdiction into which it is directed, (c) the ((offeree)) prospective franchisee is a resident of this state, or (d) the franchise business that is the subject of the offer is to be located or operated, wholly or partly, in this state.

(3) For the purpose of this section, a sale of any franchise is made in this state when: (a) An offer to sell is accepted in this state, (b) an offer originating from this state is accepted and violates the franchise or business opportunity law of the state or foreign jurisdiction in which it is accepted, (c) the purchaser of the

franchise is a resident of this state, or (d) the franchise business that is the subject of the sale is to be located or operated, wholly or partly, in this state.

(4) For the purpose of this section, an offer to sell is not made in this state solely because the offer appears: (a) In a newspaper or other publication of general and regular circulation if the publication has had more than two-thirds of its circulation outside this state during the twelve months before the offer is published, or (b) in a broadcast or transmission originating outside this state.

Sec. 3. RCW 19.100.030 and 1991 c 226 s 3 are each amended to read as follows:

The registration requirements of this chapter shall not apply to:

(1) The offer or sale or transfer of a franchise by a franchisee who is not an affiliate of the franchisor for the franchisee's own account if the franchisee's entire franchise is sold and the sale is not effected by or through the franchisor. A sale is not effected by or through a franchisor merely because a franchisor has a right to approve or disapprove the sale or requires payment of a reasonable transfer fee. Such right to approve or disapprove the sale shall be exercised in a reasonable manner.

(2) The offer or sale of a franchise by an executor, administrator, sheriff, marshal, receiver, trustee in bankruptcy, guardian, conservator, or pursuant to a court-approved offer or sale, on behalf of a person other than the franchisor or the estate of the franchisor.

(3) The offer or sale of a franchise to a bank, savings institution, trust company, insurance company, investment company as defined in the Investment Company Act of 1940, pension or profit sharing trust, or other financial institution or institutional buyer or to a broker dealer where the purchaser is acting for itself or in some fiduciary capacity.

(4) The offer or sale of a franchise by a franchisor:

(a) Who has delivered in writing to each prospective franchisee, at least ((ten business)) fourteen calendar days prior to the execution by the prospective franchisee of any binding franchise or other agreement, or at least ((ten business)) fourteen calendar days prior to the receipt of any consideration, whichever occurs first, ((an offering circular)) a disclosure document complying with guidelines adopted by rule of the director. The director shall be guided in adopting such a rule by the guidelines for the preparation of the ((Uniform Franchise Offering Circular)) disclosure document adopted by the federal trade commission or the North American Securities Administrators Association, Inc., or its successor, as such guidelines may be revised from time to time; and

(b) Who either:

(i)(A) Has a net worth on a consolidated basis, according to its most recent audited financial statement, of not less than five million dollars or who has a net worth, according to its most recent audited financial statement, of not less than one million dollars and is at least eighty percent owned by a corporation which has a net worth on a consolidated basis, according to its most recent audited financial statement, of not less than five million dollars; and

(B) Has had at least twenty-five franchisees conducting business at all times during the five-year period immediately preceding the offer or sale or has conducted business which is the subject of the franchise continuously for not less than five years preceding the offer or sale or if any corporation which owns at least eighty percent of the franchisor, has had at least twenty-five franchisees conducting business at all times during the five-year period immediately preceding the offer or sale or such corporation has conducted business which is the subject of the franchise continuously for not less than five years preceding the offer or sale; and

(C) Requires an initial investment by the franchisee of more than one hundred thousand dollars; and

(D) Files annually with the director a statement prescribed by rule of the director giving notice of such claim, and pays a filing fee as set forth in RCW 19.100.240; or

(ii)(A) Has no outstanding franchises granted for businesses located or to be located outside the state of Washington; and

(B) Has granted and grants no more than three franchises for franchise businesses to be situated within the state of Washington; and

(C) Does not publish an advertisement or engage in general solicitation for the franchise offering; and

(D) The buyer is represented or advised in the transaction by independent legal counsel or certified public accountant; or

(iii) Does not charge a franchise fee, as defined in RCW 19.100.010(12), in excess of five hundred dollars; and

(c) Who has not been found by a court of competent jurisdiction to have been in violation of this chapter, chapter 19.86 RCW, or any of the various federal statutes dealing with the same or similar matters, within seven years of any sale or offer to sell franchise business under franchise agreement in the state of Washington.

(5) The offer or sale of a franchise to an accredited investor, as defined by rule adopted by the director. The director shall be guided in adopting such a rule by the rules defining accredited investor promulgated by the federal securities and exchange commission.

(6) The offer or sale of an additional franchise to an existing franchisee of the franchisor for the franchisee's own account that is substantially the same as the franchise that the franchisee has operated for at least two years at the time of the offer or sale, provided the prior sale to the franchisee was pursuant to a franchise offering that was registered in the state of Washington.

Sec. 4. RCW 19.100.040 and 1991 c 226 s 4 are each amended to read as follows:

(1) The application for registration of the offer, signed by the franchisor, subfranchisor, or by any person on whose behalf the offering is to be made, must be filed with the director and shall contain:

(a) A copy of the franchisor's or subfranchisor's ((offering circular)) disclosure document which shall be prepared in compliance with guidelines adopted by rule of the director. The director shall be guided in adopting such rule by the guidelines for the preparation of the ((Uniform Franchise Offering Circular)) disclosure document adopted by the federal trade commission or the North American Securities Administrators Association, Inc., or its successor, as such guidelines may be revised from time to time;

(b) A copy of all agreements to be proposed to franchisees;

(c) A consent to service of process as required by RCW 19.100.160;

(d) The application for registration of a franchise broker, if any;

(e) The applicable filing fee; and

(f) Such other information as the director determines, by rule or order, to be necessary or appropriate to facilitate the administration of this chapter.

(2) The director may require the filing of financial statements of the franchisor or subfranchisor audited by an independent certified public accountant and prepared in accordance with generally accepted accounting principles.

When the person filing the application for registration is a subfranchisor, the application shall also include the same information concerning the subfranchisor as is required from the franchisor pursuant to this section.

Sec. 5. RCW 19.100.070 and 1991 c 226 s 5 are each amended to read as follows:

(1) A franchise offering shall be deemed duly registered, and a claim of exemption under RCW 19.100.030(4)(b)(i) shall be duly filed, for a period of one year from the effective date of registration or filing unless the director by rule or order specifies a different period.

(2) Registration of a franchise offer may be renewed for additional periods of one year each, unless the director by rule or order specifies a different period, by filing with the director no later than ((fifteen business)) twenty calendar days prior to the expiration thereof a renewal application containing such information as the director may require to indicate any substantial changes in the information contained in the original application or the previous renewal application and payment of the prescribed fee.

(3) If a material adverse change in the condition of the franchisor or the subfranchisor or any material change in the information contained in its ((offering circular)) disclosure document should occur the franchisor or subfranchisor shall so amend the registration on file with the director as soon as reasonably possible and in any case, before the further sale of any franchise.

Sec. 6. RCW 19.100.080 and 1991 c 226 s 6 are each amended to read as follows:

(1) It is unlawful for any person to sell a franchise that is registered or required to be registered under this chapter without first ((delivering)) furnishing to the ((offeree)) prospective franchisee a copy of the franchisor's current disclosure document, as described in RCW 19.100.040 and 19.100.070, at least ((ten business)) fourteen calendar days prior to the execution by the ((offeree)) prospective franchisee of any binding franchise or other agreement, or at least ((ten business)) fourteen calendar days ((prior to the receipt of any consideration, whichever occurs first, a copy of the offering circular required under RCW 19.100.040, with any addition or amendment to the offering circular required by RCW 19.100.070, together with a copy of the proposed agreements relating to the sale of the franchise)) before the prospective franchisee signs a binding agreement with, or makes any payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

(2) It is unlawful for any franchisor to alter unilaterally and materially the terms and conditions of the basic franchise agreement or any related agreements attached to the disclosure document without furnishing the prospective franchisee with a copy of each revised agreement at least seven calendar days before the prospective franchisee signs the revised agreement. Changes to an

agreement that arise out of negotiations initiated by the prospective franchisee do not trigger this seven calendar day period.

Sec. 7. RCW 19.100.090 and 1971 ex.s. c 252 s 9 are each amended to read as follows:

(1) Neither (a) the fact that application for registration under this law has been filed nor (b) the fact that such registration has become effective constitutes a finding by the director that any document filed under this law is true, complete, or not misleading. Neither any such fact or the fact that an exemption is available for a transaction means that the director has passed in any way on the merit or qualifications of or recommended or given approval to any person, franchise, or transaction.

(2) It is unlawful to make or cause to be made to any prospective $((\frac{\text{purchaser or offeree}}))$ franchisee any representation inconsistent with this section.

Sec. 8. RCW 19.100.184 and 1991 c 226 s 12 are each amended to read as follows:

This chapter does not preclude negotiation of the terms and conditions of a franchise at the initiative of the franchisee, provided that such negotiated terms and conditions do not violate any provision of this chapter. After the initial offer to a franchisee using the ((offering circular)) disclosure document required by RCW 19.100.030, 19.100.040, or 19.100.070 a franchisor need not provide an amended ((offering circular)) disclosure document to that franchisee by reason of a change in the terms and conditions of a franchise being negotiated at the initiative of that franchisee or amend the registration by reason of such change.

Sec. 9. RCW 19.100.130 and 2011 c 336 s 560 are each amended to read as follows:

Upon the entry of a stop order under any part of RCW 19.100.120, the director shall promptly notify the applicant that the order has been entered and that the reasons therefor and that within fifteen days after receipt of a written request, the matter will be set down for hearing. If no hearing is requested within ((fifteen)) twenty calendar days and none is ordered by the director, the director shall enter his or her written findings of fact and conclusions of law and the order will remain in effect until it is modified or vacated by the director. If a hearing is requested or ordered, the director after notice of an opportunity for hearings to the issuer and to the applicant or registrant shall enter his or her written findings of fact and may modify or vacate the order. The director may modify or vacate a stop order if he or she finds that the conditions which prompted his or her entry have changed or that it is otherwise in the public interest to do so.

Sec. 10. RCW 19.100.248 and 1979 ex.s. c 13 s 4 are each amended to read as follows:

If it appears to the director that a person has engaged or is about to engage in an act or practice constituting a violation of a provision of this chapter or a rule adopted or order issued under this chapter, the director may, in the director's discretion, issue an order directing the person to cease and desist from continuing the act or practice. Reasonable notice of and opportunity for a hearing shall be given. The director may issue a temporary order pending the hearing, which shall remain in effect until ten days after the hearing is held and

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which shall become final if the person to whom notice is addressed does not request a hearing within ((fifteen)) twenty calendar days after the receipt of the notice.

Passed by the Senate February 10, 2012. Passed by the House February 27, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 122

[Senate Bill 6175]

STATE-TO-STATE RELATIONSHIP—INDIAN TRIBES

AN ACT Relating to establishing a government-to-government relationship between state government and federally recognized Indian tribes; and adding a new chapter to Title 43 RCW.

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

<u>NEW SECTION.</u> Sec. 1. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Indian tribe" means any federally recognized Indian tribe whose traditional lands and territories included parts of Washington.

(2) "State agency" means an agency, department, office, or the office of a statewide elected official, of the state of Washington.

<u>NEW SECTION.</u> Sec. 2. In establishing a government-to-government relationship with Indian tribes, state agencies must:

(1) Make reasonable efforts to collaborate with Indian tribes in the development of policies, agreements, and program implementation that directly affect Indian tribes and develop a consultation process that is used by the agency for issues involving specific Indian tribes;

(2) Designate a tribal liaison who reports directly to the head of the state agency;

(3) Ensure that tribal liaisons who interact with Indian tribes and the executive directors of state agencies receive training as described in section 4 of this act; and

(4) Submit an annual report to the governor on activities of the state agency involving Indian tribes and on implementation of this chapter.

<u>NEW SECTION.</u> Sec. 3. The position of tribal liaison within a state agency is responsible for:

(1) Assisting the state agency in developing and implementing state and agency policies that promote effective communication and collaboration between the state agency and tribal governments;

(2) Serving as a contact person with tribal governments and maintaining communication between the state agency and affected tribal governments; and

(3) Coordinating training of state agency employees in government-togovernment relations.

<u>NEW SECTION.</u> Sec. 4. Training required under section 2 of this act for state agency employees must include at a minimum:

(1) Effective communication and collaboration between state agencies and Indian tribes;

(2) Cultural competency in providing effective services to tribal governments and tribal members; and

(3) Use of training services such as those provided through the governor's office of Indian affairs.

<u>NEW SECTION.</u> Sec. 5. (1) At least once a year, the governor and other statewide elected officials must meet with leaders of Indian tribes to address issues of mutual concern.

(2) The governor must maintain for public reference an updated list of the names and contact information for the individuals designated as tribal liaisons and the names and contact information for tribal leadership as submitted by an Indian tribe.

<u>NEW SECTION.</u> Sec. 6. Nothing in this chapter creates a right of action against a state agency or a right of review of an action by a state agency.

<u>NEW SECTION.</u> Sec. 7. Sections 1 through 6 of this act constitute a new chapter in Title 43 RCW.

<u>NEW SECTION.</u> Sec. 8. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed by the Senate February 13, 2012. Passed by the House February 28, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 123

[Substitute Senate Bill 6208]

WAREHOUSE OPERATION AND GRAIN DEALERS—LICENSE FEES

AN ACT Relating to license fees under the warehouse act; and amending RCW 22.09.050 and 22.09.055.

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

Sec. 1. RCW 22.09.050 and 2011 c 336 s 602 are each amended to read as follows:

Any application for a license to operate a warehouse shall be accompanied by a license fee of one thousand ((three hundred fifty)) <u>nine hundred</u> dollars for a terminal warehouse, one thousand ((fifty)) <u>five hundred</u> dollars for a subterminal warehouse, and ((five)) <u>seven</u> hundred dollars for a country warehouse. If a licensee operates more than one warehouse under one state license as provided for in RCW 22.09.030, the license fee shall be computed by multiplying the number of physically separated warehouses within the station by the applicable terminal, subterminal, or country warehouse license fee.

If an application for renewal of a warehouse license or licenses is not received by the department prior to the renewal date or dates established by the director by rule, a penalty of fifty dollars for the first week and one hundred dollars for each week thereafter shall be assessed and added to the original fee and shall be paid by the applicant before the renewal license may be issued. This penalty does not apply if the applicant furnishes an affidavit certifying that he or

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she has not acted as a warehouse operator subsequent to the expiration of his or her prior license.

Sec. 2. RCW 22.09.055 and 2011 c 336 s 603 are each amended to read as follows:

An application for a license to operate as a grain dealer shall be accompanied by a license fee of <u>one thousand</u> seven hundred fifty dollars. The license fee for exempt grain dealers shall be ((three)) five hundred dollars.

If an application for renewal of a grain dealer or exempt grain dealer license is not received by the department before the renewal date or dates established by the director by rule, a penalty of fifty dollars for the first week and one hundred dollars for each week thereafter shall be assessed and added to the original fee and shall be paid by the applicant before the renewal license may be issued. This penalty does not apply if the applicant furnishes an affidavit certifying that he or she has not acted as a grain dealer or exempt grain dealer after the expiration of his or her prior license.

Passed by the Senate February 14, 2012. Passed by the House March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 124

[Senate Bill 6218]

ESCROW LICENSING—REQUIREMENTS—EXCEPTIONS

AN ACT Relating to escrow licensing requirement exceptions; and amending RCW 18.44.021.

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

Sec. 1. RCW 18.44.021 and 2010 c 34 s 2 are each amended to read as follows:

It shall be unlawful for any person to engage in business as an escrow agent by performing escrows or any of the functions of an escrow agent as described in RCW 18.44.011(((4))) (7) within this state or with respect to transactions that involve personal property or real property located in this state unless such person possesses a valid license issued by the director pursuant to this chapter. The licensing requirements of this chapter shall not apply to:

(1) Any person doing business under the law of this state or the United States relating to banks, trust companies, mutual savings banks, savings and loan associations, credit unions, insurance companies, or any federally approved agency or lending institution under the national housing act (12 U.S.C. Sec. 1703).

(2) Any person licensed to practice law in this state ((while engaged in the performance of his or her professional duties: PROVIDED, That no separate compensation or gain is received for escrow services, and the service is provided under the same legal entity as the law practice. Any attorney who is principally engaged as an escrow agent is required to be licensed. If an attorney holds himself or herself out publicly as being able to perform the services of an escrow agent, he or she is principally engaged as an escrow agent agent as an escrow agent and escrow agent.

(a) All escrow transactions are performed by the lawyer while engaged in the practice of law, or by employees of the law practice under the direct supervision of the lawyer while engaged in the practice of law;

(b) All escrow transactions are performed under a legal entity publicly identified and operated as a law practice; and

(c) All escrow funds are deposited to, maintained in, and disbursed from a trust account in compliance with rules enacted by the Washington supreme court regulating the conduct of lawyers.

(3) Any real estate company, broker, or agent subject to the jurisdiction of the director of licensing while performing acts in the course of or incidental to sales or purchases of real or personal property handled or negotiated by such real estate company, broker, or agent: PROVIDED, That no compensation is received for escrow services.

(4) Any transaction in which money or other property is paid to, deposited with, or transferred to a joint control agent for disbursal or use in payment of the cost of labor, material, services, permits, fees, or other items of expense incurred in the construction of improvements upon real property.

(5) Any receiver, trustee in bankruptcy, executor, administrator, guardian, or other person acting under the supervision or order of any superior court of this state or of any federal court.

(6) Title insurance companies having a valid certificate of authority issued by the insurance commissioner of this state and title insurance agents having a valid license as a title insurance agent issued by the insurance commissioner of this state.

Passed by the Senate February 13, 2012. Passed by the House March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 125

[Engrossed Senate Bill 6296] BACKGROUND CHECKS

AN ACT Relating to background checks; amending RCW 10.97.030, 10.97.050, 10.97.080, 43.43.730, and 43.43.8321; and repealing RCW 43.43.565.

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

Sec. 1. RCW 10.97.030 and 1999 c 49 s 1 are each amended to read as follows:

For purposes of this chapter, the definitions of terms in this section shall apply.

(1) "Criminal history record information" means information contained in records collected by criminal justice agencies, other than courts, on individuals, consisting of identifiable descriptions and notations of arrests, detentions, indictments, informations, or other formal criminal charges, and any disposition arising therefrom, including acquittals by reason of insanity, dismissals based on lack of competency, sentences, correctional supervision, and release.

The term includes information contained in records maintained by or obtained from criminal justice agencies, other than courts, which records provide

individual identification of a person together with any portion of the individual's record of involvement in the criminal justice system as an alleged or convicted offender, except:

(a) Posters, announcements, or lists for identifying or apprehending fugitives or wanted persons;

(b) Original records of entry maintained by criminal justice agencies to the extent that such records are compiled and maintained chronologically and are accessible only on a chronological basis;

(c) Court indices and records of public judicial proceedings, court decisions, and opinions, and information disclosed during public judicial proceedings;

(d) Records of traffic violations which are not punishable by a maximum term of imprisonment of more than ninety days;

(e) Records of any traffic offenses as maintained by the department of licensing for the purpose of regulating the issuance, suspension, revocation, or renewal of drivers' or other operators' licenses and pursuant to RCW 46.52.130;

(f) Records of any aviation violations or offenses as maintained by the department of transportation for the purpose of regulating pilots or other aviation operators, and pursuant to RCW 47.68.330;

(g) Announcements of executive clemency:

(h) Intelligence, analytical, or investigative reports and files.

(2) "Nonconviction data" consists of all criminal history record information relating to an incident which has not led to a conviction or other disposition adverse to the subject, and for which proceedings are no longer actively pending. There shall be a rebuttable presumption that proceedings are no longer actively pending if more than one year has elapsed since arrest, citation, charge, or service of warrant and no disposition has been entered.

(3) "Conviction record" means criminal history record information relating to an incident which has led to a conviction or other disposition adverse to the subject.

(4) "Conviction or other disposition adverse to the subject" means any disposition of charges other than: (a) A decision not to prosecute; (b) a dismissal; or (c) acquittal; with the following exceptions, which shall be considered dispositions adverse to the subject: An acquittal due to a finding of not guilty by reason of insanity and a dismissal by reason of incompetency, pursuant to chapter 10.77 RCW; and a dismissal entered after a period of probation, suspension, or deferral of sentence.

(5) "Criminal justice agency" means: (a) A court; or (b) a government agency which performs the administration of criminal justice pursuant to a statute or executive order and which allocates a substantial part of its annual budget to the administration of criminal justice.

(6) "The administration of criminal justice" means performance of any of the following activities: Detection, apprehension, detention, pretrial release, post-trial release, prosecution, adjudication, correctional supervision, or rehabilitation of accused persons or criminal offenders. The term also includes criminal identification activities and the collection, storage, dissemination of criminal history record information, and the compensation of victims of crime.

(7) "Disposition" means the formal conclusion of a criminal proceeding at whatever stage it occurs in the criminal justice system.

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(8) "Dissemination" means disclosing criminal history record information or disclosing the absence of criminal history record information to any person or agency outside the agency possessing the information, subject to the following exceptions:

(a) When criminal justice agencies jointly participate in the maintenance of a single record keeping department as an alternative to maintaining separate records, the furnishing of information by that department to personnel of any participating agency is not a dissemination;

(b) The furnishing of information by any criminal justice agency to another for the purpose of processing a matter through the criminal justice system, such as a police department providing information to a prosecutor for use in preparing a charge, is not a dissemination;

(c) The reporting of an event to a record keeping agency for the purpose of maintaining the record is not a dissemination.

Sec. 2. RCW 10.97.050 and 2005 c 421 s 9 are each amended to read as follows:

(1) Conviction records may be disseminated without restriction.

(2) Any criminal history record information which pertains to an incident that occurred within the last twelve months for which a person is currently being processed by the criminal justice system, including the entire period of correctional supervision extending through final discharge from parole, when applicable, may be disseminated without restriction ((with the exception of a record being disseminated in response to a request for a conviction record under RCW 43.43.832. A request for a conviction record under RCW 43.43.832 shall not contain information for a person who, within the last twelve months, is eurrently being processed by the criminal justice system unless it pertains to information relating to a crime against a person as defined in RCW 9.94A.411)).

(3) Criminal history record information which includes nonconviction data may be disseminated by a criminal justice agency to another criminal justice agency for any purpose associated with the administration of criminal justice, or in connection with the employment of the subject of the record by a criminal justice or juvenile justice agency. A criminal justice agency may respond to any inquiry from another criminal justice agency without any obligation to ascertain the purpose for which the information is to be used by the agency making the inquiry.

(4) Criminal history record information which includes nonconviction data may be disseminated by a criminal justice agency to implement a statute, ordinance, executive order, or a court rule, decision, or order which expressly refers to records of arrest, charges, or allegations of criminal conduct or other nonconviction data and authorizes or directs that it be available or accessible for a specific purpose.

(5) Criminal history record information which includes nonconviction data may be disseminated to individuals and agencies pursuant to a contract with a criminal justice agency to provide services related to the administration of criminal justice. Such contract must specifically authorize access to criminal history record information, but need not specifically state that access to nonconviction data is included. The agreement must limit the use of the criminal history record information to stated purposes and insure the confidentiality and security of the information consistent with state law and any applicable federal statutes and regulations.

(6) Criminal history record information which includes nonconviction data may be disseminated to individuals and agencies for the express purpose of research, evaluative, or statistical activities pursuant to an agreement with a criminal justice agency. Such agreement must authorize the access to nonconviction data, limit the use of that information which identifies specific individuals to research, evaluative, or statistical purposes, and contain provisions giving notice to the person or organization to which the records are disseminated that the use of information obtained therefrom and further dissemination of such information are subject to the provisions of this chapter and applicable federal statutes and regulations, which shall be cited with express reference to the penalties provided for a violation thereof.

(7) Every criminal justice agency that maintains and disseminates criminal history record information must maintain information pertaining to every dissemination of criminal history record information except a dissemination to the effect that the agency has no record concerning an individual. Information pertaining to disseminations shall include:

(a) An indication of to whom (agency or person) criminal history record information was disseminated;

(b) The date on which the information was disseminated;

(c) The individual to whom the information relates; and

(d) A brief description of the information disseminated.

The information pertaining to dissemination required to be maintained shall be retained for a period of not less than one year.

(8) In addition to the other provisions in this section allowing dissemination of criminal history record information, RCW 4.24.550 governs dissemination of information concerning offenders who commit sex offenses as defined by RCW 9.94A.030. Criminal justice agencies, their employees, and officials shall be immune from civil liability for dissemination on criminal history record information concerning sex offenders as provided in RCW 4.24.550.

Sec. 3. RCW 10.97.080 and 2010 c 8 s 1093 are each amended to read as follows:

All criminal justice agencies shall permit an individual who is, or who believes that he or she may be, the subject of a criminal record maintained by that agency, to appear in person during normal business hours of that criminal justice agency and request to see the criminal history record information held by that agency pertaining to the individual. The individual's right to access and review of criminal history record information shall not extend to data contained in intelligence, investigative, or other related files, and shall not be construed to include any information other than that defined as criminal history record information by this chapter.

Every criminal justice agency shall adopt rules and make available forms to facilitate the inspection and review of criminal history record information by the subjects thereof, which rules may include requirements for identification, the establishment of reasonable periods of time to be allowed an individual to examine the record, and for assistance by an individual's counsel, interpreter, or other appropriate persons.

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No person shall be allowed to retain or mechanically reproduce any nonconviction data except for the ((purpose of challenge or correction when the)) person who is the subject of the record ((asserts the belief in writing that the information regarding such person is inaccurate or incomplete)). Such person may retain a copy of their personal nonconviction data information on file, if the criminal justice agency has verified the identities of those who seek to inspect them. Criminal justice agencies may impose such additional restrictions, including fingerprinting, as are reasonably necessary both to assure the record's security and to verify the identities of those who seek to inspect them. The criminal justice agency may charge a reasonable fee for fingerprinting or providing a copy of the personal nonconviction data information pursuant to this section. The provisions of chapter 42.56 RCW shall not be construed to require or authorize copying of nonconviction data for any other purpose.

The Washington state patrol shall establish rules for the challenge of records which an individual declares to be inaccurate or incomplete, and for the resolution of any disputes between individuals and criminal justice agencies pertaining to the accuracy and completeness of criminal history record information. The Washington state patrol shall also adopt rules for the correction of criminal history record information and the dissemination of corrected information to agencies and persons to whom inaccurate or incomplete information was previously disseminated. Such rules may establish time limitations of not less than ninety days upon the requirement for disseminating corrected information.

Sec. 4. RCW 43.43.730 and 2006 c 294 s 5 are each amended to read as follows:

(1) Any individual shall have the right to inspect <u>or request a copy of the</u> criminal history record information on file with the section which refers to the individual. If the individual believes such information to be inaccurate or incomplete, he or she may request the section to purge, modify or supplement it and to advise such persons or agencies who have received his or her record and whom the individual designates to modify it accordingly. Should the section decline to so act, or should the individual believe the section's decision to be otherwise unsatisfactory, the individual may appeal such decision to the superior court in the county in which he or she is resident, or the county from which the disputed record emanated or Thurston county. The court shall in such case conduct a de novo hearing, and may order such relief as it finds to be just and equitable.

(2) The section may prescribe reasonable hours and a place for inspection, and may impose such additional restrictions, including fingerprinting, as are reasonably necessary both to assure the record's security and to verify the identities of those who seek to inspect them: PROVIDED, That the section may charge a reasonable fee for fingerprinting <u>or for providing a copy of the criminal history record information pursuant to subsection (1) of this section.</u>

Sec. 5. RCW 43.43.8321 and 2005 c 421 s 10 are each amended to read as follows:

When the Washington state patrol disseminates conviction record information in response to a request under RCW 43.43.832, it shall clearly state that: (1) The conviction record data does not include information on civil

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adjudications, administrative findings, or disciplinary board final decisions and that all such information must be obtained from the courts and licensing agencies; (2) the conviction record ((that is being disseminated includes information)) includes any criminal history record information which pertains to an incident that occurred within the last twelve months for which a person is currently being processed by the criminal justice system ((relating to only crimes against a person as defined in RCW 9.94A.411 and that it does not include any other current or pending charge information for which a person could be in the current process of being processed by the criminal justice system)), including the entire period of correctional supervision extending through final discharge from parole, when applicable, may be disseminated without restriction; and (3) an arrest is not a conviction or a finding of guilt.

<u>NEW SECTION.</u> Sec. 6. RCW 43.43.565 (Automatic fingerprint information system account) and 1986 c 196 s 2 are each repealed.

Passed by the Senate February 9, 2012. Passed by the House February 28, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 126

[Substitute Senate Bill 6325] REAL ESTATE LICENSING—EXEMPTION— COMMON INTEREST COMMUNITY MANAGERS

AN ACT Relating to exempting common interest community managers from real estate broker and managing broker licensing requirements; and amending RCW 18.85.151.

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

Sec. 1. RCW 18.85.151 and 2008 c 23 s 16 are each amended to read as follows:

This chapter shall not apply to:

(1) Any person who purchases or disposes of property and/or a business opportunity for that individual's own account, or that of a group of which the person is a member, and their employees;

(2) Any duly authorized attorney-in-fact acting under a power of attorney without compensation;

(3) An attorney-at-law in the performance of the practice of law;

(4) Any receiver, trustee in bankruptcy, executor, administrator, guardian, personal representative, or any person acting under the order of any court, selling under a deed of trust, or acting as trustee under a trust;

(5) Any secretary, bookkeeper, accountant, or other office personnel who does not engage in any conduct or activity specified in any of the definitions under RCW 18.85.011;

(6) Employees of towns, cities, counties, or governmental entities involved in an acquisition of property for right-of-way, eminent domain, or threat of eminent domain;

(7) Only with respect to the rental or lease of individual storage space, any person who owns or manages a self-service storage facility as defined under chapter 19.150 RCW;

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(8) Any person providing referrals to licensees who is not involved in the negotiation, execution of documents, or related real estate brokerage services, and compensation is not contingent upon receipt of compensation by the licensee or the real estate firm;

(9) Certified public accountants if they do not promote the purchase, listing, sale, exchange, optioning, leasing, or renting of a specific real property interest;

(10) Any natural persons or entities including title or escrow companies, escrow agents, attorneys, or financial institutions acting as escrow agents if they do not promote the purchase, listing, sale, exchange, optioning, leasing, or renting of a specific real property interest;

(11) Investment counselors if they do not promote the purchase, listing, sale, exchange, optioning, leasing, or renting of a specific real property interest; ((and))

(12) Common interest community managers who, in an advisory capacity and for compensation or in expectation of compensation, provide management or financial services, negotiate agreements to provide management or financial services, or represent themselves as providing management or financial services to an association governed by chapter 64.32, 64.34, or 64.38 RCW, if they do not promote the purchase, listing, sale, exchange, optioning, leasing, or renting of a specific real property interest. This subsection (12) applies regardless of whether a common interest community manager acts as an independent contractor to, employee of, general manager or executive director of, or agent of an association governed by chapter 64.32, 64.34, or 64.38 RCW; and

(13) Any person employed or retained by, for, or on behalf of the owner or on behalf of a designated or managing broker if the person is limited in property management to any of the following activities:

(a) Delivering a lease application, a lease, or any amendment thereof to any person;

(b) Receiving a lease application, lease, or amendment thereof, a security deposit, rental payment, or any related payment for delivery to and made payable to the real estate firm or owner;

(c) Showing a rental unit to any person, or executing leases or rental agreements, and the employee or retainee is acting under the direct instruction of the owner or designated or managing broker;

(d) Providing information about a rental unit, a lease, an application for lease, or a security deposit and rental amounts to any prospective tenant; or

(e) Assisting in the performance of property management functions by carrying out administrative, clerical, financial, or maintenance tasks.

Passed by the Senate February 14, 2012. Passed by the House March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 127

[Substitute Senate Bill 6354]

STATE AGENCIES—SUBMISSION OF DOCUMENTS

AN ACT Relating to filing of business forms with state agencies; and adding a new section to chapter 43.17 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 43.17 RCW to read as follows:

(1) In any instance where a state agency requires that a business submit a document, form, or payment of a fee in paper format, the state agency must provide the business an option to submit such requirement electronically.

(2) A business may authorize a second party to meet the requirements imposed by a state agency under subsection (1) of this section on its behalf.

(3) The director of a state agency or the director's designee may exempt a document, form, or payment of a fee from the requirements of this section if:

(a)(i) There is a legal requirement for such materials to be submitted in paper format; or

(ii) It is not technically or fiscally feasible or practical, or in the best interest of businesses for such materials to be submitted electronically; and

(b) Within existing resources, the director or the director's designee establishes and maintains a process to notify the public regarding such exemptions.

(4) Agencies must add the capability to submit existing documents, forms, and fees electronically as part of their normal operations. New documents, forms, and fees required of a business must be capable of electronic submission within a reasonable time following either their creation or the implementation of the new requirement.

(5) Agencies must document how they plan to transition from paper to electronic forms.

Passed by the Senate March 5, 2012. Passed by the House March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 128

[Senate Bill 6385]

HABITAT AND RECREATION LANDS COORDINATING GROUP

AN ACT Relating to extending the habitat and recreation lands coordinating group until July 31, 2017; amending RCW 79A.25.260; creating a new section; and providing an expiration date.

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

Sec. 1. RCW 79A.25.260 and 2007 c 247 s 1 are each amended to read as follows:

(1) The habitat and recreation lands coordinating group is established. The ((habitat and recreation lands coordinating)) group must include representatives from the ((committee)) office, the state parks and recreation commission, the department of natural resources, and the ((Washington state)) department of fish and wildlife. The members of the ((habitat and recreation lands coordinating)) group must have subject matter expertise with the issues presented in this section. Representatives from appropriate stakeholder organizations and local government must also be considered for participation on the ((habitat and recreation lands coordinating)) group, but may only be appointed or invited by the director.

(2) To ensure timely completion of the duties assigned to the ((habitat and recreation lands coordinating)) group, the director shall submit yearly progress reports to the office of financial management.

(3) The ((habitat and recreation lands coordinating)) group must:

(a) Review agency land acquisition and disposal plans and policies to help ensure statewide coordination of habitat and recreation land acquisitions and disposals;

(b) Produce an interagency, statewide biennial forecast of habitat and recreation land ((acquisitions [acquisition])) acquisition and disposal plans;

(c) Establish procedures for publishing the biennial forecast of acquisition and disposal plans on web sites or other centralized, easily accessible formats;

(d) Develop and convene an annual forum for agencies to coordinate their near-term acquisition and disposal plans;

(e) Develop a recommended method for interagency geographic information system-based documentation of habitat and recreation lands in cooperation with other state agencies using geographic information systems;

(f) Develop recommendations for standardization of acquisition and disposal recordkeeping, including identifying a preferred process for centralizing acquisition data;

(g) Develop an approach for monitoring the success of acquisitions;

(h) Identify and commence a dialogue with key state and federal partners to develop an inventory of potential public lands for transfer into habitat and recreation land management status; and

(i) Review existing and proposed habitat conservation plans on a regular basis to foster statewide coordination and save costs.

(4) If prioritization among the various requirements of subsection (3) of this section is necessary due to the availability of resources, the group shall prioritize implementation of subsection (3)(a) through (d) and (g) of this section.

(5) The group shall revisit the ((committee's and Washington wildlife and recreation program's)) planning requirements of relevant grant programs administered by the office to determine whether coordination of state agency habitat and recreation land acquisition and disposal could be improved by modifying those requirements.

 $((\frac{(5)}{)})$ (6) The group must develop options for centralizing coordination of habitat and recreation land acquisition made with funds from federal grants. The advantages and drawbacks of the following options, at a minimum, must be developed:

(a) Requiring that agencies provide early communication on the status of federal grant applications to the ((committee)) office, the office of financial management, or directly to the legislature;

(b) Establishing a centralized pass-through agency for federal funds, where individual agencies would be the primary applicants.

(((6))) (7) This section expires July 31, ((2012)) 2017. Prior to January 1, ((2012)) 2017, the ((committee)) group shall make a formal recommendation to the board and the appropriate committees of the legislature as to whether the existence of the habitat and recreation lands coordinating group should be continued beyond July 31, ((2012)) 2017, and if so, whether any modifications to its enabling statute should be pursued. ((The committee shall involve all

participants in the habitat and recreation lands coordinating group when developing the recommendations.))

<u>NEW SECTION.</u> Sec. 2. The legislature finds that participation by the state's habitat and recreation land management agencies in the habitat and recreation lands coordinating group is an inherent part of transparent, efficient, and effective state habitat and recreation land management, and must be conducted within existing resources.

Passed by the Senate February 13, 2012. Passed by the House February 28, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 129

[Substitute Senate Bill 6421] PUBLIC WORKS—AFFIDAVIT OF WAGES PAID

AN ACT Relating to the affidavit of wages paid on public works; and amending RCW 39.12.040.

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

Sec. 1. RCW 39.12.040 and 2009 c 219 s 2 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, before payment is made by or on behalf of the state, or any county, municipality, or political subdivision created by its laws, of any sum or sums due on account of a public works contract, it shall be the duty of the officer or person charged with the custody and disbursement of public funds to require the contractor and each and every subcontractor from the contractor or a subcontractor to submit to such officer a "Statement of Intent to Pay Prevailing Wages". For a contract in excess of ten thousand dollars, the statement of intent to pay prevailing wages shall include:

(a) The contractor's registration certificate number; and

(b) The prevailing rate of wage for each classification of workers entitled to prevailing wages under RCW 39.12.020 and the estimated number of workers in each classification.

Each statement of intent to pay prevailing wages must be approved by the industrial statistician of the department of labor and industries before it is submitted to ((said)) the disbursing officer. Unless otherwise authorized by the department of labor and industries, each voucher claim submitted by a contractor for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the prefiled statement or statements of intent to pay prevailing wages on file with the public agency. Following the final acceptance of a public works project, it shall be the duty of the officer charged with the disbursement of public funds, to require the contractor and each and every subcontractor from the contractor or a subcontractor to submit to such officer an "Affidavit of Wages Paid" before the funds retained according to the provisions of RCW 60.28.011 are released to the contractor. If a subcontractor performing work on a public works project fails to submit an "affidavit of wages paid" form, the contractor or subcontractor with whom the subcontractor had a contractual

relationship for the project may file the forms on behalf of the nonresponsive subcontractor. Affidavit forms may only be filed on behalf of a nonresponsive subcontractor who has ceased operations or failed to file as required by this section. Filings made on behalf of a subcontractor may not be accepted sooner than thirty-one days after the acceptance date of the public works project and the contractor filing the affidavit must accept responsibility for payment of prevailing wages unpaid by the subcontractor on the project pursuant to RCW 39.12.020 and 39.12.065. Intentionally filing a false affidavit on behalf of a subcontractor subjects the filer to the same penalties as are provided in RCW 39.12.050. Each affidavit of wages paid must be certified by the industrial statistician of the department of labor and industries before it is submitted to ((said)) the disbursing officer.

(2) As an alternate to the procedures provided for in subsection (1) of this section, for public works projects of two thousand five hundred dollars or less and for projects where the limited public works process under RCW 39.04.155(3) is followed:

(a) An awarding agency may authorize the contractor or subcontractor to submit the statement of intent to pay prevailing wages directly to the officer or person charged with the custody or disbursement of public funds in the awarding agency without approval by the industrial statistician of the department of labor and industries. The awarding agency shall retain such statement of intent to pay prevailing wages for a period of not less than three years.

(b) Upon final acceptance of the public works project, the awarding agency shall require the contractor or subcontractor to submit an affidavit of wages paid. Upon receipt of the affidavit of wages paid, the awarding agency may pay the contractor or subcontractor in full, including funds that would otherwise be retained according to the provisions of RCW 60.28.011. Within thirty days of receipt of the affidavit of wages paid, the awarding agency shall submit the affidavit of wages paid to the industrial statistician of the department of labor and industries for approval.

(c) A statement of intent to pay prevailing wages and an affidavit of wages paid shall be on forms approved by the department of labor and industries.

(d) In the event of a wage claim and a finding for the claimant by the department of labor and industries where the awarding agency has used the alternative process provided for in subsection (2) of this section, the awarding agency shall pay the wages due directly to the claimant. If the contractor or subcontractor did not pay the wages stated in the affidavit of wages paid, the awarding agency may take action at law to seek reimbursement from the contractor or subcontractor from bidding on any public works contract of the awarding agency for up to one year.

(e) Nothing in this section shall be interpreted to allow an awarding agency to subdivide any public works project of more than two thousand five hundred dollars for the purpose of circumventing the procedures required by (($\frac{RCW}{39.12.040(1)}$)) subsection (1) of this section.

Passed by the Senate February 10, 2012. Passed by the House February 29, 2012.

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Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 130

[Substitute Senate Bill 6423] FARM VEHICLES

AN ACT Relating to the definition of farm vehicle; and amending RCW 46.04.181.

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

Sec. 1. RCW 46.04.181 and 1967 c 202 s 1 are each amended to read as follows:

"Farm vehicle" means any vehicle other than a farm tractor or farm implement which is: (1) Designed and/or used primarily in agricultural pursuits on farms for the purpose of transporting machinery, equipment, implements, farm products, supplies and/or farm labor thereon and is only incidentally operated on or moved along public highways for the purpose of going from one farm to another; or (2) for purposes of RCW 46.25.050, used to transport agricultural products, farm machinery, farm supplies, or any combination of these materials to or from a farm.

Passed by the Senate February 10, 2012. Passed by the House February 28, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 131

[Senate Bill 6465]

RAFFLES OVER FIVE THOUSAND DOLLARS

AN ACT Relating to raffles exceeding five thousand dollars; and amending RCW 9.46.0315.

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

Sec. 1. RCW 9.46.0315 and 1991 c 192 s 4 are each amended to read as follows:

Bona fide charitable or bona fide nonprofit organizations organized primarily for purposes other than the conduct of raffles, are hereby authorized to conduct raffles without obtaining a license to do so from the commission when such raffles are held in accordance with all other requirements of this chapter, other applicable laws, and rules of the commission; when gross revenues from all such raffles held by the organization during the calendar year do not exceed five thousand dollars; and when tickets to such raffles are sold only to, and winners are determined only from among, the regular members of the organization conducting the raffle. The organization may provide unopened containers of beverages containing alcohol as raffle prizes if the appropriate permit has been obtained from the liquor control board: <u>PROVIDED, That raffles that exceed five thousand dollars may also be conducted pursuant to the provisions of this section if the organization obtains a license from the commission:</u> PROVIDED <u>FURTHER</u>, That the term members for this purpose shall mean only those persons who have become members prior to the commencement of the raffle and whose qualification for membership was not

dependent upon, or in any way related to, the purchase of a ticket, or tickets, for such raffles.

Passed by the Senate February 11, 2012. Passed by the House February 28, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 132

[Substitute Senate Bill 6472] REAL ESTATE DISCLOSURES—CARBON MONOXIDE ALARMS

AN ACT Relating to disclosure of carbon monoxide alarms in real estate transactions; amending RCW 64.06.020, 64.06.013, and 19.27.530; and creating new sections.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that the state building code council has adopted rules relating to laws on installation of carbon monoxide alarms in homes and buildings. The legislature finds that amending the state's real estate seller disclosure forms and ensuring that the responsibility for carbon monoxide alarms is that of the seller, will aid in implementing this law.

Sec. 2. RCW 64.06.020 and 2011 c 200 s 4 are each amended to read as follows:

(1) In a transaction for the sale of improved residential real property, the seller shall, unless the buyer has expressly waived the right to receive the disclosure statement under RCW 64.06.010, or unless the transfer is otherwise exempt under RCW 64.06.010, deliver to the buyer a completed seller disclosure statement in the following format and that contains, at a minimum, the following information:

INSTRUCTIONS TO THE SELLER

Please complete the following form. Do not leave any spaces blank. If the question clearly does not apply to the property write "NA." If the answer is "yes" to any * items, please explain on attached sheets. Please refer to the line number(s) of the question(s) when you provide your explanation(s). For your protection you must date and sign each page of this disclosure statement and each attachment. Delivery of the disclosure statement must occur not later than five business days, unless otherwise agreed, after mutual acceptance of a written contract to purchase between a buyer and a seller.

NOTICE TO THE BUYER

SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE

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BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO YOU TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED DISCLOSURE STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

THE FOLLOWING ARE DISCLOSURES MADE BY SELLER AND ARE NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF ANY WRITTEN AGREEMENT BETWEEN BUYER AND SELLER.

FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT LIMITATION, ARCHITECTS, SURVEYORS. ENGINEERS. LAND PLUMBERS. ELECTRICIANS, ROOFERS. BUILDING INSPECTORS, **ON-SITE** WASTEWATER TREATMENT INSPECTORS, OR STRUCTURAL PEST INSPECTORS. THE PROSPECTIVE BUYER AND SELLER MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS OF THE PROPERTY OR TO PROVIDE APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTION, DEFECTS OR WARRANTIES.

Seller \ldots is/ \ldots is not occupying the property.

I. SELLER'S DISCLOSURES:

If you answer "Yes" to a question with an asterisk (), please explain your answer and attach documents, if available and not otherwise publicly recorded. If necessary, use an attached sheet.

		-	1. TITLE
[] Yes	[] No	[] Don't know	A. Do you have legal authority to sell the property? If no, please explain.
[] Yes	[] No	[] Don't know	 *B. Is title to the property subject to any of the following? (1) First right of refusal (2) Option (3) Lease or rental agreement (4) Life estate?
[] Yes	[] No	[] Don't know	*C. Are there any encroachments, boundary agreements, or boundary disputes?
[] Yes	[] No	[] Don't know	*D. Is there a private road or easement agreement for access to the property?
[] Yes	[] No	[] Don't know	*E. Are there any rights-of-way, easements, or access limitations that may affect the Buyer's use of the property?
[] Yes	[] No	[] Don't know	*F. Are there any written agreements for joint maintenance of an easement or right-of-way?
[] Yes	[] No	[] Don't know	*G. Is there any study, survey project, or notice that would adversely affect the property?

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[] Yes	[] No	[] Don't know	*H. Are there any pending or existing
[] Yes	[] No	[] Don't know	assessments against the property? *I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the property that would
			affect future construction or
[] Yes	[] No	[] Don't know	remodeling? *J. Is there a boundary survey for the
[] Yes	[]No	[] Don't know	property?
[] 103	[]110		*K. Are there any covenants, conditions, or restrictions recorded
			against the property? 2. WATER
			A. Household Water
			(1) The source of water for the
			property is: [] Private or publicly owned water
			system
			[] Private well serving only the subject property
[] V ee	[]No	[] Don't know	*[] Other water system
[] Yes	[] No	[] Don't know	*If shared, are there any written agreements?
[] Yes	[] No	[] Don't know	*(2) Is there an easement (recorded
			or unrecorded) for access to and/or maintenance of the water source?
[] Yes	[] No	[] Don't know	*(3) Are there any problems or repairs needed?
[] Yes	[] No	[] Don't know	(4) During your ownership, has the
			source provided an adequate year-round supply of potable water?
			If no, please explain.
[] Yes	[] No	[] Don't know	*(5) Are there any water treatment systems for the property? If yes, are
[]] V	[]]N.	[] Dank Iman	they []Leased []Owned
[] Yes	[] No	[] Don't know	*(6) Are there any water rights for the property associated with its
			domestic water supply, such as a
			water right permit, certificate, or claim?
[] Yes	[] No	[] Don't know	(a) If yes, has the water right permit, certificate, or claim been assigned,
			transferred, or changed?
			*(b) If yes, has all or any portion of the water right not been used for
() X /			five or more successive years?
[] Yes	[] No	[] Don't know	*(7) Are there any defects in the operation of the water system (e.g.
			pipes, tank, pump, etc.)?
			B. Irrigation Water
[] Yes	[] No	[] Don't know	(1) Are there any irrigation water rights for the property, such as a
			water right permit, certificate, or
[] Yes	[] No	[] Don't know	claim? *(a) If yes, has all or any portion of
			the water right not been used for
[] Yes	[] No	[] Don't know	five or more successive years? *(b) If so, is the certificate
			available? (If yes, please attach a copy.)
[] Yes	[] No	[] Don't know	*(c) If so, has the water right
			permit, certificate, or claim been assigned, transferred, or changed?

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[] Yes	[] No	[] Don't know	*(2) Does the property receive irrigation water from a ditch company, irrigation district, or other entity? If so, please identify the entity that supplies water to the
[] Yes [] Yes	[] No [] No	[] Don't know [] Don't know	 property: C. Outdoor Sprinkler System (1) Is there an outdoor sprinkler system for the property? *(2) If yes, are there any defects in
[] Yes	[] No	[] Don't know	 (b) if yes, its the sprinkler system? *(3) If yes, is the sprinkler system connected to irrigation water? 3. SEWER/ON-SITE SEWAGE SYSTEM A. The property is served by: [] Public sewer system, [] On-site sewage system (including pipes, tanks, drainfields, and all other component parts) [] Other disposal system, please describe:
[] Yes	[] No	[] Don't know	B. If public sewer system service is available to the property, is the house connected to the sewer main? If no, please explain.
[] Yes	[] No	[] Don't know	*C. Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service? D. If the property is connected to an on- site sewage system:
[] Yes	[] No	[] Don't know	 *(1) Was a permit issued for its construction, and was it approved by the local health department or district following its construction? (2) When was it last pumped ?
[] Yes	[] No	[] Don't know	*(3) Are there any defects in the operation of the on-site sewage system?
		[] Don't know	(4) When was it last inspected? By whom:
		[] Don't know	(5) For how many bedrooms was the on-site sewage system approved?
[] Yes	[] No	[] Don't know	E. Are all plumbing fixtures, including laundry drain, connected to the sewer/ on-site sewage system? If no, please explain:
[] Yes	[] No	[] Don't know	*F. Have there been any changes or
[] Yes	[] No	[] Don't know	repairs to the on-site sewage system? G. Is the on-site sewage system, including the drainfield, located entirely within the boundaries of the property? If no, please explain.

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[] Yes	[] No	[] Don't know	*H. Does the on-site sewage system require monitoring and maintenance
			services more frequently than once a year?

NOTICE: IF THIS RESIDENTIAL REAL PROPERTY DISCLOSURE STATEMENT IS BEING COMPLETED FOR NEW CONSTRUCTION WHICH HAS NEVER BEEN OCCUPIED, THE SELLER IS NOT REQUIRED TO COMPLETE THE QUESTIONS LISTED IN ITEM 4. STRUCTURAL OR ITEM 5. SYSTEMS AND FIXTURES

5. SYSTI	EMS AND	FIXTURES	
			4. STRUCTURAL
[] Yes	[] No	[] Don't know	*A. Has the roof leaked within the last five years?
[] Yes	[] No	[] Don't know	*B. Has the basement flooded or
[] Yes	[] No	[] Don't know	leaked? *C. Have there been any conversions,
[] Yes	[] No	[] Don't know	additions, or remodeling? *(1) If yes, were all building
[] Yes	[] No	[] Don't know	permits obtained? *(2) If yes, were all final
[] Yes	[] No	[] Don't know	inspections obtained? D. Do you know the age of the house? If yes, year of original construction:
[] Yes	[] No	[] Don't know	*E. Has there been any settling, slippage, or sliding of the property or its
[] Yes	[] No	[] Don't know	improvements? *F. Are there any defects with the following: (If yes, please check
Doors Win Ceilings Slab Pools Hot Sidewalks Out Garage Floors Wall			ior Walls dows Floors Tub Sauna Diriveways Sauna Fireplaces
[] Yes	[] No	[] Don't know	*G. Was a structural pest or "whole
[] Yes	[] No	[] Don't know	house" inspection done? If yes, when and by whom was the inspection completed? H. During your ownership, has the property had any wood destroying
[] Yes	[] No] Don't know	organism or pest infestation? I. Is the attic insulated?
[] Yes	[]No	[] Don't know	J. Is the basement insulated?
			5. SYSTEMS AND
			FIXTURES
			*A. If any of the following systems or
			fixtures are included with the transfer,
			are there any defects? If yes, please explain.
[] Yes	[]No	[] Don't know	Electrical system, including
			wiring, switches, outlets, and
[] Yes	[] No	[] Don't know	service Plumbing system, including pipes, faucets, fixtures, and toilets
[] Yes	[] No	[] Don't know	Hot water tank
		(1) D 1 1	Contract linearly
[] Yes	[] No	[] Don't know	Garbage disposal
[] Yes	[] No	[] Don't know	Appliances

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[] Yes	[] No	[] Don't know	Security system [] Owned [] Leased Other
			*B. If any of the following fixtures or
			property is included with the transfer, are they leased? (If yes, please attach
			copy of lease.)
[] Yes	[] No	[] Don't know	Security system
[] Yes [] Yes	[] No [] No	[] Don't know [] Don't know	Tanks (type): Satellite dish
[] 103	[]110		Other:
			*C. Are any of the following kinds of
			wood burning appliances present at the
[] Yes	[] No] Don't know	property? (1) Wood stove?
[] Yes	[] No	[] Don't know	(2) Fireplace insert?
[] Yes	[] No	[] Don't know	(3) Pellet stove?
[] Yes [] Yes	[] No [] No	[] Don't know [] Don't know	(4) Fireplace? If yes, are all of the (1) wood stoves
[] 105	[]140		or (2) fireplace inserts certified by
			the U.S. Environmental Protection
			Agency as clean burning appliances
			to improve air quality and public health?
[] Yes	[] No] Don't know	D. Is the property located within a city,
			county, or district or within a
			department of natural resources fire
			protection zone that provides fire protection services?
[] Yes	[]No	[] Don't know	E. Is the property equipped with carbon
			monoxide alarms?
			(Note: Pursuant to RCW 19.27.530,
			seller must equip the residence with carbon monoxide alarms as required by
			the state building code.)
[] Yes	[] No	[] Don't know	F. Is the property equipped with smoke
			<u>alarms?</u>
			6. HOMEOWNERS' ASSOCIATION/COMMON
			INTERESTS
[] Yes	[] No] Don't know	A. Is there a Homeowners' Association?
[] 105	[]110	[] 2 01 1 110 1	Name of Association and contact
			information for an officer, director,
			employee, or other authorized agent, if
			any, who may provide the association's financial statements, minutes, bylaws,
			fining policy, and other information that
			is not publicly available:
[] Yes	[]No] Don't know	B. Are there regular periodic
[] 105	[]140		assessments:
			\$ per [] Month [] Year
[] Vac	[]No	[] Don't know	[] Other
[] Yes	[] No	[] Don't know	*C. Are there any pending special assessments?
[] Yes	[] No	[] Don't know	*D. Are there any shared "common
			areas" or any joint maintenance
			agreements (facilities such as walls,
			fences, landscaping, pools, tennis courts, walkways, or other areas co-
			owned in undivided interest with
			others)?

others)? **7. ENVIRONMENTAL** Ch. 132

[] Yes	[] No	[] Don't know	*A. Have there been any flooding, standing water, or drainage problems on the property that affect the property or
			access to the property?
[] Yes	[] No	[] Don't know	*B. Does any part of the property contain fill dirt, waste, or other fill material?
[] Yes	[] No	[] Don't know	*C. Is there any material damage to the property from fire, wind, floods, beach
			movements, earthquake, expansive
[] Yes	[] No	[] Don't know	soils, or landslides? D. Are there any shorelines, wetlands, floodplains, or critical areas on the
[] Yes	[] No	[] Don't know	property? *E. Are there any substances, materials, or products in or on the property that
			or products in or on the property that may be environmental concerns, such as
			asbestos, formaldehyde, radon gas, lead- based paint, fuel or chemical storage
			tanks, or contaminated soil or water?
[] Yes	[] No	[] Don't know	*F. Has the property been used for
			commercial or industrial purposes?
[] Yes	[] No	[] Don't know	*G. Is there any soil or groundwater
[] Yes	[]No	[] Don't know	contamination? *H. Are there transmission poles or
[] 105	[]110		other electrical utility equipment
			installed, maintained, or buried on the
			property that do not provide utility
			service to the structures on the property?
[] Yes	[] No	[] Don't know	*I. Has the property been used as a legal
r 1 87			or illegal dumping site?
[] Yes	[] No	[] Don't know	*J. Has the property been used as an illegal drug manufacturing site?
[] Yes	[] No	[] Don't know	illegal drug manufacturing site? *K. Are there any radio towers in the
[] 105	[]110	[] D on t mo	area that cause interference with cellular
			telephone reception?
			8. MANUFACTURED AND
			MOBILE HOMES
			If the property includes a manufactured
			or mobile home,
[] Yes	[] No	[] Don't know	*A. Did you make any alterations to the
			home? If yes, please describe the
[] Yes	[]No	[] Don't know	alterations:
[] 105	[]110		alterations to the home?
[] Yes	[] No	[] Don't know	*C. If alterations were made, were
			permits or variances for these alterations
			obtained?
			9. FULL DISCLOSURE BY
			SELLERS
			A. Other conditions or defects:
[] Yes	[] No	[] Don't know	*Are there any other existing material
			defects affecting the property that a
			prospective buyer should know about? B. Verification:
			D. Termeauon.

The foregoing answers and attached explanations (if any) are complete and correct to the best of my/our knowledge and I/we have received a copy hereof. I/ we authorize all of my/our real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the property.

DATE SELLER SELLER

BE OBTAINED FROM LOCAL LAW ENFORCEMENT AGENCIES. THIS NOTICE IS INTENDED ONLY TO INFORM YOU OF WHERE TO OBTAIN THIS INFORMATION AND IS NOT AN INDICATION OF THE PRESENCE OF REGISTERED SEX OFFENDERS.

II. BUYER'S ACKNOWLEDGMENT

- Buyer hereby acknowledges that: Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation.
- в The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and not by any real estate licensee or other party. Buyer acknowledges that, pursuant to RCW 64.06.050(2),
- С real estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information.
- D. This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller.
- Buyer (which term includes all persons signing the "Buyer's E. acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature.

DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS BUYER AND SELLER OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE OF THE SELLER ONLY. AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.

(2) If the disclosure statement is being completed for new construction which has never been occupied, the disclosure statement is not required to contain and the seller is not required to complete the questions listed in item 4. Structural or item 5. Systems and Fixtures.

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(3) The seller disclosure statement shall be for disclosure only, and shall not be considered part of any written agreement between the buyer and seller of residential property. The seller disclosure statement shall be only a disclosure made by the seller, and not any real estate licensee involved in the transaction, and shall not be construed as a warranty of any kind by the seller or any real estate licensee involved in the transaction.

Sec. 3. RCW 64.06.013 and 2010 c 64 s 3 are each amended to read as follows:

(1) In a transaction for the sale of commercial real estate, the seller shall, unless the buyer has expressly waived the right to receive the disclosure statement under RCW 64.06.010, or unless the transfer is otherwise exempt under RCW 64.06.010, deliver to the buyer a completed seller disclosure statement in the following format and that contains, at a minimum, the following information:

INSTRUCTIONS TO THE SELLER

Please complete the following form. Do not leave any spaces blank. If the question clearly does not apply to the property write "NA." If the answer is "yes" to any * items, please explain on attached sheets. Please refer to the line number(s) of the question(s) when you provide your explanation(s). For your protection you must date and sign each page of this disclosure statement and each attachment. Delivery of the disclosure statement must occur not later than five business days, unless otherwise agreed, after mutual acceptance of a written contract to purchase between a buyer and a seller.

NOTICE TO THE BUYER

SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO YOU TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED DISCLOSURE STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

THE FOLLOWING ARE DISCLOSURES MADE BY SELLER AND ARE NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF ANY WRITTEN AGREEMENT BETWEEN BUYER AND SELLER. FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT LIMITATION, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS, ROOFERS, BUILDING INSPECTORS, ON-SITE WASTEWATER TREATMENT INSPECTORS, OR STRUCTURAL PEST INSPECTORS. THE PROSPECTIVE BUYER AND SELLER MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS OF THE PROPERTY OR TO PROVIDE APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTION, DEFECTS, OR WARRANTIES.

Seller is/ is not occupying the property.

I. SELLER'S DISCLOSURES:

If you answer "Yes" to a question with an asterisk (), please explain your answer
and attach documents, if available and not otherwise publicly recorded. If necessary,
use an attached sheet.
1 TITLE AND LECAL

			1. TITLE AND LEGAL
[] Yes	[] No	[] Don't know	A. Do you have legal authority to sell the
			property? If no, please explain.
[] Yes	[] No	[] Don't know	*B. Is title to the property subject to any
			of the following?
			 First right of refusal
			(2) Option
			(3) Lease or rental agreement
			(4) Life estate?
[] Yes	[] No	[] Don't know	*C. Are there any encroachments,
			boundary agreements, or boundary
			disputes?
[] Yes	[] No	[] Don't know	*D. Is there any leased parking?
[] Yes	[] No	[] Don't know	*E. Is there a private road or easement
			agreement for access to the property?
[] Yes	[] No	[] Don't know	*F. Are there any rights-of-way,
			easements, shared use agreements, or
			access limitations?
[] Yes	[] No	[] Don't know	*G. Are there any written agreements for
			joint maintenance of an easement or right-
C 1 37			of-way?
[] Yes	[] No	[] Don't know	*H. Are there any zoning violations or
f 1 V	L1N -	[] Denk lan en	nonconforming uses?
[] Yes [] Yes	[] No [] No	[] Don't know [] Don't know	*I. Is there a survey for the property? *J. Are there any legal actions pending or
[] 105	[]]NO	[] Doint Kilow	threatened that affect the property?
[] Yes	[] No	[] Don't know	*K. Is the property in compliance with
[] 105	[]]10		the Americans with Disabilities Act?
			2. WATER
[] Yes	[]No] Don't know	
[] ies	[] NO	[] Don't know	*Are there any water rights for the property, such as a water right permit,
			certificate, or claim?
			3. SEWER/ON-SITE
			SEWAGE SYSTEM
[] Yes	[] No	[] Don't know	*Is the property subject to any sewage
			system fees or charges in addition to those
			covered in your regularly billed sewer or
			on-site sewage system maintenance
			service?

4. STRUCTURAL

[1003]

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[] Yes	[] No	[] Don't know	*A. Has the roof leaked within the last
[] Yes	[] No	[] Don't know	five years? *B. Has any occupied subsurface flooded
[] Yes	[] No	[] Don't know	or leaked within the last five years?*C. Have there been any conversions,
[] Yes	[] No	[] Don't know	additions, or remodeling? *(1) If yes, were all building permits
[] Yes	[] No	[] Don't know	obtained? *(2) If yes, were all final inspections
[] Yes	[] No	[] Don't know	obtained? *D. Has there been any settling, slippage,
			or sliding of the property or its improvements?
[] Yes	[] No	[] Don't know	*E. Are there any defects with the following: (If yes, please check
	□ Found	lations	applicable items and explain.) □ Slab Floors
	Doors		□ Outbuildings
	Ceilir		Exterior Walls
	□ Sidew □ Other		□ Siding
	□ Wind	ows	
			5. SYSTEMS AND FIXTURES
[] Yes	[] No] Don't know	* Are there any defects in the following
[] 103	[]]10	[] Doint know	systems? If yes, please explain.
[] Yes	[] No	[] Don't know	(1) Electrical system
[] Yes	[] No	[] Don't know	(2) Plumbing system
[] Yes	[]No	[] Don't know	(3) Heating and cooling systems
[] Yes [] Yes	[] No [] No	[] Don't know [] Don't know	(4) Fire and security system (5) Carbon monoxide alarms
1103	1110		6. ENVIRONMENTAL
[] Yes	[] No	[] Don't know	*A. Have there been any flooding,
[] 105	[]110	[]]	standing water, or drainage problems on
			the property that affect the property or
			access to the property?
[] Yes	[] No	[] Don't know	*B. Is there any material damage to the
			property from fire, wind, floods, beach
			movements, earthquake, expansive soils, or landslides?
[] Yes	[] No	[] Don't know	*C. Are there any shorelines, wetlands,
			floodplains, or critical areas on the
			property?
[] Yes	[] No	[] Don't know	*D. Are there any substances, materials,
			or products in or on the property that may
			be environmental concerns, such as asbestos, formaldehyde, radon gas, lead-
			based paint, fuel or chemical storage
			tanks, or contaminated soil or water?
[] Yes	[] No	[] Don't know	*E. Is there any soil or groundwater
() X /			contamination?
[] Yes	[] No	[] Don't know	*F. Has the property been used as a legal or illegal dumping site?
[] Yes	[] No	[] Don't know	*G. Has the property been used as an
[]	[]	[] =	illegal drug manufacturing site?
			7. FULL DISCLOSURE BY
			SELLERS
			A. Other conditions or defects:
[] Yes	[] No	[] Don't know	*Are there any other existing material
			defects affecting the property that a
			prospective buyer should know about?
			B. Verification:

[1004]

The foregoing answers and attached explanations (if any) are complete and correct to the best of my/our knowledge and I/we have received a copy hereof. I/ we authorize all of my/our real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the property.

SELLER SELLER SELL NOTICE TO BUYER DATE

INFORMATION REGARDING REGISTERED SEX OFFENDERS MAY BE OBTAINED FROM LOCAL LAW ENFORCEMENT AGENCIES. THIS NOTICE IS INTENDED ONLY TO INFORM YOU OF WHERE TO OBTAIN THIS INFORMATION AND IS NOT AN INDICATION OF THE PRESENCE OF REGISTERED SEX OFFENDERS.

II. BUYER'S ACKNOWLEDGMENT

- Buyer hereby acknowledges that: Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation.
- в The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and
- not by any real estate licensee or other party. Buyer acknowledges that, pursuant to RCW 64.06.050(2), real С estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information.
- This information is for disclosure only and is not intended to D. be a part of the written agreement between the Buyer and Seller.
- Buyer (which term includes all persons signing the "Buyer's E. acceptance" portion of this disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature.

DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS BUYER AND SELLER OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

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(2) The seller disclosure statement shall be for disclosure only, and shall not be considered part of any written agreement between the buyer and seller of residential property. The seller disclosure statement shall be only a disclosure made by the seller, and not any real estate licensee involved in the transaction, and shall not be construed as a warranty of any kind by the seller or any real estate licensee involved in the transaction.

Sec. 4. RCW 19.27.530 and 2009 c 313 s 2 are each amended to read as follows:

(1) By July 1, 2010, the building code council shall adopt rules requiring that all buildings classified as residential occupancies, as defined in the state building code in chapter 51-54 WAC, but excluding owner-occupied single-family residences legally occupied before July 26, 2009, be equipped with carbon monoxide alarms.

(2)(a) The building code council may phase in the carbon monoxide alarm requirements on a schedule that it determines reasonable, provided that the rules require that by January 1, 2011, all newly constructed buildings classified as residential occupancies will be equipped with carbon monoxide alarms, and all other buildings classified as residential occupancies will be equipped with carbon monoxide alarms by January 1, 2013.

(b) Owner-occupied single-family residences legally occupied before July 26, 2009, are exempt from the requirements of this subsection (2). However, for any owner-occupied single-family residence that is sold on or after July 26, 2009, the seller must equip the residence with carbon monoxide alarms in accordance with the requirements of the state building code before the buyer or any other person may legally occupy the residence following such sale.

(3) The building code council may exempt categories of buildings classified as residential occupancies if it determines that requiring carbon monoxide alarms are unnecessary to protect the health and welfare of the occupants.

(4) The rules adopted by the building code council under this section must (a) consider applicable nationally accepted standards and (b) require that the maintenance of a carbon monoxide alarm in a building where a tenancy exists, including the replacement of batteries, is the responsibility of the tenant, who shall maintain the alarm as specified by the manufacturer.

(5) Real estate brokers licensed under chapter 18.85 RCW shall not be liable in any civil, administrative, or other proceeding for the failure of any seller or other property owner to comply with the requirements of this section or rules adopted by the building code council.

<u>NEW SECTION.</u> Sec. 5. Sections 2 and 3 of this act only apply to real estate transactions for which a purchase and sale agreement is entered into after the effective date of this section.

Passed by the Senate February 11, 2012. Passed by the House February 28, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 133

[Senate Bill 6566]

REAL PROPERTY—COMMENCEMENT OF JUDGEMENT LIENS

AN ACT Relating to when a judgment lien on real property commences; and amending RCW 4.56.200.

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

[1006]

Sec. 1. RCW 4.56.200 and 2002 c 261 s 3 are each amended to read as follows:

The lien of judgments upon the real estate of the judgment debtor shall commence as follows:

(1) Judgments of the district court of the United States rendered or filed in the county in which the real estate of the judgment debtor is situated, ((and judgments of the superior court for the county in which the real estate of the judgment debtor is situated,)) from the time of the entry or filing thereof;

(2) Judgments of the superior court for the county in which the real estate of the judgment debtor is situated, from the time of the filing by the county clerk upon the execution docket in accordance with RCW 4.64.030;

(3) Judgments of the district court of the United States rendered in any county in this state other than that in which the real estate of the judgment debtor to be affected is situated, judgments of the supreme court of this state, judgments of the court of appeals of this state, and judgments of the superior court for any county other than that in which the real estate of the judgment debtor to be affected is situated, from the time of the filing of a duly certified abstract of such judgment with the county clerk of the county in which the real estate of the judgment debtor to be affected is situated, as provided in this act;

(((3))) (4) Judgments of a district court of this state rendered or filed as a foreign judgment in a superior court in the county in which the real estate of the judgment debtor is situated, from the time of the filing of a duly certified transcript of the docket of the district court with the county clerk of the county in which such judgment was rendered or filed, and upon such filing said judgment shall become to all intents and purposes a judgment of the superior court for said county; and

(((4))) (5) Judgments of a district court of this state rendered or filed in a superior court in any other county in this state than that in which the real estate of the judgment debtor to be affected is situated, a transcript of the docket of which has been filed with the county clerk of the county where such judgment was rendered or filed, from the time of filing, with the county clerk of the county in which the real estate of the judgment debtor to be affected is situated, of a duly certified abstract of the record of said judgment in the office of the county clerk of the county in which the certified transcript of the docket of said judgment of said district court was originally filed.

Passed by the Senate February 13, 2012. Passed by the House February 27, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 134

[Engrossed Substitute House Bill 1983] PROSTITUTION AND TRAFFICKING CRIMES—PENALTIES

AN ACT Relating to increasing fee assessments for prostitution and trafficking crimes and requiring sex offender registration for second and subsequent convictions of promoting prostitution in the first or second degree; amending RCW 9A.40.100, 9A.44.128, 9A.88.120, 9.68A.105, 3.50.100, 3.62.020, 3.62.040, 10.82.070, and 35.20.220; and prescribing penalties.

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

[1007]

Sec. 1. RCW 9A.40.100 and 2011 c 111 s 1 are each amended to read as follows:

(1)(a) A person is guilty of trafficking in the first degree when:

(i) Such person:

(A) Recruits, harbors, transports, transfers, provides, obtains, or receives by any means another person knowing that force, fraud, or coercion as defined in RCW 9A.36.070 will be used to cause the person to engage in forced labor, involuntary servitude, or a commercial sex act; or

(B) Benefits financially or by receiving anything of value from participation in a venture that has engaged in acts set forth in (a)(i)(A) of this subsection; and

(ii) The acts or venture set forth in (a)(i) of this subsection:

(A) Involve committing or attempting to commit kidnapping;

(B) Involve a finding of sexual motivation under RCW 9.94A.835;

(C) Involve the illegal harvesting or sale of human organs; or

(D) Result in a death.

(b) Trafficking in the first degree is a class A felony.

(2)(a) A person is guilty of trafficking in the second degree when such person:

(i) Recruits, harbors, transports, transfers, provides, obtains, or receives by any means another person knowing that force, fraud, or coercion as defined in RCW 9A.36.070 will be used to cause the person to engage in forced labor, involuntary servitude, or a commercial sex act; or

(ii) Benefits financially or by receiving anything of value from participation in a venture that has engaged in acts set forth in (a)(i) of this subsection.

(b) Trafficking in the second degree is a class A felony.

(3)(a) A person who is either convicted or given a deferred sentence or a deferred prosecution or who has entered into a statutory or nonstatutory diversion agreement as a result of an arrest for a violation of a trafficking crime shall be assessed a three thousand dollar fee.

(b) The court shall not reduce, waive, or suspend payment of all or part of the fee assessed in this section unless it finds, on the record, that the offender does not have the ability to pay the fee in which case it may reduce the fee by an amount up to two-thirds of the maximum allowable fee.

(c) Fees assessed under this section shall be collected by the clerk of the court and remitted to the treasurer of the county where the offense occurred for deposit in the county general fund, except in cases in which the offense occurred in a city or town that provides for its own law enforcement, in which case these amounts shall be remitted to the treasurer of the city or town for deposit in the general fund of the city or town. Revenue from the fees must be used for local efforts to reduce the commercial sale of sex including, but not limited to, increasing enforcement of commercial sex laws.

(i) At least fifty percent of the revenue from fees imposed under this section must be spent on prevention, including education programs for offenders, such as john school, and rehabilitative services, such as mental health and substance abuse counseling, parenting skills, training, housing relief, education, vocational training, drop-in centers, and employment counseling.

(ii) Revenues from these fees are not subject to the distribution requirements under RCW 3.50.100, 3.62.020, 3.62.040, 10.82.070, or 35.20.220. **Sec. 2.** RCW 9A.44.128 and 2011 c 337 s 2 are each amended to read as follows:

For the purposes of RCW 9A.44.130 through 9A.44.145, 10.01.200, 43.43.540, 70.48.470, and 72.09.330, the following definitions apply:

(1) "Business day" means any day other than Saturday, Sunday, or a legal local, state, or federal holiday.

(2) "Conviction" means any adult conviction or juvenile adjudication for a sex offense or kidnapping offense.

(3) "Disqualifying offense" means a conviction for: Any offense that is a felony; a sex offense as defined in this section; a crime against children or persons as defined in RCW 43.43.830(5) and 9.94A.411(2)(a); an offense with a domestic violence designation as provided in RCW 10.99.020; permitting the commercial sexual abuse of a minor as defined in RCW 9.68A.103; or any violation of chapter 9A.88 RCW.

(4) "Employed" or "carries on a vocation" means employment that is full time or part time for a period of time exceeding fourteen days, or for an aggregate period of time exceeding thirty days during any calendar year. A person is employed or carries on a vocation whether the person's employment is financially compensated, volunteered, or for the purpose of government or educational benefit.

(5) "Fixed residence" means a building that a person lawfully and habitually uses as living quarters a majority of the week. Uses as living quarters means to conduct activities consistent with the common understanding of residing, such as sleeping; eating; keeping personal belongings; receiving mail; and paying utilities, rent, or mortgage. A nonpermanent structure including, but not limited to, a motor home, travel trailer, camper, or boat may qualify as a residence provided it is lawfully and habitually used as living quarters a majority of the week, primarily kept at one location with a physical address, and the location it is kept at is either owned or rented by the person or used by the person with the permission of the owner or renter. A shelter program may qualify as a residence provided it is a shelter program designed to provide temporary living accommodations for the homeless, provides an offender with a personally assigned living space, and the offender is permitted to store belongings in the living space.

(6) "In the community" means residing outside of confinement or incarceration for a disqualifying offense.

(7) "Institution of higher education" means any public or private institution dedicated to postsecondary education, including any college, university, community college, trade, or professional school.

(8) "Kidnapping offense" means:

(a) The crimes of kidnapping in the first degree, kidnapping in the second degree, and unlawful imprisonment, as defined in chapter 9A.40 RCW, where the victim is a minor and the offender is not the minor's parent;

(b) Any offense that is, under chapter 9A.28 RCW, a criminal attempt, criminal solicitation, or criminal conspiracy to commit an offense that is classified as a kidnapping offense under this subsection; and

(c) Any federal or out-of-state conviction for: An offense for which the person would be required to register as a kidnapping offender if residing in the state of conviction; or, if not required to register in the state of conviction, an

offense that under the laws of this state would be classified as a kidnapping offense under this subsection.

(9) "Lacks a fixed residence" means the person does not have a living situation that meets the definition of a fixed residence and includes, but is not limited to, a shelter program designed to provide temporary living accommodations for the homeless, an outdoor sleeping location, or locations where the person does not have permission to stay.

(10) "Sex offense" means:

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(a) Any offense defined as a sex offense by RCW 9.94A.030;

(b) Any violation under RCW 9A.44.096 (sexual misconduct with a minor in the second degree);

(c) Any violation under RCW 9.68A.090 (communication with a minor for immoral purposes);

(d) <u>A violation under RCW 9A.88.070 (promoting prostitution in the first</u> degree) or RCW 9A.88.080 (promoting prostitution in the second degree) if the person has a prior conviction for one of these offenses;

(e) Any gross misdemeanor that is, under chapter 9A.28 RCW, a criminal attempt, criminal solicitation, or criminal conspiracy to commit an offense that is classified as a sex offense under RCW 9.94A.030 or this subsection;

(((e))) (f) Any out-of-state conviction for an offense for which the person would be required to register as a sex offender while residing in the state of conviction; or, if not required to register in the state of conviction, an offense that under the laws of this state would be classified as a sex offense under this subsection;

((((f))) (<u>g</u>) Any federal conviction classified as a sex offense under 42 U.S.C. Sec. 16911 (SORNA);

 $((\frac{g}))$ (h) Any military conviction for a sex offense. This includes sex offenses under the uniform code of military justice, as specified by the United States secretary of defense;

 $((\frac{h}))$ (i) Any conviction in a foreign country for a sex offense if it was obtained with sufficient safeguards for fundamental fairness and due process for the accused under guidelines or regulations established pursuant to 42 U.S.C. Sec. 16912.

(11) "School" means a public or private school regulated under Title 28A RCW or chapter 72.40 RCW.

(12) "Student" means a person who is enrolled, on a full-time or part-time basis, in any school or institution of higher education.

Sec. 3. RCW 9A.88.120 and 2007 c 368 s 12 are each amended to read as follows:

(1)(a) In addition to penalties set forth in RCW 9A.88.010(($_{7}$)) and 9A.88.030(($_{7}$ and 9A.88.090)), a person who is either convicted or given a deferred sentence or a deferred prosecution or who has entered into a statutory or nonstatutory diversion agreement as a result of an arrest for violating RCW 9A.88.010, 9A.88.030, (($_{9A.88.090}$)) or comparable county or municipal ordinances shall be assessed a fifty dollar fee.

(b) <u>In addition to penalties set forth in RCW 9A.88.090</u>, a person who is either convicted or given a deferred sentence or a deferred prosecution or who has entered into a statutory or nonstatutory diversion agreement as a result of an

arrest for violating RCW 9A.88.090 or comparable county or municipal ordinances shall be assessed a fee in the amount of:

(i) One thousand five hundred dollars if the defendant has no prior convictions, deferred sentences, deferred prosecutions, or statutory or nonstatutory diversion agreements for this offense;

(ii) Two thousand five hundred dollars if the defendant has one prior conviction, deferred sentence, deferred prosecution, or statutory or nonstatutory diversion agreement for this offense; and

(iii) Five thousand dollars if the defendant has two or more prior convictions, deferred sentences, deferred prosecutions, or statutory or nonstatutory diversion agreements for this offense.

(c) In addition to penalties set forth in RCW 9A.88.110, a person who is either convicted or given a deferred sentence or a deferred prosecution or who has entered into a statutory or nonstatutory diversion agreement as a result of an arrest for violating RCW 9A.88.110 or a comparable county or municipal ordinance shall be assessed a ((one hundred fifty dollar)) fee in the amount of:

(i) One thousand five hundred dollars if the defendant has no prior convictions, deferred sentences, deferred prosecutions, or statutory or nonstatutory diversion agreements for this offense;

(ii) Two thousand five hundred dollars if the defendant has one prior conviction, deferred sentence, deferred prosecution, or statutory or nonstatutory diversion agreement for this offense; and

(iii) Five thousand dollars if the defendant has two or more prior convictions, deferred sentences, deferred prosecutions, or statutory or nonstatutory diversion agreements for this offense.

(((c))) (d) In addition to penalties set forth in RCW 9A.88.070 and 9A.88.080, a person who is either convicted or given a deferred sentence or a deferred prosecution or who has entered into a statutory or nonstatutory diversion agreement as a result of an arrest for violating RCW 9A.88.070, 9A.88.080, or comparable county or municipal ordinances shall be assessed a ((three hundred dollar)) fee in the amount of:

(i) Three thousand dollars if the defendant has no prior convictions, deferred sentences, deferred prosecutions, or statutory or nonstatutory diversion agreements for this offense;

(ii) Six thousand dollars if the defendant has one prior conviction, deferred sentence, deferred prosecution, or statutory or nonstatutory diversion agreement for this offense; and

(iii) Ten thousand dollars if the defendant has two or more prior convictions, deferred sentences, deferred prosecutions, or statutory or nonstatutory diversion agreements for this offense.

(2) ((The court may not suspend payment of all or part of the fee unless it finds that the person does not have the ability to pay.

(3))) When a minor has been adjudicated a juvenile offender or has entered into a statutory or nonstatutory diversion agreement for an offense which, if committed by an adult, would constitute a violation under this chapter or comparable county or municipal ordinances, the court shall assess the fee as specified under subsection (1) of this section. ((The court may not suspend payment of all or part of the fee unless it finds that the minor does not have the ability to pay the fee.

(4) Any fee assessed under this section shall be collected by the clerk of the court and distributed each month to the state treasurer for deposit in the prostitution prevention and intervention account under RCW 43.63A.740 for the purpose of funding prostitution prevention and intervention activities.))

(3) The court shall not reduce, waive, or suspend payment of all or part of the assessed fee in this section unless it finds, on the record, that the offender does not have the ability to pay the fee in which case it may reduce the fee by an amount up to two-thirds of the maximum allowable fee.

(4) Fees assessed under this section shall be collected by the clerk of the court and remitted to the treasurer of the county where the offense occurred for deposit in the county general fund, except in cases in which the offense occurred in a city or town that provides for its own law enforcement, in which case these amounts shall be remitted to the treasurer of the city or town for deposit in the general fund of the city or town. Revenue from the fees must be used for local efforts to reduce the commercial sale of sex including, but not limited to, increasing enforcement of commercial sex laws.

(a) At least fifty percent of the revenue from fees imposed under this section must be spent on prevention, including education programs for offenders, such as john school, and rehabilitative services, such as mental health and substance abuse counseling, parenting skills, training, housing relief, education, vocational training, drop-in centers, and employment counseling.

(b) Revenues from these fees are not subject to the distribution requirements under RCW 3.50.100, 3.62.020, 3.62.040, 10.82.070, or 35.20.220.

(5) For the purposes of this section:

(a) "Statutory or nonstatutory diversion agreement" means an agreement under RCW 13.40.080 or any written agreement between a person accused of an offense listed in subsection (1) of this section and a court, county, or city prosecutor, or designee thereof, whereby the person agrees to fulfill certain conditions in lieu of prosecution.

(b) "Deferred sentence" means a sentence that will not be carried out if the defendant meets certain requirements, such as complying with the conditions of probation.

Sec. 4. RCW 9.68A.105 and 2010 c 289 s 15 are each amended to read as follows:

(1)(a) In addition to penalties set forth in RCW 9.68A.100, 9.68A.101, and 9.68A.102, a person who is either convicted or given a deferred sentence or a deferred prosecution or who has entered into a statutory or nonstatutory diversion agreement as a result of an arrest for violating RCW 9.68A.100, 9.68A.101, or 9.68A.102, or a comparable county or municipal ordinance shall be assessed a five thousand dollar fee.

(b) The court may not <u>reduce, waive, or</u> suspend payment of all or part of the fee <u>assessed</u> unless it finds<u>, on the record</u>, that the person does not have the ability to pay <u>in which case it may reduce the fee by an amount up to two-thirds</u> of the maximum allowable fee.

(c) When a minor has been adjudicated a juvenile offender or has entered into a statutory or nonstatutory diversion agreement for an offense which, if committed by an adult, would constitute a violation of RCW 9.68A.100, 9.68A.101, or 9.68A.102, or a comparable county or municipal ordinance, the court shall assess the fee under (a) of this subsection. The court may not reduce,

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waive, or suspend payment of all or part of the fee <u>assessed</u> unless it finds, on the <u>record</u>, that the minor does not have the ability to pay the fee <u>in which case it</u> may reduce the fee by an amount up to two-thirds of the maximum allowable fee.

(2) ((The fee assessed under subsection (1) of this section shall be collected by the clerk of the court and distributed each month to the state treasurer for deposit in the prostitution prevention and intervention account under RCW 43.63A.740 for the purpose of funding prostitution prevention and intervention activities.)) Fees assessed under this section shall be collected by the clerk of the court and remitted to the treasurer of the county where the offense occurred for deposit in the county general fund, except in cases in which the offense occurred in a city or town that provides for its own law enforcement, in which case these amounts shall be remitted to the treasurer of the city or town for deposit in the general fund of the city or town. Revenue from the fees must be used for local efforts to reduce the commercial sale of sex including, but not limited to, increasing enforcement of commercial sex laws.

(a) At least fifty percent of the revenue from fees imposed under this section must be spent on prevention, including education programs for offenders, such as john school, and rehabilitative services, such as mental health and substance abuse counseling, parenting skills, training, housing relief, education, vocational training, drop-in centers, and employment counseling.

(b) Revenues from these fees are not subject to the distribution requirements under RCW 3.50.100, 3.62.020, 3.62.040, 10.82.070, or 35.20.220.

(3) For the purposes of this section:

(a) "Statutory or nonstatutory diversion agreement" means an agreement under RCW 13.40.080 or any written agreement between a person accused of an offense listed in subsection (1) of this section and a court, county or city prosecutor, or designee thereof, whereby the person agrees to fulfill certain conditions in lieu of prosecution.

(b) "Deferred sentence" means a sentence that will not be carried out if the defendant meets certain requirements, such as complying with the conditions of probation.

Sec. 5. RCW 3.50.100 and 2009 c 479 s 3 are each amended to read as follows:

(1) Costs in civil and criminal actions may be imposed as provided in district court. All fees, costs, fines, forfeitures and other money imposed by any municipal court for the violation of any municipal or town ordinances shall be collected by the court clerk and, together with any other noninterest revenues received by the clerk, shall be deposited with the city or town treasurer as a part of the general fund of the city or town, or deposited in such other fund of the city or town, or deposited in such other funds as may be designated by the laws of the state of Washington.

(2) Except as provided in RCW <u>9A.88.120 and</u> 10.99.080, the city treasurer shall remit monthly thirty-two percent of the noninterest money received under this section, other than for parking infractions, and certain costs to the state treasurer. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are

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specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state, county, city, or town in the prosecution of the case, including the fees of defense counsel. Money remitted under this subsection to the state treasurer shall be deposited in the state general fund.

(3) The balance of the noninterest money received under this section shall be retained by the city and deposited as provided by law.

(4) Penalties, fines, bail forfeitures, fees, and costs may accrue interest at the rate of twelve percent per annum, upon assignment to a collection agency. Interest may accrue only while the case is in collection status.

(5) Interest retained by the court on penalties, fines, bail forfeitures, fees, and costs shall be split twenty-five percent to the state treasurer for deposit in the state general fund, twenty-five percent to the state treasurer for deposit in the judicial information system account as provided in RCW 2.68.020, twenty-five percent to the city general fund, and twenty-five percent to the city general fund to fund local courts.

Sec. 6. RCW 3.62.020 and 2011 1st sp.s. c 44 s 1 are each amended to read as follows:

(1) Except as provided in subsection (4) of this section, all costs, fees, fines, forfeitures and penalties assessed and collected in whole or in part by district courts, except costs, fines, forfeitures and penalties assessed and collected, in whole or in part, because of the violation of city ordinances, shall be remitted by the clerk of the district court to the county treasurer at least monthly, together with a financial statement as required by the state auditor, noting the information necessary for crediting of such funds as required by law.

(2) Except as provided in RCW <u>9A.88.120</u>, 10.99.080, and this section, the county treasurer shall remit thirty-two percent of the noninterest money received under subsection (1) of this section except certain costs to the state treasurer. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state or county in the prosecution of the case, including the fees of defense counsel. With the exception of funds to be transferred to the judicial stabilization trust account under RCW 3.62.060(2), money remitted under this subsection to the state treasurer shall be deposited in the state general fund.

(3) The balance of the noninterest money received by the county treasurer under subsection (1) of this section shall be deposited in the county current expense fund. Funds deposited under this subsection that are attributable to the county's portion of a surcharge imposed under RCW 3.62.060(2) must be used to support local trial court and court-related functions.

(4) All money collected for county parking infractions shall be remitted by the clerk of the district court at least monthly, with the information required under subsection (1) of this section, to the county treasurer for deposit in the county current expense fund. (5) Penalties, fines, bail forfeitures, fees, and costs may accrue interest at the rate of twelve percent per annum, upon assignment to a collection agency. Interest may accrue only while the case is in collection status.

(6) Interest retained by the court on penalties, fines, bail forfeitures, fees, and costs shall be split twenty-five percent to the state treasurer for deposit in the state general fund, twenty-five percent to the state treasurer for deposit in the judicial information system account as provided in RCW 2.68.020, twenty-five percent to the county current expense fund, and twenty-five percent to the county current expense fund local courts.

Sec. 7. RCW 3.62.040 and 2009 c 479 s 6 are each amended to read as follows:

(1) Except as provided in subsection (4) of this section, all costs, fines, forfeitures and penalties assessed and collected, in whole or in part, by district courts because of violations of city ordinances shall be remitted by the clerk of the district court at least monthly directly to the treasurer of the city wherein the violation occurred.

(2) Except as provided in RCW <u>9A.88.120 and</u> 10.99.080, the city treasurer shall remit monthly thirty-two percent of the noninterest money received under this section, other than for parking infractions and certain costs, to the state treasurer. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state, county, city, or town in the prosecution of the case, including the fees of defense counsel. Money remitted under this subsection to the state treasurer shall be deposited in the state general fund.

(3) The balance of the noninterest money received under this section shall be retained by the city and deposited as provided by law.

(4) All money collected for city parking infractions shall be remitted by the clerk of the district court at least monthly to the city treasurer for deposit in the city's general fund.

(5) Penalties, fines, bail forfeitures, fees, and costs may accrue interest at the rate of twelve percent per annum, upon assignment to a collection agency. Interest may accrue only while the case is in collection status.

(6) Interest retained by the court on penalties, fines, bail forfeitures, fees, and costs shall be split twenty-five percent to the state treasurer for deposit in the state general fund, twenty-five percent to the state treasurer for deposit in the judicial information system account as provided in RCW 2.68.020, twenty-five percent to the city general fund, and twenty-five percent to the city general fund to fund local courts.

Sec. 8. RCW 10.82.070 and 2009 c 479 s 13 are each amended to read as follows:

(1) All sums of money derived from costs, fines, penalties, and forfeitures imposed or collected, in whole or in part, by a superior court for violation of orders of injunction, mandamus and other like writs, for contempt of court, or for breach of the penal laws shall be paid in cash by the person collecting the same, within twenty days after the collection, to the county treasurer of the county in which the same have accrued.

(2) Except as provided in RCW <u>9A.88.120 and</u> 10.99.080, the county treasurer shall remit monthly thirty-two percent of the money received under this section except for certain costs to the state treasurer for deposit in the state general fund and shall deposit the remainder as provided by law. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state or county in the prosecution of the case, including the fees of defense counsel. Costs or assessments awarded to dedicated accounts, state or local, are not subject to this state allocation or to RCW 7.68.035.

(3) All fees, fines, forfeitures and penalties collected or assessed by a district court because of the violation of a state law shall be remitted as provided in chapter 3.62 RCW as now exists or is later amended. All fees, fines, forfeitures, and penalties collected or assessed by a superior court in cases on appeal from a lower court shall be remitted to the municipal or district court from which the cases were appealed.

Sec. 9. RCW 35.20.220 and 2009 c 479 s 19 are each amended to read as follows:

(1) The chief clerk, under the supervision and direction of the court administrator of the municipal court, shall have the custody and care of the books, papers and records of the court. The chief clerk or a deputy shall be present during the session of the court and has the power to swear all witnesses and jurors, administer oaths and affidavits, and take acknowledgments. The chief clerk shall keep the records of the court and shall issue all process under his or her hand and the seal of the court. The chief clerk shall do and perform all things and have the same powers pertaining to the office as the clerks of the superior courts have in their office. He or she shall receive all fines, penalties, and fees of every kind and keep a full, accurate, and detailed account of the same. The chief clerk shall on each day pay into the city treasury all money received for the city during the day previous, with a detailed account of the same, and taking the treasurer's receipt therefor.

(2) Except as provided in RCW <u>9A.88.120 and</u> 10.99.080, the city treasurer shall remit monthly thirty-two percent of the noninterest money received under this section, other than for parking infractions and certain costs to the state treasurer. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state, county, city, or town in the prosecution of the case, including the fees of defense counsel. Money remitted under this subsection to the state treasurer shall be deposited in the state general fund.

(3) The balance of the noninterest money received under this section shall be retained by the city and deposited as provided by law.

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(4) Penalties, fines, bail forfeitures, fees, and costs may accrue interest at the rate of twelve percent per annum, upon assignment to a collection agency. Interest may accrue only while the case is in collection status.

(5) Interest retained by the court on penalties, fines, bail forfeitures, fees, and costs shall be split twenty-five percent to the state treasurer for deposit in the state general fund, twenty-five percent to the state treasurer for deposit in the judicial information system account as provided in RCW 2.68.020, twenty-five percent to the city general fund, and twenty-five percent to the city general fund to fund local courts.

Passed by the House March 5, 2012. Passed by the Senate February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 135

[Substitute House Bill 2177] SEXUAL EXPLOITATION OF CHILDREN—PROTECTION

AN ACT Relating to protecting children from sexual exploitation; amending RCW 9.68A.001; and adding new sections to chapter 9.68A RCW.

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

Sec. 1. RCW 9.68A.001 and 2010 c 227 s 1 are each amended to read as follows:

The legislature finds that the prevention of sexual exploitation and abuse of children constitutes a government objective of surpassing importance. The care of children is a sacred trust and should not be abused by those who seek commercial gain or personal gratification based on the exploitation of children.

The legislature further finds that the protection of children from sexual exploitation can be accomplished without infringing on a constitutionally protected activity. The definition of "sexually explicit conduct" and other operative definitions demarcate a line between protected and prohibited conduct and should not inhibit legitimate scientific, medical, or educational activities.

The legislature further finds that children engaged in sexual conduct for financial compensation are frequently the victims of sexual abuse. Approximately eighty to ninety percent of children engaged in sexual activity for financial compensation have a history of sexual abuse victimization. It is the intent of the legislature to encourage these children to engage in prevention and intervention services and to hold those who pay to engage in the sexual abuse of children accountable for the trauma they inflict on children.

The legislature further finds that due to the changing nature of technology, offenders are now able to access child pornography in different ways and in increasing quantities. By amending current statutes governing depictions of a minor engaged in sexually explicit conduct, it is the intent of the legislature to ensure that intentional viewing of and dealing in child pornography over the internet is subject to a criminal penalty without limiting the scope of existing prohibitions on the possession of or dealing in child pornography, including the possession of electronic depictions of a minor engaged in sexually explicit conduct. It is also the intent of the legislature to clarify, in response to *State v*.

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Sutherby, 204 P.3d 916 (2009), the unit of prosecution for the statutes governing possession of and dealing in depictions of a minor engaged in sexually explicit conduct. It is the intent of the legislature that the first degree offenses under RCW 9.68A.050, 9.68A.060, and 9.68A.070 have a per depiction or image unit of prosecution, while the second degree offenses under RCW 9.68A.050, 9.68A.060, and 9.68A.070 have a per incident unit of prosecution as established in *State v. Sutherby*, 204 P.3d 916 (2009). Furthermore, it is the intent of the legislature to set a different unit of prosecution for the new offense of viewing of depictions of a minor engaged in sexually explicit conduct such that each separate session of intentionally viewing over the internet of visual depictions or images of a minor engaged in sexually explicit conduct constitutes a separate offense.

The decisions of the Washington supreme court in *State v. Boyd*, 160 W.2d 424, 158 P.3d 54 (2007), and *State v. Grenning*, 169 Wn.2d 47, 234 P.3d 169 (2010), require prosecutors to duplicate and distribute depictions of a minor engaged in sexually explicit conduct ("child pornography") as part of the discovery process in a criminal prosecution. The legislature finds that the importance of protecting children from repeat exploitation in child pornography is not being given sufficient weight under these decisions. The importance of protecting children from repeat exploitation in child pornography is based upon the following findings:

(1) Child pornography is not entitled to protection under the First Amendment and thus may be prohibited:

(2) The state has a compelling interest in protecting children from those who sexually exploit them, and this interest extends to stamping out the vice of child pornography at all levels in the distribution chain;

(3) Every instance of viewing images of child pornography represents a renewed violation of the privacy of the victims and a repetition of their abuse;

(4) Child pornography constitutes prima facie contraband, and as such should not be distributed to, or copied by, child pornography defendants or their attorneys;

(5) It is imperative to prohibit the reproduction of child pornography in criminal cases so as to avoid repeated violation and abuse of victims, so long as the government makes reasonable accommodations for the inspection, viewing, and examination of such material for the purposes of mounting a criminal defense. The legislature is also aware that the Adam Walsh child protection and safety act, P.L. 109–248, 120 Stat. 587 (2006), codified at 18 U.S.C. Sec. 3509(m), prohibits the duplication and distribution of child pornography as part of the discovery process in federal prosecutions. This federal law has been in effect since 2006, and upheld repeatedly as constitutional. Courts interpreting the Walsh act have found that such limitations can be employed while still providing the defendant due process. The legislature joins congress, and the legislatures of other states that have passed similar provisions, in protecting these child victims so that our justice system does not cause repeat exploitation, while still providing due process to criminal defendants.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 9.68A RCW to read as follows:

(1) In any criminal proceeding, any property or material that constitutes a depiction of a minor engaged in sexually explicit conduct shall remain in the care, custody, and control of either a law enforcement agency or the court.

(2) Despite any request by the defendant or prosecution, any property or material that constitutes a depiction of a minor engaged in sexually explicit conduct shall not be copied, photographed, duplicated, or otherwise reproduced, so long as the property or material is made reasonably available to the parties. Such property or material shall be deemed to be reasonably available to the parties if the prosecution, defense counsel, or any individual sought to be qualified to furnish expert testimony at trial has ample opportunity for inspection, viewing, and examination of the property or material at a law enforcement facility or a neutral facility approved by the court upon petition by the defense.

(3) The defendant may view and examine the property and materials only while in the presence of his or her attorney. If the defendant is proceeding pro se, the court will appoint an individual to supervise the defendant while he or she examines the materials.

(4) The court may direct that a mirror image of a computer hard drive containing such depictions be produced for use by an expert only upon a showing that an expert has been retained and is prepared to conduct a forensic examination while the mirror imaged hard drive remains in the care, custody, and control of a law enforcement agency or the court. Upon a substantial showing that the expert's analysis cannot be accomplished while the mirror imaged hard drive is kept within the care, custody, and control of a law enforcement agency or the court. Upon a substantial showing that the expert's analysis cannot be accomplished while the mirror imaged hard drive is kept within the care, custody, and control of a law enforcement agency or the court, the court may order its release to the expert for analysis for a limited time. If release is granted, the court shall issue a protective order setting forth such terms and conditions as are necessary to protect the rights of the victims, to document the chain of custody, and to protect physical evidence.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 9.68A RCW to read as follows:

(1) Whenever a depiction of a minor engaged in sexually explicit conduct, regardless of its format, is marked as an exhibit in a criminal proceeding, the prosecutor shall seek an order sealing the exhibit at the close of the trial. Any exhibits sealed under this section shall be sealed with evidence tape in a manner that prevents access to, or viewing of, the depiction of a minor engaged in sexually explicit conduct and shall be labeled so as to identify its contents. Anyone seeking to view such an exhibit must obtain permission from the superior court after providing at least ten days notice to the prosecuting attorney. Appellate attorneys for the defendant and the state shall be given access to the exhibit, which must remain in the care and custody of either a law enforcement agency or the court. Any other person moving to view such an exhibit must demonstrate to the court that his or her reason for viewing the exhibit is of sufficient importance to justify another violation of the victim's privacy.

(2) Whenever the clerk of the court receives an exhibit of a depiction of a minor engaged in sexually explicit conduct, he or she shall store the exhibit in a secure location, such as a safe. The clerk may arrange for the transfer of such exhibits to a law enforcement agency evidence room for safekeeping provided

the agency agrees not to destroy or dispose of the exhibits without an order of the court.

(3) If the criminal proceeding ends in a conviction, the clerk of the court shall destroy any exhibit containing a depiction of a minor engaged in sexually explicit conduct five years after the judgment is final, as determined by the provisions of RCW 10.73.090(3). Before any destruction, the clerk shall contact the prosecuting attorney and verify that there is no collateral attack on the judgment pending in any court. If the criminal proceeding ends in a mistrial, the clerk shall either maintain the exhibit or return it to the law enforcement agency that investigated the criminal charges for safekeeping until the matter is set for retrial. If the criminal proceeding ends in an acquittal, the clerk shall return the exhibit to the law enforcement agency that investigated the criminal charges for either safekeeping or destruction.

NEW SECTION. Sec. 4. A new section is added to chapter 9.68A RCW to read as follows:

Any depiction of a minor engaged in sexually explicit conduct, in any format, distributed as discovery to defense counsel or an expert witness prior to the effective date of this section shall either be returned to the law enforcement agency that investigated the criminal charges or destroyed, if the case is no longer pending in superior court. If the case is still pending, the depiction shall be returned to the superior court judge assigned to the case or the presiding judge. The court shall order either the destruction of the depiction or the safekeeping of the depiction if it will be used at trial. It is not a defense to violations of this chapter for crimes committed after December 31, 2012, that the initial receipt of the depictions was done under the color of law through the discovery process.

Passed by the House March 3, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 136

[Engrossed Substitute House Bill 2692] COMMERCIAL SALE OF SEX-REDUCTION

AN ACT Relating to the reduction of the commercial sale of sex; amending RCW 9A.88.120, 9A.88.130, 3.50.100, 3.62.020, 3.62.040, 10.82.070, and 35.20.220; and prescribing penalties.

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

*Sec. 1. RCW 9A.88.120 and 2007 c 368 s 12 are each amended to read as follows:

(1)(a) In addition to penalties set forth in RCW 9A.88.010, 9A.88.030, and 9A.88.090, a person who is either convicted or given a deferred sentence or a deferred prosecution or who has entered into a statutory or nonstatutory diversion agreement as a result of an arrest for violating RCW 9A.88.010, 9A.88.030, 9A.88.090, or comparable county or municipal ordinances shall be assessed a fifty dollar fee.

(b)(i) In addition to penalties set forth in RCW 9A.88.110, a person who is either convicted or given a deferred sentence or a deferred prosecution or who

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has entered into a statutory or nonstatutory diversion agreement as a result of an arrest for violating RCW 9A.88.110 or a comparable county or municipal ordinance shall be assessed a ((one hundred fifty dollar)) fee in the amount of:

(A) One thousand five hundred dollars for the first offense:

(B) Two thousand five hundred dollars for the second offense; and

(C) Five thousand dollars for the third and each subsequent offense.

(ii) The court shall not reduce, waive, or suspend payment of all or part of the assessed fees in this section unless it finds, on the record, that the offender does not have the ability to pay the fees, in which case it may reduce the fees by an amount up to two-thirds of the maximum allowable fees.

(iii) Fees assessed under this subsection (1)(b) shall be collected by the clerk of court and be remitted to the treasurer of the county where the offense occurred for deposit in the county general fund, except in cases in which the offense occurred in a city or town that provides for its own law enforcement, in which case these amounts shall be remitted to the treasurer of the city or town for deposit in the general fund of the city or town. Revenue from the fees must be used for local efforts to reduce the commercial sale of sex including, but not limited to, increased enforcement of commercial sex laws.

(A) At least fifty percent of the revenue from fees imposed under this subsection (1)(b) must be spent on prevention, including education programs for offenders, such as john school, and rehabilitative services, such as mental health and substance abuse counseling, parenting skills training, housing relief, education, vocational training, drop-in centers, and employment counseling.

(B) Revenues from these fees are not subject to the distribution requirements under RCW 3.50.100, 3.62.020, 3.62.040, 10.82.070, or 35.20.220.

(c) In addition to penalties set forth in RCW 9A.88.070 and 9A.88.080, a person who is either convicted or given a deferred sentence or a deferred prosecution or who has entered into a statutory or nonstatutory diversion agreement as a result of an arrest for violating RCW 9A.88.070, 9A.88.080, or comparable county or municipal ordinances shall be assessed a three hundred dollar fee.

(2) The court may not suspend payment of all or part of the fee unless it finds that the person does not have the ability to pay.

(3) When a minor has been adjudicated a juvenile offender or has entered into a statutory or nonstatutory diversion agreement for an offense which, if committed by an adult, would constitute a violation under this chapter or comparable county or municipal ordinances, the court shall assess the fee as specified under subsection (1) of this section. The court may not suspend payment of all or part of the fee unless it finds that the minor does not have the ability to pay the fee.

(4) Any fee assessed under this section shall be collected by the clerk of the court and distributed each month to the state treasurer for deposit in the prostitution prevention and intervention account under RCW 43.63A.740 for the purpose of funding prostitution prevention and intervention activities.

(5) For the purposes of this section:

(a) "Statutory or nonstatutory diversion agreement" means an agreement under RCW 13.40.080 or any written agreement between a person accused of an offense listed in subsection (1) of this section and a court, county, or city prosecutor, or designee thereof, whereby the person agrees to fulfill certain conditions in lieu of prosecution.

(b) "Deferred sentence" means a sentence that will not be carried out if the defendant meets certain requirements, such as complying with the conditions of probation.

*Sec. 1 was vetoed. See message at end of chapter.

Sec. 2. RCW 9A.88.130 and 1999 c 327 s 2 are each amended to read as follows:

(1) When sentencing or imposing conditions on a person convicted of, or receiving a deferred sentence or deferred prosecution for, violating RCW 9A.88.110 or 9.68A.100, the court must impose a requirement that the offender:

(a) Not be subsequently arrested for patronizing a prostitute or ((patronizing a juvenile prostitute)) commercial sexual abuse of a minor; ((and))

(b) Remain outside the geographical area, prescribed by the court, in which the person was arrested for violating RCW 9A.88.110 or 9.68A.100, unless such a requirement would interfere with the person's legitimate employment or residence or otherwise be infeasible; and

(c) Fulfill the terms of a program, if a first-time offender, designated by the sentencing court, designed to educate offenders about the negative costs of prostitution.

(2) This requirement is in addition to the penalties set forth in RCW 9A.88.110, 9A.88.120, and 9.68A.100.

Sec. 3. RCW 3.50.100 and 2009 c 479 s 3 are each amended to read as follows:

(1) Costs in civil and criminal actions may be imposed as provided in district court. All fees, costs, fines, forfeitures and other money imposed by any municipal court for the violation of any municipal or town ordinances shall be collected by the court clerk and, together with any other noninterest revenues received by the clerk, shall be deposited with the city or town treasurer as a part of the general fund of the city or town, or deposited in such other fund of the city or town, or deposited in such other funds as may be designated by the laws of the state of Washington.

(2) Except as provided in RCW <u>9A.88.120 and</u> 10.99.080, the city treasurer shall remit monthly thirty-two percent of the noninterest money received under this section, other than for parking infractions, and certain costs to the state treasurer. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state, county, city, or town in the prosecution of the case, including the fees of defense counsel. Money remitted under this subsection to the state treasurer shall be deposited in the state general fund.

(3) The balance of the noninterest money received under this section shall be retained by the city and deposited as provided by law.

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(4) Penalties, fines, bail forfeitures, fees, and costs may accrue interest at the rate of twelve percent per annum, upon assignment to a collection agency. Interest may accrue only while the case is in collection status.

(5) Interest retained by the court on penalties, fines, bail forfeitures, fees, and costs shall be split twenty-five percent to the state treasurer for deposit in the state general fund, twenty-five percent to the state treasurer for deposit in the judicial information system account as provided in RCW 2.68.020, twenty-five percent to the city general fund, and twenty-five percent to the city general fund to fund local courts.

Sec. 4. RCW 3.62.020 and 2011 1st sp.s. c 44 s 1 are each amended to read as follows:

(1) Except as provided in subsection (4) of this section, all costs, fees, fines, forfeitures and penalties assessed and collected in whole or in part by district courts, except costs, fines, forfeitures and penalties assessed and collected, in whole or in part, because of the violation of city ordinances, shall be remitted by the clerk of the district court to the county treasurer at least monthly, together with a financial statement as required by the state auditor, noting the information necessary for crediting of such funds as required by law.

(2) Except as provided in RCW <u>9A.88.120</u>, 10.99.080, and this section, the county treasurer shall remit thirty-two percent of the noninterest money received under subsection (1) of this section except certain costs to the state treasurer. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state or county in the prosecution of the case, including the fees of defense counsel. With the exception of funds to be transferred to the judicial stabilization trust account under RCW 3.62.060(2), money remitted under this subsection to the state treasurer shall be deposited in the state general fund.

(3) The balance of the noninterest money received by the county treasurer under subsection (1) of this section shall be deposited in the county current expense fund. Funds deposited under this subsection that are attributable to the county's portion of a surcharge imposed under RCW 3.62.060(2) must be used to support local trial court and court-related functions.

(4) All money collected for county parking infractions shall be remitted by the clerk of the district court at least monthly, with the information required under subsection (1) of this section, to the county treasurer for deposit in the county current expense fund.

(5) Penalties, fines, bail forfeitures, fees, and costs may accrue interest at the rate of twelve percent per annum, upon assignment to a collection agency. Interest may accrue only while the case is in collection status.

(6) Interest retained by the court on penalties, fines, bail forfeitures, fees, and costs shall be split twenty-five percent to the state treasurer for deposit in the state general fund, twenty-five percent to the state treasurer for deposit in the judicial information system account as provided in RCW 2.68.020, twenty-five percent to the county current expense fund, and twenty-five percent to the county current expense fund local courts.

Sec. 5. RCW 3.62.040 and 2009 c 479 s 6 are each amended to read as follows:

(1) Except as provided in subsection (4) of this section, all costs, fines, forfeitures and penalties assessed and collected, in whole or in part, by district courts because of violations of city ordinances shall be remitted by the clerk of the district court at least monthly directly to the treasurer of the city wherein the violation occurred.

(2) Except as provided in RCW <u>9A.88.120 and</u> 10.99.080, the city treasurer shall remit monthly thirty-two percent of the noninterest money received under this section, other than for parking infractions and certain costs, to the state treasurer. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state, county, city, or town in the prosecution of the case, including the fees of defense counsel. Money remitted under this subsection to the state treasurer shall be deposited in the state general fund.

(3) The balance of the noninterest money received under this section shall be retained by the city and deposited as provided by law.

(4) All money collected for city parking infractions shall be remitted by the clerk of the district court at least monthly to the city treasurer for deposit in the city's general fund.

(5) Penalties, fines, bail forfeitures, fees, and costs may accrue interest at the rate of twelve percent per annum, upon assignment to a collection agency. Interest may accrue only while the case is in collection status.

(6) Interest retained by the court on penalties, fines, bail forfeitures, fees, and costs shall be split twenty-five percent to the state treasurer for deposit in the state general fund, twenty-five percent to the state treasurer for deposit in the judicial information system account as provided in RCW 2.68.020, twenty-five percent to the city general fund, and twenty-five percent to the city general fund to fund local courts.

Sec. 6. RCW 10.82.070 and 2009 c 479 s 13 are each amended to read as follows:

(1) All sums of money derived from costs, fines, penalties, and forfeitures imposed or collected, in whole or in part, by a superior court for violation of orders of injunction, mandamus and other like writs, for contempt of court, or for breach of the penal laws shall be paid in cash by the person collecting the same, within twenty days after the collection, to the county treasurer of the county in which the same have accrued.

(2) Except as provided in RCW <u>9A.88.120 and</u> 10.99.080, the county treasurer shall remit monthly thirty-two percent of the money received under this section except for certain costs to the state treasurer for deposit in the state general fund and shall deposit the remainder as provided by law. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as

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costs by the court and are awarded for the specific reimbursement of costs incurred by the state or county in the prosecution of the case, including the fees of defense counsel. Costs or assessments awarded to dedicated accounts, state or local, are not subject to this state allocation or to RCW 7.68.035.

(3) All fees, fines, forfeitures and penalties collected or assessed by a district court because of the violation of a state law shall be remitted as provided in chapter 3.62 RCW as now exists or is later amended. All fees, fines, forfeitures, and penalties collected or assessed by a superior court in cases on appeal from a lower court shall be remitted to the municipal or district court from which the cases were appealed.

Sec. 7. RCW 35.20.220 and 2009 c 479 s 19 are each amended to read as follows:

(1) The chief clerk, under the supervision and direction of the court administrator of the municipal court, shall have the custody and care of the books, papers and records of the court. The chief clerk or a deputy shall be present during the session of the court and has the power to swear all witnesses and jurors, administer oaths and affidavits, and take acknowledgments. The chief clerk shall keep the records of the court and shall issue all process under his or her hand and the seal of the court. The chief clerk shall do and perform all things and have the same powers pertaining to the office as the clerks of the superior courts have in their office. He or she shall receive all fines, penalties, and fees of every kind and keep a full, accurate, and detailed account of the same. The chief clerk shall on each day pay into the city treasury all money received for the city during the day previous, with a detailed account of the same, and taking the treasurer's receipt therefor.

(2) Except as provided in RCW <u>9A.88.120 and</u> 10.99.080, the city treasurer shall remit monthly thirty-two percent of the noninterest money received under this section, other than for parking infractions and certain costs to the state treasurer. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state, county, city, or town in the prosecution of the case, including the fees of defense counsel. Money remitted under this subsection to the state treasurer shall be deposited in the state general fund.

(3) The balance of the noninterest money received under this section shall be retained by the city and deposited as provided by law.

(4) Penalties, fines, bail forfeitures, fees, and costs may accrue interest at the rate of twelve percent per annum, upon assignment to a collection agency. Interest may accrue only while the case is in collection status.

(5) Interest retained by the court on penalties, fines, bail forfeitures, fees, and costs shall be split twenty-five percent to the state treasurer for deposit in the state general fund, twenty-five percent to the state treasurer for deposit in the judicial information system account as provided in RCW 2.68.020, twenty-five percent to the city general fund, and twenty-five percent to the city general fund to fund local courts.

Ch. 136 WASHINGTON LAWS, 2012

Passed by the House March 3, 2012.

Passed by the Senate February 29, 2012.

Approved by the Governor March 29, 2012, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State March 29, 2012.

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

"I have approved, except for Section 1, Engrossed Substitute House Bill 2692 entitled:

"AN ACT Relating to the reduction of the commercial sale of sex."

I am vetoing Section 1 because it amends the same section of the Revised Code of Washington that is amended in Section 3 of Engrossed Substitute House Bill 1983. The amendments cannot be reconciled.

For this reason I have vetoed Section 1 of Engrossed Substitute House Bill 2692.

With the exception of Section 1, Engrossed Substitute House Bill 2692 is approved."

CHAPTER 137

[Engrossed Substitute Senate Bill 6103] REFLEXOLOGY AND MASSAGE THERAPY

AN ACT Relating to the practice of reflexology and massage therapy; amending RCW 18.108.005, 18.108.010, 18.108.025, 18.108.030, 18.108.040, 18.108.045, 18.108.050, 18.108.060, 18.108.070, 18.108.073, 18.108.095, 18.108.085, 18.120.020, and 18.130.040; adding new sections to chapter 18.108 RCW; creating new sections; repealing RCW 18.108.076 and 18.108.130; and providing an effective date.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that protecting the public health and safety from the harms of human trafficking has become more difficult and complex, with severe consequences for the victims and the public. The purpose of this legislation is to provide additional tools so that the regulatory agency has authority to make reasonable inspections of the premises in which services subject to this chapter are being provided in order to determine whether the services are being provided in compliance with this chapter and to support state investigations of human trafficking and other illicit activity.

Sec. 2. RCW 18.108.005 and 1997 c 297 s 1 are each amended to read as follows:

(1) The legislature finds it necessary to license the practice of massage and massage therapy <u>and certify persons practicing reflexology</u> in order to protect the public health and safety. It is the legislature's intent that only individuals who meet and maintain minimum standards of competence and conduct may provide services to the public.

(2) This chapter shall not be construed to:

(a) Require ((or prohibit)) individual or group policies or contracts of ((an insurance carrier, health care service contractor, or health maintenance organization)) a health carrier to provide, or prohibit such policies or contracts from providing, benefits or coverage for services and supplies provided by a person licensed under this chapter; or

(b) Require that a health carrier contract with a person certified under this chapter.

Sec. 3. RCW 18.108.010 and 2007 c 272 s 1 are each amended to read as follows:

In this chapter, unless the context otherwise requires, the following meanings shall apply:

(1) "Board" means the Washington state board of massage.

(2) "Massage" and "massage therapy" mean a health care service involving the external manipulation or pressure of soft tissue for therapeutic purposes. Massage therapy includes techniques such as tapping, compressions, friction, <u>reflexology</u>, Swedish gymnastics or movements, gliding, kneading, shaking, and fascial or connective tissue stretching, with or without the aids of superficial heat, cold, water, lubricants, or salts. Massage therapy does not include diagnosis or attempts to adjust or manipulate any articulations of the body or spine or mobilization of these articulations by the use of a thrusting force, nor does it include genital manipulation.

(3) "Massage practitioner" means an individual licensed under this chapter.

(4) "Secretary" means the secretary of health or the secretary's designee.

(5) "Massage business" means the operation of a business where massages are given.

(6) "Animal massage practitioner" means an individual with a license to practice massage therapy in this state with additional training in animal therapy.

(7) "Intraoral massage" means the manipulation or pressure of soft tissue inside the mouth or oral cavity for therapeutic purposes.

(8) "Health carrier" means the same as the definition in RCW 48.43.005.

(9) "Certified reflexologist" means an individual who is certified under this chapter.

(10) "Reflexology" means a health care service that is limited to applying alternating pressure with thumb and finger techniques to reflexive areas of the lower one-third of the extremities, feet, hands, and outer ears based on reflex maps. Reflexology does not include the diagnosis of or treatment for specific diseases, or joint manipulations.

(11) "Reflexology business" means the operation of a business where reflexology services are provided.

Sec. 4. RCW 18.108.025 and 2008 c 25 s 1 are each amended to read as follows:

(1) In addition to any other authority provided by law, the board <u>of massage</u> may:

(((1))) (a) Adopt rules in accordance with chapter 34.05 RCW necessary to implement massage practitioner licensure under this chapter, subject to the approval of the secretary;

 $((\frac{2}))$ (b) Define, evaluate, approve, and designate those <u>massage</u> schools, <u>massage</u> programs, and <u>massage</u> apprenticeship programs including all current and proposed curriculum, faculty, and health, sanitation, and facility standards from which graduation will be accepted as proof of an applicant's eligibility to take the <u>massage</u> licensing examination;

(((3))) (c) Review approved <u>massage</u> schools and programs periodically;

(((4))) (d) Prepare, grade, administer, and supervise the grading and administration of, examinations for applicants for <u>massage</u> licensure;

(((5))) (e) Establish and administer requirements for continuing education, which shall be a prerequisite to renewing a <u>massage practitioner</u> license under this chapter; and

(((6))) (f) Determine which states have educational and licensing requirements for massage practitioners equivalent to those of this state.

(2) The board shall establish by rule the standards and procedures for approving courses of study in massage therapy and may contract with individuals or organizations having expertise in the profession or in education to assist in evaluating courses of study. The standards and procedures set shall apply equally to schools and training within the United States of America and those in foreign jurisdictions.

Sec. 5. RCW 18.108.030 and 1995 c 198 s 15 are each amended to read as follows:

(1)(a) No person may practice or represent himself or herself as a massage practitioner without first applying for and receiving from the department a license to practice. However, this subsection does not prohibit a certified reflexologist from practicing reflexology.

(((2))) (b) A person represents himself or herself as a massage practitioner when the person adopts or uses any title or any description of services that incorporates one or more of the following terms or designations: Massage, massage practitioner, massage therapist, massage therapy, therapeutic massage, massage technician, massage technology, massagist, masseur, masseuse, myotherapist or myotherapy, touch therapist, reflexologist <u>except when used by a certified reflexologist</u>, acupressurist, body therapy or body therapist, or any derivation of those terms that implies a massage technique or method.

(2)(a) No person may practice reflexology or represent himself or herself as a reflexologist by use of any title without first being certified as a reflexologist or licensed as a massage practitioner by the department.

(b) A person represents himself or herself as a reflexologist when the person adopts or uses any title in any description of services that incorporates one or more of the following terms or designations: Reflexologist, reflexology, foot pressure therapy, foot reflex therapy, or any derivation of those terms that implies a reflexology technique or method. However, this subsection does not prohibit a licensed massage practitioner from using any of these terms as a description of services.

(c) A person may not use the term "certified reflexologist" without first being certified by the department.

Sec. 6. RCW 18.108.040 and 2011 c 223 s 1 are each amended to read as follows:

(1)(a) It shall be unlawful to advertise the practice of massage using the term massage or any other term that implies a massage technique or method in any public or private publication or communication by a person not licensed by the secretary as a massage practitioner. However, this subsection does not prohibit a certified reflexologist from using the term reflexology or derivations of the term, subject to subsection (2)(b) of this section.

 $((\frac{(2)}{2}))$ (b) Any person who holds a license to practice as a massage practitioner in this state may use the title "licensed massage practitioner" and the abbreviation "L.M.P.". No other persons may assume such title or use such

abbreviation or any other word, letters, signs, or figures to indicate that the person using the title is a licensed massage practitioner.

(((3))) (c) A massage practitioner's name and license number must conspicuously appear on all of the massage practitioner's advertisements.

(2)(a) It is unlawful to advertise the practice of reflexology or use any other term that implies reflexology technique or method in any public or private publication or communication by a person not certified by the secretary as a reflexologist or licensed as a massage practitioner.

(b) A person certified as a reflexologist may not adopt or use any title or description of services, including for purposes of advertising, that incorporates one or more of the following terms or designations: Massage, massage, massager, massagist, masseur, myotherapist or myotherapy, touch therapist, body therapy or therapist, or any derivation of those terms that implies a massage technique or therapy unless the person is also licensed under this chapter as a massage practitioner.

(c) A reflexologist's name and certification number must conspicuously appear on all of the reflexologist's advertisements.

Sec. 7. RCW 18.108.045 and 2011 c 223 s 2 are each amended to read as follows:

A massage practitioner licensed under this chapter or a reflexologist certified under this chapter must conspicuously display his or her ((license)) credential in his or her principal place of business. If the <u>licensed</u> massage practitioner or certified reflexologist does not have a principal place of business or conducts business in any other location, he or she must have a copy of his or her ((license)) credential available for inspection while performing ((any activities related to massage therapy)) services within his or her authorized scope of practice.

Sec. 8. RCW 18.108.050 and 2002 c 277 s 2 are each amended to read as follows:

This chapter does not apply to:

(1) An individual giving massage <u>or reflexology</u> to members of his or her immediate family;

(2) The practice of a profession by individuals who are licensed, certified, or registered under other laws of this state and who are performing services within their authorized scope of practice;

(3) Massage or reflexology practiced at the athletic department of:

(a) Any institution maintained by the public funds of the state, or any of its political subdivisions;

(((4) Massage practiced at the athletic department of)) (b) Any primary or secondary school or institution of higher education;

(c) Any school or college approved by the department of health by rule using recognized national professional standards; or

(d) Any nonprofit organization licensed under RCW 66.24.400 and 66.24.450;

 $((\frac{(5)}{)})$ (4) Students enrolled in an approved massage school, approved program, or approved apprenticeship program, practicing massage techniques, incidental to the massage school or program and supervised by the approved school or program. Students must identify themselves as a student when

performing massage services on members of the public. Students may not be compensated for the massage services they provide;

(((6))) (<u>5</u>) Students enrolled in an approved reflexology school, approved program, or approved apprenticeship program, practicing reflexology techniques, incidental to the reflexologist school or program and supervised by the approved school or program. Students must identify themselves as a student when performing reflexology services on members of the public. Students may not be compensated for the reflexology services they provide; or

(6) Individuals who have completed a somatic education training program approved by the secretary((;

(7) Persons who limit their practice to reflexology. For purposes of this ehapter, the practice of reflexology is limited to the hands, feet, and outer ears. The services provided by those who limit their practice to reflexology are not designated or implied to be massage or massage therapy)).

Sec. 9. RCW 18.108.060 and 1996 c 191 s 81 are each amended to read as follows:

Each applicant and license <u>or certificate</u> holder shall comply with administrative procedures, administrative requirements, and fees set by the secretary under RCW 43.70.250 and 43.70.280.

Sec. 10. RCW 18.108.070 and 1991 c 3 s 257 are each amended to read as follows:

(1) The secretary shall issue a massage practitioner's license to an applicant who demonstrates to the secretary's satisfaction that the following requirements have been met:

(((1))) (a) Effective June 1, 1988, successful completion of a course of study in an approved massage program or approved apprenticeship program;

 $(((\frac{2}{2})))$ (b) Successful completion of an examination administered or approved by the board; and

(((3))) (c) Be eighteen years of age or older.

((In addition, applicants shall be subject to the grounds for denial or issuance of a conditional license under chapter 18.130 RCW.))

(2) Beginning July 1, 2013, the secretary shall issue a reflexologist certification to an applicant who completes an application form that identifies the name and address of the applicant and the certification request, and demonstrates to the secretary's satisfaction that the following requirements have been met:

(a) Successful completion of a course of study in reflexologist program approved by the secretary;

(b) Successful completion of an examination administered or approved by the secretary; and

(c) Be eighteen years of age or older.

(3) Applicants for a massage practitioner's license or for certification as a reflexologist shall be subject to the grounds for denial or issuance of a conditional credential under chapter 18.130 RCW.

(4) The secretary may require any information and documentation that reasonably relates to the need to determine whether the massage practitioner or reflexologist applicant meets the criteria for licensure provided for in this chapter and chapter 18.130 RCW. The secretary shall establish by rule what

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constitutes adequate proof of meeting the criteria. ((The board shall give an appropriate alternate form of examination for persons who cannot read or speak English to determine equivalent competency.))

Sec. 11. RCW 18.108.073 and 1995 c 198 s 17 are each amended to read as follows:

(1) ((The date and location of the examination shall be established by the secretary.)) Applicants ((who)) for the massage practitioner license examination must demonstrate to the secretary's satisfaction that the following requirements have been met ((shall be scheduled for the next examination following the filing of the application)):

(a)(i) Effective June 1, 1988, successful completion of a course of study in an approved massage program; or

(((b))) (ii) Effective June 1, 1988, successful completion of an apprenticeship program established by the board; and

((((c)))) (b) Be eighteen years of age or older.

((In addition, the secretary shall establish a deadline for receipt of completed and approved applications.))

(2) The board or its designee shall examine each <u>massage practitioner</u> applicant in a written examination determined most effective on subjects appropriate to the massage scope of practice. The subjects may include anatomy, kinesiology, physiology, pathology, principles of human behavior, massage theory and practice, hydrotherapy, hygiene, first aid, Washington law pertaining to the practice of massage, and such other subjects as the board may deem useful to test applicant's fitness to practice massage therapy. Such examinations shall be limited in purpose to determining whether the applicant possesses the minimum skill and knowledge necessary to practice competently.

(3) All records of a <u>massage practitioner</u> candidate's performance shall be preserved for a period of not less than one year after the board has made and published decisions thereupon. All examinations shall be conducted by the board under fair and impartial methods as determined by the secretary.

(4) ((An)) <u>A massage practitioner</u> applicant who fails to make the required grade in the first examination is entitled to take up to two additional examinations upon the payment of a fee for each subsequent examination determined by the secretary as provided in RCW 43.70.250. Upon failure of three examinations, the secretary may invalidate the original application and require such remedial education as is required by the board before admission to future examinations.

(5) The board may approve an examination prepared or administered, or both, by a private testing agency or association of licensing boards for use by ((an)) a massage practitioner applicant in meeting the licensing requirement.

<u>NEW SECTION.</u> Sec. 12. A new section is added to chapter 18.108 RCW to read as follows:

(1) Beginning July 1, 2013, applicants for the reflexology certification examination must demonstrate to the secretary's satisfaction that the following requirements have been met:

(a)(i) Successful completion of a course of study in an approved reflexology program; or

(ii) Successful completion of an apprenticeship program approved by the secretary; and

(b) Be eighteen years of age or older.

(2) The secretary or his or her designee shall examine each reflexology applicant in a written examination determined most effective on subjects appropriate to the reflexology scope of practice. The subjects may include those that the secretary deems useful to test applicant's fitness to practice reflexology. Such examinations shall be limited in purpose to determining whether the applicant possesses the minimum skill and knowledge necessary to practice reflexology competently.

(3) All records of a reflexology candidate's performance shall be preserved for a period of not less than one year after the secretary has made and published decisions thereupon. All examinations shall be conducted under fair and impartial methods as determined by the secretary.

(4) A reflexology applicant who fails to make the required grade in the first examination is entitled to take up to two additional examinations upon the payment of a fee for each subsequent examination determined by the secretary as provided in RCW 43.70.250. Upon failure of three examinations, the secretary may invalidate the original application and require such remedial education as is required by the secretary before admission to future examinations.

(5) The secretary may approve an examination prepared or administered, or both, by a private testing agency or association of licensing boards for use by a reflexology applicant in meeting the certification requirement.

Sec. 13. RCW 18.108.095 and 1987 c 443 s 12 are each amended to read as follows:

((An)) <u>A massage practitioner</u> applicant holding a license in another state or foreign jurisdiction may be granted a Washington license without examination, if, in the opinion of the board, the other state's or foreign jurisdiction's examination and educational requirements are substantially equivalent to Washington's((: <u>PROVIDED</u>, That)). However, the applicant <u>must</u> demonstrate((s)) to the satisfaction of the board a working knowledge of Washington law pertaining to the practice of massage. The applicant shall provide proof in a manner approved by the department that the examination and requirements are equivalent to Washington's.

Sec. 14. RCW 18.108.085 and 1996 c 154 s 1 are each amended to read as follows:

(1) In addition to any other authority provided by law, the secretary may:

(a) Adopt rules, in accordance with chapter 34.05 RCW necessary to implement this chapter;

(b) Set all license, <u>certification</u>, examination, and renewal fees in accordance with RCW 43.70.250;

(c) Establish forms and procedures necessary to administer this chapter;

(d) Issue a <u>massage practitioner's</u> license to any applicant who has met the education, training, and examination requirements for licensure <u>and deny</u> <u>licensure to applicants who do not meet the requirements of this chapter; ((and))</u>

(e) Issue a reflexology certification to any applicant who has met the requirements for certification and deny certification to applicants who do not meet the requirements of this chapter; and

(f) Hire clerical, administrative, and investigative staff as necessary to implement this chapter((, and hire individuals licensed under this chapter to serve as examiners for any practical examinations)).

(2) The Uniform Disciplinary Act, chapter 18.130 RCW, governs <u>unlicensed and uncertified practice</u>, the issuance and denial of licenses <u>and certifications</u>, and the disciplining of persons under this chapter. The secretary shall be the disciplining authority under this chapter.

(3) Any license or certification issued under this chapter to a person who is or has been convicted of violating RCW 9A.88.030, 9A.88.070, 9A.88.080, or 9A.88.090 or equivalent local ordinances shall automatically be revoked by the secretary upon receipt of a certified copy of the court documents reflecting such conviction. No further hearing or procedure is required, and the secretary has no discretion with regard to the revocation of the license or certification. The revocation shall be effective even though such conviction may be under appeal, or the time period for such appeal has not elapsed. However, upon presentation of a final appellate decision overturning such conviction, the license or certification shall be reinstated, unless grounds for disciplinary action have been found under chapter 18.130 RCW. No license or certification may be granted under this chapter to any person who has been convicted of violating RCW 9A.88.030, 9A.88.070, 9A.88.080, or 9A.88.090 or equivalent local ordinances within the eight years immediately preceding the date of application. For purposes of this subsection, "convicted" does not include a conviction that has been the subject of a pardon, annulment, or other equivalent procedure based on a finding of innocence, but does include convictions for offenses for which the defendant received a deferred or suspended sentence, unless the record has been expunged according to law.

(4) The secretary shall keep an official record of all proceedings under this chapter, a part of which record shall consist of a register of all applicants for licensure <u>or certification</u> under this chapter, with the result of each application.

<u>NEW SECTION.</u> Sec. 15. A new section is added to chapter 18.108 RCW to read as follows:

(1) The secretary may certify an applicant as a reflexologist without examination if the applicant:

(a) Has practiced reflexology as a licensed massage practitioner for at least five years prior to the effective date of this section or provides evidence satisfactory to the secretary that he or she has, prior to the effective date of this section, successfully completed a course of study in a reflexology program approved by the secretary; and

(b) Applies for certification by one year after the effective date of this section.

(2) An applicant holding a reflexology credential in another state or a territory of the United States may be certified to practice in this state without examination if the secretary determines that the other jurisdiction's credentialing standards are substantially equivalent to the standards in this state.

<u>NEW SECTION.</u> Sec. 16. A new section is added to chapter 18.108 RCW to read as follows:

(1) For the purposes of ascertaining violations of this chapter and chapter 18.130 RCW, the secretary or authorized representative has the authority to

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inspect, within reasonable limits and in a reasonable manner, the premises of any massage or reflexology business establishment during hours such business is open. If the secretary is denied access to any premises or establishment the secretary may apply to any court of competent jurisdiction for a warrant authorizing access to such premises or establishment for such purposes. The court may, upon such application, issue a warrant for the purpose requested.

(2) This section does not require advance notice of an inspection.

<u>NEW SECTION.</u> Sec. 17. The following acts or parts of acts are each repealed:

(1) RCW 18.108.076 (Application of uniform disciplinary act) and 1987 c $150 \pm 60 \& 1986 \pm 259 \pm 146$; and

(2) RCW 18.108.130 (Exemptions) and 1975 1st ex.s. c 280 s 14.

Sec. 18. RCW 18.120.020 and 2010 c 286 s 14 are each amended to read as follows:

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

(1) "Applicant group" includes any health professional group or organization, any individual, or any other interested party which proposes that any health professional group not presently regulated be regulated or which proposes to substantially increase the scope of practice of the profession.

(2) "Certificate" and "certification" mean a voluntary process by which a statutory regulatory entity grants recognition to an individual who (a) has met certain prerequisite qualifications specified by that regulatory entity, and (b) may assume or use "certified" in the title or designation to perform prescribed health professional tasks.

(3) "Grandfather clause" means a provision in a regulatory statute applicable to practitioners actively engaged in the regulated health profession prior to the effective date of the regulatory statute which exempts the practitioners from meeting the prerequisite qualifications set forth in the regulatory statute to perform prescribed occupational tasks.

(4) "Health professions" means and includes the following health and health-related licensed or regulated professions and occupations: Podiatric medicine and surgery under chapter 18.22 RCW; chiropractic under chapter 18.25 RCW; dental hygiene under chapter 18.29 RCW; dentistry under chapter 18.32 RCW; denturism under chapter 18.30 RCW; dispensing opticians under chapter 18.34 RCW; hearing instruments under chapter 18.35 RCW; naturopaths under chapter 18.36A RCW; embalming and funeral directing under chapter 18.39 RCW; midwifery under chapter 18.50 RCW; nursing home administration under chapter 18.52 RCW; optometry under chapters 18.53 and 18.54 RCW; ocularists under chapter 18.55 RCW; osteopathic medicine and surgery under chapters 18.57 and 18.57A RCW; pharmacy under chapters 18.64 and 18.64A RCW: medicine under chapters 18.71 and 18.71A RCW; emergency medicine under chapter 18.73 RCW; physical therapy under chapter 18.74 RCW; practical nurses under chapter 18.79 RCW; psychologists under chapter 18.83 RCW; registered nurses under chapter 18.79 RCW; occupational therapists licensed under chapter 18.59 RCW; respiratory care practitioners licensed under chapter 18.89 RCW; veterinarians and veterinary technicians under chapter 18.92 RCW; health care assistants under chapter 18.135 RCW; massage practitioners under

chapter 18.108 RCW; East Asian medicine practitioners licensed under chapter 18.06 RCW; persons registered under chapter 18.19 RCW; persons licensed as mental health counselors, marriage and family therapists, and social workers under chapter 18.225 RCW; dietitians and nutritionists certified by chapter 18.138 RCW; radiologic technicians under chapter 18.84 RCW; ((and)) nursing assistants registered or certified under chapter 18.88A RCW; and reflexologists certified under chapter 18.108 RCW.

(5) "Inspection" means the periodic examination of practitioners by a state agency in order to ascertain whether the practitioners' occupation is being carried out in a fashion consistent with the public health, safety, and welfare.

(6) "Legislative committees of reference" means the standing legislative committees designated by the respective rules committees of the senate and house of representatives to consider proposed legislation to regulate health professions not previously regulated.

(7) "License," "licensing," and "licensure" mean permission to engage in a health profession which would otherwise be unlawful in the state in the absence of the permission. A license is granted to those individuals who meet prerequisite qualifications to perform prescribed health professional tasks and for the use of a particular title.

(8) "Professional license" means an individual, nontransferable authorization to carry on a health activity based on qualifications which include:(a) Graduation from an accredited or approved program, and (b) acceptable performance on a qualifying examination or series of examinations.

(9) "Practitioner" means an individual who (a) has achieved knowledge and skill by practice, and (b) is actively engaged in a specified health profession.

(10) "Public member" means an individual who is not, and never was, a member of the health profession being regulated or the spouse of a member, or an individual who does not have and never has had a material financial interest in either the rendering of the health professional service being regulated or an activity directly related to the profession being regulated.

(11) "Registration" means the formal notification which, prior to rendering services, a practitioner shall submit to a state agency setting forth the name and address of the practitioner; the location, nature and operation of the health activity to be practiced; and, if required by the regulatory entity, a description of the service to be provided.

(12) "Regulatory entity" means any board, commission, agency, division, or other unit or subunit of state government which regulates one or more professions, occupations, industries, businesses, or other endeavors in this state.

(13) "State agency" includes every state office, department, board, commission, regulatory entity, and agency of the state, and, where provided by law, programs and activities involving less than the full responsibility of a state agency.

Sec. 19. RCW 18.130.040 and 2011 c 41 s 11 are each amended to read as follows:

(1) This chapter applies only to the secretary and the boards and commissions having jurisdiction in relation to the professions licensed under the chapters specified in this section. This chapter does not apply to any business or profession not licensed under the chapters specified in this section.

(2)(a) The secretary has authority under this chapter in relation to the following professions:

(i) Dispensing opticians licensed and designated apprentices under chapter 18.34 RCW;

(ii) Midwives licensed under chapter 18.50 RCW;

(iii) Ocularists licensed under chapter 18.55 RCW;

(iv) Massage ((operators)) practitioners and businesses licensed under chapter 18.108 RCW;

(v) Dental hygienists licensed under chapter 18.29 RCW;

(vi) East Asian medicine practitioners licensed under chapter 18.06 RCW;

(vii) Radiologic technologists certified and X-ray technicians registered under chapter 18.84 RCW;

(viii) Respiratory care practitioners licensed under chapter 18.89 RCW;

(ix) Hypnotherapists and agency affiliated counselors registered and advisors and counselors certified under chapter 18.19 RCW;

(x) Persons licensed as mental health counselors, mental health counselor associates, marriage and family therapists, marriage and family therapist associates, social workers, social work associates—advanced, and social work associates—independent clinical under chapter 18.225 RCW;

(xi) Persons registered as nursing pool operators under chapter 18.52C RCW;

(xii) Nursing assistants registered or certified under chapter 18.88A RCW;

(xiii) Health care assistants certified under chapter 18.135 RCW;

(xiv) Dietitians and nutritionists certified under chapter 18.138 RCW;

(xv) Chemical dependency professionals and chemical dependency professional trainees certified under chapter 18.205 RCW;

(xvi) Sex offender treatment providers and certified affiliate sex offender treatment providers certified under chapter 18.155 RCW;

(xvii) Persons licensed and certified under chapter 18.73 RCW or RCW 18.71.205;

(xviii) Denturists licensed under chapter 18.30 RCW;

(xix) Orthotists and prosthetists licensed under chapter 18.200 RCW;

(xx) Surgical technologists registered under chapter 18.215 RCW;

(xxi) Recreational therapists (([under chapter 18.230 RCW])) <u>under chapter</u> <u>18.230 RCW</u>;

(xxii) Animal massage practitioners certified under chapter 18.240 RCW;

(xxiii) Athletic trainers licensed under chapter 18.250 RCW;

(xxiv) Home care aides certified under chapter 18.88B RCW; ((and))

(xxv) Genetic counselors licensed under chapter 18.290 RCW; and

(xxvi) Reflexologists certified under chapter 18.108 RCW.

(b) The boards and commissions having authority under this chapter are as follows:

(i) The podiatric medical board as established in chapter 18.22 RCW;

(ii) The chiropractic quality assurance commission as established in chapter 18.25 RCW;

(iii) The dental quality assurance commission as established in chapter 18.32 RCW governing licenses issued under chapter 18.32 RCW and licenses and registrations issued under chapter 18.260 RCW;

(iv) The board of hearing and speech as established in chapter 18.35 RCW;

(v) The board of examiners for nursing home administrators as established in chapter 18.52 RCW;

(vi) The optometry board as established in chapter 18.54 RCW governing licenses issued under chapter 18.53 RCW;

(vii) The board of osteopathic medicine and surgery as established in chapter 18.57 RCW governing licenses issued under chapters 18.57 and 18.57A RCW;

(viii) The board of pharmacy as established in chapter 18.64 RCW governing licenses issued under chapters 18.64 and 18.64A RCW;

(ix) The medical quality assurance commission as established in chapter 18.71 RCW governing licenses and registrations issued under chapters 18.71 and 18.71A RCW;

(x) The board of physical therapy as established in chapter 18.74 RCW;

(xi) The board of occupational therapy practice as established in chapter 18.59 RCW;

(xii) The nursing care quality assurance commission as established in chapter 18.79 RCW governing licenses and registrations issued under that chapter;

(xiii) The examining board of psychology and its disciplinary committee as established in chapter 18.83 RCW;

(xiv) The veterinary board of governors as established in chapter 18.92 RCW; and

(xv) The board of naturopathy established in chapter 18.36A RCW.

(3) In addition to the authority to discipline license holders, the disciplining authority has the authority to grant or deny licenses. The disciplining authority may also grant a license subject to conditions.

(4) All disciplining authorities shall adopt procedures to ensure substantially consistent application of this chapter, the Uniform Disciplinary Act, among the disciplining authorities listed in subsection (2) of this section.

<u>NEW SECTION.</u> Sec. 20. 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.

<u>NEW SECTION.</u> Sec. 21. The department of health shall adopt any rules necessary to implement this act.

<u>NEW SECTION.</u> Sec. 22. Sections 1 through 19 of this act take effect July 1, 2013.

Passed by the Senate March 6, 2012. Passed by the House March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 138

[Engrossed Substitute Senate Bill 6251]

COMMERCIAL SEX ABUSE OF A MINOR-ADVERTISING

AN ACT Relating to advertising commercial sexual abuse of a minor; adding a new section to chapter 9.68A RCW; creating new sections; and prescribing penalties.

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

[1037]

<u>NEW SECTION.</u> Sec. 1. The legislature finds it unacceptable that Washington's children are being sold for sex in advertisements. A 2008 Seattle human services department report estimated that there are three hundred to five hundred children being exploited for sex in the Seattle area alone each year. The legislature finds that the practice of escort services advertising includes minors who are being sold for sex, a form of sex trafficking and commercial sexual abuse of minors. According to the Seattle police department, since the beginning of 2010, at least twenty-two children have been advertised online in the Seattle area for commercial sex and were recovered by the police department. The legislature is committed to eliminating sex trafficking of minors in a manner consistent with federal laws prohibiting sexual exploitation of children.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 9.68A RCW to read as follows:

(1) A person commits the offense of advertising commercial sexual abuse of a minor if he or she knowingly publishes, disseminates, or displays, or causes directly or indirectly, to be published, disseminated, or displayed, any advertisement for a commercial sex act, which is to take place in the state of Washington and that includes the depiction of a minor.

(a) "Advertisement for a commercial sex act" means any advertisement or offer in electronic or print media, which includes either an explicit or implicit offer for a commercial sex act to occur in Washington.

(b) "Commercial sex act" means any act of sexual contact or sexual intercourse, both as defined in chapter 9A.44 RCW, for which something of value is given or received by any person.

(c) "Depiction" as used in this section means any photograph or visual or printed matter as defined in RCW 9.68A.011 (2) and (3).

(2) In a prosecution under this statute it is not a defense that the defendant did not know the age of the minor depicted in the advertisement. It is a defense, which the defendant must prove by a preponderance of the evidence, that the defendant made a reasonable bona fide attempt to ascertain the true age of the minor depicted in the advertisement by requiring, prior to publication, dissemination, or display of the advertisement, production of a driver's license, marriage license, birth certificate, or other governmental or educational identification card or paper of the minor depicted in the advertisement and did not rely solely on oral or written representations of the minor's age, or the apparent age of the minor as depicted. In order to invoke the defense, the defendant must produce for inspection by law enforcement a record of the identification used to verify the age of the person depicted in the advertisement.

(3) Advertising commercial sexual abuse of a minor is a class C felony.

<u>NEW SECTION.</u> Sec. 3. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

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Passed by the Senate February 8, 2012. Passed by the House February 27, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 139

[Engrossed Substitute Senate Bill 6252]

COMMERCIAL SEX ABUSE OF A MINOR—PROSTITUTION—PROMOTION

AN ACT Relating to commercial sexual abuse of a minor, promoting commercial sexual abuse of a minor, and promoting prostitution in the first degree; and amending RCW 9A.82.010 and 9A.82.100.

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

Sec. 1. RCW 9A.82.010 and 2008 c 108 s 24 are each amended to read as follows:

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

(1)(a) "Beneficial interest" means:

(i) The interest of a person as a beneficiary under a trust established under Title 11 RCW in which the trustee for the trust holds legal or record title to real property;

(ii) The interest of a person as a beneficiary under any other trust arrangement under which a trustee holds legal or record title to real property for the benefit of the beneficiary; or

(iii) The interest of a person under any other form of express fiduciary arrangement under which one person holds legal or record title to real property for the benefit of the other person.

(b) "Beneficial interest" does not include the interest of a stockholder in a corporation or the interest of a partner in a general partnership or limited partnership.

(c) A beneficial interest is considered to be located where the real property owned by the trustee is located.

(2) "Control" means the possession of a sufficient interest to permit substantial direction over the affairs of an enterprise.

(3) "Creditor" means a person making an extension of credit or a person claiming by, under, or through a person making an extension of credit.

(4) "Criminal profiteering" means any act, including any anticipatory or completed offense, committed for financial gain, that is chargeable or indictable under the laws of the state in which the act occurred and, if the act occurred in a state other than this state, would be chargeable or indictable under the laws of this state had the act occurred in this state and punishable as a felony and by imprisonment for more than one year, regardless of whether the act is charged or indicted, as any of the following:

(a) Murder, as defined in RCW 9A.32.030 and 9A.32.050;

(b) Robbery, as defined in RCW 9A.56.200 and 9A.56.210;

(c) Kidnapping, as defined in RCW 9A.40.020 and 9A.40.030;

(d) Forgery, as defined in RCW 9A.60.020 and 9A.60.030;

(e) Theft, as defined in RCW 9A.56.030, 9A.56.040, 9A.56.060, 9A.56.080, and 9A.56.083;

(f) Unlawful sale of subscription television services, as defined in RCW 9A.56.230;

(g) Theft of telecommunication services or unlawful manufacture of a telecommunication device, as defined in RCW 9A.56.262 and 9A.56.264;

(h) Child selling or child buying, as defined in RCW 9A.64.030;

(i) Bribery, as defined in RCW 9A.68.010, 9A.68.020, 9A.68.040, and 9A.68.050;

(j) Gambling, as defined in RCW 9.46.220 and 9.46.215 and 9.46.217;

(k) Extortion, as defined in RCW 9A.56.120 and 9A.56.130;

(1) Unlawful production of payment instruments, unlawful possession of payment instruments, unlawful possession of a personal identification device, unlawful possession of fictitious identification, or unlawful possession of instruments of financial fraud, as defined in RCW 9A.56.320;

(m) Extortionate extension of credit, as defined in RCW 9A.82.020;

(n) Advancing money for use in an extortionate extension of credit, as defined in RCW 9A.82.030;

(o) Collection of an extortionate extension of credit, as defined in RCW 9A.82.040;

(p) Collection of an unlawful debt, as defined in RCW 9A.82.045;

(q) Delivery or manufacture of controlled substances or possession with intent to deliver or manufacture controlled substances under chapter 69.50 RCW;

(r) Trafficking in stolen property, as defined in RCW 9A.82.050;

(s) Leading organized crime, as defined in RCW 9A.82.060;

(t) Money laundering, as defined in RCW 9A.83.020;

(u) Obstructing criminal investigations or prosecutions in violation of RCW 9A.72.090, 9A.72.100, 9A.72.110, 9A.72.120, 9A.72.130, 9A.76.070, or 9A.76.180;

(v) Fraud in the purchase or sale of securities, as defined in RCW 21.20.010;

(w) Promoting pornography, as defined in RCW 9.68.140;

(x) Sexual exploitation of children, as defined in RCW 9.68A.040, 9.68A.050, and 9.68A.060;

(y) Promoting prostitution, as defined in RCW 9A.88.070 and 9A.88.080;

(z) Arson, as defined in RCW 9A.48.020 and 9A.48.030;

(aa) Assault, as defined in RCW 9A.36.011 and 9A.36.021;

(bb) Assault of a child, as defined in RCW 9A.36.120 and 9A.36.130;

(cc) A pattern of equity skimming, as defined in RCW 61.34.020;

(dd) Commercial telephone solicitation in violation of RCW 19.158.040(1);

(ee) Trafficking in insurance claims, as defined in RCW 48.30A.015;

(ff) Unlawful practice of law, as defined in RCW 2.48.180;

(gg) Commercial bribery, as defined in RCW 9A.68.060;

(hh) Health care false claims, as defined in RCW 48.80.030;

(ii) Unlicensed practice of a profession or business, as defined in RCW 18.130.190(7);

(jj) Improperly obtaining financial information, as defined in RCW 9.35.010;

(kk) Identity theft, as defined in RCW 9.35.020;

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(ll) Unlawful shipment of cigarettes in violation of RCW 70.155.105(6) (a) or (b);

(mm) Unlawful shipment of cigarettes in violation of RCW 82.24.110(2);

(nn) Unauthorized sale or procurement of telephone records in violation of RCW 9.26A.140;

(oo) Theft with the intent to resell, as defined in RCW 9A.56.340;

(pp) Organized retail theft, as defined in RCW 9A.56.350; ((or))

(qq) Mortgage fraud, as defined in RCW 19.144.080:

(rr) Commercial sexual abuse of a minor, as defined in RCW 9.68A.100; or (ss) Promoting commercial sexual abuse of a minor, as defined in RCW 9.68A.101.

(5) "Dealer in property" means a person who buys and sells property as a business.

(6) "Debtor" means a person to whom an extension of credit is made or a person who guarantees the repayment of an extension of credit or in any manner undertakes to indemnify the creditor against loss resulting from the failure of a person to whom an extension is made to repay the same.

(7) "Documentary material" means any book, paper, document, writing, drawing, graph, chart, photograph, phonograph record, magnetic tape, computer printout, other data compilation from which information can be obtained or from which information can be translated into usable form, or other tangible item.

(8) "Enterprise" includes any individual, sole proprietorship, partnership, corporation, business trust, or other profit or nonprofit legal entity, and includes any union, association, or group of individuals associated in fact although not a legal entity, and both illicit and licit enterprises and governmental and nongovernmental entities.

(9) "Extortionate extension of credit" means an extension of credit with respect to which it is the understanding of the creditor and the debtor at the time the extension is made that delay in making repayment or failure to make repayment could result in the use of violence or other criminal means to cause harm to the person, reputation, or property of any person.

(10) "Extortionate means" means the use, or an express or implicit threat of use, of violence or other criminal means to cause harm to the person, reputation, or property of any person.

(11) "Financial institution" means any bank, trust company, savings and loan association, savings bank, mutual savings bank, credit union, or loan company under the jurisdiction of the state or an agency of the United States.

(12) "Pattern of criminal profiteering activity" means engaging in at least three acts of criminal profiteering, one of which occurred after July 1, 1985, and the last of which occurred within five years, excluding any period of imprisonment, after the commission of the earliest act of criminal profiteering. In order to constitute a pattern, the three acts must have the same or similar intent, results, accomplices, principals, victims, or methods of commission, or be otherwise interrelated by distinguishing characteristics including a nexus to the same enterprise, and must not be isolated events. However, in any civil proceedings brought pursuant to RCW 9A.82.100 by any person other than the attorney general or county prosecuting attorney in which one or more acts of fraud in the purchase or sale of securities are asserted as acts of criminal profiteering activity, it is a condition to civil liability under RCW 9A.82.100 that

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the defendant has been convicted in a criminal proceeding of fraud in the purchase or sale of securities under RCW 21.20.400 or under the laws of another state or of the United States requiring the same elements of proof, but such conviction need not relate to any act or acts asserted as acts of criminal profiteering activity in such civil action under RCW 9A.82.100.

(13) "Real property" means any real property or interest in real property, including but not limited to a land sale contract, lease, or mortgage of real property.

(14) "Records" means any book, paper, writing, record, computer program, or other material.

(15) "Repayment of an extension of credit" means the repayment, satisfaction, or discharge in whole or in part of a debt or claim, acknowledged or disputed, valid or invalid, resulting from or in connection with that extension of credit.

(16) "Stolen property" means property that has been obtained by theft, robbery, or extortion.

(17) "To collect an extension of credit" means to induce in any way a person to make repayment thereof.

(18) "To extend credit" means to make or renew a loan or to enter into an agreement, tacit or express, whereby the repayment or satisfaction of a debt or claim, whether acknowledged or disputed, valid or invalid, and however arising, may or shall be deferred.

(19) "Traffic" means to sell, transfer, distribute, dispense, or otherwise dispose of stolen property to another person, or to buy, receive, possess, or obtain control of stolen property, with intent to sell, transfer, distribute, dispense, or otherwise dispose of the property to another person.

(20)(a) "Trustee" means:

(i) A person acting as a trustee under a trust established under Title 11 RCW in which the trustee holds legal or record title to real property;

(ii) A person who holds legal or record title to real property in which another person has a beneficial interest; or

(iii) A successor trustee to a person who is a trustee under (a)(i) or (ii) of this subsection.

(b) "Trustee" does not mean a person appointed or acting as:

(i) A personal representative under Title 11 RCW;

(ii) A trustee of any testamentary trust;

(iii) A trustee of any indenture of trust under which a bond is issued; or

(iv) A trustee under a deed of trust.

(21) "Unlawful debt" means any money or other thing of value constituting principal or interest of a debt that is legally unenforceable in the state in full or in part because the debt was incurred or contracted:

(a) In violation of any one of the following:

(i) Chapter 67.16 RCW relating to horse racing;

(ii) Chapter 9.46 RCW relating to gambling;

(b) In a gambling activity in violation of federal law; or

(c) In connection with the business of lending money or a thing of value at a rate that is at least twice the permitted rate under the applicable state or federal law relating to usury.

Sec. 2. RCW 9A.82.100 and 2003 c 267 s 6 are each amended to read as follows:

(1)(a) A person who sustains injury to his or her person, business, or property by an act of criminal profiteering that is part of a pattern of criminal profiteering activity, or by an offense defined in RCW 9A.40.100, <u>9.68A.100</u>, <u>9.68A.101</u>, or <u>9A.88.070</u>, or by a violation of RCW 9A.82.060 or <u>9A.82.080</u> may file an action in superior court for the recovery of damages and the costs of the suit, including reasonable investigative and attorney's fees.

(b) The attorney general or county prosecuting attorney may file an action: (i) On behalf of those persons injured or, respectively, on behalf of the state or county if the entity has sustained damages, or (ii) to prevent, restrain, or remedy a pattern of criminal profiteering activity, or an offense defined in RCW 9A.40.100, <u>9.68A.100</u>, <u>9.68A.101</u>, or <u>9A.88.070</u>, or a violation of RCW 9A.82.060 or 9A.82.080.

(c) An action for damages filed by or on behalf of an injured person, the state, or the county shall be for the recovery of damages and the costs of the suit, including reasonable investigative and attorney's fees.

(d) In an action filed to prevent, restrain, or remedy a pattern of criminal profiteering activity, or an offense defined in RCW 9A.40.100, <u>9.68A.100</u>, <u>9.68A.101</u>, or <u>9A.88.070</u>, or a violation of RCW 9A.82.060 or 9A.82.080, the court, upon proof of the violation, may impose a civil penalty not exceeding two hundred fifty thousand dollars, in addition to awarding the cost of the suit, including reasonable investigative and attorney's fees.

(2) The superior court has jurisdiction to prevent, restrain, and remedy a pattern of criminal profiteering, or an offense defined in RCW 9A.40.100, <u>9.68A.100, 9.68A.101, or 9A.88.070</u>, or a violation of RCW 9A.82.060 or 9A.82.080 after making provision for the rights of all innocent persons affected by the violation and after hearing or trial, as appropriate, by issuing appropriate orders.

(3) Prior to a determination of liability, orders issued under subsection (2) of this section may include, but are not limited to, entering restraining orders or prohibitions or taking such other actions, including the acceptance of satisfactory performance bonds, in connection with any property or other interest subject to damages, forfeiture, or other restraints pursuant to this section as the court deems proper. The orders may also include attachment, receivership, or injunctive relief in regard to personal or real property pursuant to Title 7 RCW. In shaping the reach or scope of receivership, attachment, or injunctive relief, the superior court shall provide for the protection of bona fide interests in property, including community property, of persons who were not involved in the violation of this chapter, except to the extent that such interests or property were acquired or used in such a way as to be subject to forfeiture under RCW 9A.82.100(4)(f).

(4) Following a determination of liability, orders may include, but are not limited to:

(a) Ordering any person to divest himself or herself of any interest, direct or indirect, in any enterprise.

(b) Imposing reasonable restrictions on the future activities or investments of any person, including prohibiting any person from engaging in the same type of endeavor as the enterprise engaged in, the activities of which affect the laws of this state, to the extent the Constitutions of the United States and this state permit.

(c) Ordering dissolution or reorganization of any enterprise.

(d) Ordering the payment of actual damages sustained to those persons injured by a violation of RCW 9A.82.060 or 9A.82.080, or an offense defined in RCW 9A.40.100, <u>9.68A.100</u>, <u>9.68A.101</u>, or <u>9A.88.070</u>, or an act of criminal profiteering that is part of a pattern of criminal profiteering, and in the court's discretion, increasing the payment to an amount not exceeding three times the actual damages sustained.

(e) Ordering the payment of all costs and expenses of the prosecution and investigation of a pattern of criminal profiteering, or an offense defined in RCW 9A.40.100, <u>9.68A.100</u>, <u>9.68A.101</u>, or <u>9A.88.070</u>, activity or a violation of RCW 9A.82.060 or 9A.82.080, civil and criminal, incurred by the state or county, including any costs of defense provided at public expense, as appropriate to the state general fund or the antiprofiteering revolving fund of the county.

(f) Ordering forfeiture first as restitution to any person damaged by an act of criminal profiteering that is part of a pattern of criminal profiteering, or by an offense defined in RCW 9A.40.100, then to the state general fund or antiprofiteering revolving fund of the county, as appropriate, to the extent not already ordered to be paid in other damages, of the following:

(i) Any property or other interest acquired or maintained in violation of RCW 9A.82.060 or 9A.82.080 to the extent of the investment of funds, and any appreciation or income attributable to the investment, from a violation of RCW 9A.82.060 or 9A.82.080.

(ii) Any property, contractual right, or claim against property used to influence any enterprise that a person has established, operated, controlled, conducted, or participated in the conduct of, in violation of RCW 9A.82.060 or 9A.82.080.

(iii) All proceeds traceable to or derived from an offense included in the pattern of criminal profiteering activity, or an offense defined in RCW 9A.40.100, <u>9.68A.100</u>, <u>9.68A.101</u>, or <u>9A.88.070</u>, and all moneys, negotiable instruments, securities, and other things of value significantly used or intended to be used significantly to facilitate commission of the offense.

(g) Ordering payment to the state general fund or antiprofiteering revolving fund of the county, as appropriate, of an amount equal to the gain a person has acquired or maintained through an offense included in the definition of criminal profiteering.

(5) In addition to or in lieu of an action under this section, the attorney general or county prosecuting attorney may file an action for forfeiture to the state general fund or antiprofiteering revolving fund of the county, as appropriate, to the extent not already ordered paid pursuant to this section, of the following:

(a) Any interest acquired or maintained by a person in violation of RCW 9A.82.060 or 9A.82.080 to the extent of the investment of funds obtained from a violation of RCW 9A.82.060 or 9A.82.080 and any appreciation or income attributable to the investment.

(b) Any property, contractual right, or claim against property used to influence any enterprise that a person has established, operated, controlled,

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conducted, or participated in the conduct of, in violation of RCW 9A.82.060 or 9A.82.080.

(c) All proceeds traceable to or derived from an offense included in the pattern of criminal profiteering activity, or an offense defined in RCW 9A.40.100, <u>9.68A.100</u>, <u>9.68A.101</u>, or <u>9A.88.070</u>, and all moneys, negotiable instruments, securities, and other things of value significantly used or intended to be used significantly to facilitate the commission of the offense.

(6) A defendant convicted in any criminal proceeding is precluded in any civil proceeding from denying the essential allegations of the criminal offense proven in the criminal trial in which the defendant was convicted. For the purposes of this subsection, a conviction shall be deemed to have occurred upon a verdict, finding, or plea of guilty, notwithstanding the fact that appellate review of the conviction and sentence has been or may be sought. If a subsequent reversal of the conviction occurs, any judgment that was based upon that conviction may be reopened upon motion of the defendant.

(7) The initiation of civil proceedings under this section shall be commenced within three years after discovery of the pattern of criminal profiteering activity or after the pattern should reasonably have been discovered or, in the case of an offense that is defined in RCW 9A.40.100, within three years after the final disposition of any criminal charges relating to the offense, whichever is later.

(8) The attorney general or county prosecuting attorney may, in a civil action brought pursuant to this section, file with the clerk of the superior court a certificate stating that the case is of special public importance. A copy of that certificate shall be furnished immediately by the clerk to the presiding chief judge of the superior court in which the action is pending and, upon receipt of the copy, the judge shall immediately designate a judge to hear and determine the action. The judge so designated shall promptly assign the action for hearing, participate in the hearings and determination, and cause the action to be expedited.

(9) The standard of proof in actions brought pursuant to this section is the preponderance of the evidence test.

(10) A person other than the attorney general or county prosecuting attorney who files an action under this section shall serve notice and one copy of the pleading on the attorney general within thirty days after the action is filed with the superior court. The notice shall identify the action, the person, and the person's attorney. Service of the notice does not limit or otherwise affect the right of the state to maintain an action under this section or intervene in a pending action nor does it authorize the person to name the state or the attorney general as a party to the action.

(11) Except in cases filed by a county prosecuting attorney, the attorney general may, upon timely application, intervene in any civil action or proceeding brought under this section if the attorney general certifies that in the attorney general's opinion the action is of special public importance. Upon intervention, the attorney general may assert any available claim and is entitled to the same relief as if the attorney general had instituted a separate action.

(12) In addition to the attorney general's right to intervene as a party in any action under this section, the attorney general may appear as amicus curiae in any proceeding in which a claim under this section has been asserted or in which

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a court is interpreting RCW 9A.82.010, 9A.82.080, 9A.82.090, 9A.82.110, or 9A.82.120, or this section.

(13) A private civil action under this section does not limit any other civil or criminal action under this chapter or any other provision. Private civil remedies provided under this section are supplemental and not mutually exclusive.

(14) Upon motion by the defendant, the court may authorize the sale or transfer of assets subject to an order or lien authorized by this chapter for the purpose of paying actual attorney's fees and costs of defense. The motion shall specify the assets for which sale or transfer is sought and shall be accompanied by the defendant's sworn statement that the defendant has no other assets available for such purposes. No order authorizing such sale or transfer may be entered unless the court finds that the assets involved are not subject to possible forfeiture under RCW 9A.82.100(4)(f). Prior to disposition of the motion, the court shall notify the state of the assets sought to be sold or transferred and shall hear argument on the issue of whether the assets are subject to forfeiture under RCW 9A.82.100(4)(f). Such a motion may be made from time to time and shall be heard by the court on an expedited basis.

(15) In an action brought under subsection (1)(a) and (b)(i) of this section, either party has the right to a jury trial.

Passed by the Senate February 8, 2012. Passed by the House February 27, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 140

[Substitute Senate Bill 6253] SEIZURE AND FORFEITURE

AN ACT Relating to seizure and forfeiture; and adding a new section to chapter 9A.88 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 9A.88 RCW to read as follows:

(1) The following are subject to seizure and forfeiture and no property right exists in them:

(a) Any property or other interest acquired or maintained in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070 to the extent of the investment of funds, and any appreciation or income attributable to the investment, from a violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070;

(b) All conveyances, including aircraft, vehicles, or vessels, which are used, or intended for use, in any manner to facilitate a violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070, except that:

(i) No conveyance used by any person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section unless it appears that the owner or other person in charge of the conveyance is a consenting party or privy to a violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070;

(ii) No conveyance is subject to forfeiture under this section by reason of any act or omission established by the owner thereof to have been committed or omitted without the owner's knowledge or consent;

(iii) A forfeiture of a conveyance encumbered by a bona fide security interest is subject to the interest of the secured party if the secured party neither had knowledge of nor consented to the act or omission; and

(iv) When the owner of a conveyance has been arrested for a violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070, the conveyance in which the person is arrested may not be subject to forfeiture unless it is seized or process is issued for its seizure within ten days of the owner's arrest;

(c) Any property, contractual right, or claim against property used to influence any enterprise that a person has established, operated, controlled, conducted, or participated in the conduct of, in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070;

(d) All proceeds traceable to or derived from an offense defined in RCW 9.68A.100, 9.68A.101, or 9A.88.070 and all moneys, negotiable instruments, securities, and other things of value significantly used or intended to be used significantly to facilitate commission of the offense;

(e) All books, records, and research products and materials, including formulas, microfilm, tapes, and data which are used, or intended for use, in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070;

(f) All moneys, negotiable instruments, securities, or other tangible or intangible property of value furnished or intended to be furnished by any person in exchange for a violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070, all tangible or intangible personal property, proceeds, or assets acquired in whole or in part with proceeds traceable to an exchange or series of exchanges in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070, and all moneys, negotiable instruments, and securities used or intended to be used to facilitate any violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070. A forfeiture of money, negotiable instruments, securities, or other tangible or intangible property encumbered by a bona fide security interest is subject to the interest of the secured party if, at the time the security interest was created, the secured party neither had knowledge of nor consented to the act or omission. No personal property may be forfeited under this subsection (1)(f), to the extent of the interest of an owner, by reason of any act or omission, which that owner establishes was committed or omitted without the owner's knowledge or consent: and

(g) All real property, including any right, title, and interest in the whole of any lot or tract of land, and any appurtenances or improvements which are being used with the knowledge of the owner for a violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070, or which have been acquired in whole or in part with proceeds traceable to an exchange or series of exchanges in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070, if a substantial nexus exists between the violation and the real property. However:

(i) No property may be forfeited pursuant to this subsection (1)(g), to the extent of the interest of an owner, by reason of any act or omission committed or omitted without the owner's knowledge or consent;

(ii) A forfeiture of real property encumbered by a bona fide security interest is subject to the interest of the secured party if the secured party, at the time the security interest was created, neither had knowledge of nor consented to the act or omission.

(2) Real or personal property subject to forfeiture under this section may be seized by any law enforcement officer of this state upon process issued by any superior court having jurisdiction over the property. Seizure of real property shall include the filing of a lis pendens by the seizing agency. Real property seized under this section shall not be transferred or otherwise conveyed until ninety days after seizure or until a judgment of forfeiture is entered, whichever is later: PROVIDED, That real property seized under this section may be transferred or conveyed to any person or entity who acquires title by foreclosure or deed in lieu of foreclosure of a security interest. Seizure of personal property without process may be made if:

(a) The seizure is incident to an arrest or a search under a search warrant;

(b) The property subject to seizure has been the subject of a prior judgment in favor of the state in a criminal injunction or forfeiture proceeding; or

(c) The law enforcement officer has probable cause to believe that the property was used or is intended to be used in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070.

(3) In the event of seizure pursuant to subsection (2) of this section, proceedings for forfeiture shall be deemed commenced by the seizure. The law enforcement agency under whose authority the seizure was made shall cause notice to be served within fifteen days following the seizure on the owner of the property seized and the person in charge thereof and any person having any known right or interest therein, including any community property interest, of the seizure and intended forfeiture of the seized property. Service of notice of seizure of real property shall be made according to the rules of civil procedure. However, the state may not obtain a default judgment with respect to real property against a party who is served by substituted service absent an affidavit stating that a good faith effort has been made to ascertain if the defaulted party is incarcerated within the state, and that there is no present basis to believe that the party is incarcerated within the state. Notice of seizure in the case of property subject to a security interest that has been perfected by filing a financing statement, or a certificate of title, shall be made by service upon the secured party or the secured party's assignee at the address shown on the financing statement or the certificate of title. The notice of seizure in other cases may be served by any method authorized by law or court rule including, but not limited to, service by certified mail with return receipt requested. Service by mail shall be deemed complete upon mailing within the fifteen day period following the seizure.

(4) If no person notifies the seizing law enforcement agency in writing of the person's claim of ownership or right to possession of items specified in subsection (1) of this section within forty-five days of the service of notice from the seizing agency in the case of personal property and ninety days in the case of real property, the item seized shall be deemed forfeited. The community property interest in real property of a person whose spouse or domestic partner committed a violation giving rise to seizure of the real property may not be forfeited if the person did not participate in the violation.

(5) If any person notifies the seizing law enforcement agency in writing of the person's claim of ownership or right to possession of items specified in

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subsection (1) of this section within forty-five days of the service of notice from the seizing agency in the case of personal property and ninety days in the case of real property, the person or persons shall be afforded a reasonable opportunity to be heard as to the claim or right. The notice of claim may be served by any method authorized by law or court rule including, but not limited to, service by first-class mail. Service by mail shall be deemed complete upon mailing within the forty-five day period following service of the notice of seizure in the case of personal property and within the ninety day period following service of the notice of seizure in the case of real property. The hearing shall be before the chief law enforcement officer of the seizing agency or the chief law enforcement officer's designee, except where the seizing agency is a state agency as defined in RCW 34.12.020(4), the hearing shall be before the chief law enforcement officer of the seizing agency or an administrative law judge appointed under chapter 34.12 RCW, except that any person asserting a claim or right may remove the matter to a court of competent jurisdiction. Removal of any matter involving personal property may only be accomplished according to the rules of civil procedure. The person seeking removal of the matter must serve process against the state, county, political subdivision, or municipality that operates the seizing agency, and any other party of interest, in accordance with RCW 4.28.080 or 4.92.020, within forty-five days after the person seeking removal has notified the seizing law enforcement agency of the person's claim of ownership or right to possession. The court to which the matter is to be removed shall be the district court when the aggregate value of personal property is within the jurisdictional limit set forth in RCW 3.66.020. A hearing before the seizing agency and any appeal therefrom shall be under Title 34 RCW. In all cases, the burden of proof is upon the law enforcement agency to establish, by a preponderance of the evidence, that the property is subject to forfeiture.

The seizing law enforcement agency shall promptly return the article or articles to the claimant upon a determination by the administrative law judge or court that the claimant is the present lawful owner or is lawfully entitled to possession thereof of items specified in subsection (1) of this section.

(6) In any proceeding to forfeit property under this title, where the claimant substantially prevails, the claimant is entitled to reasonable attorneys' fees reasonably incurred by the claimant. In addition, in a court hearing between two or more claimants to the article or articles involved, the prevailing party is entitled to a judgment for costs and reasonable attorneys' fees.

(7) When property is forfeited under this chapter, the seizing law enforcement agency shall sell the property that is not required to be destroyed by law and that is not harmful to the public.

(8)(a) When property is forfeited, the seizing agency shall keep a record indicating the identity of the prior owner, if known, a description of the property, the disposition of the property, the value of the property at the time of seizure, and the amount of proceeds realized from disposition of the property.

(b) Each seizing agency shall retain records of forfeited property for at least seven years.

(c) Each seizing agency shall file a report including a copy of the records of forfeited property with the state treasurer each calendar quarter.

(d) The quarterly report need not include a record of forfeited property that is still being held for use as evidence during the investigation or prosecution of a case or during the appeal from a conviction.

(9)(a) By January 31st of each year, each seizing agency shall remit to the state treasurer the net proceeds of any property forfeited during the preceding calendar year. Money remitted shall be deposited in the prostitution prevention and intervention account under RCW 43.63A.740.

(b) The net proceeds of forfeited property is the value of the forfeitable interest in the property after deducting the cost of satisfying any bona fide security interest to which the property is subject at the time of seizure; and in the case of sold property, after deducting the cost of sale, including reasonable fees or commissions paid to independent selling agents, and the cost of any valid landlord's claim for damages under subsection (11) of this section.

(c) The value of sold forfeited property is the sale price. The value of destroyed property and retained firearms or illegal property is zero.

(10) Upon the entry of an order of forfeiture of real property, the court shall forward a copy of the order to the assessor of the county in which the property is located. Orders for the forfeiture of real property shall be entered by the superior court, subject to court rules. Such an order shall be filed by the seizing agency in the county auditor's records in the county in which the real property is located.

(11) A landlord may assert a claim against proceeds from the sale of assets seized and forfeited under subsection (9) of this section, only if:

(a) A law enforcement officer, while acting in his or her official capacity, directly caused damage to the complaining landlord's property while executing a search of a tenant's residence;

(b) The landlord has applied any funds remaining in the tenant's deposit, to which the landlord has a right under chapter 59.18 RCW, to cover the damage directly caused by a law enforcement officer prior to asserting a claim under the provisions of this section;

(i) Only if the funds applied under (b) of this subsection are insufficient to satisfy the damage directly caused by a law enforcement officer, may the landlord seek compensation for the damage by filing a claim against the governmental entity under whose authority the law enforcement agency operates within thirty days after the search;

(ii) Only if the governmental entity denies or fails to respond to the landlord's claim within sixty days of the date of filing, may the landlord collect damages under this subsection by filing within thirty days of denial or the expiration of the sixty day period, whichever occurs first, a claim with the seizing law enforcement agency. The seizing law enforcement agency must notify the landlord of the status of the claim by the end of the thirty day period. Nothing in this section requires the claim to be paid by the end of the sixty day or thirty day period; and

(c) For any claim filed under (b) of this subsection, the law enforcement agency shall pay the claim unless the agency provides substantial proof that the landlord either:

(i) Knew or consented to actions of the tenant in violation of RCW 9.68A.100, 9.68A.101, or 9A.88.070; or

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(ii) Failed to respond to a notification of the illegal activity, provided by a law enforcement agency under RCW 59.18.075, within seven days of receipt of notification of the illegal activity.

(12) The landlord's claim for damages under subsection (11) of this section may not include a claim for loss of business and is limited to:

(a) Damage to tangible property and clean-up costs;

(b) The lesser of the cost of repair or fair market value of the damage directly caused by a law enforcement officer;

(c) The proceeds from the sale of the specific tenant's property seized and forfeited under subsection (9) of this section; and

(d) The proceeds available after the seizing law enforcement agency satisfies any bona fide security interest in the tenant's property and costs related to sale of the tenant's property as provided by subsection (11) of this section.

(13) Subsections (11) and (12) of this section do not limit any other rights a landlord may have against a tenant to collect for damages. However, if a law enforcement agency satisfies a landlord's claim under subsection (11) of this section, the rights the landlord has against the tenant for damages directly caused by a law enforcement officer under the terms of the landlord and tenant's contract are subrogated to the law enforcement agency.

Passed by the Senate February 8, 2012. Passed by the House March 2, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 141

[Engrossed Senate Bill 6254] PROSTITUTION PROMOTION—PERSONS WITH DISABILITIES

AN ACT Relating to promoting prostitution; amending RCW 9A.88.070; and prescribing penalties.

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

Sec. 1. RCW 9A.88.070 and 2007 c 368 s 13 are each amended to read as follows:

(1) A person is guilty of promoting prostitution in the first degree if he or she knowingly advances prostitution:

(a) By compelling a person by threat or force to engage in prostitution or profits from prostitution which results from such threat or force: or

(b) By compelling a person with a mental incapacity or developmental disability that renders the person incapable of consent to engage in prostitution or profits from prostitution that results from such compulsion.

(2) Promoting prostitution in the first degree is a class B felony.

Passed by the Senate March 5, 2012.

Passed by the House March 1, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

[1051]

CHAPTER 142

[Engrossed Senate Bill 6255]

HUMAN TRAFFICKING AND PROSTITUTION—VICTIMS

AN ACT Relating to victims of human trafficking and promoting prostitution; amending RCW 9.96.060; and adding a new section to chapter 9A.88 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 9A.88 RCW to read as follows:

In any prosecution for prostitution under RCW 9A.88.030, it is an affirmative defense that the actor committed the offense as a result of being a victim of trafficking, RCW 9A.40.100, promoting prostitution in the first degree, RCW 9A.88.070, or trafficking in persons under the trafficking victims protection act of 2000, 22 U.S.C. Sec. 7101 et seq. Documentation that the actor is named as a current victim in an information or the investigative records upon which a conviction is obtained for trafficking, promoting prostitution in the first degree, or trafficking in persons shall create a presumption that the person's participation in prostitution was a result of having been a victim of trafficking, promoting prostitution in the first degree, or trafficking in persons.

Sec. 2. RCW 9.96.060 and 2001 c 140 s 1 are each amended to read as follows:

(1) Every person convicted of a misdemeanor or gross misdemeanor offense who has completed all of the terms of the sentence for the misdemeanor or gross misdemeanor offense may apply to the sentencing court for a vacation of the applicant's record of conviction for the offense. If the court finds the applicant meets the tests prescribed in subsection (2) of this section, the court may in its discretion vacate the record of conviction by: (a)(i) Permitting the applicant to withdraw the applicant's plea of guilty and to enter a plea of not guilty; or (ii) if the applicant has been convicted after a plea of not guilty, the court setting aside the verdict of guilty; and (b) the court dismissing the information, indictment, complaint, or citation against the applicant and vacating the judgment and sentence.

(2) An applicant may not have the record of conviction for a misdemeanor or gross misdemeanor offense vacated if any one of the following is present:

(a) There are any criminal charges against the applicant pending in any court of this state or another state, or in any federal court;

(b) The offense was a violent offense as defined in RCW 9.94A.030 or an attempt to commit a violent offense;

(c) The offense was a violation of RCW 46.61.502 (driving while under the influence), 46.61.504 (actual physical control while under the influence), or 9.91.020 (operating a railroad, etc. while intoxicated);

(d) The offense was any misdemeanor or gross misdemeanor violation, including attempt, of chapter 9.68 RCW (obscenity and pornography), chapter 9.68A RCW (sexual exploitation of children), or chapter 9A.44 RCW (sex offenses);

(e) The applicant was convicted of a misdemeanor or gross misdemeanor offense as defined in RCW 10.99.020, or the court determines after a review of the court file that the offense was committed by one family member or household member against another, or the court, after considering the damage to

person or property that resulted in the conviction, any prior convictions for crimes defined in RCW 10.99.020, or for comparable offenses in another state or in federal court, and the totality of the records under review by the court regarding the conviction being considered for vacation, determines that the offense involved domestic violence, and any one of the following factors exist:

(i) The applicant has not provided written notification of the vacation petition to the prosecuting attorney's office that prosecuted the offense for which vacation is sought, or has not provided that notification to the court;

(ii) The applicant has previously had a conviction for domestic violence. For purposes of this subsection, however, if the current application is for more than one conviction that arose out of a single incident, none of those convictions counts as a previous conviction;

(iii) The applicant has signed an affidavit under penalty of perjury affirming that the applicant has not previously had a conviction for a domestic violence offense, and a criminal history check reveals that the applicant has had such a conviction; or

(iv) Less than five years have elapsed since the person completed the terms of the original conditions of the sentence, including any financial obligations and successful completion of any treatment ordered as a condition of sentencing;

(f) For any offense other than those described in (e) of this subsection, less than three years have passed since the person completed the terms of the sentence, including any financial obligations;

(g) The offender has been convicted of a new crime in this state, another state, or federal court since the date of conviction;

(h) The applicant has ever had the record of another conviction vacated; or

(i) The applicant is currently restrained, or has been restrained within five years prior to the vacation application, by a domestic violence protection order, a no-contact order, an antiharassment order, or a civil restraining order which restrains one party from contacting the other party.

(3) Every person convicted of prostitution under RCW 9A.88.030 who committed the offense as a result of being a victim of trafficking, RCW 9A.40.100, promoting prostitution in the first degree, RCW 9A.88.070, or trafficking in persons under the trafficking victims protection act of 2000, 22 U.S.C. Sec. 7101 et seq. may apply to the sentencing court for vacation of the applicant's record of conviction for the prostitution offense. An applicant may not have the record of conviction for prostitution vacated if any one of the following is present:

(a) There are any criminal charges against the applicant pending in any court of this state or another state, or in any federal court:

(b) The offender has been convicted of another crime in this state, another state, or federal court since the date of conviction; or

(c) The applicant has ever had the record of another prostitution conviction vacated.

(4) Once the court vacates a record of conviction under subsection (1) of this section, the person shall be released from all penalties and disabilities resulting from the offense and the fact that the person has been convicted of the offense shall not be included in the person's criminal history for purposes of determining a sentence in any subsequent conviction. For all purposes, including responding to questions on employment or housing applications, a

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person whose conviction has been vacated under subsection (1) of this section may state that he or she has never been convicted of that crime. Nothing in this section affects or prevents the use of an offender's prior conviction in a later criminal prosecution.

(((4))) (5) All costs incurred by the court and probation services shall be paid by the person making the motion to vacate the record unless a determination is made pursuant to chapter 10.101 RCW that the person making the motion is indigent, at the time the motion is brought.

(((5))) (<u>6</u>) The clerk of the court in which the vacation order is entered shall immediately transmit the order vacating the conviction to the Washington state patrol identification section and to the local police agency, if any, which holds criminal history information for the person who is the subject of the conviction. The Washington state patrol and any such local police agency shall immediately update their records to reflect the vacation of the conviction, and shall transmit the order vacating the conviction to the federal bureau of investigation. A conviction that has been vacated under this section may not be disseminated or disclosed by the state patrol or local law enforcement agency to any person, except other criminal justice enforcement agencies.

Passed by the Senate February 11, 2012. Passed by the House March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 143

[Senate Bill 6256]

GANG-RELATED OFFENSES—COMMERCIAL SEX ABUSE OF A MINOR

AN ACT Relating to adding commercial sexual abuse of a minor to the list of criminal street gang-related offenses; and reenacting and amending RCW 9.94A.030.

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

Sec. 1. RCW 9.94A.030 and 2011 1st sp.s. c 40 s 8 and 2011 c 87 s 2 are each reenacted and amended to read as follows:

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

(1) "Board" means the indeterminate sentence review board created under chapter 9.95 RCW.

(2) "Collect," or any derivative thereof, "collect and remit," or "collect and deliver," when used with reference to the department, means that the department, either directly or through a collection agreement authorized by RCW 9.94A.760, is responsible for monitoring and enforcing the offender's sentence with regard to the legal financial obligation, receiving payment thereof from the offender, and, consistent with current law, delivering daily the entire payment to the superior court clerk without depositing it in a departmental account.

(3) "Commission" means the sentencing guidelines commission.

(4) "Community corrections officer" means an employee of the department who is responsible for carrying out specific duties in supervision of sentenced offenders and monitoring of sentence conditions. (5) "Community custody" means that portion of an offender's sentence of confinement in lieu of earned release time or imposed as part of a sentence under this chapter and served in the community subject to controls placed on the offender's movement and activities by the department.

(6) "Community protection zone" means the area within eight hundred eighty feet of the facilities and grounds of a public or private school.

(7) "Community restitution" means compulsory service, without compensation, performed for the benefit of the community by the offender.

(8) "Confinement" means total or partial confinement.

(9) "Conviction" means an adjudication of guilt pursuant to Title 10 or 13 RCW and includes a verdict of guilty, a finding of guilty, and acceptance of a plea of guilty.

(10) "Crime-related prohibition" means an order of a court prohibiting conduct that directly relates to the circumstances of the crime for which the offender has been convicted, and shall not be construed to mean orders directing an offender affirmatively to participate in rehabilitative programs or to otherwise perform affirmative conduct. However, affirmative acts necessary to monitor compliance with the order of a court may be required by the department.

(11) "Criminal history" means the list of a defendant's prior convictions and juvenile adjudications, whether in this state, in federal court, or elsewhere.

(a) The history shall include, where known, for each conviction (i) whether the defendant has been placed on probation and the length and terms thereof; and (ii) whether the defendant has been incarcerated and the length of incarceration.

(b) A conviction may be removed from a defendant's criminal history only if it is vacated pursuant to RCW 9.96.060, 9.94A.640, 9.95.240, or a similar outof-state statute, or if the conviction has been vacated pursuant to a governor's pardon.

(c) The determination of a defendant's criminal history is distinct from the determination of an offender score. A prior conviction that was not included in an offender score calculated pursuant to a former version of the sentencing reform act remains part of the defendant's criminal history.

(12) "Criminal street gang" means any ongoing organization, association, or group of three or more persons, whether formal or informal, having a common name or common identifying sign or symbol, having as one of its primary activities the commission of criminal acts, and whose members or associates individually or collectively engage in or have engaged in a pattern of criminal street gang activity. This definition does not apply to employees engaged in concerted activities for their mutual aid and protection, or to the activities of labor and bona fide nonprofit organizations or their members or agents.

(13) "Criminal street gang associate or member" means any person who actively participates in any criminal street gang and who intentionally promotes, furthers, or assists in any criminal act by the criminal street gang.

(14) "Criminal street gang-related offense" means any felony or misdemeanor offense, whether in this state or elsewhere, that is committed for the benefit of, at the direction of, or in association with any criminal street gang, or is committed with the intent to promote, further, or assist in any criminal conduct by the gang, or is committed for one or more of the following reasons:

(a) To gain admission, prestige, or promotion within the gang;

(b) To increase or maintain the gang's size, membership, prestige, dominance, or control in any geographical area;

(c) To exact revenge or retribution for the gang or any member of the gang;

(d) To obstruct justice, or intimidate or eliminate any witness against the gang or any member of the gang;

(e) To directly or indirectly cause any benefit, aggrandizement, gain, profit, or other advantage for the gang, its reputation, influence, or membership; or

(f) To provide the gang with any advantage in, or any control or dominance over any criminal market sector, including, but not limited to, manufacturing, delivering, or selling any controlled substance (chapter 69.50 RCW); arson (chapter 9A.48 RCW); trafficking in stolen property (chapter 9A.82 RCW); promoting prostitution (chapter 9A.88 RCW); human trafficking (RCW 9A.40.100); promoting commercial sexual abuse of a minor (RCW 9.68A.101); or promoting pornography (chapter 9.68 RCW).

(15) "Day fine" means a fine imposed by the sentencing court that equals the difference between the offender's net daily income and the reasonable obligations that the offender has for the support of the offender and any dependents.

(16) "Day reporting" means a program of enhanced supervision designed to monitor the offender's daily activities and compliance with sentence conditions, and in which the offender is required to report daily to a specific location designated by the department or the sentencing court.

(17) "Department" means the department of corrections.

(18) "Determinate sentence" means a sentence that states with exactitude the number of actual years, months, or days of total confinement, of partial confinement, of community custody, the number of actual hours or days of community restitution work, or dollars or terms of a legal financial obligation. The fact that an offender through earned release can reduce the actual period of confinement shall not affect the classification of the sentence as a determinate sentence.

(19) "Disposable earnings" means that part of the earnings of an offender remaining after the deduction from those earnings of any amount required by law to be withheld. For the purposes of this definition, "earnings" means compensation paid or payable for personal services, whether denominated as wages, salary, commission, bonuses, or otherwise, and, notwithstanding any other provision of law making the payments exempt from garnishment, attachment, or other process to satisfy a court-ordered legal financial obligation, specifically includes periodic payments pursuant to pension or retirement programs, or insurance policies of any type, but does not include payments made under Title 50 RCW, except as provided in RCW 50.40.020 and 50.40.050, or Title 74 RCW.

(20) "Domestic violence" has the same meaning as defined in RCW 10.99.020 and 26.50.010.

(21) "Drug offender sentencing alternative" is a sentencing option available to persons convicted of a felony offense other than a violent offense or a sex offense and who are eligible for the option under RCW 9.94A.660.

(22) "Drug offense" means:

(a) Any felony violation of chapter 69.50 RCW except possession of a controlled substance (RCW 69.50.4013) or forged prescription for a controlled substance (RCW 69.50.403);

(b) Any offense defined as a felony under federal law that relates to the possession, manufacture, distribution, or transportation of a controlled substance; or

(c) Any out-of-state conviction for an offense that under the laws of this state would be a felony classified as a drug offense under (a) of this subsection.

(23) "Earned release" means earned release from confinement as provided in RCW 9.94A.728.

(24) "Escape" means:

(a) Sexually violent predator escape (RCW 9A.76.115), escape in the first degree (RCW 9A.76.110), escape in the second degree (RCW 9A.76.120), willful failure to return from furlough (RCW 72.66.060), willful failure to return from work release (RCW 72.65.070), or willful failure to be available for supervision by the department while in community custody (RCW 72.09.310); or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as an escape under (a) of this subsection.

(25) "Felony traffic offense" means:

(a) Vehicular homicide (RCW 46.61.520), vehicular assault (RCW 46.61.522), eluding a police officer (RCW 46.61.024), felony hit-and-run injuryaccident (RCW 46.52.020(4)), felony driving while under the influence of intoxicating liquor or any drug (RCW 46.61.502(6)), or felony physical control of a vehicle while under the influence of intoxicating liquor or any drug (RCW 46.61.504(6)); or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a felony traffic offense under (a) of this subsection.

(26) "Fine" means a specific sum of money ordered by the sentencing court to be paid by the offender to the court over a specific period of time.

(27) "First-time offender" means any person who has no prior convictions for a felony and is eligible for the first-time offender waiver under RCW 9.94A.650.

(28) "Home detention" means a program of partial confinement available to offenders wherein the offender is confined in a private residence subject to electronic surveillance.

(29) "Homelessness" or "homeless" means a condition where an individual lacks a fixed, regular, and adequate nighttime residence and who has a primary nighttime residence that is:

(a) A supervised, publicly or privately operated shelter designed to provide temporary living accommodations;

(b) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings; or

(c) A private residence where the individual stays as a transient invitee.

(30) "Legal financial obligation" means a sum of money that is ordered by a superior court of the state of Washington for legal financial obligations which may include restitution to the victim, statutorily imposed crime victims'

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compensation fees as assessed pursuant to RCW 7.68.035, court costs, county or interlocal drug funds, court-appointed attorneys' fees, and costs of defense, fines, and any other financial obligation that is assessed to the offender as a result of a felony conviction. Upon conviction for vehicular assault while under the influence of intoxicating liquor or any drug, RCW 46.61.522(1)(b), or vehicular homicide while under the influence of intoxicating liquor or any drug, RCW 46.61.520(1)(a), legal financial obligations may also include payment to a public agency of the expense of an emergency response to the incident resulting in the conviction, subject to RCW 38.52.430.

(31) "Minor child" means a biological or adopted child of the offender who is under age eighteen at the time of the offender's current offense.

(32) "Most serious offense" means any of the following felonies or a felony attempt to commit any of the following felonies:

(a) Any felony defined under any law as a class A felony or criminal solicitation of or criminal conspiracy to commit a class A felony;

(b) Assault in the second degree;

(c) Assault of a child in the second degree;

(d) Child molestation in the second degree;

(e) Controlled substance homicide;

(f) Extortion in the first degree;

(g) Incest when committed against a child under age fourteen;

(h) Indecent liberties;

(i) Kidnapping in the second degree;

(j) Leading organized crime;

(k) Manslaughter in the first degree;

(l) Manslaughter in the second degree;

(m) Promoting prostitution in the first degree;

(n) Rape in the third degree;

(o) Robbery in the second degree;

(p) Sexual exploitation;

(q) Vehicular assault, when caused by the operation or driving of a vehicle by a person while under the influence of intoxicating liquor or any drug or by the operation or driving of a vehicle in a reckless manner;

(r) Vehicular homicide, when proximately caused by the driving of any vehicle by any person while under the influence of intoxicating liquor or any drug as defined by RCW 46.61.502, or by the operation of any vehicle in a reckless manner;

(s) Any other class B felony offense with a finding of sexual motivation;

(t) Any other felony with a deadly weapon verdict under RCW 9.94A.825;

(u) Any felony offense in effect at any time prior to December 2, 1993, that is comparable to a most serious offense under this subsection, or any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a most serious offense under this subsection;

(v)(i) A prior conviction for indecent liberties under RCW 9A.44.100(1) (a), (b), and (c), chapter 260, Laws of 1975 1st ex. sess. as it existed until July 1, 1979, RCW 9A.44.100(1) (a), (b), and (c) as it existed from July 1, 1979, until June 11, 1986, and RCW 9A.44.100(1) (a), (b), and (d) as it existed from June 11, 1986, until July 1, 1988;

(ii) A prior conviction for indecent liberties under RCW 9A.44.100(1)(c) as it existed from June 11, 1986, until July 1, 1988, if: (A) The crime was committed against a child under the age of fourteen; or (B) the relationship between the victim and perpetrator is included in the definition of indecent liberties under RCW 9A.44.100(1)(c) as it existed from July 1, 1988, through July 27, 1997, or RCW 9A.44.100(1) (d) or (e) as it existed from July 25, 1993, through July 27, 1997;

(w) Any out-of-state conviction for a felony offense with a finding of sexual motivation if the minimum sentence imposed was ten years or more; provided that the out-of-state felony offense must be comparable to a felony offense under this title ((9-or)) and Title 9A RCW and the out-of-state definition of sexual motivation must be comparable to the definition of sexual motivation contained in this section.

(33) "Nonviolent offense" means an offense which is not a violent offense.

(34) "Offender" means a person who has committed a felony established by state law and is eighteen years of age or older or is less than eighteen years of age but whose case is under superior court jurisdiction under RCW 13.04.030 or has been transferred by the appropriate juvenile court to a criminal court pursuant to RCW 13.40.110. In addition, for the purpose of community custody requirements under this chapter, "offender" also means a misdemeanant or gross misdemeanant probationer ordered by a superior court to probation pursuant to RCW 9.92.060, 9.95.204, or 9.95.210 and supervised by the department pursuant to RCW 9.94A.501 and 9.94A.5011. Throughout this chapter, the terms "offender" and "defendant" are used interchangeably.

(35) "Partial confinement" means confinement for no more than one year in a facility or institution operated or utilized under contract by the state or any other unit of government, or, if home detention or work crew has been ordered by the court or home detention has been ordered by the department as part of the parenting program, in an approved residence, for a substantial portion of each day with the balance of the day spent in the community. Partial confinement includes work release, home detention, work crew, and a combination of work crew and home detention.

(36) "Pattern of criminal street gang activity" means:

(a) The commission, attempt, conspiracy, or solicitation of, or any prior juvenile adjudication of or adult conviction of, two or more of the following criminal street gang-related offenses:

(i) Any "serious violent" felony offense as defined in this section, excluding Homicide by Abuse (RCW 9A.32.055) and Assault of a Child 1 (RCW 9A.36.120);

(ii) Any "violent" offense as defined by this section, excluding Assault of a Child 2 (RCW 9A.36.130);

(iii) Deliver or Possession with Intent to Deliver a Controlled Substance (chapter 69.50 RCW);

(iv) Any violation of the firearms and dangerous weapon act (chapter 9.41 RCW);

(v) Theft of a Firearm (RCW 9A.56.300);

(vi) Possession of a Stolen Firearm (RCW 9A.56.310);

(vii) Malicious Harassment (RCW 9A.36.080);

(viii) Harassment where a subsequent violation or deadly threat is made (RCW 9A.46.020(2)(b));

(ix) Criminal Gang Intimidation (RCW 9A.46.120);

(x) Any felony conviction by a person eighteen years of age or older with a special finding of involving a juvenile in a felony offense under RCW 9.94A.833;

(xi) Residential Burglary (RCW 9A.52.025);

(xii) Burglary 2 (RCW 9A.52.030);

(xiii) Malicious Mischief 1 (RCW 9A.48.070);

(xiv) Malicious Mischief 2 (RCW 9A.48.080);

(xv) Theft of a Motor Vehicle (RCW 9A.56.065);

(xvi) Possession of a Stolen Motor Vehicle (RCW 9A.56.068);

(xvii) Taking a Motor Vehicle Without Permission 1 (RCW 9A.56.070);

(xviii) Taking a Motor Vehicle Without Permission 2 (RCW 9A.56.075);

(xix) Extortion 1 (RCW 9A.56.120);

(xx) Extortion 2 (RCW 9A.56.130);

(xxi) Intimidating a Witness (RCW 9A.72.110);

(xxii) Tampering with a Witness (RCW 9A.72.120);

(xxiii) Reckless Endangerment (RCW 9A.36.050);

(xxiv) Coercion (RCW 9A.36.070);

(xxv) Harassment (RCW 9A.46.020); or

(xxvi) Malicious Mischief 3 (RCW 9A.48.090);

(b) That at least one of the offenses listed in (a) of this subsection shall have occurred after July 1, 2008;

(c) That the most recent committed offense listed in (a) of this subsection occurred within three years of a prior offense listed in (a) of this subsection; and

(d) Of the offenses that were committed in (a) of this subsection, the offenses occurred on separate occasions or were committed by two or more persons.

(37) "Persistent offender" is an offender who:

(a)(i) Has been convicted in this state of any felony considered a most serious offense; and

(ii) Has, before the commission of the offense under (a) of this subsection, been convicted as an offender on at least two separate occasions, whether in this state or elsewhere, of felonies that under the laws of this state would be considered most serious offenses and would be included in the offender score under RCW 9.94A.525; provided that of the two or more previous convictions, at least one conviction must have occurred before the commission of any of the other most serious offenses for which the offender was previously convicted; or

(b)(i) Has been convicted of: (A) Rape in the first degree, rape of a child in the first degree, child molestation in the first degree, rape in the second degree, rape of a child in the second degree, or indecent liberties by forcible compulsion; (B) any of the following offenses with a finding of sexual motivation: Murder in the first degree, murder in the second degree, homicide by abuse, kidnapping in the first degree, kidnapping in the second degree, assault in the first degree, assault of a child in the first degree, assault of a child in the second degree, or burglary in the first degree; or (C) an attempt to commit any crime listed in this subsection (37)(b)(i); and

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(ii) Has, before the commission of the offense under (b)(i) of this subsection, been convicted as an offender on at least one occasion, whether in this state or elsewhere, of an offense listed in (b)(i) of this subsection or any federal or out-of-state offense or offense under prior Washington law that is comparable to the offenses listed in (b)(i) of this subsection. A conviction for rape of a child in the first degree constitutes a conviction under (b)(i) of this subsection only when the offender was sixteen years of age or older when the offender committed the offense. A conviction for rape of a child in the second degree constitutes a conviction only when the offender was eighteen years of age or older when the offender committed the offense.

(38) "Predatory" means: (a) The perpetrator of the crime was a stranger to the victim, as defined in this section; (b) the perpetrator established or promoted a relationship with the victim prior to the offense and the victimization of the victim was a significant reason the perpetrator established or promoted the relationship; or (c) the perpetrator was: (i) A teacher, counselor, volunteer, or other person in authority in any public or private school and the victim was a student of the school under his or her authority or supervision. For purposes of this subsection, "school" does not include home-based instruction as defined in RCW 28A.225.010; (ii) a coach, trainer, volunteer, or other person in authority in any recreational activity and the victim was a participant in the activity under his or her authority or supervision; (iii) a pastor, elder, volunteer, or other person in authority in any church or religious organization, and the victim was a member or participant of the organization under his or her authority; or (iv) a teacher, counselor, volunteer, or other person in authority providing home-based instruction and the victim was a student receiving home-based instruction while under his or her authority or supervision. For purposes of this subsection: (A) "Home-based instruction" has the same meaning as defined in RCW 28A.225.010; and (B) "teacher, counselor, volunteer, or other person in authority" does not include the parent or legal guardian of the victim.

(39) "Private school" means a school regulated under chapter 28A.195 or 28A.205 RCW.

(40) "Public school" has the same meaning as in RCW 28A.150.010.

(41) "Repetitive domestic violence offense" means any:

(a)(i) Domestic violence assault that is not a felony offense under RCW 9A.36.041;

(ii) Domestic violence violation of a no-contact order under chapter 10.99 RCW that is not a felony offense;

(iii) Domestic violence violation of a protection order under chapter 26.09, 26.10, 26.26, or 26.50 RCW that is not a felony offense;

(iv) Domestic violence harassment offense under RCW 9A.46.020 that is not a felony offense; or

(v) Domestic violence stalking offense under RCW 9A.46.110 that is not a felony offense; or

(b) Any federal, out-of-state, tribal court, military, county, or municipal conviction for an offense that under the laws of this state would be classified as a repetitive domestic violence offense under (a) of this subsection.

(42) "Restitution" means a specific sum of money ordered by the sentencing court to be paid by the offender to the court over a specified period of time as payment of damages. The sum may include both public and private costs.

(43) "Risk assessment" means the application of the risk instrument recommended to the department by the Washington state institute for public policy as having the highest degree of predictive accuracy for assessing an offender's risk of reoffense.

(44) "Serious traffic offense" means:

(a) Nonfelony driving while under the influence of intoxicating liquor or any drug (RCW 46.61.502), nonfelony actual physical control while under the influence of intoxicating liquor or any drug (RCW 46.61.504), reckless driving (RCW 46.61.500), or hit-and-run an attended vehicle (RCW 46.52.020(5)); or

(b) Any federal, out-of-state, county, or municipal conviction for an offense that under the laws of this state would be classified as a serious traffic offense under (a) of this subsection.

(45) "Serious violent offense" is a subcategory of violent offense and means:

(a)(i) Murder in the first degree;

(ii) Homicide by abuse;

(iii) Murder in the second degree;

(iv) Manslaughter in the first degree;

(v) Assault in the first degree;

(vi) Kidnapping in the first degree;

(vii) Rape in the first degree;

(viii) Assault of a child in the first degree; or

(ix) An attempt, criminal solicitation, or criminal conspiracy to commit one of these felonies; or

(b) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a serious violent offense under (a) of this subsection.

(46) "Sex offense" means:

(a)(i) A felony that is a violation of chapter 9A.44 RCW other than RCW 9A.44.132;

(ii) A violation of RCW 9A.64.020;

(iii) A felony that is a violation of chapter 9.68A RCW other than RCW 9.68A.080;

(iv) A felony that is, under chapter 9A.28 RCW, a criminal attempt, criminal solicitation, or criminal conspiracy to commit such crimes; or

(v) A felony violation of RCW 9A.44.132(1) (failure to register) if the person has been convicted of violating RCW 9A.44.132(1) (failure to register) on at least one prior occasion;

(b) Any conviction for a felony offense in effect at any time prior to July 1, 1976, that is comparable to a felony classified as a sex offense in (a) of this subsection;

(c) A felony with a finding of sexual motivation under RCW 9.94A.835 or 13.40.135; or

(d) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a sex offense under (a) of this subsection.

(47) "Sexual motivation" means that one of the purposes for which the defendant committed the crime was for the purpose of his or her sexual gratification.

(48) "Standard sentence range" means the sentencing court's discretionary range in imposing a nonappealable sentence.

(49) "Statutory maximum sentence" means the maximum length of time for which an offender may be confined as punishment for a crime as prescribed in chapter 9A.20 RCW, RCW 9.92.010, the statute defining the crime, or other statute defining the maximum penalty for a crime.

(50) "Stranger" means that the victim did not know the offender twenty-four hours before the offense.

(51) "Total confinement" means confinement inside the physical boundaries of a facility or institution operated or utilized under contract by the state or any other unit of government for twenty-four hours a day, or pursuant to RCW 72.64.050 and 72.64.060.

(52) "Transition training" means written and verbal instructions and assistance provided by the department to the offender during the two weeks prior to the offender's successful completion of the work ethic camp program. The transition training shall include instructions in the offender's requirements and obligations during the offender's period of community custody.

(53) "Victim" means any person who has sustained emotional, psychological, physical, or financial injury to person or property as a direct result of the crime charged.

(54) "Violent offense" means:

(a) Any of the following felonies:

(i) Any felony defined under any law as a class A felony or an attempt to commit a class A felony;

(ii) Criminal solicitation of or criminal conspiracy to commit a class A felony;

(iii) Manslaughter in the first degree;

(iv) Manslaughter in the second degree;

(v) Indecent liberties if committed by forcible compulsion;

(vi) Kidnapping in the second degree;

(vii) Arson in the second degree;

(viii) Assault in the second degree;

(ix) Assault of a child in the second degree;

(x) Extortion in the first degree;

(xi) Robbery in the second degree;

(xii) Drive-by shooting;

(xiii) Vehicular assault, when caused by the operation or driving of a vehicle by a person while under the influence of intoxicating liquor or any drug or by the operation or driving of a vehicle in a reckless manner; and

(xiv) Vehicular homicide, when proximately caused by the driving of any vehicle by any person while under the influence of intoxicating liquor or any drug as defined by RCW 46.61.502, or by the operation of any vehicle in a reckless manner;

(b) Any conviction for a felony offense in effect at any time prior to July 1, 1976, that is comparable to a felony classified as a violent offense in (a) of this subsection; and

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(c) Any federal or out-of-state conviction for an offense that under the laws of this state would be a felony classified as a violent offense under (a) or (b) of this subsection.

(55) "Work crew" means a program of partial confinement consisting of civic improvement tasks for the benefit of the community that complies with RCW 9.94A.725.

(56) "Work ethic camp" means an alternative incarceration program as provided in RCW 9.94A.690 designed to reduce recidivism and lower the cost of corrections by requiring offenders to complete a comprehensive array of realworld job and vocational experiences, character-building work ethics training, life management skills development, substance abuse rehabilitation, counseling, literacy training, and basic adult education.

(57) "Work release" means a program of partial confinement available to offenders who are employed or engaged as a student in a regular course of study at school.

Passed by the Senate February 8, 2012. Passed by the House March 2, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 144

[Engrossed Senate Bill 6257]

COMMERCIAL SEX ABUSE OF A MINOR—SEXUALLY EXPLICIT ACT

AN ACT Relating to a sexually explicit act; amending RCW 9.68A.101 and 9A.40.100; and prescribing penalties.

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

Sec. 1. RCW 9.68A.101 and 2010 c 289 s 14 are each amended to read as follows:

(1) A person is guilty of promoting commercial sexual abuse of a minor if he or she knowingly advances commercial sexual abuse <u>or a sexually explicit act</u> of a minor or profits from a minor engaged in sexual conduct <u>or a sexually</u> <u>explicit act</u>.

(2) Promoting commercial sexual abuse of a minor is a class A felony.

(3) For the purposes of this section:

(a) A person "advances commercial sexual abuse of a minor" if, acting other than as a minor receiving compensation for personally rendered sexual conduct or as a person engaged in commercial sexual abuse of a minor, he or she causes or aids a person to commit or engage in commercial sexual abuse of a minor, procures or solicits customers for commercial sexual abuse of a minor, provides persons or premises for the purposes of engaging in commercial sexual abuse of a minor, operates or assists in the operation of a house or enterprise for the purposes of engaging in commercial sexual abuse of a minor, or engages in any other conduct designed to institute, aid, cause, assist, or facilitate an act or enterprise of commercial sexual abuse of a minor.

(b) A person "profits from commercial sexual abuse of a minor" if, acting other than as a minor receiving compensation for personally rendered sexual conduct, he or she accepts or receives money or other property pursuant to an agreement or understanding with any person whereby he or she participates or will participate in the proceeds of commercial sexual abuse of a minor.

(c) A person "advances a sexually explicit act of a minor" if he or she causes or aids a sexually explicit act of a minor, procures or solicits customers for a sexually explicit act of a minor, provides persons or premises for the purposes of a sexually explicit act of a minor, or engages in any other conduct designed to institute, aid, cause, assist, or facilitate a sexually explicit act of a minor.

(d) A "sexually explicit act" is a public, private, or live photographed, recorded, or videotaped act or show intended to arouse or satisfy the sexual desires or appeal to the prurient interests of patrons and for which something of value is given or received.

(e) A "patron" is a person who pays or agrees to pay a fee to another person as compensation for a sexually explicit act of a minor or who solicits or requests a sexually explicit act of a minor in return for a fee.

(4) For purposes of this section, "sexual conduct" means sexual intercourse or sexual contact, both as defined in chapter 9A.44 RCW.

Sec. 2. RCW 9A.40.100 and 2011 c 111 s 1 are each amended to read as follows:

(1)(a) A person is guilty of trafficking in the first degree when:

(i) Such person:

(A) Recruits, harbors, transports, transfers, provides, obtains, or receives by any means another person knowing that force, fraud, or coercion as defined in RCW 9A.36.070 will be used to cause the person to engage in forced labor, involuntary servitude, a sexually explicit act, or a commercial sex act; or

(B) Benefits financially or by receiving anything of value from participation in a venture that has engaged in acts set forth in (a)(i)(A) of this subsection; and

(ii) The acts or venture set forth in (a)(i) of this subsection:

(A) Involve committing or attempting to commit kidnapping;

(B) Involve a finding of sexual motivation under RCW 9.94A.835;

(C) Involve the illegal harvesting or sale of human organs; or

(D) Result in a death.

(b) Trafficking in the first degree is a class A felony.

(2)(a) A person is guilty of trafficking in the second degree when such person:

(i) Recruits, harbors, transports, transfers, provides, obtains, or receives by any means another person knowing that force, fraud, or coercion as defined in RCW 9A.36.070 will be used to cause the person to engage in forced labor, involuntary servitude, <u>a sexually explicit act</u>, or a commercial sex act; or

(ii) Benefits financially or by receiving anything of value from participation in a venture that has engaged in acts set forth in (a)(i) of this subsection.

(b) Trafficking in the second degree is a class A felony.

(3) For purposes of this section, "sexually explicit act" means a public, private, or live photographed, recorded, or videotaped act or show intended to arouse or satisfy the sexual desires or appeal to the prurient interests of patrons.

Passed by the Senate March 6, 2012.

Passed by the House February 27, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

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CHAPTER 145

[Substitute Senate Bill 6258]

LURING—MINORS OR PERSONS WITH DEVELOPMENTAL DISABILITIES

AN ACT Relating to unaccompanied persons; amending RCW 9A.40.090; and providing an effective date.

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

Sec. 1. RCW 9A.40.090 and 1995 c 156 s 1 are each amended to read as follows:

A person commits the crime of luring if the person:

(1)(a) Orders, lures, or attempts to lure a minor or a person with a developmental disability into any area or structure that is obscured from or inaccessible to the public, or away from any area or structure constituting a bus terminal, airport terminal, or other transportation terminal, or into a motor vehicle;

(b) Does not have the consent of the minor's parent or guardian or of the guardian of the person with a developmental disability; and

(c) Is unknown to the child or developmentally disabled person.

(2) It is a defense to luring, which the defendant must prove by a preponderance of the evidence, that the defendant's actions were reasonable under the circumstances and the defendant did not have any intent to harm the health, safety, or welfare of the minor or the person with the developmental disability.

(3) For purposes of this section:

(a) "Minor" means a person under the age of sixteen;

(b) "Person with a developmental disability" means a person with a developmental disability as defined in RCW 71A.10.020.

(4) Luring is a class C felony.

NEW SECTION. Sec. 2. This act takes effect January 1, 2013.

Passed by the Senate February 8, 2012.

Passed by the House February 27, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 146

[House Bill 2535]

JUVENILE GANG COURT

AN ACT Relating to creating a juvenile gang court; adding new sections to chapter 13.40 RCW; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that juvenile gang activity in Washington state poses a significant threat to communities and to the positive development of juveniles as they mature into adulthood. Thus, a strategic and collaborative approach is needed to address the problem of juvenile gangs. Many juveniles who become involved in gang activity have been exposed to risk factors such as antisocial behavior, alcohol and drug use, mental health problems, and victimization. Evidence-based and research-based gang

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intervention programs and strategies can provide services to these youth such as mental health counseling, education, chemical dependency treatment, and skill building. The legislature further finds that a court specifically developed to facilitate the delivery of these critical services to gang-involved juveniles and that provides a supportive team will assist juveniles in breaking out of a cycle of gang activity, reduce criminal activity, and increase their ability to develop into successful adults.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 13.40 RCW to read as follows:

(1) Counties may establish and operate juvenile gang courts.

(2) For the purposes of this section, "juvenile gang court" means a court that has special calendars or dockets designed to achieve a reduction in gang-related offenses among juvenile offenders by increasing their likelihood for successful rehabilitation through early, continuous, and judicially supervised and integrated evidence-based services proven to reduce juvenile recidivism and gang involvement or through the use of research-based or promising practices identified by the Washington state partnership council on juvenile justice.

(3) Any county that establishes a juvenile gang court pursuant to this section shall establish minimum requirements for the participation of offenders in the program. The juvenile gang court may adopt local requirements that are more stringent than the minimum. The minimum requirements are:

(a) The juvenile offender participates in gang activity, is repeatedly in the company of known gang members, or openly admits that he or she has been admitted to a gang;

(b) The juvenile offender has not previously been convicted of a serious violent offense or sex offense as defined in RCW 9.94A.030; and

(c) The juvenile offender is not currently charged with an offense:

(i) That is a class A felony offense;

(ii) That is a sex offense;

(iii) During which the juvenile offender intentionally discharged, threatened to discharge, or attempted to discharge a firearm in furtherance of the offense;

(iv) That subjects the juvenile offender to adult court original jurisdiction pursuant to RCW 13.04.030(1)(e)(v); or

(v) That constitutes assault of a child in the second degree.

(4) The court, the prosecutor, and the juvenile must agree to the juvenile's admission to a gang court created under this section.

(5) For the purposes of this act, a "gang" means a group which consists of three or more persons; has identifiable leadership; and on an ongoing basis, regularly conspires and acts in concert mainly for criminal purposes.

(6) The juvenile offender who is admitted to juvenile gang court must:

(a) Stipulate to the admissibility of the facts contained in the written police report;

(b) Acknowledge that the report will be entered and used to support a finding of guilt and to impose a disposition if the juvenile fails to comply with the requirements of the juvenile gang court; and

(c) Waive the following rights to: (i) A speedy disposition; and (ii) call and confront witnesses.

(7) The adjudicatory hearing shall be limited to a reading of the court's record.

(8) Following the stipulation to the facts in the police report, acknowledgment, waiver, and entry of a finding or plea of guilt, the court shall defer entry of an order of disposition of the juvenile.

(9) Upon admission to juvenile gang court, an individualized plan shall be developed for the juvenile, identifying goals for the juvenile and a team to support the juvenile, which may include mental health and chemical dependency treatment providers, a probation officer, teachers, defense counsel, the prosecuting attorney, law enforcement, guardians or family members, and other participants deemed appropriate by the court. The individualized plan shall include a requirement that the juvenile remain in the gang court program for at least twelve months. At least one member of the support team must have daily contact with the juvenile.

(10) Upon successful completion of the juvenile gang court requirements, the conviction entered by the court shall be vacated and the charge shall be dismissed with prejudice.

(11) A juvenile may only be admitted to juvenile gang court once. If the juvenile fails to complete the requirements of gang court after being admitted, or successfully completes the requirements of gang court after being admitted, the juvenile may not be admitted again.

(12) If the juvenile fails to complete the juvenile gang court requirements, the court shall enter an order of disposition pursuant to RCW 13.40.0357.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 13.40 RCW to read as follows:

(1) Counties that create a juvenile gang court pursuant to section 2 of this act shall track and document data regarding the criteria that led to a juvenile's admission to gang court, the successful and unsuccessful completion of juvenile gang court requirements, and any subsequent criminal charges of juvenile gang court participants and provide such data to the administrative office of the courts.

(2) Subject to the availability of funds appropriated for this purpose, the administrative office of the courts shall study the data provided by the counties pursuant to subsection (1) of this section and report to the appropriate legislative committees regarding the recidivism outcomes for juvenile gang court participants. A preliminary report shall be completed by December 1, 2013. A final report shall be completed by December 1, 2015.

Passed by the House March 5, 2012. Passed by the Senate February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 147

[Substitute House Bill 2657] ADOPTION SUPPORT EXPENDITURES

AN ACT Relating to adoption support expenditures; adding new sections to chapter 74.13A RCW; adding a new section to chapter 71.36 RCW; and providing an expiration date.

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

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<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 74.13A RCW to read as follows:

The legislature finds that the current state adoption support policy to encourage, within available funds, the adoption of certain hard to place children, has expedited permanency for children who are unable to reunify with their family and has resulted in savings otherwise spent on foster care.

The legislature also finds that current economic conditions have reduced state funds available for many critical programs. The legislature further finds that adoption support expenditures continue to increase. Given these realities, the legislature finds there is a need to control adoption support costs without adversely impacting permanency for state dependent children.

The legislature acknowledges that the best way to reduce adoption support and foster care expenditures is to safely prevent children from entering the foster care system. However, the legislature also finds that the recent prospective reduction to adoption support payments set forth in chapter 50, Laws of 2011 1st sp. sess. has not, to date, adversely impacted permanency for foster children in need of adoptive homes.

Therefore, the legislature intends to continue the adoption assistance rate reduction beyond the period set forth in the operating budget, while focusing on sustainable long-term efforts to prevent children from entering the foster care system, such as pursuing a potential federal Title IV-E waiver, which if granted, would allow Washington to reinvest dollars otherwise spent on foster care in prevention programs.

The legislature also finds that many adoptive parents spend adoption support payments on additional mental health services for adoptive children that are not currently covered by existing public programs. The legislature intends to offset adoption support payment expenditures by facilitating efforts to improve the access and quality of existing mental health services for adoptive families in the long term.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 74.13A RCW to read as follows:

(1) To ensure expenditures continue to remain within available funds as required by RCW 74.13A.005 and 74.13A.020, the secretary shall not set the amount of any adoption assistance payment or payments, made pursuant to RCW 26.33.320 and 74.13A.005 through 74.13A.080, to more than eighty percent of the foster care maintenance payment for that child had he or she remained in a foster family home during the same period. This subsection applies prospectively to adoption assistance agreements established on or after July 1, 2013.

(2) The department must establish a central unit of adoption support negotiators to help ensure consistent negotiation of adoption support agreements that will balance the needs of adoptive families with the state's need to remain fiscally responsible.

(3) The department must request, in writing, that adoptive families with existing adoption support contracts renegotiate their contracts to establish lower adoption assistance payments if it is fiscally feasible for the family to do so. The department shall explain that adoption support contracts may be renegotiated as needs arise.

*<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 71.36 RCW to read as follows:

(1) The department of social and health services, division of behavioral health and recovery, shall convene a work group as part of its children's mental health redesign process, to develop recommendations to better address the mental health service needs of adoptive families and reduce the need for adoptive families to spend adoption support payments on mental health services for their adoptive children. In developing recommendations, the work group should assess:

(a) The mental health service needs of children in adoption support households;

(b) Existing service and provider capacity to meet the identified needs of children in adoption support households; and

(c) Additional provider training, consultation or capacity necessary to meet unmet service needs, and increase the use of appropriate evidence-based practices.

(2) The work group must include, but is not limited to, representatives from the department of social and health services children's administration, the health care authority, the University of Washington department of psychiatry, the children's mental health evidence-based practice institute, regional support networks, mental health service providers, health plans, primary care providers, tribes, adoptive families, and representatives from other relevant organizations as needed. The work group shall issue its recommendations to the legislature no later than December 15, 2012.

(3) This section expires August 1, 2013. *Sec. 3 was vetoed. See message at end of chapter.

Passed by the House February 9, 2012.

Passed by the Senate February 29, 2012.

Approved by the Governor March 29, 2012, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State March 29, 2012.

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

"I am returning herewith, without my approval as to Section 3, Substitute House Bill 2657 entitled:

"AN ACT Relating to adoption support expenditures."

Section 3 requires the Department of Social and Health Services to convene a work group, as part of its children's mental health redesign efforts, to develop recommendations to better address the mental health service needs of adoptive families and reduce the need to spend adoption support payments on mental health services. The Department of Social and Health Services is additionally required to issue recommendations to the Legislature by December 15, 2012.

While I appreciate the intent of this section, the Department of Social and Health Services has already included the convening of a similar work group in its plan for improvements to the children's mental health system. I am directing the Secretary of the Department of Social and Health Services to consider the Legislature's intent in the composition and tasks of the work group and to keep the Legislature informed of its efforts. Creation of a work group in statute and the preparation of a formal report are not necessary.

For this reason, I have vetoed Section 3 of Substitute House Bill 2657.

With the exception of Section 3, Substitute House Bill 2657 is approved."

CHAPTER 148

[Substitute Senate Bill 5217]

COMMUNITY COLLEGES—BOARDS OF TRUSTEES—STUDENT MEMBERS

AN ACT Relating to appointing student members on the board of trustees for community colleges; amending RCW 28B.50.100; adding a new section to chapter 28B.50 RCW; and creating a new section.

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

NEW SECTION. Sec. 1. The legislature finds that decisions made by governing boards of each respective institution greatly impact the lives of students and that student participation in the decision-making process can provide insight into the impacts of actions by trustees that are not always measurable through reports and statistics. Students are on campus every day using services and experiencing aspects of the institution that board members may only see on paper, providing a unique and valuable perspective that should not be overlooked.

Students serving on governing boards of higher education have proven effective in Washington and in over thirty other states. For over ten years students at Washington's four-year institutions of higher education have served as voting members on the board of trustees, regents, and the higher education coordinating board, providing greater depth in board deliberations and a welleducated conduit for students to voice ideas and concerns.

The student perspective at community colleges also brings the board closer to their community. Student populations at community colleges are the most diverse of any institution of higher education in the state. Being on campus and in class every day, students are exposed to a more diverse group than any member of the board representing any one group of the community.

Student positions on governing boards are also a valuable tool for developing leadership through experiential learning. Student members learn processes of institutional governance, become involved in campus projects, analyze policy proposals, and participate in board discussions and decision making.

It is the intent of the legislature to enhance community college governance by fostering a more dynamic relationship between students and institutions through the encouragement of student participation in policy development and decision making at the district and state level.

Sec. 2. RCW 28B.50.100 and 1991 c 238 s 37 are each amended to read as follows:

There is hereby created a board of trustees for each college district as set forth in this chapter. Each board of trustees shall be composed of five trustees, except as provided in section 3 of this act, who shall be appointed by the governor for terms commencing October 1st of the year in which appointed. In making such appointments the governor shall give consideration to geographical diversity, and representing labor, business, women, and racial and ethnic minorities, in the membership of the boards of trustees. The boards of trustees for districts containing technical colleges shall include at least one member from business and one member from labor.

The successors of the trustees initially appointed shall be appointed by the governor to serve for a term of five years except that any person appointed to fill a vacancy occurring prior to the expiration of any term shall be appointed only for the remainder of the term. Each member shall serve until a successor is appointed and qualified.

Every trustee shall be a resident and qualified elector of the college district. No trustee may be an employee of the community and technical college system, a member of the board of directors of any school district, or a member of the governing board of any public or private educational institution.

Each board of trustees shall organize itself by electing a chairman from its members. The board shall adopt a seal and may adopt such bylaws, rules and regulations as it deems necessary for its own government. Three members of the board shall constitute a quorum, but a lesser number may adjourn from time to time and may compel the attendance of absent members in such manner as prescribed in its bylaws, rules, or regulations. The district president, or if there be none, the president of the college, shall serve as, or may designate another person to serve as, the secretary of the board, who shall not be deemed to be a member of the board.

Members of the boards of trustees may be removed for misconduct or malfeasance in office in the manner provided by RCW 28B.10.500.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 28B.50 RCW to read as follows:

(1) Boards of trustees for each college district, by majority vote, may establish a sixth trustee that shall be filled by a student. The governor shall select each student member from a list of candidates, of at least three and not more than five, submitted by the associated student governments or their equivalent of the college district. The student member shall hold his or her office for a term of one year, beginning July 1st and ending June 30th, or until the student member's successor is appointed and qualified, whichever is later. The student member shall be a full-time student in good standing at a college within the college district at the time of appointment and throughout the student's term. If the student member fails to be enrolled at the college full-time or forfeits his or her academic standing, the student member is disqualified and a new student member must be appointed.

(2) A student appointed under this section shall excuse himself or herself from participation or voting on matters relating to the hiring, discipline, or tenure of faculty members and personnel or any other matters pertaining to collective bargaining agreements.

Passed by the Senate February 13, 2012. Passed by the House March 5, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 149

[Engrossed Substitute Senate Bill 5715] EARLY EDUCATION—CORE COMPETENCIES

AN ACT Relating to adopting core competencies for early care and education professionals and child and youth development professionals; adding a new section to chapter 43.215 RCW; and creating a new section.

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

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<u>NEW SECTION.</u> Sec. 1. The legislature finds that adopting statewide core competencies for early care and education professionals and child and youth development professionals is important because the competencies:

(1) Define what early care and education professionals and child and youth development professionals need to know and be able to do to provide quality care and education for children;

(2) Serve as the foundation for decisions and practices carried out by professionals in all early care and education settings and school age child care settings;

(3) Establish a set of standards for early care and education professionals and child and youth development professionals that support the professionalism for the field;

(4) Are an integral part of a comprehensive professional development system; and

(5) Recognize existing standards met by nationally chartered nonprofit youth development agencies providing facility-based after school services for school age children as relevant and sufficient standards.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 43.215 RCW to read as follows:

By December 31, 2012, the department shall adopt core competencies for early care and education professionals and child and youth development professionals and develop an implementation plan. The department shall incorporate the core competencies into all appropriate professional development opportunities including, but not limited to, the quality rating and improvement system, the early childhood education and assistance program, child care licensing, and the early support for infants and toddlers program. The purpose of the core competencies is to serve as a foundation for what early care and education professionals and child and youth development professionals need to know and do to provide quality care for children. The core competencies must be reviewed and updated every five years.

Passed by the Senate February 9, 2012. Passed by the House March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 150

[Substitute Senate Bill 5966] HEALTH CARE AUTHORITY OMBUDSMAN

AN ACT Relating to establishing the office of the health care authority ombudsman; and adding a new section to chapter 48.02 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 48.02 RCW to read as follows:

There is established, within the office of the insurance commissioner, the volunteer position of health care authority ombudsman to assist retirees enrolled in the public employees benefits board program. The volunteer position shall be trained as part of the existing volunteer training provided to the statewide health

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insurance benefit advisors. The position shall help retirees with questions and concerns, assist the public employees benefits board program with identification of retiree concerns, and maintain access to updated program information.

Passed by the Senate February 10, 2012. Passed by the House February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 151

[Substitute Senate Bill 6041] LIGHTHOUSE SCHOOLS

AN ACT Relating to lighthouse schools; amending RCW 28A.630.065; and adding a new section to chapter 28A.630 RCW.

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

Sec. 1. RCW 28A.630.065 and 2010 c 238 s 2 are each amended to read as follows:

(1) Subject to funds appropriated for this purpose, the superintendent of public instruction shall designate (($\frac{up}{v}$ to three})) schools at the elementary, middle ((schools and up to three)), and high school((s)) level to serve as resources and examples of how to combine the following best practices:

(a) A small, highly personalized learning community;

(b) An interdisciplinary curriculum with a strong focus on science, technology, engineering, and mathematics delivered through a project-based instructional approach; and

(c) Active partnerships with businesses and the local community to connect learning beyond the classroom.

(2) The designated <u>elementary</u>, middle, and high schools shall serve as lighthouse programs and provide technical assistance and advice to other ((middle and high)) schools and communities in the initial stages of creating an alternative learning environment focused on science, technology, engineering, and mathematics. The designated ((middle and high)) schools must have proven experience and be recognized as model programs.

(3) In addition, the office of the superintendent of public instruction shall work with the designated <u>elementary</u>, middle, and high schools to publicize the models of best practices in science, technology, engineering, and mathematics instruction used by the designated ((middle and high)) schools and shall encourage other ((middle and high)) schools and communities to work with the designated ((middle and high)) schools to replicate similar models.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 28A.630 RCW to read as follows:

The science, technology, engineering, and mathematics education lighthouse account is created in the custody of the state treasurer. The purpose of the account is to support schools designated as lighthouse schools under RCW 28A.630.065 to serve as resources to other schools and communities interested in replicating similar models. Revenues to the account may include gifts from the private sector, federal funds, any appropriations made by the state legislature, or revenues from other sources. Grants to the designated lighthouse schools and their administration shall be paid from the account. Only the superintendent of public instruction or the superintendent'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.

Passed by the Senate February 9, 2012.

Passed by the House March 2, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 152

[Engrossed Senate Bill 6215]

TRANSPORTATION BENEFIT DISTRICTS—REBATE PROGRAM

AN ACT Relating to establishing an optional transportation benefit district rebate program for low-income individuals; amending RCW 36.73.065; reenacting and amending RCW 36.73.015; and adding a new section to chapter 36.73 RCW.

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

Sec. 1. RCW 36.73.015 and 2010 c 251 s 2 and 2010 c 105 s 1 are each reenacted and amended to read as follows:

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

(1) "City" means a city or town.

(2) "District" means a transportation benefit district created under this chapter.

(3) "Low-income" means household income that is at or below forty-five percent of the median household income, adjusted for household size, for the district in which the fees, taxes, or tolls were imposed.

(4) "Rebate program" means an optional program established by a transportation benefit district that includes a city with a population of five hundred thousand persons or more for the purpose of providing rebates to low-income individuals for fees, taxes, and/or tolls imposed by such transportation benefit district for: (a) Vehicle fees imposed under RCW 36.73.040(3)(b); (b) sales and use taxes imposed under RCW 36.73.040(3)(a); and/or (c) tolls imposed under RCW 36.73.040(3)(d).

(5) "Supplemental transportation improvement" or "supplemental improvement" means any project, work, or undertaking to provide public transportation service, in addition to a district's existing or planned voter-approved transportation improvements, proposed by a participating city member of the district under RCW 36.73.180.

(((4))) (6) "Transportation improvement" means a project contained in the transportation plan of the state, a regional transportation planning organization, city, county, or eligible jurisdiction as identified in RCW 36.73.020(2). A project may include investment in new or existing highways of statewide significance, principal arterials of regional significance, high capacity transportation, public transportation, and other transportation projects and programs of regional or statewide significance including transportation demand management. Projects may also include the operation, preservation, and maintenance of these facilities or programs.

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<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 36.73 RCW to read as follows:

(1) A district that: (a) Includes a city with a population of five hundred thousand persons or more; and (b) imposes a vehicle fee under RCW 36.73.040(3)(b), sales and use taxes under RCW 36.73.040(3)(a), or tolls under RCW 36.73.040(3)(d), may establish a rebate program for the purposes of providing rebates of up to forty percent of the actual fee, tax, or toll paid by a low-income individual.

(2) Funds collected from a vehicle fee under RCW 36.73.040(3)(b), sales and use tax under RCW 36.73.040(3)(a) or tolls under RCW 36.73.040(3)(d) may be used for a rebate program established under this section.

(3) A district that establishes a rebate program is responsible for the development and administration of the program and all functions and costs associated with the rebate program.

(4) A district that establishes a rebate program under this section must report back to the legislature two years after the program takes effect. The report must include, but is not limited to, a detailed description of the structure of the program, the average rebate, the total amount of rebates issued, and the number of people that received rebates.

Sec. 3. RCW 36.73.065 and 2007 c 329 s 1 are each amended to read as follows:

(1) Except as provided in subsection (4) of this section, taxes, fees, charges, and tolls may not be imposed by a district without approval of a majority of the voters in the district voting on a proposition at a general or special election. The proposition must include a specific description of: (a) The transportation improvement or improvements proposed by the district; (b) any rebate program proposed to be established under section 2 of this act; and (c) the proposed taxes, fees, charges, and the range of tolls imposed by the district to raise revenue to fund the improvement or improvements <u>or rebate program</u>, as applicable.

(2) Voter approval under this section ((shall)) <u>must</u> be accorded substantial weight regarding the validity of a transportation improvement as defined in RCW 36.73.015.

(3) A district may not increase any taxes, fees, charges, or range of tolls imposed <u>or change a rebate program</u> under this chapter once the taxes, fees, charges, ((or)) tolls, or rebate program takes effect, unless authorized by the district voters pursuant to RCW 36.73.160.

(4)(a) A district that includes all the territory within the boundaries of the jurisdiction, or jurisdictions, establishing the district may impose by a majority vote of the governing board of the district the following fees and charges:

(i) Up to twenty dollars of the vehicle fee authorized in RCW 82.80.140; or

(ii) A fee or charge in accordance with RCW 36.73.120.

(b) The vehicle fee authorized in (a) of this subsection may only be imposed for a passenger-only ferry transportation improvement if the vehicle fee is first approved by a majority of the voters within the jurisdiction of the district.

(c)(i) A district solely comprised of a city or cities shall not impose the fees or charges identified in (a) of this subsection within one hundred eighty days after July 22, 2007, unless the county in which the city or cities reside, by resolution, declares that it will not impose the fees or charges identified in (a) of this subsection within the one hundred eighty-day period; or (ii) A district solely comprised of a city or cities identified in RCW 36.73.020(6)(b) ((shall)) may not impose the fees or charges until after May 22, 2008, unless the county in which the city or cities reside, by resolution, declares that it will not impose the fees or charges identified in (a) of this subsection through May 22, 2008.

(5) If the interlocal agreement in RCW 82.80.140(2)(a) cannot be reached, a district that includes only the unincorporated territory of a county may impose by a majority vote of the governing body of the district up to twenty dollars of the vehicle fee authorized in RCW 82.80.140.

Passed by the Senate February 14, 2012. Passed by the House March 2, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 153

[Engrossed Substitute Senate Bill 6237] MEDICAL ASSISTANTS

AN ACT Relating to creating a career pathway for medical assistants; amending RCW 18.79.340, 18.120.020, 18.120.020, 18.130.040, 18.130.040, and 18.135.055; adding a new chapter to Title 18 RCW; creating a new section; repealing RCW 18.135.010, 18.135.020, 18.135.025, 18.135.030, 18.135.035, 18.135.040, 18.135.050, 18.135.055, 18.135.060, 18.135.062, 18.135.065, 18.135.070, 18.135.090, 18.135.100, 18.135.110, and 18.135.120; and providing effective dates.

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

NEW SECTION. Sec. 1. The legislature finds that medical assistants are health professionals specifically trained to work in settings such as physicians' offices, clinics, group practices, and other health care facilities. These multiskilled personnel are trained to perform administrative and clinical procedures under the supervision of health care providers. Physicians value this unique versatility more and more because of the skills of medical assistants and their ability to contain costs and manage human resources efficiently. The demand for medical assistants is expanding rapidly. The efficient and effective delivery of health care in Washington will be improved by recognizing the valuable contributions of medical assistants, and providing statutory support for medical assistants in Washington state. The legislature further finds that rural and small medical practices and clinics may have limited access to formally trained medical assistants. The legislature further intends that the secretary of health develop recommendations for a career ladder that includes medical assistants.

<u>NEW SECTION.</u> Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Delegation" means direct authorization granted by a licensed health care practitioner to a medical assistant to perform the functions authorized in this chapter which fall within the scope of practice of the health care provider and the training and experience of the medical assistant.

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

(3) "Health care practitioner" means:

(a) A physician licensed under chapter 18.71 RCW;

(b) An osteopathic physician and surgeon licensed under chapter 18.57 RCW; or

(c) Acting within the scope of their respective licensure, a podiatric physician and surgeon licensed under chapter 18.22 RCW, a registered nurse or advanced registered nurse practitioner licensed under chapter 18.79 RCW, a naturopath licensed under chapter 18.36A RCW, a physician assistant licensed under chapter 18.71A RCW, an osteopathic physician assistant licensed under chapter 18.57A RCW, or an optometrist licensed under chapter 18.53 RCW.

(4) "Medical assistant-certified" means a person certified under section 5 of this act who assists a health care practitioner with patient care, executes administrative and clinical procedures, and performs functions as provided in section 6 of this act under the supervision of the health care practitioner.

(5) "Medical assistant-hemodialysis technician" means a person certified under section 5 of this act who performs hemodialysis and other functions pursuant to section 6 of this act under the supervision of a health care practitioner.

(6) "Medical assistant-phlebotomist" means a person certified under section 5 of this act who performs capillary, venous, and arterial invasive procedures for blood withdrawal and other functions pursuant to section 6 of this act under the supervision of a health care practitioner.

(7) "Medical assistant-registered" means a person registered under section 5 of this act who, pursuant to an endorsement by a health care practitioner, clinic, or group practice, assists a health care practitioner with patient care, executes administrative and clinical procedures, and performs functions as provided in section 6 of this act under the supervision of the health care practitioner.

(8) "Secretary" means the secretary of the department of health.

(9) "Supervision" means supervision of procedures permitted pursuant to this chapter by a health care practitioner who is physically present and is immediately available in the facility. The health care practitioner does not need to be present during procedures to withdraw blood, but must be immediately available.

<u>NEW SECTION.</u> Sec. 3. (1) No person may practice as a medical assistant-certified, medical assistant-hemodialysis technician, or medical assistant-phlebotomist unless he or she is certified under section 5 of this act.

(2) No person may practice as a medical assistant-registered unless he or she is registered under section 5 of this act.

<u>NEW SECTION.</u> Sec. 4. (1) The secretary shall adopt rules specifying the minimum qualifications for a medical assistant-certified, medical assistant-hemodialysis technician, and medical assistant-phlebotomist. The qualifications for a medical assistant-hemodialysis technician must be equivalent to the qualifications for hemodialysis technicians regulated pursuant to chapter 18.135 RCW as of January 1, 2012.

(2) The secretary shall adopt rules that establish the minimum requirements necessary for a health care practitioner, clinic, or group practice to endorse a medical assistant as qualified to perform the duties authorized by this chapter and be able to file an attestation of that endorsement with the department.

(3) The medical quality assurance commission, the board of osteopathic medicine and surgery, the podiatric medical board, the nursing care quality

assurance commission, the board of naturopathy, and the optometry board shall each review and identify other specialty assistive personnel not included in this chapter and the tasks they perform. The department of health shall compile the information from each disciplining authority listed in this subsection and submit the compiled information to the legislature no later than December 15, 2012.

<u>NEW SECTION.</u> Sec. 5. (1)(a) The secretary shall issue a certification as a medical assistant-certified to any person who has satisfactorily completed a medical assistant training program approved by the secretary, passed an examination approved by the secretary, and met any additional qualifications established under section 4 of this act.

(b) The secretary shall issue an interim certification to any person who has met all of the qualifications in (a) of this subsection, except for the passage of the examination. A person holding an interim permit possesses the full scope of practice of a medical assistant-certified. The interim permit expires upon passage of the examination or after one year, whichever occurs first, and may not be renewed.

(2) The secretary shall issue a certification as a medical assistanthemodialysis technician to any person who meets the qualifications for a medical assistant-hemodialysis technician established under section 4 of this act.

(3) The secretary shall issue a certification as a medical assistantphlebotomist to any person who meets the qualifications for a medical assistantphlebotomist established under section 4 of this act.

(4)(a) The secretary shall issue a registration as a medical assistantregistered to any person who has a current endorsement from a health care practitioner, clinic, or group practice.

(b) In order to be endorsed under this subsection (4), a person must:

(i) Be endorsed by a health care practitioner, clinic, or group practice that meets the qualifications established under section 4 of this act; and

(ii) Have a current attestation of his or her endorsement to perform specific medical tasks signed by a supervising health care practitioner filed with the department. A medical assistant-registered may only perform the medical tasks listed in his or her current attestation of endorsement.

(c) A registration based on an endorsement by a health care practitioner, clinic, or group practice is not transferrable to another health care practitioner, clinic, or group practice.

(5) A certification issued under subsections (1) through (3) of this section is transferrable between different practice settings.

<u>NEW SECTION.</u> Sec. 6. (1) A medical assistant-certified may perform the following duties delegated by, and under the supervision of, a health care practitioner:

(a) Fundamental procedures:

(i) Wrapping items for autoclaving;

(ii) Procedures for sterilizing equipment and instruments;

(iii) Disposing of biohazardous materials; and

(iv) Practicing standard precautions.

(b) Clinical procedures:

(i) Performing aseptic procedures in a setting other than a hospital licensed under chapter 70.41 RCW;

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(ii) Preparing of and assisting in sterile procedures in a setting other than a hospital under chapter 70.41 RCW;

(iii) Taking vital signs;

(iv) Preparing patients for examination;

(v) Capillary blood withdrawal, venipuncture, and intradermal, subcutaneous, and intramuscular injections; and

(vi) Observing and reporting patients' signs or symptoms.

(c) Specimen collection:

(i) Capillary puncture and venipuncture;

(ii) Obtaining specimens for microbiological testing; and

(iii) Instructing patients in proper technique to collect urine and fecal specimens.

(d) Diagnostic testing:

(i) Electrocardiography;

(ii) Respiratory testing; and

(iii) Tests waived under the federal clinical laboratory improvement amendments program on the effective date of this section. The department shall periodically update the tests authorized under this subsection (1)(d) based on changes made by the federal clinical laboratory improvement amendments program.

(e) Patient care:

(i) Telephone and in-person screening limited to intake and gathering of information without requiring the exercise of judgment based on clinical knowledge;

(ii) Obtaining vital signs;

(iii) Obtaining and recording patient history;

(iv) Preparing and maintaining examination and treatment areas;

(v) Preparing patients for, and assisting with, routine and specialty examinations, procedures, treatments, and minor office surgeries;

(vi) Maintaining medication and immunization records; and

(vii) Screening and following up on test results as directed by a health care practitioner.

(f)(i) Administering medications. A medical assistant-certified may only administer medications if the drugs are:

(A) Administered only by unit or single dosage, or by a dosage calculated and verified by a health care practitioner. For purposes of this section, a combination vaccine shall be considered a unit dose;

(B) Limited to legend drugs, vaccines, and Schedule III-V controlled substances as authorized by a health care practitioner under the scope of his or her license and consistent with rules adopted by the secretary under (f)(ii) of this subsection; and

(C) Administered pursuant to a written order from a health care practitioner.

(ii) The secretary may, by rule, limit the drugs that may be administered under this subsection. The rules adopted under this subsection must limit the drugs based on risk, class, or route.

(g) Intravenous injections. A medical assistant-certified may administer intravenous injections for diagnostic or therapeutic agents if he or she meets minimum standards established by the secretary in rule. The minimum standards must be substantially similar to the qualifications for category D and F health care assistants as they exist on the effective date of this section.

(2) A medical assistant-hemodialysis technician may perform hemodialysis when delegated and supervised by a health care practitioner. A medical assistant-hemodialysis technician may also administer drugs and oxygen to a patient when delegated and supervised by a health care practitioner and pursuant to rules adopted by the secretary.

(3) A medical assistant-phlebotomist may perform capillary, venous, or arterial invasive procedures for blood withdrawal when delegated and supervised by a health care practitioner and pursuant to rules adopted by the secretary.

(4) A medical assistant-registered may perform the following duties delegated by, and under the supervision of, a health care practitioner:

(a) Fundamental procedures:

(i) Wrapping items for autoclaving;

(ii) Procedures for sterilizing equipment and instruments;

(iii) Disposing of biohazardous materials; and

(iv) Practicing standard precautions.

(b) Clinical procedures:

(i) Preparing for sterile procedures;

(ii) Taking vital signs;

(iii) Preparing patients for examination; and

(iv) Observing and reporting patients' signs or symptoms.

(c) Specimen collection:

(i) Obtaining specimens for microbiological testing; and

(ii) Instructing patients in proper technique to collect urine and fecal specimens.

(d) Patient care:

(i) Telephone and in-person screening limited to intake and gathering of information without requiring the exercise of judgment based on clinical knowledge;

(ii) Obtaining vital signs;

(iii) Obtaining and recording patient history;

(iv) Preparing and maintaining examination and treatment areas;

(v) Maintaining medication and immunization records; and

(vi) Screening and following up on test results as directed by a health care practitioner.

(e) Tests waived under the federal clinical laboratory improvement amendments program on the effective date of this section. The department shall periodically update the tests authorized under subsection (1)(d) of this section based on changes made by the federal clinical laboratory improvement amendments program.

(f) Administering vaccines, including combination vaccines.

<u>NEW SECTION.</u> Sec. 7. (1) Prior to delegation of any of the functions in section 6 of this act, a health care practitioner shall determine to the best of his or her ability each of the following:

(a) That the task is within that health care practitioner's scope of licensure or authority;

(b) That the task is indicated for the patient;

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(c) The appropriate level of supervision;

(d) That no law prohibits the delegation;

(e) That the person to whom the task will be delegated is competent to perform that task; and

(f) That the task itself is one that should be appropriately delegated when considering the following factors:

(i) That the task can be performed without requiring the exercise of judgment based on clinical knowledge;

(ii) That results of the task are reasonably predictable;

(iii) That the task can be performed without a need for complex observations or critical decisions;

(iv) That the task can be performed without repeated clinical assessments; and

(v) That the task, if performed improperly, would not present lifethreatening consequences or the danger of immediate and serious harm to the patient.

(2) Nothing in this section prohibits the use of protocols that do not involve clinical judgment and do not involve the administration of medications, other than vaccines.

<u>NEW SECTION.</u> Sec. 8. (1) In addition to any other authority provided by law, the secretary may:

(a) Adopt rules, in accordance with chapter 34.05 RCW, necessary to implement this chapter;

(b) Establish forms and procedures necessary to administer this chapter;

(c) Establish administrative procedures, administrative requirements, and fees in accordance with RCW 43.70.250 and 43.70.280. Until July 1, 2016, for purposes of setting fees under this section, the secretary shall consider persons registered or certified under this chapter and health care assistants, certified under chapter 18.135 RCW, as one profession;

(d) Hire clerical, administrative, and investigative staff as needed to implement and administer this chapter;

(e) Maintain the official department of health record of all applicants and credential holders; and

(f) Establish requirements and procedures for an inactive registration or certification.

(2) The uniform disciplinary act, chapter 18.130 RCW, governs unlicensed practice, the issuance and denial of a registration or certification, and the discipline of persons registered or certified under this chapter.

<u>NEW SECTION.</u> Sec. 9. (1) The department may not issue new certifications for category C, D, E, or F health care assistants on or after the effective date of this section. The department shall certify a category C, D, E, or F health care assistant who was certified prior to the effective date of this section as a medical assistant-certified when he or she renews his or her certification.

(2) The department may not issue new certifications for category G health care assistants on or after the effective date of this section. The department shall certify a category G health care assistant who was certified prior to the effective date of this section as a medical assistant-hemodialysis technician when he or she renews his or her certification.

(3) The department may not issue new certifications for category A or B health care assistants on or after the effective date of this section. The department shall certify a category A or B health care assistant who was certified prior to the effective date of this section as a medical assistant-phlebotomist when he or she renews his or her certification.

<u>NEW SECTION.</u> Sec. 10. Nothing in this chapter prohibits or affects:

(1) A person licensed under this title performing services within his or her scope of practice;

(2) A person performing functions in the discharge of official duties on behalf of the United States government including, but not limited to, the armed forces, coast guard, public health service, veterans' bureau, or bureau of Indian affairs;

(3) A person trained by a federally approved end-stage renal disease facility who performs end-stage renal dialysis in the home setting;

(4) A person registered or certified under this chapter from performing blood-drawing procedures in the residences of research study participants when the procedures have been authorized by the institutional review board of a comprehensive cancer center or nonprofit degree-granting institution of higher education and are conducted under the general supervision of a physician; or

(5) A person participating in an externship as part of an approved medical assistant training program under the direct supervision of an on-site health care provider.

<u>NEW SECTION.</u> Sec. 11. Within existing resources, the secretary shall develop recommendations regarding a career path plan for medical assistants. The secretary shall consult with stakeholders, including, but not limited to, health care practitioner professional organizations, organizations representing health care workers, community colleges, career colleges, and technical colleges. The recommendations must include methods for including credit for prior learning. The purpose of the plan is to evaluate and map career paths for medical assistants and entry-level health care workers to transition by means of a career ladder into medical assistants or other health care professions. The recommendations must identify barriers to career advancement and career ladder training initiatives. The department shall report its recommendations to the legislature no later than December 15, 2012.

<u>NEW SECTION.</u> Sec. 12. An applicant with military training or experience satisfies the training or experience requirements of this chapter unless the secretary determines that the military training or experience is not substantially equivalent to the standards of this state.

Sec. 13. RCW 18.79.340 and 2003 c 258 s 2 are each amended to read as follows:

(1) "Nursing technician" means a nursing student employed in a hospital licensed under chapter 70.41 RCW, a clinic, or a nursing home licensed under chapter 18.51 RCW, who:

(a) Is currently enrolled in good standing in a nursing program approved by the commission and has not graduated; or

(b) Is a graduate of a nursing program approved by the commission who graduated:

(i) Within the past thirty days; or

(ii) Within the past sixty days and has received a determination from the secretary that there is good cause to continue the registration period, as defined by the secretary in rule.

(2) No person may practice or represent oneself as a nursing technician by use of any title or description of services without being registered under this chapter, unless otherwise exempted by this chapter.

(3) The commission may adopt rules to implement chapter 258, Laws of 2003.

Sec. 14. RCW 18.120.020 and 2010 c 286 s 14 are each amended to read as follows:

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

(1) "Applicant group" includes any health professional group or organization, any individual, or any other interested party which proposes that any health professional group not presently regulated be regulated or which proposes to substantially increase the scope of practice of the profession.

(2) "Certificate" and "certification" mean a voluntary process by which a statutory regulatory entity grants recognition to an individual who (a) has met certain prerequisite qualifications specified by that regulatory entity, and (b) may assume or use "certified" in the title or designation to perform prescribed health professional tasks.

(3) "Grandfather clause" means a provision in a regulatory statute applicable to practitioners actively engaged in the regulated health profession prior to the effective date of the regulatory statute which exempts the practitioners from meeting the prerequisite qualifications set forth in the regulatory statute to perform prescribed occupational tasks.

(4) "Health professions" means and includes the following health and health-related licensed or regulated professions and occupations: Podiatric medicine and surgery under chapter 18.22 RCW; chiropractic under chapter 18.25 RCW; dental hygiene under chapter 18.29 RCW; dentistry under chapter 18.32 RCW; denturism under chapter 18.30 RCW; dispensing opticians under chapter 18.34 RCW; hearing instruments under chapter 18.35 RCW; naturopaths under chapter 18.36A RCW; embalming and funeral directing under chapter 18.39 RCW; midwifery under chapter 18.50 RCW; nursing home administration under chapter 18.52 RCW; optometry under chapters 18.53 and 18.54 RCW; ocularists under chapter 18.55 RCW; osteopathic medicine and surgery under chapters 18.57 and 18.57A RCW; pharmacy under chapters 18.64 and 18.64A RCW; medicine under chapters 18.71 and 18.71A RCW; emergency medicine under chapter 18.73 RCW; physical therapy under chapter 18.74 RCW; practical nurses under chapter 18.79 RCW; psychologists under chapter 18.83 RCW; registered nurses under chapter 18.79 RCW; occupational therapists licensed under chapter 18.59 RCW; respiratory care practitioners licensed under chapter 18.89 RCW; veterinarians and veterinary technicians under chapter 18.92 RCW; health care assistants under chapter 18.135 RCW; massage practitioners under chapter 18.108 RCW; East Asian medicine practitioners licensed under chapter 18.06 RCW; persons registered under chapter 18.19 RCW; persons licensed as mental health counselors, marriage and family therapists, and social workers under chapter 18.225 RCW; dietitians and nutritionists certified by chapter 18.138 RCW; radiologic technicians under chapter 18.84 RCW; ((and)) nursing

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assistants registered or certified under chapter 18.88A RCW; and medical assistants-certified, medical assistants-hemodialysis technician, medical assistants-phlebotomist, and medical assistants-registered certified and registered under chapter 18.— RCW (the new chapter created in section 19 of this act).

(5) "Inspection" means the periodic examination of practitioners by a state agency in order to ascertain whether the practitioners' occupation is being carried out in a fashion consistent with the public health, safety, and welfare.

(6) "Legislative committees of reference" means the standing legislative committees designated by the respective rules committees of the senate and house of representatives to consider proposed legislation to regulate health professions not previously regulated.

(7) "License," "licensing," and "licensure" mean permission to engage in a health profession which would otherwise be unlawful in the state in the absence of the permission. A license is granted to those individuals who meet prerequisite qualifications to perform prescribed health professional tasks and for the use of a particular title.

(8) "Professional license" means an individual, nontransferable authorization to carry on a health activity based on qualifications which include:(a) Graduation from an accredited or approved program, and (b) acceptable performance on a qualifying examination or series of examinations.

(9) "Practitioner" means an individual who (a) has achieved knowledge and skill by practice, and (b) is actively engaged in a specified health profession.

(10) "Public member" means an individual who is not, and never was, a member of the health profession being regulated or the spouse of a member, or an individual who does not have and never has had a material financial interest in either the rendering of the health professional service being regulated or an activity directly related to the profession being regulated.

(11) "Registration" means the formal notification which, prior to rendering services, a practitioner shall submit to a state agency setting forth the name and address of the practitioner; the location, nature and operation of the health activity to be practiced; and, if required by the regulatory entity, a description of the service to be provided.

(12) "Regulatory entity" means any board, commission, agency, division, or other unit or subunit of state government which regulates one or more professions, occupations, industries, businesses, or other endeavors in this state.

(13) "State agency" includes every state office, department, board, commission, regulatory entity, and agency of the state, and, where provided by law, programs and activities involving less than the full responsibility of a state agency.

Sec. 15. RCW 18.120.020 and 2012 c ... s 14 (section 14 of this act) are each amended to read as follows:

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

(1) "Applicant group" includes any health professional group or organization, any individual, or any other interested party which proposes that any health professional group not presently regulated be regulated or which proposes to substantially increase the scope of practice of the profession. (2) "Certificate" and "certification" mean a voluntary process by which a statutory regulatory entity grants recognition to an individual who (a) has met certain prerequisite qualifications specified by that regulatory entity, and (b) may assume or use "certified" in the title or designation to perform prescribed health professional tasks.

(3) "Grandfather clause" means a provision in a regulatory statute applicable to practitioners actively engaged in the regulated health profession prior to the effective date of the regulatory statute which exempts the practitioners from meeting the prerequisite qualifications set forth in the regulatory statute to perform prescribed occupational tasks.

(4) "Health professions" means and includes the following health and health-related licensed or regulated professions and occupations: Podiatric medicine and surgery under chapter 18.22 RCW; chiropractic under chapter 18.25 RCW; dental hygiene under chapter 18.29 RCW; dentistry under chapter 18.32 RCW; denturism under chapter 18.30 RCW; dispensing opticians under chapter 18.34 RCW; hearing instruments under chapter 18.35 RCW; naturopaths under chapter 18.36A RCW; embalming and funeral directing under chapter 18.39 RCW; midwifery under chapter 18.50 RCW; nursing home administration under chapter 18.52 RCW; optometry under chapters 18.53 and 18.54 RCW; ocularists under chapter 18.55 RCW; osteopathic medicine and surgery under chapters 18.57 and 18.57A RCW; pharmacy under chapters 18.64 and 18.64A RCW; medicine under chapters 18.71 and 18.71A RCW; emergency medicine under chapter 18.73 RCW; physical therapy under chapter 18.74 RCW; practical nurses under chapter 18.79 RCW; psychologists under chapter 18.83 RCW; registered nurses under chapter 18.79 RCW; occupational therapists licensed under chapter 18.59 RCW; respiratory care practitioners licensed under chapter 18.89 RCW; veterinarians and veterinary technicians under chapter 18.92 RCW; ((health care assistants under chapter 18.135 RCW;)) massage practitioners under chapter 18.108 RCW; East Asian medicine practitioners licensed under chapter 18.06 RCW; persons registered under chapter 18.19 RCW; persons licensed as mental health counselors, marriage and family therapists, and social workers under chapter 18.225 RCW; dietitians and nutritionists certified by chapter 18.138 RCW; radiologic technicians under chapter 18.84 RCW; nursing assistants registered or certified under chapter 18.88A RCW; and medical assistants-certified, medical assistants-hemodialysis technician, medical assistants-phlebotomist, and medical assistants-registered certified and registered under chapter 18.— RCW (the new chapter created in section 19 of this act).

(5) "Inspection" means the periodic examination of practitioners by a state agency in order to ascertain whether the practitioners' occupation is being carried out in a fashion consistent with the public health, safety, and welfare.

(6) "Legislative committees of reference" means the standing legislative committees designated by the respective rules committees of the senate and house of representatives to consider proposed legislation to regulate health professions not previously regulated.

(7) "License," "licensing," and "licensure" mean permission to engage in a health profession which would otherwise be unlawful in the state in the absence of the permission. A license is granted to those individuals who meet

prerequisite qualifications to perform prescribed health professional tasks and for the use of a particular title.

(8) "Professional license" means an individual, nontransferable authorization to carry on a health activity based on qualifications which include:(a) Graduation from an accredited or approved program, and (b) acceptable performance on a qualifying examination or series of examinations.

(9) "Practitioner" means an individual who (a) has achieved knowledge and skill by practice, and (b) is actively engaged in a specified health profession.

(10) "Public member" means an individual who is not, and never was, a member of the health profession being regulated or the spouse of a member, or an individual who does not have and never has had a material financial interest in either the rendering of the health professional service being regulated or an activity directly related to the profession being regulated.

(11) "Registration" means the formal notification which, prior to rendering services, a practitioner shall submit to a state agency setting forth the name and address of the practitioner; the location, nature and operation of the health activity to be practiced; and, if required by the regulatory entity, a description of the service to be provided.

(12) "Regulatory entity" means any board, commission, agency, division, or other unit or subunit of state government which regulates one or more professions, occupations, industries, businesses, or other endeavors in this state.

(13) "State agency" includes every state office, department, board, commission, regulatory entity, and agency of the state, and, where provided by law, programs and activities involving less than the full responsibility of a state agency.

Sec. 16. RCW 18.130.040 and 2011 c 41 s 11 are each amended to read as follows:

(1) This chapter applies only to the secretary and the boards and commissions having jurisdiction in relation to the professions licensed under the chapters specified in this section. This chapter does not apply to any business or profession not licensed under the chapters specified in this section.

(2)(a) The secretary has authority under this chapter in relation to the following professions:

(i) Dispensing opticians licensed and designated apprentices under chapter 18.34 RCW;

(ii) Midwives licensed under chapter 18.50 RCW;

(iii) Ocularists licensed under chapter 18.55 RCW;

(iv) Massage operators and businesses licensed under chapter 18.108 RCW;

(v) Dental hygienists licensed under chapter 18.29 RCW;

(vi) East Asian medicine practitioners licensed under chapter 18.06 RCW;

(vii) Radiologic technologists certified and X-ray technicians registered under chapter 18.84 RCW;

(viii) Respiratory care practitioners licensed under chapter 18.89 RCW;

(ix) Hypnotherapists and agency affiliated counselors registered and advisors and counselors certified under chapter 18.19 RCW;

(x) Persons licensed as mental health counselors, mental health counselor associates, marriage and family therapists, marriage and family therapist associates, social workers, social work associates—advanced, and social work associates—independent clinical under chapter 18.225 RCW; (xi) Persons registered as nursing pool operators under chapter 18.52C RCW;

(xii) Nursing assistants registered or certified under chapter 18.88A RCW;

(xiii) Health care assistants certified under chapter 18.135 RCW;

(xiv) Dietitians and nutritionists certified under chapter 18.138 RCW;

(xv) Chemical dependency professionals and chemical dependency professional trainees certified under chapter 18.205 RCW;

(xvi) Sex offender treatment providers and certified affiliate sex offender treatment providers certified under chapter 18.155 RCW;

(xvii) Persons licensed and certified under chapter 18.73 RCW or RCW 18.71.205;

(xviii) Denturists licensed under chapter 18.30 RCW;

(xix) Orthotists and prosthetists licensed under chapter 18.200 RCW;

(xx) Surgical technologists registered under chapter 18.215 RCW;

(xxi) Recreational therapists (([under chapter 18.230 RCW])) <u>under chapter</u> 18.230 RCW;

(xxii) Animal massage practitioners certified under chapter 18.240 RCW;

(xxiii) Athletic trainers licensed under chapter 18.250 RCW;

(xxiv) Home care aides certified under chapter 18.88B RCW; ((and))

(xxv) Genetic counselors licensed under chapter 18.290 RCW; and

(xxvi) Medical assistants-certified, medical assistants-hemodialysis technician, medical assistants-phlebotomist, and medical assistants-registered certified and registered under chapter 18.— RCW (the new chapter created in section 19 of this act).

(b) The boards and commissions having authority under this chapter are as follows:

(i) The podiatric medical board as established in chapter 18.22 RCW;

(ii) The chiropractic quality assurance commission as established in chapter 18.25 RCW;

(iii) The dental quality assurance commission as established in chapter 18.32 RCW governing licenses issued under chapter 18.32 RCW and licenses and registrations issued under chapter 18.260 RCW;

(iv) The board of hearing and speech as established in chapter 18.35 RCW;

(v) The board of examiners for nursing home administrators as established in chapter 18.52 RCW;

(vi) The optometry board as established in chapter 18.54 RCW governing licenses issued under chapter 18.53 RCW;

(vii) The board of osteopathic medicine and surgery as established in chapter 18.57 RCW governing licenses issued under chapters 18.57 and 18.57A RCW;

(viii) The board of pharmacy as established in chapter 18.64 RCW governing licenses issued under chapters 18.64 and 18.64A RCW;

(ix) The medical quality assurance commission as established in chapter 18.71 RCW governing licenses and registrations issued under chapters 18.71 and 18.71A RCW;

(x) The board of physical therapy as established in chapter 18.74 RCW;

(xi) The board of occupational therapy practice as established in chapter 18.59 RCW;

(xii) The nursing care quality assurance commission as established in chapter 18.79 RCW governing licenses and registrations issued under that chapter;

(xiii) The examining board of psychology and its disciplinary committee as established in chapter 18.83 RCW;

(xiv) The veterinary board of governors as established in chapter 18.92 RCW; and

(xv) The board of naturopathy established in chapter 18.36A RCW.

(3) In addition to the authority to discipline license holders, the disciplining authority has the authority to grant or deny licenses. The disciplining authority may also grant a license subject to conditions.

(4) All disciplining authorities shall adopt procedures to ensure substantially consistent application of this chapter, the Uniform Disciplinary Act, among the disciplining authorities listed in subsection (2) of this section.

Sec. 17. RCW 18.130.040 and 2012 c ... s 16 (section 16 of this act) are each amended to read as follows:

(1) This chapter applies only to the secretary and the boards and commissions having jurisdiction in relation to the professions licensed under the chapters specified in this section. This chapter does not apply to any business or profession not licensed under the chapters specified in this section.

(2)(a) The secretary has authority under this chapter in relation to the following professions:

(i) Dispensing opticians licensed and designated apprentices under chapter 18.34 RCW;

(ii) Midwives licensed under chapter 18.50 RCW;

(iii) Ocularists licensed under chapter 18.55 RCW;

(iv) Massage operators and businesses licensed under chapter 18.108 RCW;

(v) Dental hygienists licensed under chapter 18.29 RCW;

(vi) East Asian medicine practitioners licensed under chapter 18.06 RCW;

(vii) Radiologic technologists certified and X-ray technicians registered under chapter 18.84 RCW;

(viii) Respiratory care practitioners licensed under chapter 18.89 RCW;

(ix) Hypnotherapists and agency affiliated counselors registered and advisors and counselors certified under chapter 18.19 RCW;

(x) Persons licensed as mental health counselors, mental health counselor associates, marriage and family therapists, marriage and family therapist associates, social workers, social work associates—advanced, and social work associates—independent clinical under chapter 18.225 RCW;

(xi) Persons registered as nursing pool operators under chapter 18.52C RCW;

(xii) Nursing assistants registered or certified under chapter 18.88A RCW;

(xiii) ((Health care assistants certified under chapter 18.135 RCW;

(xiv))) Dietitians and nutritionists certified under chapter 18.138 RCW;

(((xv))) (xiv) Chemical dependency professionals and chemical dependency professional trainees certified under chapter 18.205 RCW;

(((xvi))) (xv) Sex offender treatment providers and certified affiliate sex offender treatment providers certified under chapter 18.155 RCW;

(((xvii))) (<u>xvi</u>) Persons licensed and certified under chapter 18.73 RCW or RCW 18.71.205;

(((xviii))) (xvii) Denturists licensed under chapter 18.30 RCW;

(((xix))) (xviii) Orthotists and prosthetists licensed under chapter 18.200 RCW;

(((xx))) (xix) Surgical technologists registered under chapter 18.215 RCW;

(((xxi))) (xx) Recreational therapists under chapter 18.230 RCW;

(((xxii))) (<u>xxi</u>) Animal massage practitioners certified under chapter 18.240 RCW;

(((xxiii))) (xxii) Athletic trainers licensed under chapter 18.250 RCW;

(((xxiv))) (xxiii) Home care aides certified under chapter 18.88B RCW;

(((xxv))) (xxiv) Genetic counselors licensed under chapter 18.290 RCW; and

(((xxvi))) (xxv) Medical assistants-certified, medical assistantshemodialysis technician, medical assistants-phlebotomist, and medical assistants-registered certified and registered under chapter 18.— RCW (the new chapter created in section 19 of this act).

(b) The boards and commissions having authority under this chapter are as follows:

(i) The podiatric medical board as established in chapter 18.22 RCW;

(ii) The chiropractic quality assurance commission as established in chapter 18.25 RCW;

(iii) The dental quality assurance commission as established in chapter 18.32 RCW governing licenses issued under chapter 18.32 RCW and licenses and registrations issued under chapter 18.260 RCW;

(iv) The board of hearing and speech as established in chapter 18.35 RCW;

(v) The board of examiners for nursing home administrators as established in chapter 18.52 RCW;

(vi) The optometry board as established in chapter 18.54 RCW governing licenses issued under chapter 18.53 RCW;

(vii) The board of osteopathic medicine and surgery as established in chapter 18.57 RCW governing licenses issued under chapters 18.57 and 18.57A RCW;

(viii) The board of pharmacy as established in chapter 18.64 RCW governing licenses issued under chapters 18.64 and 18.64A RCW;

(ix) The medical quality assurance commission as established in chapter 18.71 RCW governing licenses and registrations issued under chapters 18.71 and 18.71A RCW;

(x) The board of physical therapy as established in chapter 18.74 RCW;

(xi) The board of occupational therapy practice as established in chapter 18.59 RCW;

(xii) The nursing care quality assurance commission as established in chapter 18.79 RCW governing licenses and registrations issued under that chapter;

(xiii) The examining board of psychology and its disciplinary committee as established in chapter 18.83 RCW;

(xiv) The veterinary board of governors as established in chapter 18.92 RCW; and

(xv) The board of naturopathy established in chapter 18.36A RCW.

(3) In addition to the authority to discipline license holders, the disciplining authority has the authority to grant or deny licenses. The disciplining authority may also grant a license subject to conditions.

(4) All disciplining authorities shall adopt procedures to ensure substantially consistent application of this chapter, the Uniform Disciplinary Act, among the disciplining authorities listed in subsection (2) of this section.

Sec. 18. RCW 18.135.055 and 1996 c 191 s 83 are each amended to read as follows:

The health care facility or health care practitioner registering an initial or continuing certification pursuant to the provisions of this chapter shall comply with administrative procedures, administrative requirements, and fees determined by the secretary as provided in RCW 43.70.250 and 43.70.280. For the purposes of setting fees under this section, the secretary shall consider health care assistants and persons registered and certified under chapter 18.— RCW (the new chapter created in section 19 of this act) as one profession.

All fees collected under this section shall be credited to the health professions account as required in RCW 43.70.320.

<u>NEW SECTION.</u> Sec. 19. Sections 1 through 12 of this act constitute a new chapter in Title 18 RCW.

<u>NEW SECTION.</u> Sec. 20. The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective July 1, 2016:

(1) RCW 18.135.010 (Practices authorized) and 2009 c 43 s 2, 2008 c 58 s 1, & 1984 c 281 s 1;

(2) RCW 18.135.020 (Definitions) and 2009 c 43 s 4, 2008 c 58 s 2, 2001 c 22 s 2, & 1997 c 133 s 1;

(3) RCW 18.135.025 (Rules—Legislative intent) and 1986 c 216 s 1;

(4) RCW 18.135.030 (Health care assistant profession—Duties— Requirements for certification—Rules) and 1999 c 151 s 201, 1994 sp.s. c 9 s 515, 1991 c 3 s 273, 1986 c 216 s 2, & 1984 c 281 s 4;

(5) RCW 18.135.035 (Requirements for certification—Military training or experience) and 2011 c 32 s 12;

(6) RCW 18.135.040 (Certification of health care assistants) and 2006 c 242 s 3 & 1984 c 281 s 3;

(7) RCW 18.135.050 (Certification by health care facility or practitioner— Roster—Recertification) and 1996 c 191 s 82, 1991 c 3 s 274, & 1984 c 281 s 5;

(8) RCW 18.135.055 (Registering an initial or continuing certification— Fees) and 2012 c ... s 18 (section 18 of this act), 1996 c 191 s 83, 1991 c 3 s 275, & 1985 c 117 s 1;

(9) RCW 18.135.060 (Conditions for performing authorized functions— Renal dialysis) and 2001 c 22 s 3, 2000 c 171 s 30, & 1993 c 13 s 1;

(10) RCW 18.135.062 (Renal dialysis training task force—Development of core competencies) and 2001 c 22 s 4;

(11) RCW 18.135.065 (Delegation—Duties of delegator and delegatee) and 2009 c 43 s 5, 2008 c 58 s 3, 1991 c 3 s 276, & 1986 c 216 s 4;

(12) RCW 18.135.070 (Complaints—Violations—Investigations— Disciplinary action) and 1993 c 367 s 11 & 1984 c 281 s 7;

(13) RCW 18.135.090 (Performance of authorized functions) and 1984 c 281 s 9;

(14) RCW 18.135.100 (Uniform Disciplinary Act) and 1993 c 367 s 12;

(15) RCW 18.135.110 (Blood-drawing procedures—Not prohibited by chapter—Requirements) and 2006 c 242 s 2; and

(16) RCW 18.135.120 (Administration of vaccines—Restrictions) and 2008 c 58 s 4.

<u>NEW SECTION.</u> Sec. 21. The secretary of health shall adopt any rules necessary to implement this act.

<u>NEW SECTION.</u> Sec. 22. Sections 1 through 12, 14, 16, and 18 of this act take effect July 1, 2013.

<u>NEW SECTION.</u> Sec. 23. Sections 15 and 17 of this act take effect July 1, 2016.

Passed by the Senate March 5, 2012. Passed by the House February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 154

[Substitute Senate Bill 6242]

INSURANCE—SPECIALTY PRODUCER LICENSES

AN ACT Relating to specialty producer licenses; amending RCW 48.120.005, 48.120.010, 48.120.015, and 48.120.020; reenacting and amending RCW 48.17.170; and adding a new section to chapter 48.17 RCW.

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

Sec. 1. RCW 48.120.005 and 2008 c 217 s 94 are each amended to read as follows:

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

(1) (("Communications equipment" means handsets, pagers, personal digital assistants, portable computers, automatic answering devices, batteries, and their accessories or other devices used to originate or receive communications signals or service approved for coverage by rule of the commissioner, and also includes services related to the use of the devices.)) "Portable electronics" means personal, self-contained, easily carried by an individual, battery-operated electronic communication, viewing, listening, recording, gaming, computing or global positioning devices and other similar devices and their accessories, and service related to the use of such devices.

(2) "((Communications equipment)) <u>Portable electronics</u> insurance program" means an insurance program as described in RCW 48.120.015.

(3) (("Communications service" means the service necessary to send, receive, or originate communications signals)) "Portable electronics transaction" means the sale or lease of portable electronics or the sale of a service related to the use of portable electronics by a vendor to a customer.

(4) "Customer" means a person ((or entity purchasing or leasing communications equipment or communications services from)) <u>that enters into a portable electronics transaction with a vendor.</u>

(5) "Specialty producer license" means a license issued under RCW 48.120.010 that authorizes a vendor to offer or sell insurance as provided in RCW 48.120.015.

(6) "Supervising ((agent)) person" means <u>a licensed insurer or</u> an appointed insurance producer licensed under RCW 48.17.090 who provides training as described in RCW 48.120.020 and is ((affiliated to a licensed vendor)) appointed by an insurer to supervise the administration of a portable electronics insurance program.

(7) "Vendor" means a person ((or entity resident or with offices in this state)) in the business of ((leasing, selling, or providing communications equipment or communications service to customers)), directly or indirectly, engaging in portable electronics transactions.

(8) "Appointing insurer" means the insurer appointing the vendor as its agent under a specialty producer license.

(9) "Federal securities law" means the securities act of 1933, the securities exchange act of 1934, and the investment company act of 1940.

(10) "Location" means any physical locale in this state and any web site, call center site, or similar site directed to residents of this state.

Sec. 2. RCW 48.120.010 and 2008 c 217 s 95 are each amended to read as follows:

(1) A vendor that intends to offer insurance under RCW 48.120.015 must file a specialty producer license application with the commissioner. Before the commissioner issues such a license, the vendor must be appointed as the insurance producer of one or more authorized appointing insurers under a vendor's specialty producer license.

(2) Upon receipt of an application, if the commissioner is satisfied that the application is complete, the commissioner may issue a specialty producer license to the vendor.

(3) An application for licensure pursuant to this section must conform to the requirements of chapter 48.17 RCW. However, information with respect to an applicant's officers, directors, and shareholders of record having beneficial ownership of ten percent or more of any class of securities registered under federal securities law may only be required if the vendor derives more than fifty percent of its revenue from the sale of portable electronics insurance.

Sec. 3. RCW 48.120.015 and 2002 c 357 s 3 are each amended to read as follows:

(1) A specialty producer license authorizes a vendor and its employees and authorized representatives to offer and sell to, enroll in, and bill and collect premiums from customers for insurance covering ((communications equipment)) portable electronics on a master, corporate, group, or <u>on an</u> individual policy basis <u>at each location at which the vendor engages in portable electronics transactions. However:</u>

(a) The supervising person must maintain a list of a vendor's locations that are authorized to sell or solicit portable electronics insurance coverage; and

(b) The list under (a) of this subsection must be provided to the commissioner within ten days of a request by the commissioner.

(2) An employee or authorized representative of a vendor may sell or offer portable electronics insurance to the vendor's customers without being individually licensed as an insurance producer if the vendor is licensed under this chapter and is acting in compliance with this chapter and any rules adopted by the commissioner.

(3) A vendor billing and collecting premiums from customers for portable electronics insurance coverage is not required to maintain these funds in a segregated account if the vendor:

(a) Is authorized by the insurer to hold the funds in an alternative manner; and

(b) Remits the funds to the supervising person within sixty days of receipt.

(4) All funds received by a vendor from an enrolled customer for the sale of portable electronics insurance are considered funds held in trust by the vendor in a fiduciary capacity for the benefit of the insurer.

(5) Any charge to the enrolled customer for coverage that is not included in the cost associated with the purchase or lease of portable electronics or related services must be separately itemized on the enrolled customer's bill.

(6) If portable electronics insurance coverage is included with the purchase or lease of portable electronics or related services, the vendor must clearly and conspicuously disclose to the enrolled customer that the portable electronics insurance coverage is included with the portable electronics or related services.

(7) Vendors may receive compensation for billing and collection services.

Sec. 4. RCW 48.120.020 and 2002 c 357 s 4 are each amended to read as follows:

(1) A vendor issued a specialty producer license may not issue insurance under RCW 48.120.015 unless:

(a) At every location where customers are enrolled in ((communications equipment)) portable electronics insurance programs, written material regarding the program is made available to prospective customers <u>that:</u>

(i) Discloses that portable electronics insurance may provide a duplication of coverage already provided by a customer's homeowner's insurance policy, renter's insurance policy, or other source of coverage;

(ii) States that the enrollment by the customer in a portable electronics insurance program is not required in order to purchase or lease portable electronics or services;

(iii) Summarizes the material terms of the insurance coverage, including the identity of the insurer, the identity of the supervising person, the amount of any applicable deductible and how it is to be paid, benefits of the coverage, and key terms and conditions of coverage, such as whether portable electronics may be replaced with a similar make and model or reconditioned make and model or repaired with nonoriginal manufacturer parts or equipment;

(iv) Summarizes the process for filing a claim, including a description of how to return portable electronics and the maximum fee applicable in the event the customer fails to comply with any equipment return requirements; and

(v) States that an enrolled customer may cancel enrollment for coverage under a portable electronics insurance policy at any time and the person paying the premium will receive a refund of any applicable unearned premium; and

(b) The ((communications equipment)) portable electronics insurance program is operated with the participation of a supervising ((agent)) person who, with authorization and approval from the appointing insurer, supervises a

training program for employees of the licensed vendor. <u>The training must</u> comply with the following:

(i) The training must be delivered to employees and authorized representatives of vendors who are directly engaged in the activity of selling or offering portable electronics insurance;

(ii) The training may be provided in electronic form. However, if conducted in an electronic form, the supervising person must implement a supplemental education program regarding the portable electronics insurance product that is conducted and overseen by licensed employees of the supervising person; and

(iii) Each employee and authorized representative must receive basic instruction about the portable electronics insurance offered to customers and the disclosures required under this section.

(2) No employee or authorized representative of a vendor of portable electronics may advertise, represent, or otherwise hold himself or herself out as a nonlimited lines licensed insurance producer.

 $((\frac{2}))$ (3) Employees and authorized representatives of a vendor issued a specialty producer license may only act on behalf of the vendor in the offer, sale, solicitation, or enrollment of customers in a ((communications equipment)) portable electronics insurance program. The conduct of these employees and authorized representatives within the scope of their employment or agency is the same as conduct of the vendor for purposes of this title.

Sec. 5. RCW 48.17.170 and 2009 c 162 s 19 and 2009 c 119 s 11 are each reenacted and amended to read as follows:

(1) Unless denied licensure under RCW 48.17.530, persons who have met the requirements of RCW 48.17.090 and 48.17.110 shall be issued an insurance producer license. An insurance producer may receive a license in one or more of the following lines of authority:

(a) "Life," which is insurance coverage on human lives, including benefits of endowment and annuities, and may include benefits in the event of death or dismemberment by accident and benefits for disability income;

(b) "Disability," which is insurance coverage for accident, health, and disability or sickness, bodily injury, or accidental death, and may include benefits for disability income;

(c) "Property," which is insurance coverage for the direct or consequential loss or damage to property of every kind;

(d) "Casualty," which is insurance coverage against legal liability, including that for death, injury, or disability or damage to real or personal property;

(e) "Variable life and variable annuity products," which is insurance coverage provided under variable life insurance contracts, variable annuities, or any other life insurance or annuity product that reflects the investment experience of a separate account;

(f) "Personal lines," which is property and casualty insurance coverage sold to individuals and families for primarily noncommercial purposes;

(g) Limited lines:

(i) Surety;

(ii) Limited line credit insurance;

(iii) Travel;

(h) Specialty lines:

(i) ((Communications equipment or services)) Portable electronics;

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(ii) Rental car;

(iii) Self-service storage; or

(i) Any other line of insurance permitted under state laws or rules.

(2) Unless denied licensure under RCW 48.17.530, persons who have met the requirements of RCW 48.17.090(4) shall be issued a title insurance agent license.

(3) All insurance producers', title insurance agents', and adjusters' licenses issued by the commissioner shall be valid for the time period established by the commissioner unless suspended or revoked at an earlier date.

(4) Subject to the right of the commissioner to suspend, revoke, or refuse to renew any insurance producer's, title insurance agent's, or adjuster's license as provided in this title, the license may be renewed into another like period by filing with the commissioner by any means acceptable to the commissioner on or before the expiration date a request, by or on behalf of the licensee, for such renewal accompanied by payment of the renewal fee as specified in RCW 48.14.010.

(5) If the request and fee for renewal of an insurance producer's, title insurance agent's, or adjuster's license are filed with the commissioner prior to expiration of the existing license, the licensee may continue to act under such license, unless sooner revoked or suspended, until the issuance of a renewal license, or until the expiration of fifteen days after the commissioner has refused to renew the license and has mailed notification of such refusal to the licensee. If the request and fee for the license renewal are not received by the expiration date, the authority conferred by the license ends on the expiration date.

(6) If the request for renewal of an insurance producer's, title insurance agent's, or adjuster's license and payment of the fee are not received by the commissioner prior to the expiration date, the applicant for renewal shall pay to the commissioner, in addition to the renewal fee, a surcharge as follows:

(a) For the first thirty days or part thereof of delinquency, the surcharge is fifty percent of the renewal fee;

(b) For the next thirty days or part thereof of delinquency, the surcharge is one hundred percent of the renewal fee.

(7) If the request for renewal of an insurance producer's, title insurance agent's, or adjuster's license and fee for the renewal are received by the commissioner after sixty days but prior to twelve months after the expiration date, the application is for reinstatement of the license and the applicant for reinstatement must pay to the commissioner the license fee and a surcharge of two hundred percent of the license fee.

(8) Subsections (6) and (7) of this section do not exempt any person from any penalty provided by law for transacting business without a valid and subsisting license or appointment.

(9) An individual insurance producer, title insurance agent, or adjuster who allows his or her license to lapse may, within twelve months after the expiration date, reinstate the same license without the necessity of passing a written examination.

(10) A licensed insurance producer who is unable to comply with license renewal procedures due to military service or some other extenuating circumstance such as a long-term medical disability, may request a waiver of those procedures. The producer may also request a waiver of any examination requirement or any other fine or sanction imposed for failure to comply with renewal procedures.

(11) The license shall contain the licensee's name, address, personal identification number, and the date of issuance, lines of authority, expiration date, and any other information the commissioner deems necessary.

(12) Licensees shall inform the commissioner by any means acceptable to the commissioner of a change of address within thirty days of the change. Failure to timely inform the commissioner of a change in legal name or address may result in a penalty under either RCW 48.17.530 or 48.17.560, or both.

<u>NEW SECTION.</u> Sec. 6. A new section is added to chapter 48.17 RCW to read as follows:

(1) An individual who collects claim information from, or furnishes claim information to, insureds or claimants, and who enters data is not an "adjuster" for the purpose of this chapter if both of the following are satisfied:

(a) The individual's claim-related activity is limited exclusively to claims originating from policies of insurance issued through a portable electronics insurance program as defined in RCW 48.120.005(2); and

(b) The individual is an employee of, and is supervised by, a person that is licensed as an independent adjuster. For purposes of this section, "employee" includes employees of entities under common ownership with the licensed person.

(2) The person that is licensed as an independent adjuster must maintain complete records of its employees engaged in the activity described in subsection (1) of this section and must comply with either (a) or (b) of this subsection:

(a) The person must submit a list of the names of all such employees to the commissioner on forms prescribed by the commissioner annually and must keep the list current by reporting all changes, deletions, or additions within thirty days after the change, deletion, or addition occurred. Each list must be retained by the licensed independent adjuster for a period of three years from submission; or

(b) The person must maintain a system to track and document in the claim records each employee engaged in the activity described in subsection (1) of this section and, upon request of the commissioner, must identify the employee who has engaged in the activity.

(3) The person licensed as an independent adjuster must provide a training and education program for each employee engaged in the activity described in subsection (1) of this section prior to allowing the employee to engage in the activity. The training must include a section on compliance with applicable insurance laws for which a syllabus outlining the content of this section must be submitted to the commissioner for approval prior to use, and resubmitted for approval of any changes prior to use.

(4) The licensed independent adjuster that supervises the persons engaged in the activity described in subsection (1) of this section is responsible for their conduct. The commissioner may place on probation, revoke, suspend, or refuse to renew the adjuster's license of the independent adjuster, levy a civil penalty in accordance with RCW 48.17.560, or any combination of actions for any of the causes for which an adjuster's license may be revoked under chapter 48.17 RCW for the violation of any insurance laws, or any rule, subpoena, or order of the

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commissioner by a person engaged in the activity described in subsection (1) of this section who is employed by the licensed adjuster.

Passed by the Senate March 3, 2012. Passed by the House February 27, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 155

[Engrossed Substitute Senate Bill 6383] WASHINGTON INTERSCHOLASTIC ACTIVITIES ASSOCIATION

AN ACT Relating to the Washington interscholastic activities association; amending RCW 28A.600.200 and 28A.600.205; and creating new sections.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that the mission of the Washington interscholastic activities association is to assist member schools in operating student programs that foster achievement, respect, equity, enthusiasm, and excellence in a safe and organized environment. The legislature intends to ensure that this mission is successfully carried out so that arbitrary sanctions that result in students unfairly being denied to participate or cause students' achievements to be diminished do not occur. It is the intent of the legislature to impact the association's current processes for establishing penalties for rules violations and to redefine the scope of penalties that are permitted to be imposed. It is further the intent of the legislature to build protections into state law so that punishment, when necessary, is meted out to the appropriate party and in a proportional manner. The legislature further intends to ensure that state and local rules relating to interschool extracurricular activities be consistent with one another, promote fairness, and allow for a clear process of appeal.

Sec. 2. RCW 28A.600.200 and 2006 c 263 s 904 are each amended to read as follows:

Each school district board of directors is hereby granted and shall exercise the authority to control, supervise and regulate the conduct of interschool athletic activities and other interschool extracurricular activities of an athletic, cultural, social or recreational nature for students of the district. A board of directors may delegate control, supervision and regulation of any such activity to the Washington interscholastic activities association or any other voluntary nonprofit entity and compensate such entity for services provided, subject to the following conditions:

(1) The voluntary nonprofit entity shall not discriminate in connection with employment or membership upon its governing board, or otherwise in connection with any function it performs, on the basis of race, creed, national origin, sex or marital status;

(2)(a) Any rules and policies adopted and applied by the voluntary nonprofit entity ((which)) that governs student participation in any interschool activity shall be written; and

(((3))) (b) Such rules and policies shall provide for notice of the reasons and a fair opportunity to contest such reasons prior to a final determination to reject a student's request to participate in or to continue in an interschool activity.

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(3)(a) The association or other voluntary nonprofit entity is authorized to impose penalties for rules violations upon coaches, school district administrators, school administrators, and students, as appropriate, to punish the offending party or parties;

(b) No penalty may be imposed on a student or students unless the student or students knowingly violated the rules or unless a student gained a significant competitive advantage or materially disadvantaged another student through a rule violation;

(c) Any penalty that is imposed for rules violations must be proportional to the offense:

(d) Any ((such)) decision resulting in a penalty shall be considered a decision of the school district conducting the activity in which the student seeks to participate or was participating and may be appealed pursuant to RCW 28A.600.205 and 28A.645.010 through 28A.645.030.

(4) The school districts, Washington interscholastic activities association districts, and leagues that participate in the interschool extracurricular activities shall not impose more severe penalties for rule violations than can be imposed by the rules of the association or the voluntary nonprofit entity.

(5) As used in this section and RCW 28A.600.205, "knowingly" means having actual knowledge of or acting with deliberate ignorance or reckless disregard for the prohibition involved.

Sec. 3. RCW 28A.600.205 and 2006 c 263 s 905 are each amended to read as follows:

((By July 1, 2006,)) (<u>1)(a)</u> The Washington interscholastic activities association shall establish a nine-person appeals committee to address appeals of noneligibility issues. The committee shall be comprised of the secretary from each of the activity districts of the Washington interscholastic activities association. The committee shall begin hearing appeals by July 1, 2006. No committee member may participate in the appeal process if the member was involved in the activity that was the basis of the appeal.

(b) Any penalty or sanction that is imposed or upheld by the appeals committee must be proportional to the offense and must be imposed upon only the offending individual or individuals, including coaches, school district administrators, school administrators, and students. However, only the Washington interscholastic activities association executive board has the authority to remove a team from postseason competition. Should a school violate a Washington interscholastic activities association rule, that violation does not automatically remove that school's team from postseason competition. Penalties levied against coaches and school programs must be considered before removing a team from postseason competition. Removal of a team from postseason competition must be the last option.

(2)(a) A decision of the appeals committee may be appealed to the executive board of the association. If a matter is appealed to the executive board, then the board shall conduct a de novo review of the matter before making a decision.

(b) Any penalty or sanction that is imposed or upheld by the executive board must be proportional to the offense and must be imposed upon only the offending individual or individuals including coaches, school district administrators, school administrators, or students. However, only the Washington interscholastic activities association executive board has the

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authority to remove a team from postseason competition. Should a school violate a Washington interscholastic activities association rule, that violation does not automatically remove that school's team from postseason competition. Penalties levied against coaches and school programs must be considered before removing a team from postseason competition. Removal of a team from postseason competition must be the last option.

(c) If a rule violation is reported to the association within ten days of the relevant postseason play, then the only review shall be conducted by the executive board of the Washington interscholastic activities association so that a decision can be rendered in a timely manner. The executive board must take all possible actions to render a decision before the postseason play takes place.

<u>NEW SECTION.</u> Sec. 4. This act may be known and cited as the Knight act.

Passed by the Senate March 8, 2012. Passed by the House February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 156

[Substitute Senate Bill 6403]

VULNERABLE ADULT PROTECTION ORDERS—COSTS

AN ACT Relating to removing financial barriers to persons seeking vulnerable adult protection orders; amending RCW 74.34.140; and adding a new section to chapter 74.34 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 74.34 RCW to read as follows:

A public agency may not charge a fee for filing or service of process to petitioners seeking relief under this chapter. Petitioners must be provided the necessary number of certified copies at no cost.

Sec. 2. RCW 74.34.140 and 1986 c 187 s 8 are each amended to read as follows:

When an order for protection under RCW 74.34.130 is issued upon request of the petitioner, the court may order a peace officer to assist in the execution of the order of protection. <u>A public agency may not charge a fee for service of</u> <u>process to petitioners seeking relief under this chapter.</u> Petitioners must be provided the necessary number of certified copies at no cost.

Passed by the Senate March 5, 2012. Passed by the House March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 157

[Substitute Senate Bill 6494] TRUANCY PROCEDURES

AN ACT Relating to improving truancy procedures by changing the applicability of mandatory truancy petition filing provisions to children under seventeen years of age, requiring

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initial petitions to contain information about the child's academic status, prohibiting issuance of a bench warrant at an initial truancy status hearing, and modifying school district reporting requirements after the court assumes jurisdiction in a truancy case; and amending RCW 28A.225.030 and 28A.225.035.

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

Sec. 1. RCW 28A.225.030 and 1999 c 319 s 2 are each amended to read as follows:

(1) If a child <u>under the age of seventeen</u> is required to attend school under RCW 28A.225.010 and if the actions taken by a school district under RCW 28A.225.020 are not successful in substantially reducing an enrolled student's absences from public school, not later than the seventh unexcused absence by a child within any month during the current school year or not later than the tenth unexcused absence during the current school year the school district shall file a petition and supporting affidavit for a civil action with the juvenile court alleging a violation of RCW 28A.225.010: (a) By the parent; (b) by the child; or (c) by the parent and the child. Except as provided in this subsection, no additional documents need be filed with the petition. Nothing in this subsection requires court jurisdiction to terminate when a child turns seventeen or precludes a school district from filing a petition for a child that is seventeen years of age.

(2) The district shall not later than the fifth unexcused absence in a month:

(a) Enter into an agreement with a student and parent that establishes school attendance requirements;

(b) Refer a student to a community truancy board, if available, as defined in RCW 28A.225.025. The community truancy board shall enter into an agreement with the student and parent that establishes school attendance requirements and take other appropriate actions to reduce the child's absences; or

(c) File a petition under subsection (1) of this section.

(3) The petition may be filed by a school district employee who is not an attorney.

(4) If the school district fails to file a petition under this section, the parent of a child with five or more unexcused absences in any month during the current school year or upon the tenth unexcused absence during the current school year may file a petition with the juvenile court alleging a violation of RCW 28A.225.010.

(5) Petitions filed under this section may be served by certified mail, return receipt requested. If such service is unsuccessful, or the return receipt is not signed by the addressee, personal service is required.

Sec. 2. RCW 28A.225.035 and 2009 c 266 s 3 are each amended to read as follows:

(1) A petition for a civil action under RCW 28A.225.030 or 28A.225.015 shall consist of a written notification to the court alleging that:

(a) The child has unexcused absences during the current school year;

(b) Actions taken by the school district have not been successful in substantially reducing the child's absences from school; and

(c) Court intervention and supervision are necessary to assist the school district or parent to reduce the child's absences from school.

(2) The petition shall set forth the name, date of birth, school, address, gender, race, and ethnicity of the child and the names and addresses of the child's parents, and shall set forth whether the child and parent are fluent in English

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((and)), whether there is an existing individualized education program, and the child's current academic status in school.

(3) The petition shall set forth facts that support the allegations in this section and shall generally request relief available under this chapter and provide information about what the court might order under RCW 28A.225.090.

(4) When a petition is filed under RCW 28A.225.030 or 28A.225.015, the juvenile court shall schedule a hearing at which the court shall consider the petition, or if the court determines that a referral to an available community truancy board would substantially reduce the child's unexcused absences, the court may refer the case to a community truancy board under the jurisdiction of the juvenile court.

(5) If a referral is made to a community truancy board, the truancy board must meet with the child, a parent, and the school district representative and enter into an agreement with the petitioner and respondent regarding expectations and any actions necessary to address the child's truancy within twenty days of the referral. If the petition is based on RCW 28A.225.015, the child shall not be required to attend and the agreement under this subsection shall be between the truancy board, the school district, and the child's parent. The court may permit the truancy board or truancy prevention counselor to provide continued supervision over the student, or parent if the petition is based on RCW 28A.225.015.

(6) If the truancy board fails to reach an agreement, or the parent or student does not comply with the agreement, the truancy board shall return the case to the juvenile court for a hearing.

(7)(a) Notwithstanding the provisions in subsection (4) of this section, a hearing shall not be required if other actions by the court would substantially reduce the child's unexcused absences. When a juvenile court hearing is held, the court shall:

(i) Separately notify the child, the parent of the child, and the school district of the hearing. If the parent is not fluent in English, the preferred practice is for notice to be provided in a language in which the parent is fluent;

(ii) Notify the parent and the child of their rights to present evidence at the hearing; and

(iii) Notify the parent and the child of the options and rights available under chapter 13.32A RCW.

(b) If the child is not provided with counsel, the advisement of rights must take place in court by means of a colloquy between the court, the child if eight years old or older, and the parent.

(8)(a) The court may require the attendance of the child if eight years old or older, the parents, and the school district at any hearing on a petition filed under RCW 28A.225.030.

(b) The court may not issue a bench warrant for a child for failure to appear at a hearing on an initial truancy petition filed under RCW 28A.225.030. If there has been proper service, the court may instead enter a default order assuming jurisdiction under the terms specified in subsection (12) of this section.

(9) A school district is responsible for determining who shall represent the school district at hearings on a petition filed under RCW 28A.225.030 or 28A.225.015.

(10) The court may permit the first hearing to be held without requiring that either party be represented by legal counsel, and to be held without a guardian ad litem for the child under RCW 4.08.050. At the request of the school district, the court shall permit a school district representative who is not an attorney to represent the school district at any future hearings.

(11) If the child is in a special education program or has a diagnosed mental or emotional disorder, the court shall inquire as to what efforts the school district has made to assist the child in attending school.

(12) If the allegations in the petition are established by a preponderance of the evidence, the court shall grant the petition and enter an order assuming jurisdiction to intervene for the period of time determined by the court, after considering the facts alleged in the petition and the circumstances of the juvenile, to most likely cause the juvenile to return to and remain in school while the juvenile is subject to this chapter. In no case may the order expire before the end of the school year in which it is entered.

(13)(a) If the court assumes jurisdiction, the school district shall ((regularly)) periodically report to the court any additional unexcused absences by the child, actions taken by the school district, and an update on the child's academic status in school at a schedule specified by the court.

(b) The first report under this subsection (13) must be received no later than three months from the date that the court assumes jurisdiction.

(14) Community truancy boards and the courts shall coordinate, to the extent possible, proceedings and actions pertaining to children who are subject to truancy petitions and at-risk youth petitions in RCW 13.32A.191 or child in need of services petitions in RCW 13.32A.140.

(15) If after a juvenile court assumes jurisdiction in one county the child relocates to another county, the juvenile court in the receiving county shall, upon the request of a school district or parent, assume jurisdiction of the petition filed in the previous county.

Passed by the Senate February 13, 2012.

Passed by the House March 8, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 158

[Substitute House Bill 1057] FARM LABOR ACCOUNT

AN ACT Relating to the creation of the farm labor account; and reenacting RCW 19.30.030.

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

Sec. 1. RCW 19.30.030 and 2011 1st sp.s. c 50 s 927 are each reenacted to read as follows:

(1) The director shall not issue to any person a license to act as a farm labor contractor until:

(a) Such person has executed a written application on a form prescribed by the director, subscribed and sworn to by the applicant, and containing (i) a statement by the applicant of all facts required by the director concerning the applicant's character, competency, responsibility, and the manner and method by Ch. 158

which he or she proposes to conduct operations as a farm labor contractor if such license is issued, and (ii) the names and addresses of all persons financially interested, either as partners, stockholders, associates, profit sharers, or providers of board or lodging to agricultural employees in the proposed operation as a labor contractor, together with the amount of their respective interests;

(b) The director, after investigation, is satisfied as to the character, competency, and responsibility of the applicant;

(c) The applicant has paid to the director a license fee of: (i) Thirty-five dollars in the case of a farm labor contractor not engaged in forestation or reforestation, or (ii) one hundred dollars in the case of a farm labor contractor engaged in forestation or reforestation or such other sum as the director finds necessary, and adopts by rule, for the administrative costs of evaluating applications;

(d) The applicant has filed proof satisfactory to the director of the existence of a policy of insurance with any insurance carrier authorized to do business in the state of Washington in an amount satisfactory to the director, which insures the contractor against liability for damage to persons or property arising out of the contractor's operation of, or ownership of, any vehicle or vehicles for the transportation of individuals in connection with the contractor's business, activities, or operations as a farm labor contractor;

(e) The applicant has filed a surety bond or other security which meets the requirements set forth in RCW 19.30.040;

(f) The applicant executes a written statement which shall be subscribed and sworn to and shall contain the following declaration:

"With regards to any action filed against me concerning my activities as a farm labor contractor, I appoint the director of the Washington department of labor and industries as my lawful agent to accept service of summons when I am not present in the jurisdiction in which the action is commenced or have in any other way become unavailable to accept service"; and

(g) The applicant has stated on his or her application whether or not his or her contractor's license or the license of any of his or her agents, partners, associates, stockholders, or profit sharers has ever been suspended, revoked, or denied by any state or federal agency, and whether or not there are any outstanding judgments against him or her or any of his or her agents, partners, associates, stockholders, or profit sharers in any state or federal court arising out of activities as a farm labor contractor.

(2) The farm labor contractor account is created in the state treasury. All receipts from farm labor contractor licenses, security deposits, penalties, and donations 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 administering the farm labor contractor licensing program, subject to authorization from the director or the director's designee.

Passed by the House March 5, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 159

[Substitute House Bill 1552] GARNISHMENT

AN ACT Relating to garnishment; amending RCW 6.27.010, 6.27.090, 6.27.100, 6.27.340, 6.27.110, 6.27.140, 6.27.150, 6.27.190, 6.27.200, 6.27.250, 6.27.330, 6.27.350, 6.27.360, 6.27.370, 2.10.180, 2.12.090, 41.20.180, 41.28.200, 41.34.080, 41.35.100, 41.37.090, 41.40.052, 41.44.240, and 43.43.310; reenacting and amending RCW 41.32.052 and 41.26.053; adding a new section to chapter 6.27 RCW; providing an effective date; and providing an expiration date.

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

Sec. 1. RCW 6.27.010 and 2003 c 222 s 16 are each amended to read as follows:

(1) As used in this chapter, the term "earnings" means compensation paid or payable to an individual for personal services, whether denominated as wages, salary, commission, bonus, or otherwise, and includes periodic payments pursuant to a <u>governmental or</u> nongovernmental pension or retirement program.

(2) As used in this chapter, the term "disposable earnings" means that part of earnings remaining after the deduction from those earnings of any amounts required by law to be withheld.

Sec. 2. RCW 6.27.090 and 2000 c 72 s 2 are each amended to read as follows:

(1) The writ of garnishment shall set forth in the first paragraph the amount that garnishee is required to hold, which shall be an amount determined as follows: (a)(i) If after judgment, the amount of the judgment remaining unsatisfied on the clerk of the court's execution docket, if any, plus interest to the date of garnishment, as provided in RCW 4.56.110, plus estimated interest that may accrue during the garnishment process on a per diem basis under subsection (3) of this section plus taxable costs and ((attorney's)) attorneys' fees, or (ii) if before judgment, the amount prayed for in the complaint plus estimated taxable costs of suit and attorneys' fees, together with, (b) whether before or after judgment, estimated costs of garnishment as provided in subsection (2) of this section. The court may, by order, set a higher amount to be held upon a showing of good cause by plaintiff.

(2) Costs recoverable in garnishment proceedings, to be estimated for purposes of subsection (1) of this section, include filing <u>and ex parte</u> fees, service and affidavit fees, postage and costs of certified mail, answer fee or fees, other fees legally chargeable to a plaintiff in the garnishment process, and a garnishment attorney fee in the amount of the greater of ((fifty)) <u>one hundred</u> dollars or ten percent of (a) the amount of the judgment remaining unsatisfied or (b) the amount prayed for in the complaint. The garnishment attorney fee shall not exceed ((two)) <u>three</u> hundred ((fifty)) dollars.

(3) For purposes of subsection (1) of this section, the plaintiff must indicate in the writ a specific dollar amount of estimated interest that may accrue during the garnishment process per day. The amount must be based on an interest rate of twelve percent or the interest rate set forth in the judgment, whichever rate is less.

Sec. 3. RCW 6.27.100 and 2003 c 222 s 4 are each amended to read as follows:

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(1) ((The)) <u>A</u> writ <u>issued for a continuing lien on earnings shall be</u> <u>substantially in the form provided in section 4 of this act. All other writs of</u> <u>garnishment</u> shall be substantially in the following form, but if the writ is issued under ((a court)) <u>an</u> order or judgment for child support, the following statement shall appear conspicuously in the caption: "This garnishment is based on a judgment or ((court)) order for child support"; and ((if the garnishment is for a continuing lien, the form shall be modified as provided in RCW 6.27.340; and if the writ is not directed to an employer for the purpose of garnishing a defendant's earnings, the paragraph relating to the carnings exemption may be omitted and the paragraph relating to the deduction of processing fees may be omitted; and)) if the writ is issued by an attorney, the writ shall be revised as indicated in subsection (2) of this section:

"IN THE COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF

Plaintiff, vs. Defendant <u>.</u>	No WRIT GARNISH	OF
Garnishee		
THE STATE OF WASHINGTON	N TO: Garnishee	
AND TO:		
Defenda	nt	
The above-named plaintiff garnishment against you, claim defendant is indebted to plaintiff held to satisfy that indebtedness of:	ing that the a and that the	bove-named amount to be
Balance on Judgment or Amou Interest under Judgment from		
Per Day Rate of Estimated Inte	erest	<u>\$</u>
Taxable Costs and Attorneys' I	Fees	<u>\$</u>
Estimated Garnishment Costs:		
Filing and Ex Parte Fees		\$
Service and Affidavit Fees		\$
Postage and Costs of Certi		\$
Answer Fee or Fees (((If a	ppiicable)))	\$

[1106]

Garnishment Attorney Fee Other

YOU ARE HEREBY COMMANDED, unless otherwise directed by the court, by the attorney of record for the plaintiff, or by this writ, not to pay any debt, whether earnings subject to this garnishment or any other debt, owed to the defendant at the time this writ was served and not to deliver, sell, or transfer, or recognize any sale or transfer of, any personal property or effects of the defendant in your possession or control at the time when this writ was served. Any such payment, delivery, sale, or transfer is void to the extent necessary to satisfy the plaintiff's claim and costs for this writ with interest.

YOU ARE FURTHER COMMANDED to answer this writ ((by filling in the attached form)) according to the instructions in this writ and in the answer forms and, within twenty days after the service of the writ upon you, to mail or deliver the original of such answer to the court, one copy to the plaintiff or the plaintiff's attorney, and one copy to the defendant, ((in the envelopes provided)) at the addresses listed at the bottom of this writ.

((If, at the time this writ was served, you owed the defendant any earnings (that is, wages, salary, commission, bonus, or other compensation for personal services or any periodic payments pursuant to a nongovernmental pension or retirement program), the defendant is entitled to receive amounts that are exempt from garnishment under federal and state law. You must pay the exempt amounts to the defendant on the day you would customarily pay the compensation or other periodic payment. As more fully explained in the answer, the basic exempt amount is the greater of seventy-five percent of disposable earnings or a minimum amount determined by reference to the employee's pay period, to be calculated as provided in the answer. However, if this writ carries a statement in the heading that "This garnishment is based on a judgment or court order for child support," the basic exempt amount is forty percent of disposable earnings.

IF THIS IS A WRIT FOR A CONTINUING LIEN ON EARNINGS, YOU MAY DEDUCT A PROCESSING FEE FROM THE REMAINDER OF THE EMPLOYEE'S EARNINGS AFTER WITHHOLDING UNDER THIS WRIT. THE PROCESSING FEE MAY NOT EXCEED TWENTY DOLLARS FOR THE FIRST ANSWER AND TEN DOLLARS AT THE TIME YOU SUBMIT THE SECOND ANSWER.))

If you owe the defendant a debt payable in money in excess of the amount set forth in the first paragraph of this writ, hold only the amount set forth in the first paragraph and any processing fee if one is charged and release all additional funds or property to defendant.

IF YOU FAIL TO ANSWER THIS WRIT AS COMMANDED, A JUDGMENT MAY BE ENTERED AGAINST YOU FOR THE FULL AMOUNT OF THE PLAINTIFF'S CLAIM AGAINST THE DEFENDANT WITH ACCRUING INTEREST, ATTORNEY FEES, AND COSTS WHETHER OR NOT YOU OWE ANYTHING TO THE DEFENDANT. IF YOU PROPERLY ANSWER THIS WRIT, ANY JUDGMENT AGAINST YOU WILL NOT EXCEED THE AMOUNT OF ANY NONEXEMPT DEBT OR THE VALUE OF ANY NONEXEMPT PROPERTY OR EFFECTS IN YOUR POSSESSION OR CONTROL.

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JUDGMENT MAY ALSO BE ENTERED AGAINST THE DEFENDANT FOR COSTS AND FEES INCURRED BY THE PLAINTIFF.

Witness, the Honorable, Judge of the above-entitled Court, and the seal thereof, this day of, 20...

[Seal]

Attorney for Plaintiff (or Plaintiff, if no attorney)	Clerk of the Court
Address	By
Name of Defendant	Address"
Address of Defendant	

(2) If an attorney issues the writ of garnishment, the final paragraph of the writ, containing the date, and the subscripted attorney and clerk provisions, shall be replaced with text in substantially the following form:

"This writ is issued by the undersigned attorney of record for plaintiff under the authority of chapter 6.27 of the Revised Code of Washington, and must be complied with in the same manner as a writ issued by the clerk of the court.

Attorney for Plaintiff

Address(("))

Address of the Clerk of the Court"

Name of Defendant

Address of Defendant

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 6.27 RCW to read as follows:

(1) A writ that is issued for a continuing lien on earnings shall be substantially in the following form, but if the writ is issued under an order or judgment for child support, the following statement shall appear conspicuously in the caption: "This garnishment is based on a judgment or order for child support;" and if the writ is issued by an attorney, the writ shall be revised as indicated in subsection (2) of this section:

"IN THE COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF

Plaintiff, vs.

No.

WRIT OF GARNISHMENT FOR CONTINUING LIEN ON EARNINGS

Garnishee

THE STATE OF WASHINGTON TO: Garnishee

AND TO: Defendant

The above-named plaintiff has applied for a writ of garnishment against you, claiming that the above-named defendant is indebted to plaintiff and that the amount to be held to satisfy that indebtedness is \$, consisting of:

Balance on Judgment or Amount of Claim Interest under Judgment from	\$ \$
Per Day Rate of Estimated Interest	\$
	per day
Taxable Costs and Attorneys' Fees	\$
Estimated Garnishment Costs:	
Filing and Ex Parte Fees	\$
Service and Affidavit Fees	\$
Postage and Costs of Certified Mail	\$
Answer Fee or Fees	\$
Garnishment Attorney Fee	\$
Other	\$

THIS IS A WRIT FOR A CONTINUING LIEN. THE GARNISHEE SHALL HOLD the nonexempt portion of the defendant's earnings due at the time of service of this writ and shall also hold the defendant's nonexempt earnings that accrue through the last payroll period ending on or before SIXTY days after the date of service of this writ. HOWEVER, IF THE GARNISHEE IS PRESENTLY HOLDING THE NONEXEMPT PORTION OF THE DEFENDANT'S EARNINGS UNDER A PREVIOUSLY SERVED WRIT FOR A CONTINUING LIEN, THE GARNISHEE SHALL HOLD UNDER THIS WRIT only the defendant's nonexempt earnings that accrue from the date the previously served writ or writs terminate and through the last payroll period ending on or before sixty days after the date of termination of the previous writ

or writs. IN EITHER CASE, THE GARNISHEE SHALL STOP WITHHOLDING WHEN THE SUM WITHHELD EQUALS THE AMOUNT STATED IN THIS WRIT OF GARNISHMENT.

YOU ARE HEREBY COMMANDED, unless otherwise directed by the court, by the attorney of record for the plaintiff, or by this writ, not to pay any debt, whether earnings subject to this garnishment or any other debt, owed to the defendant at the time this writ was served and not to deliver, sell, or transfer, or recognize any sale or transfer of, any personal property or effects of the defendant in your possession or control at the time when this writ was served. Any such payment, delivery, sale, or transfer is void to the extent necessary to satisfy the plaintiff's claim and costs for this writ with interest.

YOU ARE FURTHER COMMANDED to answer this writ according to the instructions in this writ and in the answer forms and, within twenty days after the service of the writ upon you, to mail or deliver the original of such answer to the court, one copy to the plaintiff or the plaintiff's attorney, and one copy to the defendant, at the addresses listed at the bottom of this writ.

If, at the time this writ was served, you owed the defendant any earnings (that is, wages, salary, commission, bonus, tips, or other compensation for personal services or any periodic payments pursuant to a nongovernmental pension or retirement program), the defendant is entitled to receive amounts that are exempt from garnishment under federal and state law. You must pay the exempt amounts to the defendant on the day you would customarily pay the compensation or other periodic payment. As more fully explained in the answer, the basic exempt amount is the greater of seventy-five percent of disposable earnings or a minimum amount determined by reference to the employee's pay period, to be calculated as provided in the answer. However, if this writ carries a statement in the heading that "This garnishment is based on a judgment or order for child support," the basic exempt amount is fifty percent of disposable earnings.

YOU MAY DEDUCT A PROCESSING FEE FROM THE REMAINDER OF THE EMPLOYEE'S EARNINGS AFTER WITHHOLDING UNDER THIS WRIT. THE PROCESSING FEE MAY NOT EXCEED TWENTY DOLLARS FOR THE FIRST ANSWER AND TEN DOLLARS AT THE TIME YOU SUBMIT THE SECOND ANSWER.

If you owe the defendant a debt payable in money in excess of the amount set forth in the first paragraph of this writ, hold only the amount set forth in the first paragraph and any processing fee if one is charged and release all additional funds or property to defendant.

IF YOU FAIL TO ANSWER THIS WRIT AS COMMANDED, A JUDGMENT MAY BE ENTERED AGAINST YOU FOR THE FULL AMOUNT OF THE PLAINTIFF'S CLAIM AGAINST THE DEFENDANT WITH ACCRUING INTEREST, ATTORNEY FEES, AND COSTS WHETHER OR NOT YOU OWE ANYTHING TO THE DEFENDANT. IF YOU PROPERLY ANSWER THIS WRIT, ANY JUDGMENT AGAINST YOU WILL NOT EXCEED THE AMOUNT OF ANY NONEXEMPT DEBT OR THE VALUE OF ANY NONEXEMPT PROPERTY OR EFFECTS IN YOUR POSSESSION OR CONTROL.

JUDGMENT MAY ALSO BE ENTERED AGAINST THE DEFENDANT FOR COSTS AND FEES INCURRED BY THE PLAINTIFF.

Witness, the Honorable, Judge of the above-entitled Court, and the seal thereof, this day of, 20...

[Seal]

Attorney for Plaintiff (or Plaintiff, if no attorney)	Clerk of the Court
Address	Ву
Name of Defendant	Address"
Address of Defendant	

(2) If an attorney issues the writ of garnishment, the final paragraph of the writ, containing the date, and the subscripted attorney and clerk provisions, shall be replaced with text in substantially the following form:

"This writ is issued by the undersigned attorney of record for plaintiff under the authority of chapter 6.27 of the Revised Code of Washington, and must be complied with in the same manner as a writ issued by the clerk of the court.

> Dated thisday of, 20 Attorney for Plaintiff

Address

Address of the Clerk of the Court"

Name of Defendant

Address of Defendant

Sec. 5. RCW 6.27.340 and 2003 c 222 s 13 are each amended to read as follows:

(1) Service of a writ for a continuing lien shall comply fully with RCW 6.27.110.

(2) ((The caption of the writ shall be marked "CONTINUING LIEN ON EARNINGS" and the following additional paragraph shall be included in the writ form prescribed in RCW 6.27.100:

"THIS IS A WRIT FOR A CONTINUING LIEN. THE GARNISHEE SHALL HOLD the nonexempt portion of the defendant's earnings due

at the time of service of this writ and shall also hold the defendant's nonexempt earnings that accrue through the last payroll period ending on or before SIXTY days after the date of service of this writ. HOWEVER, IF THE GARNISHEE IS PRESENTLY HOLDING THE NONEXEMPT PORTION OF THE DEFENDANT'S EARNINGS UNDER A PREVIOUSLY SERVED WRIT FOR A CONTINUING LIEN, THE GARNISHEE SHALL HOLD UNDER THIS WRIT only the defendant's nonexempt earnings that accrue from the date the previously served writ or writs terminate and through the last payroll period ending on or before sixty days after the date of termination of the previous writ or writs. IN EITHER CASE, THE GARNISHEE SHALL STOP WITHHOLDING WHEN THE SUM WITHHELD EQUALS THE AMOUNT STATED IN THIS WRIT OF GARNISHMENT."

(3) The answer forms served on an employer with the writ shall include in the caption, "ANSWER TO WRIT OF GARNISHMENT FOR CONTINUING LIEN ON EARNINGS," and the following paragraph shall be added to section I of the answer form prescribed in RCW 6.27.190:

"If you are withholding the defendant's nonexempt earnings under a previously served writ for a continuing lien, answer only sections I and II of this form and mail or deliver the forms as directed in the writ. Withhold from the defendant's future nonexempt earnings as directed in the writ, and a second set of answer forms will be forwarded to you later.

If you are NOT withholding the defendant's earnings under a previously served writ for a continuing lien, answer this entire form and mail or deliver the forms as directed in the writ. A second set of answer forms will be forwarded to you later for subsequently withheld earnings.")) If the writ is directed to an employer for the purpose of garnishing the defendant's wages, the first answer shall accurately state, as of the date the writ of garnishment was issued as indicated by the date appearing on the last page of the writ, whether the defendant was employed by the garnishee defendant (and if not the date employment terminated), whether the defendant's earnings were subject to a preexisting writ of garnishment for continuing liens on earnings (and if so the date such writ will terminate and the current writ will be enforced), whether the defendant maintained a financial account with garnishee, and whether the garnishee defendant had possession of or control over any funds, personal property, or effects of the defendant (and if so the garnishee

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defendant shall list all of defendant's personal property or effects in its possession or control). The first answer shall further accurately state, as of the time of service of the writ of garnishment on the garnishee defendant, the amount due and owing from the garnishee defendant to the defendant, and the defendant's total earnings, allowable deductions, disposable earnings, exempt earnings, deductions for superior liens such as child support, and net earnings withheld under the writ. The first answer may be substantially in the following form:

IN THE COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF

<u></u>	<u>NO</u>
<u>Plaintiff</u> ,	
<u>vs.</u>	FIRST ANSWER
<u></u>	TO WRIT OF
Defendant,	GARNISHMENT
<u></u>	FOR CONTINUING LIEN
Garnishee Defendant	ON EARNINGS

SECTION I. If you are withholding the defendant's nonexempt earnings under a previously served writ for a continuing lien, answer only sections I and III of this form and mail or deliver the forms as directed in the writ. Withhold from the defendant's future nonexempt earnings as directed in the writ, and a second set of answer forms will be forwarded to you later.

If you are NOT withholding the defendant's earnings under a previously served writ for a continuing lien, answer this ENTIRE form and mail or deliver the forms as directed in the writ. A second set of answer forms will be forwarded to you later for subsequently withheld earnings.

ANSWER: I am presently holding the defendant's nonexempt earnings under a previous writ served on that will terminate not later than , 20 . . .

On the date the writ of garnishment was issued as indicated by the date appearing on the last page of the writ:

(A) The defendant: (check one) [] was, [] was not employed by garnishee. If not employed and you have no possession or control of any funds of defendant, indicate the last day of employment:; and complete section III of this answer and mail or deliver the forms as directed in the writ;

(B) The defendant: (check one) [] did, [] did not maintain a financial account with garnishee; and

(C) The garnishee: (check one) [] did, [] did not have possession of or control over any funds, personal property, or effects of the defendant. (List all of defendant's personal property or effects in your possession or control on the last page of this answer form or attach a schedule if necessary.)

<u>SECTION II.</u> At the time of service of the writ of garnishment on the garnishee there was due and owing from the garnishee to the abovenamed defendant \$

This writ attaches a maximum of percent of the defendant's disposable earnings (that is, compensation payable for personal services, whether called wages, salary, commission, bonus, or otherwise, and including periodic payments pursuant to a nongovernmental pension or retirement program).

<u>If paid:</u>	<u>Weekly</u>	<u>\$</u>	Semi-monthly	<u>\$</u>
	Bi-weekly	<u>\$</u>	Monthly	<u>\$</u>

This is the formula that you will use for withholding each pay period over the required sixty day garnishment period. Deduct any allowable

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processing fee you may charge from the amount that is to be paid to the defendant.

If there is any uncertainty about your answer, give an explanation on the last page or on an attached page.

SECTION III. An attorney may answer for the garnishee. Under penalty of perjury, I affirm that I have examined this answer, including accompanying schedules, and to the best of my knowledge and belief it is true, correct, and complete.

Signature of	Date
Garnishee Defendant	
<u> </u>	<u> </u>
Signature of Person	Connection with
Answering for	Garnishee
Garnishee	
<u></u>	<u></u>
Print Name of Person	<u></u>
Signing	Address of Garnishee

(3) Prior to serving the answer forms for a writ for continuing lien on earnings, the plaintiff shall fill in the minimum exemption amounts for the different pay periods, and the maximum percentages of disposable earnings subject to lien and exempt from lien.

(4) In the event plaintiff fails to comply with this section, employer may elect to treat the garnishment as one not creating a continuing lien.

Sec. 6. RCW 6.27.110 and 1998 c 227 s 4 are each amended to read as follows:

(1) Service of the writ of garnishment, including a writ for continuing lien on earnings, on the garnishee is invalid unless the writ is served together with: (a) ((Four)) An answer form((s)) as prescribed in RCW 6.27.190; and (b) ((three stamped envelopes addressed respectively to the elerk of the court issuing the writ, the attorney for the plaintiff (or to the plaintiff if the plaintiff has no attorney), and the defendant; and (c))) a check or money order made payable to the garnishee in the amount of twenty dollars for the answer fee if the writ of garnishment is not a writ for a continuing lien on earnings.

(2) Except as provided in RCW 6.27.080 for service on a bank, savings and loan association, or credit union, the writ of garnishment shall be mailed to the garnishee by certified mail, return receipt requested, addressed in the same manner as a summons in a civil action, and will be binding upon the garnishee on the day set forth on the return receipt. In the alternative, the writ shall be served by the sheriff of the county in which the garnishee lives or has its place of business or by any person qualified to serve process in the same manner as a summons in a civil action is served.

(3) If a writ of garnishment is served by a sheriff, the sheriff shall file with the clerk of the court that issued the writ a signed return showing the time, place, and manner of service and that the writ was accompanied by <u>an</u> answer form(($\frac{1}{37}$)

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addressed envelopes)), and check or money order if required by this section, and noting thereon fees for making the service. If service is made by any person other than a sheriff, such person shall file an affidavit including the same information and showing qualifications to make such service. If a writ of garnishment is served by mail, the person making the mailing shall file an affidavit showing the time, place, and manner of mailing and that the writ was accompanied by <u>an</u> answer form((s and addressed envelopes)), and check or money order if required by this section, and shall attach the return receipt <u>or electronic return receipt delivery confirmation</u> to the affidavit.

Sec. 7. RCW 6.27.140 and 2011 c 162 s 5 are each amended to read as follows:

(1) The notice required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, printed or typed in ((type)) no smaller than ((elite type)) size twelve point font type:

NOTICE OF GARNISHMENT AND OF YOUR RIGHTS

A Writ of Garnishment issued in a Washington court has been or will be served on the garnishee named in the attached copy of the writ. After receipt of the writ, the garnishee is required to withhold payment of any money that was due to you and to withhold any other property of yours that the garnishee held or controlled. This notice of your rights is required by law.

YOU HAVE THE FOLLOWING EXEMPTION RIGHTS:

WAGES. If the garnishee is your employer who owes wages or other personal earnings to you, your employer is required to pay amounts to you that are exempt under state and federal laws, as explained in the writ of garnishment. You should receive a copy of your employer's answer, which will show how the exempt amount was calculated. If the garnishment is for child support, the exempt amount paid to you will be ((forty)) a percent of ((wages due you, but if you are supporting a spouse, state registered domestic partner, or dependent child, you are entitled to claim an additional ten percent as exempt)) your disposable earnings, which is fifty percent of that part of your earnings remaining after your employer deducts those amounts which are required by law to be withheld.

BANK ACCOUNTS. If the garnishee is a bank or other institution with which you have an account in which you have deposited benefits such as Temporary Assistance for Needy Families, Supplemental Security Income (SSI), Social Security, veterans' benefits, unemployment compensation, or ((a United States pension)) any federally qualified pension, such as a state or federal pension, individual retirement account (IRA), or 401K plan, you may claim the account as fully exempt if you have deposited only such benefit funds in the account. It may be

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partially exempt even though you have deposited money from other sources in the same account. An exemption is also available under RCW 26.16.200, providing that funds in a community bank account that can be identified as the earnings of a stepparent are exempt from a garnishment on the child support obligation of the parent.

OTHER EXEMPTIONS. If the garnishee holds other property of yours, some or all of it may be exempt under RCW 6.15.010, a Washington statute that exempts certain property of your choice (including money in a bank account up to \$200.00 for debts owed to state agencies, or up to \$500.00 for all other debts) and certain other property such as household furnishings, tools of trade, and a motor vehicle (all limited by differing dollar values).

HOW TO CLAIM EXEMPTIONS. Fill out the enclosed claim form and mail or deliver it as described in instructions on the claim form. If the plaintiff does not object to your claim, the funds or other property that you have claimed as exempt must be released not later than 10 days after the plaintiff receives your claim form. If the plaintiff objects, the law requires a hearing not later than 14 days after the plaintiff receives your claim form, and notice of the objection and hearing date will be mailed to you at the address that you put on the claim form.

THE LAW ALSO PROVIDES OTHER EXEMPTION RIGHTS. IF NECESSARY, AN ATTORNEY CAN ASSIST YOU TO ASSERT THESE AND OTHER RIGHTS, BUT YOU MUST ACT IMMEDIATELY TO AVOID LOSS OF RIGHTS BY DELAY.

(2)(a) If the writ is to garnish funds or property held by a financial institution, the claim form required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, printed or typed in ((type)) no smaller than ((elite type)) size twelve point font type:

[Caption to be filled in by judgment creditor or plaintiff before mailing.]

Name of Court

Plaintiff,

No

I lamini

1.0

vs.

.....Defendant,

EXEMPTION CLAIM

[1117]

Garnishee Defendant

INSTRUCTIONS:

- 1. Read this whole form after reading the enclosed notice. Then put an X in the box or boxes that describe your exemption claim or claims and write in the necessary information on the blank lines. If additional space is needed, use the bottom of the last page or attach another sheet.
- 2. Make two copies of the completed form. Deliver the original form by first-class mail or in person to the clerk of the court, whose address is shown at the bottom of the writ of garnishment. Deliver one of the copies by first-class mail or in person to the plaintiff or plaintiff's attorney, whose name and address are shown at the bottom of the writ. Keep the other copy. YOU SHOULD DO THIS AS QUICKLY AS POSSIBLE, BUT NO LATER THAN 28 DAYS (4 WEEKS) AFTER THE DATE ON THE WRIT.

I/We claim the following money or property as exempt:

IF BANK ACCOUNT IS GARNISHED:

- [] The account contains payments from:
 - [] Temporary assistance for needy families, SSI, or other public assistance. I receive \$ monthly.
 - [] Social Security. I receive \$ monthly.
 - [] Veterans' Benefits. I receive \$ monthly.
 - [] <u>Pensions and retirement accounts including, but</u> <u>not limited to, U.S. Government Pension, federally</u> <u>qualified pension, individual retirement account</u> (IRA), 401K, 403(b), and any state retirement <u>system listed in RCW 41.50.030</u>. I receive \$......monthly.
 - [] Unemployment Compensation. I receive \$.....monthly.
 - [] Child support. I receive \$ monthly.
 - [] Other. Explain

- [] <u>\$200 exemption if debt is to state agency.</u>
- [] <u>\$500 exemption for all other debts.</u>

IF EXEMPTION IN BANK ACCOUNT IS CLAIMED, ANSWER ONE OR BOTH OF THE FOLLOWING:

- [] No money other than from above payments are in the account.
- [] Moneys in addition to the above payments have been deposited in the account. Explain
 -

((IF EARNINGS ARE GARNISHED FOR CHILD SUPPORT:

- [] I claim maximum exemption.
- [] I am supporting another child or other children.
- [] I am supporting a husband, wife, or state registered domestic partner.

IF PENSION OR RETIREMENT BENEFITS ARE GARNISHED:

[] Name and address of employer who is paying the benefits:

OTHER PROPERTY:

[] Describe property (If you claim other personal property as exempt, you must attach a list of all other personal property that you own.)

Print: Your name	If married or in a state registered domestic partnership, name of husband/wife/state registered domestic partner
Your signature	Signature of husband, wife, or state registered domestic partner
	<u> </u>

[1119]

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Address

Address (if different from yours)

Telephone number	Telephone number
Telephone number	1
	(if different from yours)

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim. For example, if you claim that a bank account is exempt, you may have to show the judge your bank statements and papers that show the source of the money you deposited in the bank. Your claim may be granted more quickly if you attach copies of such proof to your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.

(b) If the writ is directed to an employer to garnish earnings, the claim form required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, subject to (c) of this subsection, printed or typed in no smaller than size twelve point font type:

[Caption to be filled in or plaintiff bef	
Name of Court	
<u>Plaintiff.</u>	<u>No</u>
<u>VS.</u>	
Defendant.	EXEMPTION CLAIM
Garnishee Defendant	
INSTRUCTIONS:	

1. Read this whole form after reading the enclosed notice. Then put an X in the box or boxes that describe your exemption claim or claims and write in the necessary information on the blank lines. If additional space is needed, use the bottom of the last page or attach another sheet. 2. Make two copies of the completed form. Deliver the original form by first-class mail or in person to the clerk of the court, whose address is shown at the bottom of the writ of garnishment. Deliver one of the copies by first-class mail or in person to the plaintiff or plaintiff's attorney, whose name and address are shown at the bottom of the writ. Keep the other copy. YOU SHOULD DO THIS AS QUICKLY AS POSSIBLE, BUT NO LATER THAN 28 DAYS (4 WEEKS) AFTER THE DATE ON THE WRIT.

I/We claim the following money or property as exempt:

IF PENSION OR RETIREMENT BENEFITS ARE GARNISHED:

 Name and address of employer who is paying the benefits:

IF EARNINGS ARE GARNISHED FOR CHILD SUPPORT:

[] I claim maximum exemption.

<u> </u>	<u> </u>
Print: Your name	If married or in a state
	registered domestic
	partnership.
	name of husband/wife/state
	registered domestic partner
Your signature	Signature of husband, wife, or state registered
	domestic partner
<u> </u>	<u></u>
Address	Address
	(if different from yours)
<u> </u>	<u></u>
Telephone number	Telephone number
	(if different from yours)

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim. For example, if you claim that a bank account is exempt, you may have to show the judge your bank statements and

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papers that show the source of the money you deposited in the bank. Your claim may be granted more quickly if you attach copies of such proof to your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.

(c) If the writ under (b) of this subsection is not a writ for the collection of child support, the exemption language pertaining to child support may be omitted.

Sec. 8. RCW 6.27.140 and 2011 c 162 s 6 are each amended to read as follows:

(1) The notice required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, printed or typed in ((type)) no smaller than ((elite type)) size twelve point font:

NOTICE OF GARNISHMENT AND OF YOUR RIGHTS

A Writ of Garnishment issued in a Washington court has been or will be served on the garnishee named in the attached copy of the writ. After receipt of the writ, the garnishee is required to withhold payment of any money that was due to you and to withhold any other property of yours that the garnishee held or controlled. This notice of your rights is required by law.

YOU HAVE THE FOLLOWING EXEMPTION RIGHTS:

WAGES. If the garnishee is your employer who owes wages or other personal earnings to you, your employer is required to pay amounts to you that are exempt under state and federal laws, as explained in the writ of garnishment. You should receive a copy of your employer's answer, which will show how the exempt amount was calculated. If the garnishment is for child support, the exempt amount paid to you will be ((forty)) a percent of ((wages due you, but if you are supporting a spouse, state registered domestic partner, or dependent child, you are entitled to claim an additional ten percent as exempt)) your disposable earnings, which is fifty percent of that part of your earnings remaining after your employer deducts those amounts which are required by law to be withheld.

BANK ACCOUNTS. If the garnishee is a bank or other institution with which you have an account in which you have deposited benefits such as Temporary Assistance for Needy Families, Supplemental Security Income (SSI), Social Security, veterans' benefits, unemployment compensation, or ((a United States pension)) any federally qualified pension, such as a state or federal pension, individual retirement account (IRA), or 401K plan, you may claim the account as fully exempt if you

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have deposited only such benefit funds in the account. It may be partially exempt even though you have deposited money from other sources in the same account. An exemption is also available under RCW 26.16.200, providing that funds in a community bank account that can be identified as the earnings of a stepparent are exempt from a garnishment on the child support obligation of the parent.

OTHER EXEMPTIONS. If the garnishee holds other property of yours, some or all of it may be exempt under RCW 6.15.010, a Washington statute that exempts certain property of your choice (including up to \$500.00 in a bank account) and certain other property such as household furnishings, tools of trade, and a motor vehicle (all limited by differing dollar values).

HOW TO CLAIM EXEMPTIONS. Fill out the enclosed claim form and mail or deliver it as described in instructions on the claim form. If the plaintiff does not object to your claim, the funds or other property that you have claimed as exempt must be released not later than 10 days after the plaintiff receives your claim form. If the plaintiff objects, the law requires a hearing not later than 14 days after the plaintiff receives your claim form, and notice of the objection and hearing date will be mailed to you at the address that you put on the claim form.

THE LAW ALSO PROVIDES OTHER EXEMPTION RIGHTS. IF NECESSARY, AN ATTORNEY CAN ASSIST YOU TO ASSERT THESE AND OTHER RIGHTS, BUT YOU MUST ACT IMMEDIATELY TO AVOID LOSS OF RIGHTS BY DELAY.

(2)(a) If the writ is to garnish funds or property held by a financial institution, the claim form required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, printed or typed in ((type)) no smaller than ((elite type)) size twelve point font:

[Caption to be filled in by judgment creditor or plaintiff before mailing.]

Name of Court

Plaintiff,

No

I lamini

110

vs.

.....Defendant,

EXEMPTION CLAIM

[1123]

Garnishee Defendant

INSTRUCTIONS:

- 1. Read this whole form after reading the enclosed notice. Then put an X in the box or boxes that describe your exemption claim or claims and write in the necessary information on the blank lines. If additional space is needed, use the bottom of the last page or attach another sheet.
- 2. Make two copies of the completed form. Deliver the original form by first-class mail or in person to the clerk of the court, whose address is shown at the bottom of the writ of garnishment. Deliver one of the copies by first-class mail or in person to the plaintiff or plaintiff's attorney, whose name and address are shown at the bottom of the writ. Keep the other copy. YOU SHOULD DO THIS AS QUICKLY AS POSSIBLE, BUT NO LATER THAN 28 DAYS (4 WEEKS) AFTER THE DATE ON THE WRIT.

I/We claim the following money or property as exempt:

IF BANK ACCOUNT IS GARNISHED:

- [] The account contains payments from:
 - [] Temporary assistance for needy families, SSI, or other public assistance. I receive \$ monthly.
 - [] Social Security. I receive \$ monthly.
 - [] Veterans' Benefits. I receive \$ monthly.
 - [] ((U.S. Government Pension.)) Federally qualified pension, such as a state or federal pension, individual retirement account (IRA), or 401K plan. I receive \$ monthly.
 - [] Unemployment Compensation. I receive \$......monthly.
 - [] Child support. I receive \$ monthly.
 - [] Other. Explain

[1124]

IF EXEMPTION IN BANK ACCOUNT IS CLAIMED, ANSWER ONE OR BOTH OF THE FOLLOWING:

[]	No money other than from above payments are	in
	the account.	

[] Moneys in addition to the above payments have been deposited in the account. Explain

((IF EARNINGS ARE GARNISHED FOR CHILD SUPPORT:

- [] I claim maximum exemption.
- [] I am supporting another child or other children.
- [] I am supporting a husband, wife, or state registered domestic partner.

IF PENSION OR RETIREMENT BENEFITS ARE GARNISHED:

OTHER PROPERTY:

[] Describe property (If you claim other personal property as exempt, you must attach a list of all other personal property that you own.)

Print: Your name	If married or in a state registered domestic partnership, name of husband/wife/state registered domestic partner
Your signature	Signature of husband, wife, or state registered domestic partner
Address	Address (if different from yours)

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Telephone number (if different from yours)

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim. For example, if you claim that a bank account is exempt, you may have to show the judge your bank statements and papers that show the source of the money you deposited in the bank. Your claim may be granted more quickly if you attach copies of such proof to your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.

(b) If the writ is directed to an employer to garnish earnings, the claim form required by RCW 6.27.130(1) to be mailed to or served on an individual judgment debtor shall be in the following form, subject to (c) of this subsection, printed or typed in no smaller than size twelve point font type:

[Caption to be filled in by judgment creditor or plaintiff before mailing.]		
Name of Court		
<u></u> <u>Plaintiff,</u>	<u>No</u>	
<u>VS.</u>		
<u>Defendant,</u>	EXEMPTION CLAIM	
Garnishee Defendant		
INSTRUCTIONS:		

1. Read this whole form after reading the enclosed notice. Then put an X in the box or boxes that describe your exemption claim or claims and write in the necessary information on the blank lines. If additional space is needed, use the bottom of the last page or attach another sheet. 2. Make two copies of the completed form. Deliver the original form by first-class mail or in person to the clerk of the court, whose address is shown at the bottom of the writ of garnishment. Deliver one of the copies by first-class mail or in person to the plaintiff or plaintiff's attorney, whose name and address are shown at the bottom of the writ. Keep the other copy. YOU SHOULD DO THIS AS QUICKLY AS POSSIBLE, BUT NO LATER THAN 28 DAYS (4 WEEKS) AFTER THE DATE ON THE WRIT.

I/We claim the following money or property as exempt:

IF PENSION OR RETIREMENT BENEFITS ARE GARNISHED:

 Name and address of employer who is paying the benefits:

IF EARNINGS ARE GARNISHED FOR CHILD SUPPORT:

[] I claim maximum exemption.

<u> </u>	<u> </u>
Print: Your name	If married or in a state
	registered domestic
	partnership.
	name of husband/wife/state
	registered domestic partner
Your signature	Signature of husband, wife, or state registered
	domestic partner
<u> </u>	<u></u>
Address	Address
	(if different from yours)
<u> </u>	<u></u>
Telephone number	Telephone number
	(if different from yours)

CAUTION: If the plaintiff objects to your claim, you will have to go to court and give proof of your claim. For example, if you claim that a bank account is exempt, you may have to show the judge your bank statements and papers that show the source of the money you deposited in the bank. Your claim may be granted more quickly if you attach copies of such proof to your claim.

IF THE JUDGE DENIES YOUR EXEMPTION CLAIM, YOU WILL HAVE TO PAY THE PLAINTIFF'S COSTS. IF THE JUDGE DECIDES THAT YOU DID NOT MAKE THE CLAIM IN GOOD FAITH, HE OR SHE MAY DECIDE THAT YOU MUST PAY THE PLAINTIFF'S ATTORNEY FEES.

(c) If the writ under (b) of this subsection is not a writ for the collection of child support, the exemption language pertaining to child support may be omitted.

Sec. 9. RCW 6.27.150 and 1991 c 365 s 26 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, if the garnishee is an employer owing the defendant earnings, then for each week of such earnings, an amount shall be exempt from garnishment which is the greatest of the following:

(a) Thirty-five times the federal minimum hourly wage ((prescribed by section 206(a)(1) of Title 29 of the United States Code)) in effect at the time the earnings are payable; or

(b) Seventy-five percent of the disposable earnings of the defendant.

(2) In the case of a garnishment based on a judgment or other ((court)) order for child support or court order for spousal maintenance, other than a mandatory wage assignment order pursuant to chapter 26.18 RCW, or a mandatory assignment of retirement benefits pursuant to chapter 41.50 RCW, the exemption shall be fifty percent of the disposable earnings of the defendant ((if the individual is supporting a spouse or dependent child (other than a spouse or child on whose behalf the garnishment is brought), or forty percent of the disposable earnings of the defendant if the individual is not supporting such a spouse or dependent child)).

(3) The exemptions stated in this section shall apply whether such earnings are paid, or are to be paid, weekly, monthly, or at other intervals, and whether earnings are due the defendant for one week, a portion thereof, or for a longer period.

(4) Unless directed otherwise by the court, the garnishee shall determine and deduct exempt amounts under this section as directed in the writ of garnishment and answer, and shall pay these amounts to the defendant.

(5) No money due or earned as earnings as defined in RCW 6.27.010 shall be exempt from garnishment under the provisions of RCW 6.15.010, as now or hereafter amended.

Sec. 10. RCW 6.27.190 and 2003 c 222 s 8 are each amended to read as follows:

(1) The answer of the garnishee shall be signed by the garnishee or attorney or if the garnishee is a corporation, by an officer, attorney or duly authorized agent of the garnishee, under penalty of perjury, and the original <u>and copies</u> delivered, either personally or by mail, ((to the clerk of the court, one copy to the plaintiff or the plaintiff's attorney, and one copy to the defendant. The answer shall be made on a form substantially as appears in this section, served on the garnishee with the writ. Prior to serving the answer forms for a writ for continuing lien on earnings, the plaintiff shall fill in the minimum exemption

amounts for the different pay periods, and the maximum percentages of disposable earnings subject to lien and exempt from lien)) as instructed in the writ.

(2) If the <u>writ of garnishment is for a continuing lien</u>, the answer forms shall be as prescribed in RCW 6.27.340 and 6.27.350.

(3) If the writ is not directed to an employer for the purpose of garnishing the defendant's wages, the (($\frac{paragraphs}{paragraphs}$ in section II of the answer relating to earnings and calculations of withheld amounts may be omitted.)) answer shall be substantially in the following form:

IN THE COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF

	NO
Plaintiff	
vs.	ANSWER
	TO WRIT OF
Defendant	GARNISHMENT

Garnishee Defendant

SECTION I. On the date the writ of garnishment was issued as indicated by the date appearing on the last page of the writ:

(A) The defendant: (check one) ... was, ... was not employed by garnishee. If not employed and you have no possession or control of any funds of defendant, indicate the last day of employment:; and complete section III of this answer and mail or deliver the forms as directed in the writ;

(B) The defendant: (check one) did, did not maintain a financial account with garnishee; and

(C) The garnishee: (check one) did, did not have possession of or control over any funds, personal property, or effects of the defendant. (List all of defendant's personal property or effects in your possession or control on the last page of this answer form or attach a schedule if necessary.)

SECTION II. At the time of service of the writ of garnishment on the garnishee there was due and owing from the garnishee to the above-named defendant \$

((This writ attaches a maximum of percent of the defendant's disposable earnings (that is, compensation payable for personal services, whether called wages, salary, commission, bonus, or otherwise, and including periodic payments pursuant to a nongovernmental pension or retirement program). Calculate the attachable amount as follows:

Gross Earnings

<u>\$....(1)</u>

Less deductions required by law (social security,

federal withholding tax, etc. Do not include deductions for child support orders or government liens here. Deduct child support orders and liens on line 7):

<u>\$....(2)</u>

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Disposable line 1):	Earnings (subtra	et line 2 from		\$······(3)
Enter	percent of line 3:			\$(4)
Enter one o	of the following e	xempt amounts*:		\$(5)
If paid:	Weekly	<u>\$</u>	Semi-monthly	<u>\$</u>
	Bi-weekly	\$	Monthly	\$
*These are	minimum exemp	t amounts that the		
defendant 1	nust be paid. If y	our answer		

defendant must be paid. If your answer covers more than one pay period, multiply the preceding amount by the number of pay periods and/or fraction thereof your answer covers. If you use a pay period not shown, prorate the monthly exempt amount.

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Subtract the larger of lines 4 and 5 from line 3:

Enter amount (if any) withheld for ongoing government liens such as child support:	\$·····(7)
Subtract line 7 from line 6. This amount	
must be held out for the plaintiff:	<u>\$(8)</u>

<u>\$....(6)</u>

This is the formula that you will use for withholding each pay period over the required sixty day garnishment period. Deduct any allowable processing fee you may charge from the amount that is to be paid to the defendant.))

If there is any uncertainty about your answer, give an explanation on the last page or on an attached page.

SECTION III. An attorney may answer for the garnishee.

Under penalty of perjury, I affirm that I have examined this answer, including accompanying schedules, and to the best of my knowledge and belief it is true, correct, and complete.

Signature of Garnishee Defendant	Date
Signature of person answering for garnishee	Connection with garnishee
Print name of person signing	Address of garnishee

Sec. 11. RCW 6.27.200 and 2003 c 222 s 9 are each amended to read as follows:

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If the garnishee fails to answer the writ within the time prescribed in the writ, after the time to answer the writ has expired and after required returns or affidavits have been filed, showing service on the garnishee and service on or mailing to the defendant, it shall be lawful for the court to render judgment by default against such garnishee, after providing a notice to the garnishee by personal service or first-class mail deposited in the mail at least ten calendar days prior to entry of the judgment, for the full amount claimed by the plaintiff against the defendant, or in case the plaintiff has a judgment against the defendant, for the full amount of the plaintiff's unpaid judgment against the defendant with all accruing interest and costs as prescribed in RCW 6.27.090: PROVIDED, That upon motion by the garnishee at any time within seven days following service on, or mailing to, the garnishee of a copy of the first writ of execution or writ of garnishment under such judgment, the judgment against the garnishee shall be reduced to the amount of any nonexempt funds or property which was actually in the possession of the garnishee at the time the writ was served, plus the cumulative amount of the nonexempt earnings subject to the lien provided for in RCW 6.27.350, or the sum of one hundred dollars, whichever is more, but in no event to exceed the full amount claimed by the plaintiff or the amount of the unpaid judgment against the principal defendant ((plus)) with all accruing interest and costs and attorney's fees as prescribed in RCW 6.27.090, plus the accruing interest and costs and attorneys' fees as prescribed in RCW 6.27.090 for any garnishment on the judgment against the garnishee, and in addition the plaintiff shall be entitled to a reasonable attorney's fee for the plaintiff's response to the garnishee's motion to reduce said judgment against the garnishee under this proviso and the court may allow additional attorney's fees for other actions taken because of the garnishee's failure to answer.

Sec. 12. RCW 6.27.250 and 2003 c 222 s 10 are each amended to read as follows:

(1)(a) If it appears from the answer of the garnishee or if it is otherwise made to appear that the garnishee was indebted to the defendant in any amount, not exempt, when the writ of garnishment was served, and if the required return or affidavit showing service on or mailing to the defendant is on file, the court shall render judgment for the plaintiff against such garnishee for the amount so admitted or found to be due to the defendant from the garnishee, unless such amount exceeds the amount of the plaintiff's claim or judgment against the defendant with accruing interest and costs and attorney's fees as prescribed in RCW 6.27.090, in which case it shall be for the amount of such claim or judgment, with said interest, costs, and fees. If there is no unresolved exemption claim and no controversion, the plaintiff may apply for the judgment and order to pay ex parte. In the case of a superior court garnishment, the court shall order the garnishee to pay to the plaintiff or to the plaintiff's attorney through the registry of the court the amount of the judgment against the garnishee, the clerk of the court shall note receipt of any such payment, and the clerk of the court shall disburse the payment to the plaintiff. In the case of a district court garnishment, the court shall order the garnishee to pay the judgment amount directly to the plaintiff or to the plaintiff's attorney. In either case, the court shall inform the garnishee that failure to pay the amount may result in execution of the judgment, including garnishment.

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(b) If, prior to judgment, the garnishee tenders to the plaintiff or to the plaintiff's attorney or to the court any amounts due, such tender will support judgment against the garnishee in the amount so tendered, subject to any exemption claimed within the time required in RCW 6.27.160 after the amounts are tendered, and subject to any controversion filed within the time required in RCW 6.27.210 after the amounts are tendered. Any amounts tendered to the court by or on behalf of the garnishee or the defendant prior to judgment shall be disbursed to the party entitled to same upon entry of judgment or order, and any amounts so tendered after entry of judgment or order shall be disbursed upon receipt to the party entitled to same.

(2) If it shall appear from the answer of the garnishee and the same is not controverted, or if it shall appear from the hearing or trial on controversion or by stipulation of the parties that the garnishee is indebted to the principal defendant in any sum, but that such indebtedness is not matured and is not due and payable, and if the required return or affidavit showing service on or mailing to the defendant is on file, the court shall make an order requiring the garnishee to pay such sum into court when the same becomes due, the date when such payment is to be made to be specified in the order, and in default thereof that judgment shall be entered against the garnishee for the amount of such indebtedness so admitted or found due. In case the garnishee pays the sum at the time specified in the order, the payment shall operate as a discharge, otherwise judgment shall be entered against the garnishee for the amount of such indebtedness, which judgment shall have the same force and effect, and be enforced in the same manner as other judgments entered against garnishees as provided in this chapter: PROVIDED, That if judgment is rendered in favor of the principal defendant, or if any judgment rendered against the principal defendant is satisfied prior to the date of payment specified in an order of payment entered under this subsection, the garnishee shall not be required to make the payment, nor shall any judgment in such case be entered against the garnishee.

(3) The court shall, upon request of the plaintiff at the time judgment is rendered against the garnishee or within one year thereafter, or within one year after service of the writ on the garnishee if no judgment is taken against the garnishee, render judgment against the defendant for recoverable garnishment costs and attorney fees. However, if it appears from the answer of garnishee or otherwise that, at the time the writ was issued, the garnishee held no funds, personal property, or effects of the defendant and, in the case of a garnishment on earnings, the defendant was not employed by the garnishee, or, in the case of a writ directed to a financial institution, the defendant maintained no account therein, then the plaintiff may not be awarded judgment against the defendant for such costs or attorney fees.

Sec. 13. RCW 6.27.330 and 1987 c 442 s 1032 are each amended to read as follows:

A judgment creditor may obtain a continuing lien on earnings by a garnishment pursuant to ((RCW 6.27.340, 6.27.350, 6.27.360, and 7.33.390)) this chapter.

Sec. 14. RCW 6.27.350 and 2003 c 222 s 14 are each amended to read as follows:

(1) Where the garnishee's answer to a garnishment for a continuing lien reflects that the defendant is employed by the garnishee, the judgment or balance due thereon as reflected on the writ of garnishment shall become a lien on earnings due at the time of the effective date of the writ, as defined in this subsection, to the extent that they are not exempt from garnishment, and such lien shall continue as to subsequent nonexempt earnings until the total subject to the lien equals the amount stated on the writ of garnishment or until the expiration of the employer's payroll period ending on or before sixty days after the effective date of the writ, whichever occurs first, except that such lien on subsequent earnings shall terminate sooner if the employment relationship is terminated or if the underlying judgment is vacated, modified, or satisfied in full or if the writ is dismissed. The "effective date" of a writ is the date of service of the writ if there is no previously served writ; otherwise, it is the date of termination of a previously served writs.

(2) At the time of the expected termination of the lien, the plaintiff shall mail to the garnishee ((three additional stamped envelopes addressed as provided in RCW 6.27.110, and four additional copies)) one copy of the answer form prescribed in RCW ((6.27.190)) 6.27.340. The plaintiff shall replace the text of section I of the answer form with a statement in substantially the following form: "ANSWER SECTION II OF THIS FORM WITH RESPECT TO THE TOTAL AMOUNT OF EARNINGS WITHHELD UNDER THIS GARNISHMENT, INCLUDING THE AMOUNT, IF ANY, STATED IN YOUR FIRST ANSWER, AND WITHIN TWENTY DAYS AFTER YOU RECEIVE THESE FORMS, MAIL OR DELIVER THEM AS DIRECTED IN THE WRIT."

Nonexempt amount due and owing stated in first answer	\$
Nonexempt amount accrued since first answer	\$
TOTAL AMOUNT WITHHELD	\$

(3) Within twenty days of receipt of the second answer form the garnishee shall file a second answer, <u>either</u> in the form as provided in subsection (2) of this section, stating the total amount held subject to the garnishment. <u>or otherwise containing the information required in subsection (2) of this section and a calculation indicating the total amount due and owing from the garnishee defendant to the defendant, the defendant's total earnings, allowable deductions, disposable earnings, exempt earnings, deductions for superior liens such as child support, and net earnings withheld under the writ.</u>

Sec. 15. RCW 6.27.360 and 1997 c 296 s 8 are each amended to read as follows:

(1) Except as provided in subsection (((2))) (3) of this section, a lien obtained under RCW 6.27.350 shall have priority over any subsequent garnishment lien or wage assignment except that service of a writ shall not be effective to create a continuing lien with such priority if a writ in the same case is pending at the time of the service of the new writ.

(2) <u>A lien obtained under RCW 6.27.350 shall have priority over any prior</u> wage assignment, except an assignment for child support as provided in subsection (3) of this section and an assignment for legal financial obligations as provided under RCW 9.94A.760, 9.94A.7702, and 72.09.111.

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(3) A lien obtained under RCW 6.27.350 shall not have priority over a notice of payroll deduction issued under RCW 26.23.060 or a wage assignment or other garnishment for child support issued under chapters 26.18 and 74.20A RCW. Should nonexempt wages remain after deduction of all amounts owing under a notice of payroll deduction, wage assignment, or garnishment for child support, the garnishee shall withhold the remaining nonexempt wages under the lien obtained under RCW 6.27.350.

Sec. 16. RCW 6.27.370 and 1997 c 296 s 9 are each amended to read as follows:

(1) Whenever the federal government is named as a garnishee defendant, the attorney for the plaintiff, or the clerk of the court shall, upon submitting a notice in the appropriate form by the plaintiff, issue a notice which directs the garnishee defendant to disburse any nonexempt earnings to the court in accordance with the garnishee defendant's normal pay and disbursement cycle.

(2) Funds received by the clerk from a garnishee defendant may be deposited into the registry of the court or, in the case of negotiable instruments, may be retained in the court file. Upon presentation of an order directing the clerk to disburse the funds received, the clerk shall pay or endorse the funds over to the party entitled to receive the funds. Except for good cause shown, the funds shall not be paid or endorsed to the plaintiff prior to the expiration of any minimum statutory period allowed to the defendant for filing an exemption claim.

(3) The plaintiff shall, in the same manner permitted for service of the writ of garnishment, provide to the garnishee defendant a copy of the notice issued ((by the clerk and an envelope addressed to the court)) under subsection (1) of this section, and shall supply to the garnished party a copy of the notice.

(4) Any answer or processing fees charged by the garnishee defendant to the plaintiff under federal law shall be a recoverable cost under RCW 6.27.090.

(5) The notice to the federal government garnishee shall be in substantially the following form:

IN THE COURT OF THE STATE OF WASHINGTON

IN AND FOR COUNTY

Plaintiff, NOTICE TO vs. GOVERNME

NOTICE TO FEDERAL GOVERNMENT GARNISHEE DEFENDANT

....., Defendant,

.

Garnishee Defendant.

TO: THE GOVERNMENT OF THE UNITED STATES AND ANY DEPARTMENT, AGENCY, OR DIVISION THEREOF

You have been named as the garnishee defendant in the above-entitled cause. A Writ of Garnishment accompanies this Notice. The Writ of Garnishment directs you to hold the nonexempt earnings of the named defendant, but does not instruct you to disburse the funds you hold.

BY THIS NOTICE THE COURT DIRECTS YOU TO WITHHOLD ALL NONEXEMPT EARNINGS AND DISBURSE THEM IN ACCORDANCE WITH YOUR NORMAL PAY AND DISBURSEMENT CYCLE, TO THE FOLLOWING:

PLEASE REFERENCE THE DEFENDANT EMPLOYEE'S NAME AND THE ABOVE CAUSE NUMBER ON ALL DISBURSEMENTS.

The enclosed Writ also directs you to respond to the Writ within twenty (20) days, but you are allowed thirty (30) days to respond under federal law.

DATED this day of ((19)) <u>20</u>.....

Clerk of the Court

(6) If the writ of garnishment is issued by the attorney of record for the judgment creditor, the following paragraph shall replace the clerk's signature and date:

This notice is issued by the undersigned attorney of record for plaintiff under the authority of RCW 6.27.370, and must be complied with in the same manner as a notice issued by the court.

Attorney for Plaintiff

Sec. 17. RCW 2.10.180 and 1991 c 365 s 18 are each amended to read as follows:

(1) Except as provided in subsections (2), (3), and (4) of this section, the right of a person to a retirement allowance, disability allowance, or death benefit, the retirement, disability or death allowance itself, any optional benefit, any other right accrued or accruing to any person under the provisions of this chapter, and the moneys in the fund created under this chapter, are hereby exempt from any state, county, municipal, or other local tax and shall not be subject to execution, garnishment, or any other process of law whatsoever whether the same be in actual possession of the person or be deposited or loaned.

(2) Subsection (1) of this section shall not be deemed to prohibit a beneficiary of a retirement allowance from authorizing deductions therefrom for payment of premiums due on any group insurance policy or plan issued for the benefit of a group comprised of public employees of the state of Washington.

(3) Deductions made in the past from retirement benefits are hereby expressly recognized, ratified, and affirmed. Future deductions may only be made in accordance with this section.

(4) Subsection (1) of this section shall not prohibit the department of retirement systems from complying with (a) a wage assignment order for child support issued pursuant to chapter 26.18 RCW, (b) a notice of payroll deduction issued under chapter 26.23 RCW, (c) an order to withhold and deliver issued pursuant to chapter 74.20A RCW, (d) a mandatory benefits assignment order issued pursuant to chapter 41.50 RCW, (e) a court order directing the department of retirement systems to pay benefits directly to an obligee under a dissolution order as defined in RCW 41.50.500(3) which fully complies with RCW 41.50.670 and 41.50.700, or (f) any administrative or court order expressly authorized by federal law.

Sec. 18. RCW 2.12.090 and 1991 c 365 s 19 are each amended to read as follows:

(1) Except as provided in subsections (2), (3), and (4) of this section, the right of any person to a retirement allowance or optional retirement allowance under the provisions of this chapter and all moneys and investments and income thereof are exempt from any state, county, municipal, or other local tax and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or the insolvency laws, or other processes of law whatsoever whether the same be in actual possession of the person or be deposited or loaned and shall be unassignable except as herein specifically provided.

(2) Subsection (1) of this section shall not prohibit the department of retirement systems from complying with (a) a wage assignment order for child support issued pursuant to chapter 26.18 RCW, (b) a notice of payroll deduction issued under chapter 26.23 RCW, (c) an order to withhold and deliver issued pursuant to chapter 74.20A RCW, (d) a mandatory benefits assignment order issued pursuant to chapter 41.50 RCW, (e) a court order directing the department of retirement systems to pay benefits directly to an obligee under a dissolution order as defined in RCW 41.50.500(3) which fully complies with RCW 41.50.670 and 41.50.700, or (f) any administrative or court order expressly authorized by federal law.

(3) Subsection (1) of this section shall not be deemed to prohibit a beneficiary of a retirement allowance from authorizing deductions therefrom for payment of premiums due on any group insurance policy or plan issued for the benefit of a group comprised of public employees of the state of Washington.

(4) Deductions made in the past from retirement benefits are hereby expressly recognized, ratified, and affirmed. Future deductions may only be made in accordance with this section.

Sec. 19. RCW 41.20.180 and 1979 ex.s. c 205 s 2 are each amended to read as follows:

The right of a person to a pension, an annuity, or retirement allowance, or disability allowance, or death benefits, or any optional benefit, or any other right accrued or accruing to any person under the provisions of this chapter, and any fund created hereby, and all moneys and investments and income thereof, are exempt from any state, county, municipal, or other local tax, and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency laws, or other process of law whatsoever, whether the same be in actual possession of the person or be deposited or loaned and shall be unassignable: PROVIDED, That benefits under this chapter shall be payable to a spouse or ex-spouse to the extent expressly provided for in any court decree of dissolution or legal separation or in any court decree of dissolution or legal separation.

Sec. 20. RCW 41.32.052 and 1991 c 365 s 21 and 1991 c 35 s 63 are each reenacted and amended to read as follows:

(1) Subject to subsections (2) and (3) of this section, the right of a person to a pension, an annuity, a retirement allowance, or disability allowance, to the return of contributions, any optional benefit or death benefit, any other right accrued or accruing to any person under the provisions of this chapter and the moneys in the various funds created by this chapter shall be unassignable, and are hereby exempt from any state, county, municipal or other local tax, and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency laws, or other process of law whatsoever whether the same be in actual possession of the person or be deposited or loaned.

(2) This section shall not be deemed to prohibit a beneficiary of a retirement allowance who is eligible:

(a) Under RCW 41.05.080 from authorizing monthly deductions therefrom for payment of premiums due on any group insurance policy or plan issued for the benefit of a group comprised of public employees of the state of Washington or its political subdivisions;

(b) Under a group health care benefit plan approved pursuant to RCW 28A.400.350 or 41.05.065 from authorizing monthly deductions therefrom, of the amount or amounts of subscription payments, premiums, or contributions to any person, firm, or corporation furnishing or providing medical, surgical, and hospital care or other health care insurance; or

(c) Under this system from authorizing monthly deductions therefrom for payment of dues and other membership fees to any retirement association composed of retired teachers and/or public employees pursuant to a written agreement between the director and the retirement association.

Deductions under (a) and (b) of this subsection shall be made in accordance with rules that may be adopted by the director.

(3) Subsection (1) of this section shall not prohibit the department from complying with (a) a wage assignment order for child support issued pursuant to

chapter 26.18 RCW, (b) an order to withhold and deliver issued pursuant to chapter 74.20A RCW, (c) a notice of payroll deduction issued pursuant to RCW 26.23.060, (d) a mandatory benefits assignment order issued by the department, (e) a court order directing the department of retirement systems to pay benefits directly to an obligee under a dissolution order as defined in RCW 41.50.500(3) which fully complies with RCW 41.50.670 and 41.50.700, or (f) any administrative or court order expressly authorized by federal law.

Sec. 21. RCW 41.26.053 and 1991 c 365 s 20 and 1991 c 35 s 25 are each reenacted and amended to read as follows:

(1) Subject to subsections (2) and (3) of this section, the right of a person to a retirement allowance, disability allowance, or death benefit, to the return of accumulated contributions, the retirement, disability or death allowance itself, any optional benefit, any other right accrued or accruing to any person under the provisions of this chapter, and the moneys in the fund created under this chapter, are hereby exempt from any state, county, municipal, or other local tax and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency laws, or any other process of law whatsoever, <u>whether the same be in actual possession of the person or be deposited or loaned</u> and shall be unassignable.

(2) On the written request of any person eligible to receive benefits under this section, the department may deduct from such payments the premiums for life, health, or other insurance. The request on behalf of any child or children shall be made by the legal guardian of such child or children. The department may provide for such persons one or more plans of group insurance, through contracts with regularly constituted insurance carriers or health care service contractors.

(3) Subsection (1) of this section shall not prohibit the department from complying with (a) a wage assignment order for child support issued pursuant to chapter 26.18 RCW, (b) an order to withhold and deliver issued pursuant to chapter 74.20A RCW, (c) a notice of payroll deduction issued pursuant to RCW 26.23.060, (d) a mandatory benefits assignment order issued by the department, (e) a court order directing the department of retirement systems to pay benefits directly to an obligee under a dissolution order as defined in RCW 41.50.500(3) which fully complies with RCW 41.50.670 and 41.50.700, or (f) any administrative or court order expressly authorized by federal law.

Sec. 22. RCW 41.28.200 and 1939 c 207 s 21 are each amended to read as follows:

The right of a person to a pension, an annuity or a retirement allowance, to the return of contributions, the pension, annuity or retirement allowance itself, any optional benefit, any other right accrued or accruing to any person under the provisions of this chapter, and the moneys in the fund created under this chapter shall not be subject to execution, garnishment, attachment, or any other process whatsoever, whether the same be in actual possession of the person or be deposited or loaned and shall be unassignable except as in this chapter specifically provided.

Sec. 23. RCW 41.34.080 and 2000 c 247 s 405 are each amended to read as follows:

(1) Subject to subsections (2) and (3) of this section, the right of a person to a pension, an annuity, a retirement allowance, any optional benefit, any other right accrued or accruing to any person under the provisions of this chapter, and the various funds created by chapter 239, Laws of 1995; chapter 341, Laws of 1998; and chapter 247, Laws of 2000 and all moneys and investments and income thereof, is hereby exempt from any state, county, municipal, or other local tax, and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency laws, or other process of law whatsoever, whether the same be in actual possession of the person or be deposited or loaned and shall be unassignable.

(2) This section shall not be deemed to prohibit a beneficiary of a retirement allowance from authorizing deductions therefrom for payment of premiums due on any group insurance policy or plan issued for the benefit of a group comprised of public employees of the state of Washington or its political subdivisions and that has been approved for deduction in accordance with rules that may be adopted by the state health care authority and/or the department. This section shall not be deemed to prohibit a beneficiary of a retirement allowance from authorizing deductions therefrom for payment of dues and other membership fees to any retirement association or organization the membership of which is composed of retired public employees, if a total of three hundred or more of such retired employees have authorized such deduction for payment to the same retirement association.

(3) Subsection (1) of this section shall not prohibit the department from complying with (a) a wage assignment order for child support issued pursuant to chapter 26.18 RCW, (b) an order to withhold and deliver issued pursuant to chapter 74.20A RCW, (c) a notice of payroll deduction issued pursuant to RCW 26.23.060, (d) a mandatory benefits assignment order issued by the department, (e) a court order directing the department to pay benefits directly to an obligee under a dissolution order as defined in RCW 41.50.500(3) which fully complies with RCW 41.50.670 and 41.50.700, or (f) any administrative or court order expressly authorized by federal law.

Sec. 24. RCW 41.35.100 and 1998 c 341 s 11 are each amended to read as follows:

(1) Subject to subsections (2) and (3) of this section, the right of a person to a pension, an annuity, or retirement allowance, any optional benefit, any other right accrued or accruing to any person under the provisions of this chapter, the various funds created by this chapter, and all moneys and investments and income thereof, are hereby exempt from any state, county, municipal, or other local tax, and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency laws, or other process of law whatsoever, whether the same be in actual possession of the person or be deposited or loaned and shall be unassignable.

(2) This section does not prohibit a beneficiary of a retirement allowance from authorizing deductions therefrom for payment of premiums due on any group insurance policy or plan issued for the benefit of a group comprised of public employees of the state of Washington or its political subdivisions and which has been approved for deduction in accordance with rules that may be adopted by the state health care authority and/or the department. This section also does not prohibit a beneficiary of a retirement allowance from authorizing deductions therefrom for payment of dues and other membership fees to any retirement association or organization the membership of which is composed of retired public employees, if a total of three hundred or more of such retired employees have authorized such deduction for payment to the same retirement association or organization.

(3) Subsection (1) of this section does not prohibit the department from complying with (a) a wage assignment order for child support issued pursuant to chapter 26.18 RCW, (b) an order to withhold and deliver issued pursuant to chapter 74.20A RCW, (c) a notice of payroll deduction issued pursuant to RCW 26.23.060, (d) a mandatory benefits assignment order issued by the department, (e) a court order directing the department of retirement systems to pay benefits directly to an obligee under a dissolution order as defined in RCW 41.50.500(3) which fully complies with RCW 41.50.670 and 41.50.700, or (f) any administrative or court order expressly authorized by federal law.

Sec. 25. RCW 41.37.090 and 2004 c 242 s 12 are each amended to read as follows:

(1) Subject to subsections (2) and (3) of this section, the right of a person to a pension, an annuity, or retirement allowance, any optional benefit, any other right accrued or accruing to any person under this chapter, the various funds created by this chapter, and all moneys and investments and income thereof, are hereby exempt from any state, county, municipal, or other local tax, and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency laws, or other process of law whatsoever, whether the same be in actual possession of the person or be deposited or loaned and shall be unassignable.

(2) This section does not prohibit a beneficiary of a retirement allowance from authorizing deductions therefrom for payment of premiums due on any group insurance policy or plan issued for the benefit of a group comprised of public employees of the state of Washington or its political subdivisions and which has been approved for deduction in accordance with rules that may be adopted by the state health care authority and/or the department. This section also does not prohibit a beneficiary of a retirement allowance from authorizing deductions therefrom for payment of dues and other membership fees to any retirement association or organization the membership of which is composed of retired public employees, if a total of three hundred or more retired employees have authorized the deduction for payment to the same retirement association or organization.

(3) Subsection (1) of this section does not prohibit the department from complying with (a) a wage assignment order for child support issued pursuant to chapter 26.18 RCW, (b) an order to withhold and deliver issued pursuant to chapter 74.20A RCW, (c) a notice of payroll deduction issued pursuant to RCW 26.23.060, (d) a mandatory benefits assignment order issued by the department, (e) a court order directing the department to pay benefits directly to an obligee under a dissolution order as defined in RCW 41.50.500(3) which fully complies with RCW 41.50.670 and 41.50.700, or (f) any administrative or court order expressly authorized by federal law.

Sec. 26. RCW 41.40.052 and 1999 c 83 s 1 are each amended to read as follows:

(1) Subject to subsections (2) and (3) of this section, the right of a person to a pension, an annuity, or retirement allowance, any optional benefit, any other right accrued or accruing to any person under the provisions of this chapter, the various funds created by this chapter, and all moneys and investments and income thereof, are hereby exempt from any state, county, municipal, or other local tax, and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency laws, or other process of law whatsoever, whether the same be in actual possession of the person or be deposited or loaned and shall be unassignable.

(2)(a) This section shall not be deemed to prohibit a beneficiary of a retirement allowance from authorizing deductions therefrom for payment of premiums due on any group insurance policy or plan issued for the benefit of a group comprised of public employees of the state of Washington or its political subdivisions and which has been approved for deduction in accordance with rules that may be adopted by the state health care authority and/or the department, and this section shall not be deemed to prohibit a beneficiary of a retirement allowance from authorizing deductions therefrom for payment of dues and other membership fees to any retirement association or organization the membership of which is composed of retired public employees, if a total of three hundred or more of such retired employees have authorized such deduction for payment to the same retirement association or organization.

(b) This section does not prohibit a beneficiary of a retirement allowance from authorizing deductions from that allowance for charitable purposes on the same terms as employees and public officers under RCW 41.04.035 and 41.04.036.

(3) Subsection (1) of this section shall not prohibit the department from complying with (a) a wage assignment order for child support issued pursuant to chapter 26.18 RCW, (b) an order to withhold and deliver issued pursuant to chapter 74.20A RCW, (c) a notice of payroll deduction issued pursuant to RCW 26.23.060, (d) a mandatory benefits assignment order issued by the department, (e) a court order directing the department of retirement systems to pay benefits directly to an obligee under a dissolution order as defined in RCW 41.50.500(3) which fully complies with RCW 41.50.670 and 41.50.700, or (f) any administrative or court order expressly authorized by federal law.

Sec. 27. RCW 41.44.240 and 1989 c 360 s 28 are each amended to read as follows:

The right of a person to a pension, annuity or a retirement allowance, to the return of contribution, the pension, annuity or retirement allowance itself, any optional benefit, any other right accrued or accruing to any person under the provisions of this chapter, and the moneys in the fund created under this chapter shall not be subject to execution, garnishment, or any other process whatsoever whether the same be in actual possession of the person or be deposited or loaned. This section shall not apply to child support collection actions taken under chapter 26.18, 26.23, or 74.20A RCW against benefits payable under any such plan or arrangement. Benefits under this chapter shall be payable to a spouse or ex-spouse to the extent expressly provided for in any court decree of dissolution or legal separation or in any court decree of dissolution or legal separation.

Sec. 28. RCW 43.43.310 and 1991 c 365 s 23 are each amended to read as follows:

(1) Except as provided in subsections (2) and (3) of this section, the right of any person to a retirement allowance or optional retirement allowance under the provisions hereof and all moneys and investments and income thereof are exempt from any state, county, municipal, or other local tax and shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or the insolvency laws, or other processes of law whatsoever, whether the same be in actual possession of the person or be deposited or loaned and shall be unassignable except as herein specifically provided.

(2) Subsection (1) of this section shall not prohibit the department of retirement systems from complying with (a) a wage assignment order for child support issued pursuant to chapter 26.18 RCW, (b) an order to withhold and deliver issued pursuant to chapter 74.20A RCW, (c) a notice of payroll deduction issued pursuant to RCW 26.23.060, (d) a mandatory benefits assignment order issued pursuant to chapter 41.50 RCW, (e) a court order directing the department of retirement systems to pay benefits directly to an obligee under a dissolution order as defined in RCW 41.50.500(3) which fully complies with RCW 41.50.670 and 41.50.700, or (f) any administrative or court order expressly authorized by federal law.

(3) Subsection (1) of this section shall not be deemed to prohibit a beneficiary of a retirement allowance from authorizing deductions therefrom for payment of premiums due on any group insurance policy or plan issued for the benefit of a group comprised of members of the Washington state patrol or other public employees of the state of Washington, or for contributions to the Washington state patrol memorial foundation.

NEW SECTION. Sec. 29. Section 7 of this act expires January 1, 2018.

<u>NEW SECTION.</u> Sec. 30. Section 8 of this act takes effect January 1, 2018.

Passed by the House March 5, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 160

[Substitute House Bill 1559]

DESIGN PROFESSIONALS—INDEMNIFICATION AGREEMENTS

AN ACT Relating to indemnification agreements involving design professionals; and amending RCW 4.24.115.

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

Sec. 1. RCW 4.24.115 and 2011 c 336 s 95 are each amended to read as follows:

(1) A covenant, promise, agreement, or understanding in, or in connection with or collateral to, a contract or agreement relative to the construction, alteration, repair, addition to, subtraction from, improvement to, or maintenance of, any building, highway, road, railroad, excavation, or other structure, project, development, or improvement attached to real estate, including moving and

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demolition in connection therewith, <u>a contract or agreement for architectural</u>, <u>landscape architectural</u>, <u>engineering</u>, <u>or land surveying services</u>, or a motor carrier transportation contract, purporting to indemnify, <u>including the duty and</u> <u>cost to defend</u>, against liability for damages arising out of <u>such services or out of</u> bodily injury to persons or damage to property:

(a) Caused by or resulting from the sole negligence of the indemnitee, his or her agents or employees is against public policy and is void and unenforceable;

(b) Caused by or resulting from the concurrent negligence of (i) the indemnitee or the indemnitee's agents or employees, and (ii) the indemnitor or the indemnitor's agents or employees, is valid and enforceable only to the extent of the indemnitor's negligence and only if the agreement specifically and expressly provides therefor, and may waive the indemnitor's immunity under industrial insurance, Title 51 RCW, only if the agreement specifically and expressly provides therefor and the waiver was mutually negotiated by the parties. This subsection applies to agreements entered into after June 11, 1986.

(2) As used in this section, a "motor carrier transportation contract" means a contract, agreement, or understanding covering: (a) The transportation of property for compensation or hire by the motor carrier; (b) entrance on property by the motor carrier for the purpose of loading, unloading, or transporting property for compensation or hire; or (c) a service incidental to activity described in (a) or (b) of this subsection, including, but not limited to, storage of property, moving equipment or trailers, loading or unloading, or monitoring loading or unloading. "Motor carrier transportation contract" shall not include agreements providing for the interchange, use, or possession of intermodal chassis, containers, or other intermodal equipment.

Passed by the House March 5, 2012. Passed by the Senate February 28, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 161

[Substitute House Bill 2212]

DEPARTMENT OF ECOLOGY-VOLUNTARY REGIONAL AGREEMENTS-NEW WATER

AN ACT Relating to extending the expiration date of RCW 90.90.030; amending RCW 90.90.030; and providing an expiration date.

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

Sec. 1. RCW 90.90.030 and 2006 c 6 s 4 are each amended to read as follows:

(1) The department of ecology may enter into voluntary regional agreements for the purpose of providing new water for out-of-stream use, streamlining the application process, and protecting instream flow.

(2) Such agreements shall ensure that:

(a) For water rights issued from the Columbia river mainstem, there is no negative impact on Columbia river mainstem instream flows in the months of July and August as a result of the new appropriations issued under the agreement; (b) For water rights issued from the lower Snake river mainstem, there is no negative impact on Snake river mainstem instream flows from April through August as a result of the new appropriations issued under the agreement; and

(c) Efforts are made to harmonize such agreements with watershed plans adopted under the authority of chapter 90.82 RCW that are applicable to the area covered by the agreement.

(3) The protection of instream flow as set forth in subsection (2) of this section is adequate for purposes of mitigating instream flow impacts resulting from any appropriations for out-of-stream use made under a voluntary regional agreement, and the only applicable consultation provisions under state law regarding instream flow impacts shall be those set forth in subsection (4) of this section.

(4) Before executing a voluntary agreement under this section, the department of ecology shall:

(a) Provide a sixty-day period for consultation with county legislative authorities and watershed planning groups with jurisdiction over the area where the water rights included in the agreement are located, the department of fish and wildlife, and affected tribal governments, and federal agencies. The department of fish and wildlife shall provide written comments within that time period. The consultation process for voluntary regional agreements developed under the provisions of this section is deemed adequate for the issuance of new water rights provided for in this section and satisfies all consultation requirements under state law related to the issuance of new water rights; and

(b) Provide a thirty-day public review and comment period for a draft agreement, and publish a summary of any public comments received. The thirty-day review period shall not begin until after the department of ecology has concluded its consultation under (a) of this subsection and the comments that have been received by the department are made available to the public.

(5) The provisions of subsection (4) of this section satisfy all applicable consultation requirements under state law.

(6) The provisions of this section and any voluntary regional agreements developed under such provisions may not be relied upon by the department of ecology as a precedent, standard, or model that must be followed in any other voluntary regional agreements.

(7) Nothing in this section may be interpreted or administered in a manner that precludes the processing of water right applications under chapter 90.03 or 90.44 RCW that are not included in a voluntary regional agreement.

(8) Nothing in this section may be interpreted or administered in a manner that impairs or diminishes a valid water right or a habitat conservation plan approved for purposes of compliance with the federal endangered species act.

(9) ((The department of ecology shall monitor and evaluate the water allocated to instream and out-of-stream uses under this section, evaluate the program, and provide an interim report to the appropriate committees of the legislature by June 30, 2008. A final report shall be provided to the appropriate committees of the legislature by June 30, 2011.

(10))) If the department of ecology executes a voluntary agreement under this section that includes water rights appropriated from the lower Snake river mainstem, the department shall develop aggregate data in accordance with the provisions of RCW 90.90.050 for the lower Snake river mainstem.

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(((11))) (10) Any agreement entered into under this section shall remain in full force and effect through the term of the agreement regardless of the expiration of this section.

(((12))) (11) The definitions in this subsection apply to this section and RCW 90.90.050, and may only be used for purposes of implementing these sections.

(a) "Columbia river mainstem" means all water in the Columbia river within the ordinary high water mark of the main channel of the Columbia river between the border of the United States and Canada and the Bonneville dam, and all groundwater within one mile of the high water mark.

(b) "Lower Snake river mainstem" means all water in the lower Snake river within the ordinary high water mark of the main channel of the lower Snake river from the head of Ice Harbor pool to the confluence of the Snake and Columbia rivers, and all groundwater within one mile of the high water mark.

(((13))) (12) This section expires June 30, ((2012)) 2018.

Passed by the House January 27, 2012.

Passed by the Senate March 1, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 162

[Second Substitute House Bill 2216]

VEHICULAR HOMICIDE AND ASSAULT—SENTENCES

AN ACT Relating to vehicular homicide and vehicular assault sentences; reenacting and amending RCW 9.94A.515; and prescribing penalties.

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

Sec. 1. RCW 9.94A.515 and 2010 c 289 s 11 and 2010 c 227 s 9 are each reenacted and amended to read as follows:

TABLE 2

CRIMES INCLUDED WITHIN EACH SERIOUSNESS LEVEL

XVI Aggravated Murder 1 (RCW 10.95.020)

XV Homicide by abuse (RCW 9A.32.055) Malicious explosion 1 (RCW 70.74.280(1))

Murder 1 (RCW 9A.32.030)

XIV Murder 2 (RCW 9A.32.050)

Trafficking 1 (RCW 9A.40.100(1))

XIII Malicious explosion 2 (RCW 70.74.280(2))

Malicious placement of an explosive 1 (RCW 70.74.270(1))

XII Assault 1 (RCW 9A.36.011)

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Assault of a Child 1 (RCW 9A.36.120) Malicious placement of an imitation device 1 (RCW 70.74.272(1)(a)) Promoting Commercial Sexual Abuse of a Minor (RCW 9.68A.101) Rape 1 (RCW 9A.44.040) Rape of a Child 1 (RCW 9A.44.073) Trafficking 2 (RCW 9A.40.100(2)) XI Manslaughter 1 (RCW 9A.32.060) Rape 2 (RCW 9A.44.050) Rape of a Child 2 (RCW 9A.44.076) Vehicular Homicide, by being under the influence of intoxicating liquor or any drug (RCW 46.61.520) X Child Molestation 1 (RCW 9A.44.083) Criminal Mistreatment 1 (RCW 9A.42.020) Indecent Liberties (with forcible compulsion) (RCW 9A.44.100(1)(a)) Kidnapping 1 (RCW 9A.40.020) Leading Organized Crime (RCW 9A.82.060(1)(a)) Malicious explosion 3 (RCW 70.74.280(3)) Sexually Violent Predator Escape (RCW 9A.76.115) IX Abandonment of Dependent Person 1 (RCW 9A.42.060) Assault of a Child 2 (RCW 9A.36.130) Explosive devices prohibited (RCW 70.74.180) Hit and Run-Death (RCW 46.52.020(4)(a)Homicide by Watercraft, by being under the influence of intoxicating liquor or any drug (RCW 79A.60.050) Inciting Criminal Profiteering (RCW 9A.82.060(1)(b))

Malicious placement of an explosive 2 (RCW 70.74.270(2))

Robbery 1 (RCW 9A.56.200)

Sexual Exploitation (RCW 9.68A.040)

((Vehicular Homicide, by being under the influence of intoxicating liquor or any drug (RCW 46.61.520)))

VIII Arson 1 (RCW 9A.48.020) Commercial Sexual Abuse of a Minor (RCW 9.68A.100)

> Homicide by Watercraft, by the operation of any vessel in a reckless manner (RCW 79A.60.050)

Manslaughter 2 (RCW 9A.32.070)

Promoting Prostitution 1 (RCW 9A.88.070)

Theft of Ammonia (RCW 69.55.010)

Vehicular Homicide, by the operation of any vehicle in a reckless manner (RCW 46.61.520)

VII Burglary 1 (RCW 9A.52.020)

Child Molestation 2 (RCW 9A.44.086) Civil Disorder Training (RCW

9A.48.120)

Dealing in depictions of minor engaged in sexually explicit conduct 1 (RCW 9.68A.050(1))

Drive-by Shooting (RCW 9A.36.045)

Homicide by Watercraft, by disregard for the safety of others (RCW 79A.60.050)

Indecent Liberties (without forcible compulsion) (RCW 9A.44.100(1) (b) and (c))

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Malicious placement of an explosive 3 (RCW 70.74.270(3))

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Negligently Causing Death By Use of a Signal Preemption Device (RCW 46.37.675) Sending, bringing into state depictions of minor engaged in sexually explicit conduct 1 (RCW 9.68A.060(1)) Unlawful Possession of a Firearm in the first degree (RCW 9.41.040(1)) Use of a Machine Gun in Commission of a Felony (RCW 9.41.225) Vehicular Homicide, by disregard for the safety of others (RCW 46.61.520) VI Bail Jumping with Murder 1 (RCW 9A.76.170(3)(a)) Bribery (RCW 9A.68.010) Incest 1 (RCW 9A.64.020(1)) Intimidating a Judge (RCW 9A.72.160) Intimidating a Juror/Witness (RCW 9A.72.110, 9A.72.130) Malicious placement of an imitation device 2 (RCW 70.74.272(1)(b)) Possession of Depictions of a Minor Engaged in Sexually Explicit Conduct 1 (RCW 9.68A.070(1)) Rape of a Child 3 (RCW 9A.44.079) Theft of a Firearm (RCW 9A.56.300) Unlawful Storage of Ammonia (RCW 69.55.020) V Abandonment of Dependent Person 2 (RCW 9A.42.070) Advancing money or property for extortionate extension of credit (RCW 9A.82.030) Bail Jumping with class A Felony (RCW 9A.76.170(3)(b)) Child Molestation 3 (RCW 9A.44.089) Criminal Mistreatment 2 (RCW 9A.42.030)

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Custodial Sexual Misconduct 1 (RCW 9A.44.160) Dealing in Depictions of Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68A.050(2)) Domestic Violence Court Order Violation (RCW 10.99.040, 10.99.050, 26.09.300, 26.10.220, 26.26.138, 26.50.110, 26.52.070, or 74.34.145) Driving While Under the Influence (RCW 46.61.502(6)) Extortion 1 (RCW 9A.56.120) Extortionate Extension of Credit (RCW 9A.82.020) Extortionate Means to Collect Extensions of Credit (RCW 9A.82.040) Incest 2 (RCW 9A.64.020(2)) Kidnapping 2 (RCW 9A.40.030) Perjury 1 (RCW 9A.72.020) Persistent prison misbehavior (RCW 9.94.070) Physical Control of a Vehicle While Under the Influence (RCW 46.61.504(6)) Possession of a Stolen Firearm (RCW 9A.56.310) Rape 3 (RCW 9A.44.060) Rendering Criminal Assistance 1 (RCW 9A.76.070) Sending, Bringing into State Depictions of Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68A.060(2)) Sexual Misconduct with a Minor 1 (RCW 9A.44.093) Sexually Violating Human Remains (RCW 9A.44.105) Stalking (RCW 9A.46.110)

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Taking Motor Vehicle Without Permission 1 (RCW 9A.56.070) IV Arson 2 (RCW 9A.48.030) Assault 2 (RCW 9A.36.021) Assault 3 (of a Peace Officer with a Projectile Stun Gun) (RCW 9A.36.031(1)(h)) Assault by Watercraft (RCW 79A.60.060) Bribing a Witness/Bribe Received by Witness (RCW 9A.72.090, 9A.72.100) Cheating 1 (RCW 9.46.1961) Commercial Bribery (RCW 9A.68.060) Counterfeiting (RCW 9.16.035(4)) Endangerment with a Controlled Substance (RCW 9A.42.100) Escape 1 (RCW 9A.76.110) Hit and Run-Injury (RCW 46.52.020(4)(b)) Hit and Run with Vessel-Injury Accident (RCW 79A.60.200(3)) Identity Theft 1 (RCW 9.35.020(2)) Indecent Exposure to Person Under Age Fourteen (subsequent sex offense) (RCW 9A.88.010) Influencing Outcome of Sporting Event (RCW 9A.82.070) Malicious Harassment (RCW 9A.36.080) Possession of Depictions of a Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68(([A])) <u>A</u>.070(2)) Residential Burglary (RCW 9A.52.025) Robbery 2 (RCW 9A.56.210) Theft of Livestock 1 (RCW 9A.56.080) Threats to Bomb (RCW 9.61.160)

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Unlawful factoring of a credit card or payment card transaction (RCW 9A.56.290(4)(b))

Unlawful transaction of health coverage as a health care service contractor (RCW 48.44.016(3))

Unlawful transaction of health coverage as a health maintenance organization (RCW 48.46.033(3))

Unlawful transaction of insurance business (RCW 48.15.023(3))

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III Animal Cruelty 1 (Sexual Conduct or Contact) (RCW 16.52.205(3))

> Assault 3 (Except Assault 3 of a Peace Officer With a Projectile Stun Gun) (RCW 9A.36.031 except subsection (1)(h))

Assault of a Child 3 (RCW 9A.36.140)

Bail Jumping with class B or C Felony (RCW 9A.76.170(3)(c))

Burglary 2 (RCW 9A.52.030)

Communication with a Minor for Immoral Purposes (RCW 9.68A.090)

Criminal Gang Intimidation (RCW 9A.46.120) Custodial Assault (RCW 9A.36.100) Cyberstalking (subsequent conviction or threat of death) (RCW 9.61.260(3)) Escape 2 (RCW 9A.76.120) Extortion 2 (RCW 9A.56.130) Harassment (RCW 9A.46.020) Intimidating a Public Servant (RCW 9A.76.180) Introducing Contraband 2 (RCW 9A.76.150) Malicious Injury to Railroad Property (RCW 81.60.070) Mortgage Fraud (RCW 19.144.080) Negligently Causing Substantial Bodily Harm By Use of a Signal Preemption Device (RCW 46.37.674) Organized Retail Theft 1 (RCW 9A.56.350(2)) Perjury 2 (RCW 9A.72.030) Possession of Incendiary Device (RCW 9.40.120) Possession of Machine Gun or Short-Barreled Shotgun or Rifle (RCW 9.41.190) Promoting Prostitution 2 (RCW 9A.88.080) Retail Theft with Extenuating Circumstances 1 (RCW 9A.56.360(2)) Securities Act violation (RCW 21.20.400) Tampering with a Witness (RCW 9A.72.120) Telephone Harassment (subsequent conviction or threat of death) (RCW 9.61.230(2)) Theft of Livestock 2 (RCW 9A.56.083)

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Theft of Rental, Leased, or Leasepurchased Property (valued at one thousand five hundred dollars or more) (RCW 9A.56.096(5)(a)) Theft with the Intent to Resell 2 (RCW 9A.56.340(3)) Trafficking in Insurance Claims (RCW 48.30A.015) Unlawful factoring of a credit card or payment card transaction (RCW 9A.56.290(4)(a)) Unlawful Practice of Law (RCW 2.48.180Unlicensed Practice of a Profession or Business (RCW 18.130.190(7)) Voyeurism (RCW 9A.44.115) I Attempting to Elude a Pursuing Police Vehicle (RCW 46.61.024) False Verification for Welfare (RCW 74.08.055) Forgery (RCW 9A.60.020) Fraudulent Creation or Revocation of a Mental Health Advance Directive (RCW 9A.60.060) Malicious Mischief 2 (RCW 9A.48.080) Mineral Trespass (RCW 78.44.330) Possession of Stolen Property 2 (RCW 9A.56.160) Reckless Burning 1 (RCW 9A.48.040) Taking Motor Vehicle Without Permission 2 (RCW 9A.56.075) Theft 2 (RCW 9A.56.040) Theft of Rental, Leased, or Leasepurchased Property (valued at two hundred fifty dollars or more but less than one thousand five hundred dollars) (RCW 9A.56.096(5)(b)) Transaction of insurance business beyond the scope of licensure (RCW 48.17.063)

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Unlawful Issuance of Checks or Drafts (RCW 9A.56.060)

Unlawful Possession of Fictitious Identification (RCW 9A.56.320)

Unlawful Possession of Instruments of Financial Fraud (RCW 9A.56.320)

Unlawful Possession of Payment Instruments (RCW 9A.56.320)

Unlawful Possession of a Personal Identification Device (RCW 9A.56.320)

Unlawful Production of Payment Instruments (RCW 9A.56.320)

Unlawful Trafficking in Food Stamps (RCW 9.91.142)

Unlawful Use of Food Stamps (RCW 9.91.144)

Vehicle Prowl 1 (RCW 9A.52.095)

Passed by the House February 13, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 163

[Substitute House Bill 2254] FOSTER CARE—EDUCATIONAL SUCCESS

AN ACT Relating to improving outcomes for youth in and alumni of foster care; amending RCW 28B.117.010, 28B.117.020, 28B.117.040, 28B.117.070, 28B.118.010, 28A.150.510, 28A.300.525, and 28B.117.901; adding a new section to chapter 74.13 RCW; adding a new section to chapter 28A.300 RCW; creating new sections; providing an effective date; and providing an expiration date.

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

<u>NEW SECTION.</u> Sec. 1. In 2007, with the passport to college promise program, this state took a significant step toward providing higher education opportunities to youth in and alumni of foster care. The passport to college promise program not only provides financial aid to former foster youth but, just as important, it also recognizes the critical role of wraparound services and provides early outreach to foster care youth regarding postsecondary educational opportunities. The December 2011 report by the higher education coordinating board on the first three years of the six-year program indicates that the passport to college promise program has increased the number of former foster youth enrolling in higher education and working toward college degrees and certificates.

This state recognizes that educational success in the early grades is key to increasing postsecondary opportunities for youth in and alumni of foster care. Recent efforts in this state to pave the way for educational success have included legislation: Providing for wraparound educational advocacy services; mandating the timely transmission of educational records; and recognizing the importance of maintaining a foster child in the school program he or she was in before entering the foster care system and minimizing the number of times a child has to change schools.

The federal fostering connections to success and increasing adoptions act of 2008, P.L. 110-351, similarly recognizes that schools are often the most important source of focus and stability for children in foster care and made several changes to improve educational outcomes for these children. As part of this nationwide effort, the United States departments of education and health and human services are encouraging state and local education agencies and child welfare agencies to collaborate on policies and procedures to provide educational stability and improve outcomes for foster children.

The legislature reiterates its earlier recognition of the critical role education plays in improving outcomes for youth in and alumni of foster care, as well as the key role played by wraparound services in providing continuity, seamless educational transitions, and higher levels of educational attainment. With these changes to the passport to college promise program, the college bound scholarship program, the provision of more seamless wraparound services, and revisions to various reporting requirements, the legislature strives to make Washington the leader in the nation with respect to foster youth and alumni graduating from high school, enrolling in postsecondary education, and completing postsecondary education.

Sec. 2. RCW 28B.117.010 and 2007 c 314 s 3 are each amended to read as follows:

The passport to college promise ((pilot)) program is created. The purpose of the program is:

(1) To encourage current and former foster care youth to prepare for, attend, and successfully complete higher education; ((and))

(2) <u>To improve the high school graduation outcomes of foster youth through</u> <u>coordinated P-20 and child welfare outreach, intervention, and planning; and</u>

(3) To ((provide)) improve postsecondary outcomes by providing current and former foster care youth with the educational planning, information, institutional support, and direct financial resources necessary for them to succeed in higher education.

Sec. 3. RCW 28B.117.020 and 2011 1st sp.s. c 11 s 220 are each amended to read as follows:

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

(1) "Cost of attendance" means the cost associated with attending a particular institution of higher education as determined by the office, including but not limited to tuition, fees, room, board, books, personal expenses, and transportation, plus the cost of reasonable additional expenses incurred by an eligible student and approved by a financial aid administrator at the student's school of attendance.

(2) (("Emancipated from foster care" means a person who was a dependent of the state in accordance with chapter 13.34 RCW and who was receiving foster care in the state of Washington when he or she reached his or her eighteenth birthday.

(3))) "Financial need" means the difference between a student's cost of attendance and the student's total family contribution as determined by the method prescribed by the United States department of education.

(((4))) (3) "Independent college or university" means a private, nonprofit institution of higher education, open to residents of the state, providing programs of education beyond the high school level leading to at least the baccalaureate degree, and accredited by the Northwest association of schools and colleges, and other institutions as may be developed that are approved by the board as meeting equivalent standards as those institutions accredited under this section.

(((5))) (4) "Institution of higher education" means((:

(a) Any public university, college, community college, or technical college operated by the state of Washington or any political subdivision thereof; or

(b) Any independent college or university in Washington; or

(c) Any other university, college, school, or institute in the state of Washington offering instruction beyond the high school level that is a member institution of an accrediting association recognized by rule of the higher education coordinating board for the purposes of this section: PROVIDED, That any institution, branch, extension, or facility operating within the state of Washington that is affiliated with an institution of an accrediting association recognized by rule accrediting association of an accrediting association operating in another state must be a separately accredited member institution of an accrediting association, or a branch of a member institution of an accrediting association recognized by rule of the board for purposes of this section, that is eligible for federal student financial aid assistance and has operated as a nonprofit college or university delivering on-site classroom instruction for a minimum of twenty consecutive years within the state of Washington, and has an annual enrollment of at least seven hundred full-time equivalent students)) any institution eligible to and participating in the state need grant program.

(((6))) (5) "Office" means the office of student financial assistance.

(((7))) (6) "Program" means the passport to college promise ((pilot)) program created in this chapter.

Sec. 4. RCW 28B.117.040 and 2011 1st sp.s. c 11 s 222 are each amended to read as follows:

Effective operation of the passport to college promise ((pilot)) program requires early and accurate identification of former foster care youth so that they can be linked to the financial and other assistance that will help them succeed in college. To that end:

(1) All institutions of higher education that receive funding for student support services under RCW 28B.117.030 shall include on their applications for admission or on their registration materials a question asking whether the applicant has been in foster care in Washington state for at least one year since his or her sixteenth birthday together with an explanation that financial and support services may be available. All other institutions of higher education are strongly encouraged to include such a question and explanation. No institution may consider whether an applicant may be eligible for a scholarship or student

support services under this chapter when deciding whether the applicant will be granted admission.

(2) The department of social and health services shall devise and implement procedures for efficiently, promptly, and accurately identifying students and applicants who are eligible for services under RCW 28B.117.030, and for sharing that information with the office and with institutions of higher education. The procedures shall include appropriate safeguards for consent by the applicant or student before disclosure.

Sec. 5. RCW 28B.117.070 and 2011 1st sp.s. c 11 s 225 are each amended to read as follows:

(((1) The office of student financial assistance shall report to appropriate committees of the legislature by January 15, 2008, on the status of program design and implementation. The report shall include a discussion of proposed scholarship and student support service approaches; an estimate of the number of students who will receive such services; baseline information on the extent to which former foster care youth who meet the eligibility criteria in RCW 28B.117.030 have enrolled and persisted in postsecondary education; and recommendations for any statutory changes needed to promote achievement of program objectives.

(2) The state board for community and technical colleges and the office of student financial assistance shall monitor and analyze the extent to which eligible young people are increasing their participation, persistence, and progress in postsecondary education, and shall jointly submit a report on their findings to appropriate committees of the legislature by December 1, 2009, and by December 1, 2011.

(3))) The Washington state institute for public policy shall complete an evaluation of the passport to college promise ((pilot)) program and shall submit a report to appropriate committees of the legislature by December 1, 2012. The report shall estimate the impact of the program on eligible students' participation and success in postsecondary education, and shall include recommendations for program revision and improvement.

<u>NEW SECTION.</u> Sec. 6. A new section is added to chapter 74.13 RCW to read as follows:

(1) To the extent funds are appropriated for this purpose, the department must contract with at least one nongovernmental entity to administer a program of education coordination for youth who are dependent pursuant to chapter 13.34 RCW, birth through twelfth grade in Washington state. The selected nongovernmental entity or entities must engage in a public-private partnership with the department and are responsible for raising a portion of the funds needed for service delivery, administration, and evaluation.

(2) The nongovernmental entity or entities selected by the department must have demonstrated success in working with foster care youth and assisting foster care youth in receiving appropriate educational services, including enrollment, accessing school-based services, reducing out-of-school discipline interventions, and attaining high school graduation.

(3) The selected nongovernmental entity or entities must provide services to support individual youth upon a referral by a social worker with the department or a nongovernmental agency with responsibility for education support services.

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The selected nongovernmental entity or entities must be colocated in the offices of the department to provide timely consultation and in-service training. These entities must have access to all paper and electronic case information pertinent to the educational planning and services of youth referred and are subject to RCW 13.50.010 and 13.50.100.

(4) The selected nongovernmental entity or entities must report outcomes biannually to the department.

<u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 28A.320 RCW to read as follows:

In order to facilitate the on-time grade level progression and graduation of students who are dependent pursuant to chapter 13.34 RCW, school districts must incorporate the following procedures:

(1) School districts must waive specific courses required for graduation if similar coursework has been satisfactorily completed in another school district or must provide reasonable justification for denial. Should a waiver not be granted to a student who would qualify to graduate from the sending school district, the receiving school district must use best efforts to provide an alternative means of acquiring required coursework so that graduation may occur on time.

(2) School districts are encouraged to consolidate unresolved or incomplete coursework and provide opportunities for credit accrual through local classroom hours, correspondence courses, or the portable assisted study sequence units designed for migrant high school students.

(3) Should a student who is transferring at the beginning or during the student's junior or senior year be ineligible to graduate from the receiving school district after all alternatives have been considered, the sending and receiving districts must ensure the receipt of a diploma from the sending district if the student meets the graduation requirements of the sending district.

Sec. 8. RCW 28B.118.010 and 2011 1st sp.s. c 11 s 226 are each amended to read as follows:

The office of student financial assistance shall design the Washington college bound scholarship program in accordance with this section.

(1) "Eligible students" are those students who:

(a) Qualify for free or reduced-price lunches. If a student qualifies in the seventh grade, the student remains eligible even if the student does not receive free or reduced-price lunches thereafter; or

(b) Are dependent pursuant to chapter 13.34 RCW and:

(i) In grade seven through twelve; or

(ii) Are between the ages of eighteen and twenty-one and have not graduated from high school.

(2) Eligible students shall be notified of their eligibility for the Washington college bound scholarship program beginning in their seventh grade year. Students shall also be notified of the requirements for award of the scholarship.

(3)(a) To be eligible for a Washington college bound scholarship, a student eligible under subsection (1)(a) of this section must sign a pledge during seventh or eighth grade that includes a commitment to graduate from high school with at least a C average and with no felony convictions. ((Students who were in the eighth grade during the 2007-08 school year may sign the pledge during the

2008-09 school year.)) The pledge must be witnessed by a parent or guardian and forwarded to the office of student financial assistance by mail or electronically, as indicated on the pledge form.

(b) A student eligible under subsection (1)(b) of this section shall be automatically enrolled, with no action necessary by the student or the student's family, and the enrollment form must be forwarded by the department of social and health services to the higher education coordinating board or its successor by mail or electronically, as indicated on the form.

(4)(a) Scholarships shall be awarded to eligible students graduating from public high schools, approved private high schools under chapter 28A.195 RCW, or who received home-based instruction under chapter 28A.200 RCW.

(b) To receive the Washington college bound scholarship, a student must graduate with at least a "C" average from a public high school or an approved private high school under chapter 28A.195 RCW in Washington or have received home-based instruction under chapter 28A.200 RCW, must have no felony convictions, and must be a resident student as defined in RCW 28B.15.012(2) (a) through (d).

(5) A student's family income will be assessed upon graduation before awarding the scholarship.

(6) If at graduation from high school the student's family income does not exceed sixty-five percent of the state median family income, scholarship award amounts shall be as provided in this section.

(a) For students attending two or four-year institutions of higher education as defined in RCW 28B.10.016, the value of the award shall be (i) the difference between the student's tuition and required fees, less the value of any state-funded grant, scholarship, or waiver assistance the student receives; (ii) plus five hundred dollars for books and materials.

(b) For students attending private four-year institutions of higher education in Washington, the award amount shall be the representative average of awards granted to students in public research universities in Washington.

(c) For students attending private vocational schools in Washington, the award amount shall be the representative average of awards granted to students in public community and technical colleges in Washington.

(7) Recipients may receive no more than four full-time years' worth of scholarship awards.

(8) Institutions of higher education shall award the student all need-based and merit-based financial aid for which the student would otherwise qualify. The Washington college bound scholarship is intended to replace unmet need, loans, and, at the student's option, work-study award before any other grants or scholarships are reduced.

(9) The first scholarships shall be awarded to students graduating in 2012.

(10) The state of Washington retains legal ownership of tuition units awarded as scholarships under this chapter until the tuition units are redeemed. These tuition units shall remain separately held from any tuition units owned under chapter 28B.95 RCW by a Washington college bound scholarship recipient.

(11) The scholarship award must be used within five years of receipt. Any unused scholarship tuition units revert to the Washington college bound scholarship account.

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(12) Should the recipient terminate his or her enrollment for any reason during the academic year, the unused portion of the scholarship tuition units shall revert to the Washington college bound scholarship account.

Sec. 9. RCW 28A.150.510 and 2008 c 297 s 5 are each amended to read as follows:

(1) In order to effectively serve students who are dependent pursuant to chapter 13.34 RCW, education records shall be transmitted to the department of social and health services within two school days after receiving the request from the department provided that the department certifies that it will not disclose to any other party the education records without prior written consent of the parent or student unless authorized to disclose the records under state law. The department of social and health services is authorized to disclose education records it obtains pursuant to this section to a foster parent, guardian, or other entity authorized by the department to provide residential care to the student. The department is also authorized to disclose educational records it obtains pursuant to those entities with which it has contracted, or with which it is formally collaborating, having responsibility for educational support services and educational outcomes of students who are dependent pursuant to chapter 13.34 RCW. The department is encouraged to put in place data-sharing agreements to assure accountability.

(2)(a) The K-12 data governance group established under RCW 28A.300.507 shall create a comprehensive needs requirement document detailing the specific information, technical capacity, and any federal and state statutory and regulatory changes needed by school districts, the office of the superintendent of public instruction, the department of social and health services, or the higher education coordinating board or its successor, to enable the provision, on at least a quarterly basis, of:

(i) Current education records of students who are dependent pursuant to chapter 13.34 RCW to the department of social and health services and, from the department, to those entities with which the department has contracted, or with which it is formally collaborating, having responsibility for educational support services and educational outcomes; and

(ii) The names and contact information of students who are dependent pursuant to chapter 13.34 RCW and are thirteen years or older to the higher education coordinating board or its successor and the private agency with which it has contracted to perform outreach for the passport to college promise program under chapter 28B.117 RCW or the college bound scholarship program under chapter 28B.118.RCW.

(b) In complying with (a) of this subsection, the K-12 data governance group shall consult with: Educational support service organizations, with which the department of social and health services contracts or collaborates, having responsibility for educational support services and educational outcomes of dependent students; the passport to college advisory committee; the education support service organizations under contract to perform outreach for the passport to college promise program under chapter 28B.117 RCW; the department of social and health services; the office of the attorney general; the higher education coordinating board or its successor; and the office of the administrator for the courts. (c) By December 1, 2012, the superintendent of public instruction shall submit a report to the governor and the appropriate committees of the legislature regarding: The analysis of needs by the K-12 data governance group; a timeline for addressing those needs for which no statutory changes are necessary and that can be implemented within existing resources; and recommended options for addressing identified needs for which statutory changes, additional funding, or both, are necessary.

<u>NEW SECTION.</u> Sec. 10. A new section is added to chapter 28A.300 RCW to read as follows:

By December 1, 2012, and on an annual basis through December 1, 2015, the superintendent of public instruction, in consultation with the department of social and health services and the office of the administrator for the courts, shall submit a report to the governor and the appropriate committees of the legislature regarding the content and implementation status of the state's plan for cross-system collaboration to promote educational stability and improve educational outcomes for foster children pursuant to the requirements of the federal fostering connections to success and increasing adoptions act, P.L. 110-351. The annual report must include, but is not limited to, information regarding:

(1) A description of the process used to determine students' best interest in continued enrollment at the school the student was in at the time of initial placement or change of placement;

(2) The number of days, following initial placement or change of placement, to resume school at the school the student was in at the time of initial placement or change of placement or complete new school enrollment and attend at a new school;

(3) The number of days from request to delivery of school records from the sending school to the receiving school; and

(4) Documentation of a plan and use of federal title IV-E dollars to support transportation for educational continuity as envisioned in the federal fostering connections to success and increasing adoptions act, P.L. 110-351.

Sec. 11. RCW 28A.300.525 and 2008 c 297 s 2 are each amended to read as follows:

The ((superintendent of public instruction)) education data center shall ((provide an annual aggregate report to the legislature on)) include in its reporting as part of the P-20 education data project the educational experiences and progress of students in children's administration out-of-home care. This data should be disaggregated in the smallest units allowable by law that do not identify an individual student, in order to learn which school districts are experiencing the greatest success and challenges in achieving quality educational outcomes with students in children's administration out-of-home care.

<u>NEW SECTION.</u> Sec. 12. The legislature strongly recommends that the entities with which the department of social and health services contracts or collaborates to provide educational support services and educational outcomes for students who are dependent under chapter 13.34 RCW and the private agency under contract with the higher education coordinating board or its successor to perform outreach for the passport to college promise program under chapter 28B.117 RCW and the college bound scholarship program under chapter

28B.118 RCW explore models for harnessing technology to keep in constant touch with the students they serve and keep these students engaged.

Sec. 13. RCW 28B.117.901 and 2007 c 314 s 10 are each amended to read as follows:

This chapter expires June 30, ((2013)) <u>2022</u>.

<u>NEW SECTION.</u> Sec. 14. This act may be known and cited as the educational success for youth and alumni of foster care act.

NEW SECTION. Sec. 15. This act takes effect July 1, 2012.

Passed by the House March 5, 2012.

Passed by the Senate February 28, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 164

[Engrossed Substitute House Bill 2314] LONG-TERM CARE WORKERS

AN ACT Relating to implementing revisions to long-term care services without delaying the start of the long-term care worker minimum training or certification requirements in Initiative Measure No. 1163 beyond January 7, 2012, reducing those requirements, or, except for long-term care workers employed by community residential service businesses, exempting additional workers from those requirements; amending RCW 18.88B.010, 74.39A.009, 18.88B.021, 18.88B.041, 18.88B.031, 74.39A.074, 74.39A.076, 74.39A.331, 74.39A.351, 74.39A.341, 18.79.260, 74.39A.261, 74.39A.056, 18.20.125, 43.20A.710, 43.43.837, 18.88B.050, 74.39A.086, 74.39A.051, 18.20.270, 70.128.120, 70.128.130, 70.128.230, 74.39A.010, 74.39A.020, and 74.39A.250; amending 2012 c 1 ss 201 and 303 (uncodified); reenacting and amending RCW 74.39A.095; adding new sections to chapter 18.88B RCW; creating new sections; and declaring an emergency.

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

I. INTENT

<u>NEW SECTION.</u> Sec. 101. The legislature finds that numerous enactments and amendments to long-term care services statutes over many years have resulted in duplicated provisions, ambiguities, and other technical errors. The legislature intends to make corrections and clarify provisions governing services by long-term care workers.

II. DEFINITIONS

Sec. 201. RCW 18.88B.010 and 2009 c 2 s 17 are each amended to read as follows:

The definitions in ((RCW 74.39A.009)) <u>this section</u> apply throughout this chapter unless the context clearly requires otherwise.

(1) "Community residential service business" has the same meaning as defined in RCW 74.39A.009.

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

(3) "Home care aide" means a person certified under this chapter.

(4) "Individual provider" has the same meaning as defined in RCW 74.39A.009.

(5) "Personal care services" has the same meaning as defined in RCW 74.39A.009.

(6) "Secretary" means the secretary of the department of health.

(7) "Long-term care worker" has the same meaning as defined in RCW 74.39A.009.

Sec. 202. RCW 74.39A.009 and 2009 c 580 s 1 are each amended to read as follows:

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

(1) "Adult family home" means a home licensed under chapter 70.128 RCW.

(2) "Adult residential care" means services provided by a boarding home that is licensed under chapter 18.20 RCW and that has a contract with the department under RCW 74.39A.020 to provide personal care services.

(3) "Assisted living services" means services provided by a boarding home that has a contract with the department under RCW 74.39A.010 to provide personal care services, intermittent nursing services, and medication administration services, and the resident is housed in a private apartment-like unit.

(4) "Boarding home" means a facility licensed under chapter 18.20 RCW.

(5) "Community residential service business" means a business that:

(a) Is certified by the department of social and health services to provide to individuals who have a developmental disability as defined in RCW 71A.10.020(4):

(i) Group home services;

(ii) Group training home services;

(iii) Supported living services; or

(iv) Voluntary placement services provided in a licensed staff residential facility for children;

(b) Has a contract with the division of developmental disabilities to provide the services identified in (a) of this subsection; and

(c) All of the business's long-term care workers are subject to statutory or regulatory training requirements that are required to provide the services identified in (a) of this subsection.

(6) "Core competencies" means basic training topics, including but not limited to, communication skills, worker self-care, problem solving, maintaining dignity, consumer directed care, cultural sensitivity, body mechanics, fall prevention, skin and body care, long-term care worker roles and boundaries, supporting activities of daily living, and food preparation and handling.

(((6))) (7) "Cost-effective care" means care provided in a setting of an individual's choice that is necessary to promote the most appropriate level of physical, mental, and psychosocial well-being consistent with client choice, in an environment that is appropriate to the care and safety needs of the individual, and such care cannot be provided at a lower cost in any other setting. But this in no way precludes an individual from choosing a different residential setting to achieve his or her desired quality of life.

(((7))) (8) "Department" means the department of social and health services.

(((3))) (9) "Developmental disability" has the same meaning as defined in RCW 71A.10.020.

 $(((\frac{9})))$ (10) "Direct care worker" means a paid caregiver who provides direct, hands-on personal care services to persons with disabilities or the elderly requiring long-term care.

(((10))) (11) "Enhanced adult residential care" means services provided by a boarding home that is licensed under chapter 18.20 RCW and that has a contract with the department under RCW 74.39A.010 to provide personal care services, intermittent nursing services, and medication administration services.

(((11))) (12) "Functionally disabled person" or "person who is functionally disabled" is synonymous with chronic functionally disabled and means a person who because of a recognized chronic physical or mental condition or disease, or developmental disability, including chemical dependency, is impaired to the extent of being dependent upon others for direct care, support, supervision, or monitoring to perform activities of daily living. "Activities of daily living", in this context, means self-care abilities related to personal care such as bathing, eating, using the toilet, dressing, and transfer. Instrumental activities of daily living may also be used to assess a person's functional abilities as they are related to the mental capacity to perform activities in the home and the community such as cooking, shopping, house cleaning, doing laundry, working, and managing personal finances.

(((12))) (13) "Home and community-based services" means adult family homes, in-home services, and other services administered or provided by contract by the department directly or through contract with area agencies on aging or similar services provided by facilities and agencies licensed by the department.

(((13))) (14) "Home care aide" means a long-term care worker who has obtained certification as a home care aide by the department of health.

(((14))) (15) "Individual provider" is defined according to RCW 74.39A.240.

(((15))) (16) "Long-term care" is synonymous with chronic care and means care and supports delivered indefinitely, intermittently, or over a sustained time to persons of any age disabled by chronic mental or physical illness, disease, chemical dependency, or a medical condition that is permanent, not reversible or curable, or is long-lasting and severely limits their mental or physical capacity for self-care. The use of this definition is not intended to expand the scope of services, care, or assistance by any individuals, groups, residential care settings, or professions unless otherwise expressed by law.

(((16))) (17)(a) "Long-term care workers ((for the elderly or persons with disabilities" or "long-term care workers))" include((s)) all persons who ((are long-term care workers)) provide paid, hands-on personal care services for the elderly or persons with disabilities, including but not limited to individual providers of home care services, direct care ((employees of)) workers employed by home care agencies, providers of home care services to persons with developmental disabilities under Title 71<u>A</u> RCW, all direct care workers in state-licensed boarding homes, assisted living facilities, and adult family homes, respite care providers, direct care workers employed by community residential service ((providers)) businesses, and any other direct care worker providing home or community-based services to the elderly or persons with functional disabilities or developmental disabilities.

(b) "Long-term care workers" do not include: (i) Persons employed by the following facilities or agencies: Nursing homes subject to chapter 18.51 RCW, hospitals or other acute care settings, residential habilitation centers under chapter 71A.20 RCW, facilities certified under 42 C.F.R., Part 483, hospice agencies subject to chapter 70.127 RCW, adult day care centers, and adult day health care centers; or (ii) persons who are not paid by the state or by a private agency or facility licensed by the state to provide personal care services.

(((17))) (18) "Nursing home" means a facility licensed under chapter 18.51 RCW.

(((18))) (19) "Personal care services" means physical or verbal assistance with activities of daily living and instrumental activities of daily living provided because of a person's functional disability.

(((19))) (20) "Population specific competencies" means basic training topics unique to the care needs of the population the long-term care worker is serving, including but not limited to, mental health, dementia, developmental disabilities, young adults with physical disabilities, and older adults.

 $((\frac{(20)}{21}))$ (21) "Qualified instructor" means a registered nurse or other person with specific knowledge, training, and work experience in the provision of direct, hands-on personal care and other assistance services to the elderly or persons with disabilities requiring long-term care.

(((21))) (22) "Secretary" means the secretary of social and health services.

 $(((\frac{22}{2})))$ (23) "Secretary of health" means the secretary of health or the secretary's designee.

(((23))) (24) "Training partnership" means a joint partnership or trust that includes the office of the governor and the exclusive bargaining representative of individual providers under RCW 74.39A.270 with the capacity to provide training, peer mentoring, and workforce development, or other services to individual providers.

(((24))) (25) "Tribally licensed boarding home" means a boarding home licensed by a federally recognized Indian tribe which home provides services similar to boarding homes licensed under chapter 18.20 RCW.

III. CREDENTIAL REQUIREMENT

Sec. 301. RCW 18.88B.021 and 2012 c 1 s 103 (Initiative Measure No. 1163) are each amended to read as follows:

(1) ((Effective January 1, 2011,)) Beginning January 7, 2012, except as provided in RCW ((18.88B.040, the department of health shall require that)) 18.88B.041, any person hired as a long-term care worker ((for the elderly or persons with disabilities)) must be certified as a home care aide as provided in this chapter within one hundred fifty calendar days ((from)) after the date of being hired or within one hundred fifty calendar days after the effective date of this section, whichever is later. In computing the time periods in this subsection, the first day is the date of hire or the effective date of this section, whichever is applicable.

(2) ((Except as provided in RCW 18.88B.040, certification as a home care aide requires both completion of seventy-five hours of training and successful completion of a certification examination pursuant to RCW 74.39A.073 and 18.88B.030.

(3))) (a) No person may practice or, by use of any title or description, represent himself or herself as a certified home care aide without being certified (($\frac{\text{pursuant to}}{\text{pursuant to}}$)) as provided in this chapter.

(((4))) (b) This section does not prohibit a person: (i) From practicing a profession for which the person has been issued a license or which is specifically authorized under this state's laws; or (ii) who is exempt from certification under RCW 18.88B.041 from providing services as a long-term care worker.

(c) In consultation with consumer and worker representatives, the department shall, by January 1, 2013, establish by rule a single scope of practice that encompasses both long-term care workers who are certified home care aides and long-term care workers who are exempted from certification under RCW 18.88B.041.

(3) The department (($\frac{\text{of health}}{\text{of health}}$)) shall adopt rules (($\frac{\text{by August 1, 2010,}}{\text{of health}}$)) to implement this section.

Sec. 302. RCW 18.88B.041 and 2012 c 1 s 105 (Initiative Measure No. 1163) are each amended to read as follows:

(1) The following long-term care workers are not required to become a certified home care aide pursuant to this chapter((-

(1)))<u>:</u>

(a)(i)(A) Registered nurses, licensed practical nurses, certified nursing assistants or persons who are in an approved training program for certified nursing assistants under chapter 18.88A RCW, medicare-certified home health aides, or other persons who hold a similar health credential, as determined by the secretary ((of health)), or persons with special education training and an endorsement granted by the superintendent of public instruction, as described in RCW 28A.300.010, if the secretary ((of health)) determines that the circumstances do not require certification. ((Individuals exempted by this subsection may obtain certification as a home care aide from the department of health without fulfilling the training requirements in RCW 74.39A.073 but must successfully complete a certification examination pursuant to RCW 18.88B.030.

(2))) (B) A person ((already employed)) who was initially hired as a long-term care worker prior to January ((1, 2011)) 7, 2012, and who completes all of his or her training requirements in effect as of the date he or she was hired((, is not required to obtain certification)).

(ii) Individuals exempted by (a)(i) of this subsection may obtain certification as a home care aide ((from the department of health)) without fulfilling the training requirements in RCW ((74.39A.073)) 74.39A.074(1)(d)(ii) but must successfully complete a certification examination pursuant to RCW ((18.88B.030)) 18.88B.031.

(((3))) (b) All long-term care workers employed by ((supported living providers are not required to obtain certification under this chapter)) community residential service businesses.

(((4))) (c) An individual provider caring only for his or her biological, step, or adoptive child or parent ((is not required to obtain certification under this chapter)).

(((5))) (d) Prior to ((June 30)) July 1, 2014, a person hired as an individual provider who provides twenty hours or less of care for one person in any calendar month ((is not required to obtain certification under this chapter)).

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(((6))) (2) A long-term care worker exempted by this section from the training requirements contained in RCW ((74.39A.073)) 74.39A.074 may not be prohibited from enrolling in training pursuant to that section.

 $((\frac{7}))$ (3) The department $((\frac{1}{6} + \frac{1}{1}))$ shall adopt rules $((\frac{1}{2} + \frac{1}{1}))$ to implement this section.

<u>NEW SECTION.</u> Sec. 303. A new section is added to chapter 18.88B RCW to read as follows:

(1) The department has the authority to:

(a) Establish forms, procedures, and examinations necessary to certify home care aides pursuant to this chapter;

(b) Hire clerical, administrative, and investigative staff as needed to implement this section;

(c) Issue certification as a home care aide to any applicant who has successfully completed the home care aide examination, and renew such certificates;

(d) Maintain the official record of all applicants and persons with certificates;

(e) Exercise disciplinary authority as authorized in chapter 18.130 RCW; and

(f) Deny certification to applicants who do not meet training, competency examination, and conduct requirements, including background checks, for certification.

(2) The department shall adopt rules that establish the procedures, including criteria for reviewing an applicant's state and federal background checks, and examinations necessary to implement this section.

Sec. 304. RCW 18.88B.031 and 2012 c 1 s 104 (Initiative Measure No. 1163) are each amended to read as follows:

(1) ((Effective January 1, 2011,)) Except as provided in RCW ((18.88B.040)) 18.88B.041 and subject to the other requirements of this chapter, ((the department of health shall require that all)) to be certified as a home care aide, a long-term care worker((s)) must successfully complete the training required under RCW 74.39A.074(1) and a certification examination. Any long-term care worker failing to make the required grade for the examination ((will)) may not be certified as a home care aide.

(2) The department ((of health)), in consultation with consumer and worker representatives, shall develop a home care aide certification examination to evaluate whether an applicant possesses the skills and knowledge necessary to practice competently. ((Unless excluded)) Except as provided by RCW ((18.88B.040 (1) and (2))) 18.88B.041(1)(a)(ii), only those who have completed the training requirements in RCW ((74.39A.073)) 74.39A.074(1) shall be eligible to sit for this examination.

(3) The examination shall include both a skills demonstration and a written or oral knowledge test. The examination papers, all grading of the papers, and records related to the grading of skills demonstration shall be preserved for a period of not less than one year. The department ((of health)) shall establish rules governing the number of times and under what circumstances individuals who have failed the examination may sit for the examination, including whether any intermediate remedial steps should be required.

(4) All examinations shall be conducted by fair and wholly impartial methods. The certification examination shall be administered and evaluated by the department (($\frac{\text{of health}}{\text{of health}}$)) or by a contractor to the department (($\frac{\text{of health}}{\text{of health}}$)) that is neither an employer of long-term care workers or <u>a</u> private contractor((s)) providing training services under this chapter.

(5) ((The department of health has the authority to:

(a) Establish forms, procedures, and examinations necessary to certify home care aides pursuant to this chapter;

(b) Hire clerical, administrative, and investigative staff as needed to implement this section;

(c) Issue certification as a home care aide to any applicant who has successfully completed the home care aide examination;

(d) Maintain the official record of all applicants and persons with certificates;

(e) Exercise disciplinary authority as authorized in chapter 18.130 RCW; and

(f) Deny certification to applicants who do not meet training, competency examination, and conduct requirements for certification.

(6))) The department ((of health)) shall adopt rules ((by August 1, 2010, that establish the procedures, including criteria for reviewing an applicant's state and federal background checks, and examinations necessary to earry this section into effect)) to implement this section.

IV. TRAINING PROVISIONS

Sec. 401. RCW 74.39A.074 and 2012 c 1 s 107 (Initiative Measure No. 1163) are each amended to read as follows:

(1) ((Effective January 1, 2011,)) (a) Beginning January 7, 2012, except ((as provided in RCW 18.88B.040)) for long-term care workers exempt from certification under RCW 18.88B.041(1)(a) and, until January 1, 2016, those exempt under RCW 18.88B.041(1)(b), all persons ((employed)) hired as long-term care workers ((for the elderly or persons with disabilities)) must meet the minimum training requirements in this section within one hundred twenty calendar days ((of employment)) after the date of being hired or within one hundred twenty calendar days after the effective date of this section, whichever is later. In computing the time periods in this subsection, the first day is the date of hire or the effective date of this section, whichever is applicable.

(((2) All persons employed as long-term care workers must obtain)) (b) Except as provided in RCW 74.39A.076, the minimum training requirement is seventy-five hours of entry-level training approved by the department. A longterm care worker must ((accomplish)) successfully complete five of these seventy-five hours before ((becoming)) being eligible to provide care.

(((3))) (c) Training required by (d) of this subsection (((4)(c) of this section will be applied)) applies toward((s)) the training required under RCW 18.20.270 or 70.128.230 ((as well as)) or any statutory or regulatory training requirements for long-term care workers employed by ((supportive living providers)) community residential service businesses.

(((4) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section.)) (d) The seventy-five hours of entry-level training required shall be as follows:

(((a))) (i) Before a long-term care worker is eligible to provide care, he or she must complete:

(A) Two hours of orientation training regarding his or her role as caregiver and the applicable terms of employment; and

(((b) Before a long term care worker is eligible to provide care, he or she must complete)) (B) Three hours of safety training, including basic safety precautions, emergency procedures, and infection control; and

(((c) All long-term care workers must complete)) (ii) <u>S</u>eventy hours of long-term care basic training, including training related to core competencies and population specific competencies.

(((5))) (2) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors on the competencies and training topics in this section.

(((6))) (3) Individual providers under RCW 74.39A.270 shall be compensated for training time required by this section.

 $(((7) \text{ The department of health shall adopt rules by August 1, 2010, to implement subsections (1), (2), and (3) of this section.$

(8))) (4) The department shall adopt rules ((by August 1, 2010,)) to implement ((subsections (4) and (5) of)) this section.

Sec. 402. RCW 74.39A.076 and 2012 c 1 s 108 (Initiative Measure No. 1163) are each amended to read as follows:

(1) ((Effective January 1, 2011,)) Beginning January 7, 2012, except for long-term care workers exempt from certification under RCW 18.88B.041(1)(a):

(a) A biological, step, or adoptive parent who is the individual provider only for his or her developmentally disabled son or daughter must receive twelve hours of training relevant to the needs of adults with developmental disabilities within the first one hundred twenty days ((α f)) <u>after</u> becoming an individual provider <u>or within one hundred twenty calendar days after the effective date of this section, whichever is later</u>.

(((2) Effective January 1, 2011,)) (b) Individual providers identified in (((a) and)) (b)(i) and (ii) of this subsection must complete thirty-five hours of training within the first one hundred twenty days ((of)) after becoming an individual provider or within one hundred twenty calendar days after the effective date of this section, whichever is later. Five of the thirty-five hours must be completed before becoming eligible to provide care. Two of these five hours shall be devoted to an orientation training regarding an individual provider's role as caregiver and the applicable terms of employment, and three hours shall be devoted to safety training, including basic safety precautions, emergency procedures, and infection control. Individual providers subject to this requirement include:

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(((a))) (1) An individual provider caring only for his or her biological, step, or adoptive child or parent unless covered by (a) of this subsection (((1) of this section)); and

(((b) Before)) (ii) Until January 1, 2014, a person hired as an individual provider who provides twenty hours or less of care for one person in any calendar month.

(2) In computing the time periods in this section, the first day is the date of hire or the effective date of this section, whichever is applicable.

(3) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors.

(4) The department shall adopt rules ((by August 1, 2010,)) to implement this section.

Sec. 403. RCW 74.39A.331 and 2012 c 1 s 111 (Initiative Measure No. 1163) are each amended to read as follows:

Long-term care workers shall be offered on-the-job training or peer mentorship for at least one hour per week in the first ninety days of work from a long-term care worker who has completed at least twelve hours of mentor training and is mentoring no more than ten other workers at any given time. This requirement applies to long-term care workers who begin work on or after July 1, ((2011)) <u>2012</u>, except that it does not apply to long-term care workers employed by community residential service businesses until January 1, 2016.

Sec. 404. RCW 74.39A.351 and 2012 c 1 s 113 (Initiative Measure No. 1163) are each amended to read as follows:

(1) The department shall offer, directly or through contract, training opportunities sufficient for a long-term care worker to accumulate seventy hours of training within a reasonable time period. For individual providers represented by an exclusive bargaining representative under RCW 74.39A.270, the training opportunities shall be offered through the training partnership established under RCW 74.39A.360.

(2) Training topics <u>offered under this section</u> shall include, but are not limited to: Client rights; personal care; mental illness; dementia; developmental disabilities; depression; medication assistance; advanced communication skills; positive client behavior support; developing or improving client-centered activities; dealing with wandering or aggressive client behaviors; medical conditions; nurse delegation core training; peer mentor training; and advocacy for quality care training.

(3) The department may not require long-term care workers to obtain the training described in this section. ((This))

(4) The requirement to offer advanced training applies beginning January 1, ((2012)) 2013, except that it does not apply to long-term care workers employed by community residential service businesses until January 1, 2016.

Sec. 405. RCW 74.39A.341 and 2012 c 1 s 112 (Initiative Measure No. 1163) are each amended to read as follows:

(1) ((The department of health shall ensure that)) <u>A</u>ll long-term care workers shall complete twelve hours of continuing education training in advanced training topics each year. This requirement applies beginning ((Θ n)) July 1, ((2Θ 11)) <u>2012</u>.

(2) Completion of continuing education as required in this section is a prerequisite to maintaining home care aide certification under chapter (($\frac{2}{2}$, Laws of 2009)) 18.88B RCW.

(3) Unless voluntarily certified as a home care aide under chapter (($\frac{2$, Laws of 2009})) <u>18.88B RCW</u>, subsection (1) of this section does not apply to:

(a) An individual provider caring only for his or her biological, step, or adoptive child; ((and))

(b) <u>Before January 1, 2016, a long-term care worker employed by a</u> <u>community residential service business; or</u>

(c) Before ((June 30)) July 1, 2014, a person hired as an individual provider who provides twenty hours or less of care for one person in any calendar month.

(4) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors.

(5) Individual providers under RCW 74.39A.270 shall be compensated for training time required by this section.

(6) The department of health shall adopt rules (($\frac{by August 1, 2010}{)}$)) to implement subsection(($\frac{s}{2}$)) (1)(($\frac{(2)}{2}$, and $\frac{(3)}{2}$)) of this section.

(7) The department shall adopt rules (($\frac{by August 1, 2010}{)}$)) to implement subsection (($\frac{(4)}{)}$) (2) of this section.

<u>NEW SECTION.</u> Sec. 406. A new section is added to chapter 18.88B RCW to read as follows:

(1) The legislature recognizes that nurses have been successfully delegating nursing care tasks to family members and others for many years. The opportunity for a nurse to delegate nursing care tasks to home care aides certified under this chapter may enhance the viability and quality of health care services in community-based care settings and in-home care settings to allow individuals to live as independently as possible with maximum safeguards.

(2)(a) A certified home care aide who wishes to perform a nurse delegated task pursuant to RCW 18.79.260 must complete nurse delegation core training under chapter 18.88A RCW before the home care aide may be delegated a nursing care task by a registered nurse delegator. Before administering insulin, a home care aide must also complete the specialized diabetes nurse delegation training under chapter 18.88A RCW. Before commencing any specific nursing care tasks authorized under RCW 18.79.260, the home care aide must:

(i) Provide to the delegating nurse a transcript or certificate of successful completion of training issued by an approved instructor or approved training entity indicating the completion of basic core nurse delegation training; and

(ii) Meet any additional training requirements mandated by the nursing care quality assurance commission. Any exception to these training requirements is subject to RCW 18.79.260(3)(e)(vi).

(b) In addition to meeting the requirements of (a) of this subsection, before providing delegated nursing care tasks that involve administration of insulin by injection to individuals with diabetes, the home care aide must provide to the delegating nurse a transcript or certificate of successful completion of training issued by an approved instructor or approved training entity indicating completion of specialized diabetes nurse delegation training. The training must include, but is not limited to, instruction regarding diabetes, insulin, sliding scale insulin orders, and proper injection procedures.

(3) The home care aide is accountable for his or her own individual actions in the delegation process. Home care aides accurately following written delegation instructions from a registered nurse are immune from liability regarding the performance of the delegated duties.

(4) Home care aides are not subject to any employer reprisal or disciplinary action by the secretary for refusing to accept delegation of a nursing care task based on his or her concerns about patient safety issues. No provider of a community-based care setting as defined in RCW 18.79.260, or in-home services agency as defined in RCW 70.127.010, may discriminate or retaliate in any manner against a person because the person made a complaint about the nurse delegation process or cooperated in the investigation of the complaint.

Sec. 407. RCW 18.79.260 and 2009 c 203 s 1 are each amended to read as follows:

(1) A registered nurse under his or her license may perform for compensation nursing care, as that term is usually understood, to individuals with illnesses, injuries, or disabilities.

(2) A registered nurse may, at or under the general direction of a licensed physician and surgeon, dentist, osteopathic physician and surgeon, naturopathic physician, optometrist, podiatric physician and surgeon, physician assistant, osteopathic physician assistant, or advanced registered nurse practitioner acting within the scope of his or her license, administer medications, treatments, tests, and inoculations, whether or not the severing or penetrating of tissues is involved and whether or not a degree of independent judgment and skill is required. Such direction must be for acts which are within the scope of registered nursing practice.

(3) A registered nurse may delegate tasks of nursing care to other individuals where the registered nurse determines that it is in the best interest of the patient.

(a) The delegating nurse shall:

(i) Determine the competency of the individual to perform the tasks;

(ii) Evaluate the appropriateness of the delegation;

(iii) Supervise the actions of the person performing the delegated task; and

(iv) Delegate only those tasks that are within the registered nurse's scope of practice.

(b) A registered nurse, working for a home health or hospice agency regulated under chapter 70.127 RCW, may delegate the application, instillation, or insertion of medications to a registered or certified nursing assistant under a plan of care.

(c) Except as authorized in (b) or (e) of this subsection, a registered nurse may not delegate the administration of medications. Except as authorized in (e) of this subsection, a registered nurse may not delegate acts requiring substantial skill, and may not delegate piercing or severing of tissues. Acts that require nursing judgment shall not be delegated.

(d) No person may coerce a nurse into compromising patient safety by requiring the nurse to delegate if the nurse determines that it is inappropriate to do so. Nurses shall not be subject to any employer reprisal or disciplinary action by the nursing care quality assurance commission for refusing to delegate tasks or refusing to provide the required training for delegation if the nurse determines delegation may compromise patient safety.

(e) For delegation in community-based care settings or in-home care settings, a registered nurse may delegate nursing care tasks only to registered or certified nursing assistants or home care aides certified under chapter 18.88B <u>RCW</u>. Simple care tasks such as blood pressure monitoring, personal care service, diabetic insulin device set up, verbal verification of insulin dosage for sight-impaired individuals, or other tasks as defined by the nursing care quality assurance commission are exempted from this requirement.

(i) "Community-based care settings" includes: Community residential programs for people with developmental disabilities, certified by the department of social and health services under chapter 71A.12 RCW; adult family homes licensed under chapter 70.128 RCW; and boarding homes licensed under chapter 18.20 RCW. Community-based care settings do not include acute care or skilled nursing facilities.

(ii) "In-home care settings" include an individual's place of temporary or permanent residence, but does not include acute care or skilled nursing facilities, and does not include community-based care settings as defined in (e)(i) of this subsection.

(iii) Delegation of nursing care tasks in community-based care settings and in-home care settings is only allowed for individuals who have a stable and predictable condition. "Stable and predictable condition" means a situation in which the individual's clinical and behavioral status is known and does not require the frequent presence and evaluation of a registered nurse.

(iv) The determination of the appropriateness of delegation of a nursing task is at the discretion of the registered nurse. Other than delegation of the administration of insulin by injection for the purpose of caring for individuals with diabetes, the administration of medications by injection, sterile procedures, and central line maintenance may never be delegated.

(v) When delegating insulin injections under this section, the registered nurse delegator must instruct the individual regarding proper injection procedures and the use of insulin, demonstrate proper injection procedures, and must supervise and evaluate the individual performing the delegated task weekly during the first four weeks of delegation of insulin injections. If the registered nurse delegator determines that the individual is competent to perform the injection properly and safely, supervision and evaluation shall occur at least every ninety days thereafter.

(vi)(A) The registered nurse shall verify that the nursing assistant <u>or home</u> care aide, as the case may be, has completed the required core nurse delegation training required in chapter 18.88A <u>or 18.88B</u> RCW prior to authorizing delegation.

(B) Before commencing any specific nursing tasks authorized to be delegated in this section, a home care aide must be certified pursuant to chapter 18.88B RCW and must comply with section 406 of this act.

(vii) The nurse is accountable for his or her own individual actions in the delegation process. Nurses acting within the protocols of their delegation authority are immune from liability for any action performed in the course of their delegation duties.

(viii) Nursing task delegation protocols are not intended to regulate the settings in which delegation may occur, but are intended to ensure that nursing care services have a consistent standard of practice upon which the public and the profession may rely, and to safeguard the authority of the nurse to make independent professional decisions regarding the delegation of a task.

(f) The nursing care quality assurance commission may adopt rules to implement this section.

(4) Only a person licensed as a registered nurse may instruct nurses in technical subjects pertaining to nursing.

(5) Only a person licensed as a registered nurse may hold herself or himself out to the public or designate herself or himself as a registered nurse.

<u>NEW SECTION.</u> Sec. 408. By September 1, 2012, the department of social and health services shall adopt rules that reflect all statutory and regulatory training requirements for long-term care workers, as defined in RCW 74.39A.009, to provide the services identified in RCW 74.39A.009(5)(a).

V. BACKGROUND CHECK REQUIREMENT

<u>NEW SECTION.</u> Sec. 501. A new section is added to chapter 18.88B RCW to read as follows:

A long-term care worker disqualified from working with vulnerable persons under chapter 74.39A RCW may not be certified or maintain certification as a home care aide under this chapter. To allow the department to satisfy its certification responsibilities under this chapter, the department of social and health services shall share the results of state and federal background checks conducted pursuant to RCW 74.39A.056 with the department. Neither department may share the federal background check results with any other state agency or person.

Sec. 502. RCW 74.39A.261 and 2012 c 1 s 102 (Initiative Measure No. 1163) are each amended to read as follows:

The department must perform criminal background checks for individual providers and prospective individual providers ((and ensure that the authority has ready access to any long-term care abuse and neglect registry used by the department. Individual providers who are hired after January 1, 2012, are subject to background checks)) under RCW ((74.39A.055)) 74.39A.056.

Sec. 503. RCW 74.39A.056 and 2012 c 1 s 101 (Initiative Measure No. 1163) are each amended to read as follows:

(1)(a) All long-term care workers ((for the elderly or persons with disabilities hired after January 1, 2012,)) shall be screened through state and federal background checks in a uniform and timely manner to ((ensure)) verify that they do not have a criminal history that would disqualify them from working

with vulnerable persons. ((These)) The department must perform criminal background checks for individual providers and prospective individual providers and make the information available as provided by law.

(b)(i) Except as provided in (b)(ii) of this subsection, for long-term care workers hired after January 7, 2012, the background checks required under this section shall include checking against the federal bureau of investigation fingerprint identification records system and against the national sex offenders registry or their successor programs. The department shall require these long-term care workers to submit fingerprints for the purpose of investigating conviction records through both the Washington state patrol and the federal bureau of investigation. The department shall not pass on the cost of these criminal background checks to the workers or their employers.

(ii) This subsection does not apply to long-term care workers employed by community residential service businesses until January 1, 2016.

 $(((2) \text{ To allow the department of health to satisfy its certification responsibilities under chapter 18.88B RCW₃)) (c) <u>The department shall share</u> state and federal background check results with the department of health((-Neither department may share the federal background check results with any other state agency or person)) in accordance with section 501 of this act.$

(((3) The department shall not pass on the cost of these criminal background ehecks to the workers or their employers.)) (2) No provider, or its staff, or longterm care worker, or prospective provider or long-term care worker, with a stipulated finding of fact, conclusion of law, an agreed order, or finding of fact, conclusion of law, or final order issued by a disciplining authority or a court of law or entered into a state registry with a final substantiated finding of abuse, neglect, exploitation, or abandonment of a minor or a vulnerable adult as defined in chapter 74.34 RCW shall be employed in the care of and have unsupervised access to vulnerable adults.

(3) The department shall establish, by rule, a state registry which contains identifying information about long-term care workers identified under this chapter who have final substantiated findings of abuse, neglect, financial exploitation, or abandonment of a vulnerable adult as defined in RCW 74.34.020. The rule must include disclosure, disposition of findings, notification, findings of fact, appeal rights, and fair hearing requirements. The department shall disclose, upon request, final substantiated findings of abuse, neglect, financial exploitation, or abandonment to any person so requesting this information. This information must also be shared with the department of health to advance the purposes of chapter 18.88B RCW.

(4) The department shall adopt rules to implement ((the provisions of)) this section ((by August 1, 2010)).

Sec. 504. RCW 18.20.125 and 2011 1st sp.s. c 31 s 15 are each amended to read as follows:

(1) Inspections must be outcome based and responsive to resident complaints and based on a clear set of health, quality of care, and safety standards that are easily understandable and have been made available to facilities, residents, and other interested parties. This includes that when conducting licensing inspections, the department shall interview an appropriate percentage of residents, family members, and advocates in addition to interviewing appropriate staff.

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(2) Prompt and specific enforcement remedies shall also be implemented without delay, consistent with RCW 18.20.190, for facilities found to have delivered care or failed to deliver care resulting in problems that are serious, recurring, or uncorrected, or that create a hazard that is causing or likely to cause death or serious harm to one or more residents. These enforcement remedies may also include, when appropriate, reasonable conditions on a license. In the selection of remedies, the safety, health, and well-being of residents shall be of paramount importance.

(3)(a) To the extent funding is available, the licensee, administrator, and their staff should be screened through background checks in a uniform and timely manner to ensure that they do not have a criminal history that would disqualify them from working with vulnerable adults. Employees may be provisionally hired pending the results of the background check if they have been given three positive references.

(b) Long-term care workers, as defined in RCW 74.39A.009, who are hired after January ($(\frac{1, 2014}{)})$ <u>7, 2012</u>, are subject to background checks under RCW ((74.39A.055)) <u>74.39A.056</u>.

(4) No licensee, administrator, or staff, or prospective licensee, administrator, or staff, with a stipulated finding of fact, conclusion of law, and agreed order, or finding of fact, conclusion of law, or final order issued by a disciplining authority, a court of law, or entered into the state registry finding him or her guilty of abuse, neglect, exploitation, or abandonment of a minor or a vulnerable adult as defined in chapter 74.34 RCW shall be employed in the care of and have unsupervised access to vulnerable adults.

Sec. 505. RCW 43.20A.710 and 2011 1st sp.s. c 31 s 16 are each amended to read as follows:

(1) The secretary shall investigate the conviction records, pending charges and disciplinary board final decisions of:

(a) Any current employee or applicant seeking or being considered for any position with the department who will or may have unsupervised access to children, vulnerable adults, or individuals with mental illness or developmental disabilities. This includes, but is not limited to, positions conducting comprehensive assessments, financial eligibility determinations, licensing and certification activities, investigations, surveys, or case management; or for state positions otherwise required by federal law to meet employment standards;

(b) Individual providers who are paid by the state and providers who are paid by home care agencies to provide in-home services involving unsupervised access to persons with physical, mental, or developmental disabilities or mental illness, or to vulnerable adults as defined in chapter 74.34 RCW, including but not limited to services provided under chapter 74.39 or 74.39A RCW; and

(c) Individuals or businesses or organizations for the care, supervision, case management, or treatment of children, persons with developmental disabilities, or vulnerable adults, including but not limited to services contracted for under chapter 18.20, 70.127, 70.128, 72.36, or 74.39A RCW or Title 71A RCW.

(2) The secretary shall require a fingerprint-based background check through both the Washington state patrol and the federal bureau of investigation as provided in RCW 43.43.837. Unless otherwise authorized by law, the secretary shall use the information solely for the purpose of determining the character, suitability, and competence of the applicant.

(3) Except as provided in subsection (4) of this section, an individual provider or home care agency provider who has resided in the state less than three years before applying for employment involving unsupervised access to a vulnerable adult as defined in chapter 74.34 RCW must be fingerprinted for the purpose of investigating conviction records through both the Washington state patrol and the federal bureau of investigation. This subsection applies only with respect to the provision of in-home services funded by medicaid personal care under RCW 74.09.520, community options program entry system waiver services under RCW 74.39A.030, or chore services under RCW 74.39A.110. However, this subsection does not supersede RCW 74.15.030(2)(b).

(4) Long-term care workers, as defined in RCW 74.39A.009, who are hired after January (($\frac{1}{2014}$)) 7, 2012, are subject to background checks under RCW (($\frac{74.39A.055}{10.000}$)) 74.39A.056, except that the department may require a background check at any time under RCW 43.43.837. For the purposes of this subsection, "background check" includes, but is not limited to, a fingerprint check submitted for the purpose of investigating conviction records through both the Washington state patrol and the federal bureau of investigation.

(5) An individual provider or home care agency provider hired to provide in-home care for and having unsupervised access to a vulnerable adult as defined in chapter 74.34 RCW must have no conviction for a disqualifying crime under RCW 43.43.830 and 43.43.842. An individual or home care agency provider must also have no conviction for a crime relating to drugs as defined in RCW 43.43.830. This subsection applies only with respect to the provision of in-home services funded by medicaid personal care under RCW 74.09.520, community options program entry system waiver services under RCW 74.39A.030, or chore services under RCW 74.39A.110.

(6) The secretary shall provide the results of the state background check on long-term care workers, including individual providers, to the persons hiring them or to their legal guardians, if any, for their determination of the character, suitability, and competence of the applicants. If the person elects to hire or retain an individual provider after receiving notice from the department that the applicant has a conviction for an offense that would disqualify the applicant from having unsupervised access to persons with physical, mental, or developmental disabilities or mental illness, or to vulnerable adults as defined in chapter 74.34 RCW, then the secretary shall deny payment for any subsequent services rendered by the disqualified individual provider.

(7) Criminal justice agencies shall provide the secretary such information as they may have and that the secretary may require for such purpose.

Sec. 506. RCW 43.43.837 and 2011 1st sp.s. c 31 s 17 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, in order to determine the character, competence, and suitability of any applicant or service provider to have unsupervised access, the secretary may require a fingerprint-based background check through both the Washington state patrol and the federal bureau of investigation at any time, but shall require a fingerprint-based background check when the applicant or service provider has resided in the state less than three consecutive years before application, and:

(a) Is an applicant or service provider providing services to children or people with developmental disabilities under RCW 74.15.030;

(b) Is an individual residing in an applicant or service provider's home, facility, entity, agency, or business or who is authorized by the department to provide services to children or people with developmental disabilities under RCW 74.15.030; or

(c) Is an applicant or service provider providing in-home services funded by:

(i) Medicaid personal care under RCW 74.09.520;

(ii) Community options program entry system waiver services under RCW 74.39A.030;

(iii) Chore services under RCW 74.39A.110; or

(iv) Other home and community long-term care programs, established pursuant to chapters 74.39 and 74.39A RCW, administered by the department.

(2) Long-term care workers, as defined in RCW 74.39A.009, who are hired after January (($\frac{1, 2014}{)}$) $\frac{7, 2012}{, 2012}$, are subject to background checks under RCW (($\frac{74.39A.055}{)}$) $\frac{74.39A.056}{.}$

(3) To satisfy the shared background check requirements provided for in RCW 43.215.215 and 43.20A.710, the department of early learning and the department of social and health services shall share federal fingerprint-based background check results as permitted under the law. The purpose of this provision is to allow both departments to fulfill their joint background check responsibility of checking any individual who may have unsupervised access to vulnerable adults, children, or juveniles. Neither department may share the federal background check results with any other state agency or person.

(4) The secretary shall require a fingerprint-based background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation when the department seeks to approve an applicant or service provider for a foster or adoptive placement of children in accordance with federal and state law.

(5) Any secure facility operated by the department under chapter 71.09 RCW shall require applicants and service providers to undergo a fingerprintbased background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation.

(6) Service providers and service provider applicants who are required to complete a fingerprint-based background check may be hired for a one hundred twenty-day provisional period as allowed under law or program rules when:

(a) A fingerprint-based background check is pending; and

(b) The applicant or service provider is not disqualified based on the immediate result of the background check.

(7) Fees charged by the Washington state patrol and the federal bureau of investigation for fingerprint-based background checks shall be paid by the department for applicants or service providers providing:

(a) Services to people with a developmental disability under RCW 74.15.030;

(b) In-home services funded by medicaid personal care under RCW 74.09.520;

(c) Community options program entry system waiver services under RCW 74.39A.030;

(d) Chore services under RCW 74.39A.110;

(e) Services under other home and community long-term care programs, established pursuant to chapters 74.39 and 74.39A RCW, administered by the department;

(f) Services in, or to residents of, a secure facility under RCW 71.09.115; and

(g) Foster care as required under RCW 74.15.030.

(8) Service providers licensed under RCW 74.15.030 must pay fees charged by the Washington state patrol and the federal bureau of investigation for conducting fingerprint-based background checks.

(9) Children's administration service providers licensed under RCW 74.15.030 may not pass on the cost of the background check fees to their applicants unless the individual is determined to be disqualified due to the background information.

(10) The department shall develop rules identifying the financial responsibility of service providers, applicants, and the department for paying the fees charged by law enforcement to roll, print, or scan fingerprints-based for the purpose of a Washington state patrol or federal bureau of investigation fingerprint-based background check.

(11) For purposes of this section, unless the context plainly indicates otherwise:

(a) "Applicant" means a current or prospective department or service provider employee, volunteer, student, intern, researcher, contractor, or any other individual who will or may have unsupervised access because of the nature of the work or services he or she provides. "Applicant" includes but is not limited to any individual who will or may have unsupervised access and is:

(i) Applying for a license or certification from the department;

(ii) Seeking a contract with the department or a service provider;

(iii) Applying for employment, promotion, reallocation, or transfer;

(iv) An individual that a department client or guardian of a department client chooses to hire or engage to provide services to himself or herself or another vulnerable adult, juvenile, or child and who might be eligible to receive payment from the department for services rendered; or

(v) A department applicant who will or may work in a department-covered position.

(b) "Authorized" means the department grants an applicant, home, or facility permission to:

(i) Conduct licensing, certification, or contracting activities;

(ii) Have unsupervised access to vulnerable adults, juveniles, and children;

(iii) Receive payments from a department program; or

(iv) Work or serve in a department-covered position.

(c) "Department" means the department of social and health services.

(d) "Secretary" means the secretary of the department of social and health services.

(e) "Secure facility" has the meaning provided in RCW 71.09.020.

(f) "Service provider" means entities, facilities, agencies, businesses, or individuals who are licensed, certified, authorized, or regulated by, receive payment from, or have contracts or agreements with the department to provide services to vulnerable adults, juveniles, or children. "Service provider" includes individuals whom a department client or guardian of a department client may

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choose to hire or engage to provide services to himself or herself or another vulnerable adult, juvenile, or child and who might be eligible to receive payment from the department for services rendered. "Service provider" does not include those certified under chapter 70.96A RCW.

Sec. 507. RCW 74.39A.095 and 2011 1st sp.s. c 31 s 14 and 2011 1st sp.s. c 21 s 5 are each reenacted and amended to read as follows:

(1) In carrying out case management responsibilities established under RCW 74.39A.090 for consumers who are receiving services under the medicaid personal care, community options programs entry system or chore services program through an individual provider, each area agency on aging shall provide oversight of the care being provided to consumers receiving services under this section to the extent of available funding. Case management responsibilities incorporate this oversight, and include, but are not limited to:

(a) Verification that any individual provider has met any training requirements established by the department;

(b) Verification of a sample of worker time sheets;

(c) Monitoring the consumer's plan of care to verify that it adequately meets the needs of the consumer, through activities such as home visits, telephone contacts, and responses to information received by the area agency on aging indicating that a consumer may be experiencing problems relating to his or her home care;

(d) Reassessing and reauthorizing services;

(e) Monitoring of individual provider performance; and

(f) Conducting criminal background checks or verifying that criminal background checks have been conducted for any individual provider. Individual providers who are hired after January ((1, 2014)) 7, 2012, are subject to background checks under RCW ((74.39A.055)) 74.39A.056.

(2) The area agency on aging case manager shall work with each consumer to develop a plan of care under this section that identifies and ensures coordination of health and long-term care services that meet the consumer's needs. In developing the plan, they shall utilize, and modify as needed, any comprehensive community service plan developed by the department as provided in RCW 74.39A.040. The plan of care shall include, at a minimum:

(a) The name and telephone number of the consumer's area agency on aging case manager, and a statement as to how the case manager can be contacted about any concerns related to the consumer's well-being or the adequacy of care provided;

(b) The name and telephone numbers of the consumer's primary health care provider, and other health or long-term care providers with whom the consumer has frequent contacts;

(c) A clear description of the roles and responsibilities of the area agency on aging case manager and the consumer receiving services under this section;

(d) The duties and tasks to be performed by the area agency on aging case manager and the consumer receiving services under this section;

(e) The type of in-home services authorized, and the number of hours of services to be provided;

(f) The terms of compensation of the individual provider;

(g) A statement by the individual provider that he or she has the ability and willingness to carry out his or her responsibilities relative to the plan of care; and

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(h)(i) Except as provided in (h)(ii) of this subsection, a clear statement indicating that a consumer receiving services under this section has the right to waive any of the case management services offered by the area agency on aging under this section, and a clear indication of whether the consumer has, in fact, waived any of these services.

(ii) The consumer's right to waive case management services does not include the right to waive reassessment or reauthorization of services, or verification that services are being provided in accordance with the plan of care.

(3) Each area agency on aging shall retain a record of each waiver of services included in a plan of care under this section.

(4) Each consumer has the right to direct and participate in the development of their plan of care to the maximum practicable extent of their abilities and desires, and to be provided with the time and support necessary to facilitate that participation.

(5) A copy of the plan of care must be distributed to the consumer's primary care provider, individual provider, and other relevant providers with whom the consumer has frequent contact, as authorized by the consumer.

(6) The consumer's plan of care shall be an attachment to the contract between the department, or their designee, and the individual provider.

(7) If the department or area agency on aging case manager finds that an individual provider's inadequate performance or inability to deliver quality care is jeopardizing the health, safety, or well-being of a consumer receiving service under this section, the department or the area agency on aging may take action to terminate the contract between the department and the individual provider. If the department or the area agency on aging has a reasonable, good faith belief that the health, safety, or well-being of a consumer is in imminent jeopardy, the department or area agency on aging may summarily suspend the contract pending a fair hearing. The consumer may request a fair hearing to contest the planned action of the case manager, as provided in chapter 34.05 RCW. The department may by rule adopt guidelines for implementing this subsection.

(8) The department or area agency on aging may reject a request by a consumer receiving services under this section to have a family member or other person serve as his or her individual provider if the case manager has a reasonable, good faith belief that the family member or other person will be unable to appropriately meet the care needs of the consumer. The consumer may request a fair hearing to contest the decision of the case manager, as provided in chapter 34.05 RCW. The department may by rule adopt guidelines for implementing this subsection.

VI. ENFORCEMENT

Sec. 601. RCW 18.88B.050 and 2011 1st sp.s. c 31 s 4 are each amended to read as follows:

(1) The uniform disciplinary act, chapter 18.130 RCW, governs uncertified practice, issuance <u>and renewal</u> of certificates, and the discipline of persons with certificates under this chapter. The secretary (($\frac{\text{of health}}{\text{of health}}$)) shall be the disciplinary authority under this chapter.

(2) The secretary ((of health)) may take action to immediately suspend the certification of a ((long-term care worker)) <u>home care aide</u> upon finding that

conduct of the ((long term care worker)) <u>home care aide</u> has caused or presents an imminent threat of harm to a functionally disabled person in his or her care.

(3) If the secretary ((of health)) imposes suspension or conditions for continuation <u>or renewal</u> of certification, the suspension or conditions for continuation <u>or renewal</u> are effective immediately upon notice and shall continue in effect pending the outcome of any hearing.

(4) The department ((of health)) shall take appropriate enforcement action related to the licensure of a private agency or facility licensed by the state, to provide personal care services, other than an individual provider, who knowingly employs a long-term care worker who is not a certified home care aide as required under this chapter or <u>whose certification is revoked or</u>, if exempted from certification by RCW ((18.88B.040)) <u>18.88B.041</u>, <u>who</u> has not completed his or her required training pursuant to ((this chapter)) <u>RCW</u> <u>74.39A.074</u>.

(5) Chapter 34.05 RCW shall govern actions by the department ((of health)) under this section.

(6) The department ((of health)) shall adopt rules ((by August 1, 2013,)) to implement this section.

Sec. 602. RCW 74.39A.086 and 2012 c 1 s 109 (Initiative Measure No. 1163) are each amended to read as follows:

(1) The department:

(a) Shall deny payment to any individual provider of home care services who has not been certified ((by the department of health)) as a home care aide as required under chapter ((2, Laws of 2009 or, if exempted from certification by RCW 18.88B.040,)) 18.88B RCW or whose certification is revoked or, if exempted from certification under RCW 18.88B.041, who has not completed his or her required training pursuant to ((chapter 2, Laws of 2009)) RCW 74.39A.074.

(((2) The department)) (b) May terminate the contract of any individual provider of home care services, or take any other enforcement measure deemed appropriate by the department if the individual provider has not been certified or the individual provider's certification is revoked under chapter ((2, Laws of 2009)) 18.88B RCW or, if exempted from certification by RCW ((18.88B.040)) 18.88B.041, the individual provider has not completed his or her required training pursuant to ((ehapter 2, Laws of 2009)) RCW 74.39A.074.

 $((\frac{(3)}{2}))$ (2) The department shall take appropriate enforcement action related to the contract of a private agency or facility licensed by the state((5)) to provide personal care services, other than an individual provider, who knowingly employs a long-term care worker who is not a certified home care aide as required under chapter ((2, Laws of 2009 or, if exempted from certification by RCW 18.88B.040,)) 18.88B RCW or whose certification is revoked or, if exempted from certification under RCW 18.88B.041, who has not completed his or her required training pursuant to ((ehapter 2, Laws of 2009)) RCW 74.39A.074.

(((4))) (3) Chapter 34.05 RCW shall govern actions by the department under this section.

 $((\frac{(5)}{)})$ (4) The department shall adopt rules $((\frac{by - August - 1, 2010}{)})$ to implement this section.

VII. MISCELLANEOUS

Sec. 701. RCW 74.39A.051 and 2012 c 1 s 106 (Initiative Measure No. 1163) are each amended to read as follows:

The department's system of quality improvement for long-term care services shall use the following principles, consistent with applicable federal laws and regulations:

(1) The system shall be client-centered and promote privacy, independence, dignity, choice, and a home or home-like environment for consumers consistent with chapter 392, Laws of 1997.

(2) The goal of the system is continuous quality improvement with the focus on consumer satisfaction and outcomes for consumers. This includes that when conducting licensing or contract inspections, the department shall interview an appropriate percentage of residents, family members, resident case managers, and advocates in addition to interviewing providers and staff.

(3) Providers should be supported in their efforts to improve quality and address identified problems initially through training, consultation, technical assistance, and case management.

(4) The emphasis should be on problem prevention both in monitoring and in screening potential providers of service.

(5) Monitoring should be outcome based and responsive to consumer complaints and based on a clear set of health, quality of care, and safety standards that are easily understandable and have been made available to providers, residents, and other interested parties.

(6) Prompt and specific enforcement remedies shall also be implemented without delay, pursuant to RCW 74.39A.080((, RCW)) or 70.128.160, or chapter 18.51 ((RCW;)) or ((chapter)) 74.42 RCW, for providers found to have delivered care or failed to deliver care resulting in problems that are serious, recurring, or uncorrected, or that create a hazard that is causing or likely to cause death or serious harm to one or more residents. These enforcement remedies may also include, when appropriate, reasonable conditions on a contract or license. In the selection of remedies, the safety, health, and well-being of residents shall be of paramount importance.

(7) ((All long-term care workers shall be screened through background checks in a uniform and timely manner to ensure that they do not have a criminal history that would disqualify them from working with vulnerable persons. Long term care workers who are hired after January 1, 2012, are subject to background checks under RCW 74.39A.055. This information will be shared with the department of health in accordance with RCW 74.39A.055 to advance the purposes of chapter 2, Laws of 2009.

(8) No provider, or its staff, or long-term care worker, or prospective provider or long-term care worker, with a stipulated finding of fact, conclusion of law, an agreed order, or finding of fact, conclusion of law, or final order issued by a disciplining authority, a court of law, or entered into a state registry finding him or her guilty of abuse, neglect, exploitation, or abandonment of a minor or a vulnerable adult as defined in chapter 74.34 RCW shall be employed in the care of and have unsupervised access to vulnerable adults.

(9) The department shall establish, by rule, a state registry which contains identifying information about long-term care workers identified under this

chapter who have substantiated findings of abuse, neglect, financial exploitation, or abandonment of a vulnerable adult as defined in RCW 74.34.020. The rule must include disclosure, disposition of findings, notification, findings of fact, appeal rights, and fair hearing requirements. The department shall disclose, upon request, substantiated findings of abuse, neglect, financial exploitation, or abandonment to any person so requesting this information. This information will also be shared with the department of health to advance the purposes of chapter 2, Laws of 2009.

(10) Until December 31, 2010;)) Background checks of long-term care workers must be conducted as provided in RCW 74.39A.056.

(8) Except as provided in RCW 74.39A.074 and 74.39A.076, individual providers and home care agency providers must satisfactorily complete department-approved orientation, basic training, and continuing education within the time period specified by the department in rule. The department shall adopt rules ((by March 1, 2002,)) for the implementation of this section. The department shall deny payment to an individual provider or a home care provider who does not complete the training requirements within the time limit specified by the department by rule.

(((11) Until December 31, 2010, in an effort to improve access to training and education and reduce costs, especially for rural communities, the coordinated system of long term care training and education must include the use of innovative types of learning strategies such as internet resources, videotapes, and distance learning using satellite technology coordinated through community colleges or other entities, as defined by the department.

(12) The department shall create an approval system by March 1, 2002, for those seeking to conduct department approved training.

(13) The department shall establish, by rule, background checks and other quality assurance requirements for long-term care workers who provide in-home services funded by medicaid personal care as described in RCW 74.09.520, community options program entry system waiver services as described in RCW 74.39A.030, or chore services as described in RCW 74.39A.110 that are equivalent to requirements for individual providers. Long-term care workers who are hired after January 1, 2012, are subject to background checks under RCW 74.39A.055.

(14))) (9) Under existing funds the department shall establish internally a quality improvement standards committee to monitor the development of standards and to suggest modifications.

(((15) Within existing funds, the department shall design, develop, and implement a long-term care training program that is flexible, relevant, and qualifies towards the requirements for a nursing assistant certificate as established under chapter 18.88A RCW. This subsection does not require completion of the nursing assistant certificate training program by providers or their staff. The long-term care teaching curriculum must consist of a fundamental module, or modules, and a range of other available relevant training modules that provide the caregiver with appropriate options that assist in meeting the resident's care needs. Some of the training modules may include, but are not limited to, specific training on the special care needs of persons with developmental disabilities, dementia, mental illness, and the care needs of the elderly. No less than one training module must be dedicated to workplace

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violence prevention. The nursing care quality assurance commission shall work together with the department to develop the curriculum modules. The nursing care quality assurance commission shall direct the nursing assistant training programs to accept some or all of the skills and competencies from the curriculum modules towards meeting the requirements for a nursing assistant certificate as defined in chapter 18.88A RCW. A process may be developed to test persons completing modules from a caregiver's class to verify that they have the transferable skills and competencies for entry into a nursing assistant training program. The department may review whether facilities can develop their own related long-term care training programs. The department may develop a review process for determining what previous experience and training may be used to waive some or all of the mandatory training. The department of social and health services and the nursing care quality assurance commission shall work together to develop an implementation plan by December 12, 1998.))

Sec. 702. RCW 18.20.270 and 2002 c 233 s 1 are each amended to read as follows:

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

(a) "Caregiver" includes any person who provides residents with hands-on personal care on behalf of a boarding home, except volunteers who are directly supervised.

(b) "Direct supervision" means oversight by a person who has demonstrated competency in the core areas or has been fully exempted from the training requirements pursuant to this section, is on the premises, and is quickly and easily available to the caregiver.

(2) Training must have the following components: Orientation, basic training, specialty training as appropriate, and continuing education. All boarding home employees or volunteers who routinely interact with residents shall complete orientation. Boarding home administrators, or their designees, and caregivers shall complete orientation, basic training, specialty training as appropriate, and continuing education.

(3) Orientation consists of introductory information on residents' rights, communication skills, fire and life safety, and universal precautions. Orientation must be provided at the facility by appropriate boarding home staff to all boarding home employees before the employees have routine interaction with residents.

(4) Basic training consists of modules on the core knowledge and skills that caregivers need to learn and understand to effectively and safely provide care to residents. Basic training must be outcome-based, and the effectiveness of the basic training must be measured by demonstrated competency in the core areas through the use of a competency test. Basic training must be completed by caregivers within one hundred twenty days of the date on which they begin to provide hands-on care ((or within one hundred twenty days of September 1, 2002, whichever is later)). Until competency in the core areas has been demonstrated, caregivers shall not provide hands-on personal care to residents without direct supervision. Boarding home administrators, or their designees, must complete basic training and demonstrate competency within one hundred twenty days of September 1, 2002, whichever is later)).

(5) For boarding homes that serve residents with special needs such as dementia, developmental disabilities, or mental illness, specialty training is required of administrators, or designees, and caregivers.

(a) Specialty training consists of modules on the core knowledge and skills that caregivers need to effectively and safely provide care to residents with special needs. Specialty training should be integrated into basic training wherever appropriate. Specialty training must be outcome-based, and the effectiveness of the specialty training measured by demonstrated competency in the core specialty areas through the use of a competency test.

(b) Specialty training must be completed by caregivers within one hundred twenty days of the date on which they begin to provide hands-on care to a resident having special needs ((or within one hundred twenty days of September 1, 2002, whichever is later)). However, if specialty training is not integrated with basic training, the specialty training must be completed within ninety days of completion of basic training. Until competency in the core specialty areas has been demonstrated, caregivers shall not provide hands-on personal care to residents with special needs without direct supervision.

(c) Boarding home administrators, or their designees, must complete specialty training and demonstrate competency within one hundred twenty days ((of September 1, 2002, or one hundred twenty days)) from the date on which the administrator or his or her designee is hired, ((whichever is later,)) if the boarding home serves one or more residents with special needs.

(6) Continuing education consists of ongoing delivery of information to caregivers on various topics relevant to the care setting and care needs of residents. Competency testing is not required for continuing education. Continuing education is not required in the same calendar year in which basic or modified basic training is successfully completed. Continuing education is required in each calendar year thereafter. If specialty training is completed, the specialty training applies toward any continuing education requirement for up to two years following the completion of the specialty training.

(7) Persons who successfully challenge the competency test for basic training are fully exempt from the basic training requirements of this section. Persons who successfully challenge the specialty training competency test are fully exempt from the specialty training requirements of this section.

(8) Licensed persons who perform the tasks for which they are licensed are fully or partially exempt from the training requirements of this section, as specified by the department in rule.

(9) In an effort to improve access to training and education and reduce costs, especially for rural communities, the coordinated system of long-term care training and education must include the use of innovative types of learning strategies such as internet resources, videotapes, and distance learning using satellite technology coordinated through community colleges or other entities, as defined by the department.

(10) The department shall develop criteria for the approval of orientation, basic training, and specialty training programs.

(11) Boarding homes that desire to deliver facility-based training with facility designated trainers, or boarding homes that desire to pool their resources to create shared training systems, must be encouraged by the department in their efforts. The department shall develop criteria for reviewing and approving

trainers and training materials that are substantially similar to or better than the materials developed by the department. The department may approve a curriculum based upon attestation by a boarding home administrator that the boarding home's training curriculum addresses basic and specialty training competencies identified by the department, and shall review a curriculum to verify that it meets these requirements. The department may conduct the review as part of the next regularly scheduled yearly inspection and investigation required under RCW 18.20.110. The department shall rescind approval of any curriculum if it determines that the curriculum does not meet these requirements.

(12) The department shall adopt rules ((by September 1, 2002,)) for the implementation of this section.

(13)(a) Except as provided in (b) of this subsection, the orientation, basic training, specialty training, and continuing education requirements of this section commence September 1, 2002, or one hundred twenty days from the date of employment, whichever is later, and shall be applied to (((a))) (i) employees hired subsequent to September 1, 2002; and (((b))) (ii) existing employees that on September 1, 2002, have not successfully completed the training requirements under RCW 74.39A.010 or 74.39A.020 and this section. Existing employees who have not successfully completed the training requirements under RCW 74.39A.010 or 74.39A.020 shall be subject to all applicable requirements of this section. ((However, prior to September 1, 2002, nothing in this section affects the current training requirements under RCW 74.39A.010.))

(b) Beginning January 7, 2012, long-term care workers, as defined in RCW 74.39A.009, employed by facilities licensed under this chapter are also subject to the training requirements under RCW 74.39A.074.

Sec. 703. RCW 70.128.120 and 2011 1st sp.s. c 3 s 205 are each amended to read as follows:

Each adult family home provider, applicant, and each resident manager shall have the following minimum qualifications, except that only applicants are required to meet the provisions of subsections (10) and (11) of this section:

(1) Twenty-one years of age or older;

(2) For those applying after September 1, 2001, to be licensed as providers, and for resident managers whose employment begins after September 1, 2001, a United States high school diploma or general educational development (GED) certificate or any English or translated government documentation of the following:

(a) Successful completion of government-approved public or private school education in a foreign country that includes an annual average of one thousand hours of instruction over twelve years or no less than twelve thousand hours of instruction;

(b) A foreign college, foreign university, or United States community college two-year diploma;

(c) Admission to, or completion of coursework at, a foreign university or college for which credit was granted;

(d) Admission to, or completion of coursework at, a United States college or university for which credits were awarded;

(e) Admission to, or completion of postgraduate coursework at, a United States college or university for which credits were awarded; or

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(f) Successful passage of the United States board examination for registered nursing, or any professional medical occupation for which college or university education preparation was required;

(3) Good moral and responsible character and reputation;

(4) Literacy and the ability to communicate in the English language;

(5) Management and administrative ability to carry out the requirements of this chapter;

(6) Satisfactory completion of department-approved basic training and continuing education training as required by RCW ((74.39A.073)) <u>74.39A.074</u>, and in rules adopted by the department;

(7) Satisfactory completion of department-approved, or equivalent, special care training before a provider may provide special care services to a resident;

(8) Not been convicted of any crime that is disqualifying under RCW 43.43.830 or 43.43.842, or department rules adopted under this chapter, or been found to have abused, neglected, exploited, or abandoned a minor or vulnerable adult as specified in RCW ((74.39A.050(8))) 74.39A.056(2);

(9) For those applying to be licensed as providers, and for resident managers whose employment begins after August 24, 2011, at least one thousand hours in the previous sixty months of successful, direct caregiving experience obtained after age eighteen to vulnerable adults in a licensed or contracted setting prior to operating or managing an adult family home. The applicant or resident manager must have credible evidence of the successful, direct caregiving experience or, currently hold one of the following professional licenses: Physician licensed under chapter 18.71 RCW; osteopathic physician licensed under chapter 18.57A RCW; physician assistant licensed under chapter 18.57A RCW; physician assistant licensed under chapter 18.71A RCW; registered nurse, advanced registered nurse practitioner, or licensed practical nurse licensed under chapter 18.79 RCW;

(10) For applicants, proof of financial solvency, as defined in rule; and

(11) Applicants must successfully complete an adult family home administration and business planning class, prior to being granted a license. The class must be a minimum of forty-eight hours of classroom time and approved by the department. The department shall promote and prioritize bilingual capabilities within available resources and when materials are available for this purpose.

Sec. 704. RCW 70.128.130 and 2011 1st sp.s. c 3 s 206 are each amended to read as follows:

(1) The provider is ultimately responsible for the day-to-day operations of each licensed adult family home.

(2) The provider shall promote the health, safety, and well-being of each resident residing in each licensed adult family home.

(3) Adult family homes shall be maintained internally and externally in good repair and condition. Such homes shall have safe and functioning systems for heating, cooling, hot and cold water, electricity, plumbing, garbage disposal, sewage, cooking, laundry, artificial and natural light, ventilation, and any other feature of the home.

(4) In order to preserve and promote the residential home-like nature of adult family homes, adult family homes licensed after August 24, 2011, shall:

(a) Have sufficient space to accommodate all residents at one time in the dining and living room areas;

(b) Have hallways and doorways wide enough to accommodate residents who use mobility aids such as wheelchairs and walkers; and

(c) Have outdoor areas that are safe and accessible for residents to use.

(5) The adult family home must provide all residents access to resident common areas throughout the adult family home including, but not limited to, kitchens, dining and living areas, and bathrooms, to the extent that they are safe under the resident's care plan.

(6) Adult family homes shall be maintained in a clean and sanitary manner, including proper sewage disposal, food handling, and hygiene practices.

(7) Adult family homes shall develop a fire drill plan for emergency evacuation of residents, shall have working smoke detectors in each bedroom where a resident is located, shall have working fire extinguishers on each floor of the home, and shall not keep nonambulatory patients above the first floor of the home.

(8) The adult family home shall ensure that all residents can be safely evacuated in an emergency.

(9) Adult family homes shall have clean, functioning, and safe household items and furnishings.

(10) Adult family homes shall provide a nutritious and balanced diet and shall recognize residents' needs for special diets.

(11) Adult family homes shall establish health care procedures for the care of residents including medication administration and emergency medical care.

(a) Adult family home residents shall be permitted to self-administer medications.

(b) Adult family home providers may administer medications and deliver special care only to the extent authorized by law.

(12) Adult family home providers shall either: (a) Reside at the adult family home; or (b) employ or otherwise contract with a qualified resident manager to reside at the adult family home. The department may exempt, for good cause, a provider from the requirements of this subsection by rule.

(13) A provider will ensure that any volunteer, student, employee, or person residing within the adult family home who will have unsupervised access to any resident shall not have been convicted of a crime listed under RCW 43.43.830 or 43.43.842, or been found to have abused, neglected, exploited, or abandoned a minor or vulnerable adult as specified in RCW ((74.39A.050(8)))) 74.39A.056(2). A provider may conditionally employ a person pending the completion of a criminal conviction background inquiry, but may not allow the person to have unsupervised access to any resident.

(14) A provider shall offer activities to residents under care as defined by the department in rule.

(15) An adult family home must be financially solvent, and upon request for good cause, shall provide the department with detailed information about the home's finances. Financial records of the adult family home may be examined when the department has good cause to believe that a financial obligation related to resident care or services will not be met.

(16) An adult family home provider must ensure that staff are competent and receive necessary training to perform assigned tasks. Staff must

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satisfactorily complete department-approved staff orientation, basic training, and continuing education as specified by the department by rule. The provider shall ensure that a qualified caregiver is on-site whenever a resident is at the adult family home; any exceptions will be specified by the department in rule. Notwithstanding RCW 70.128.230, until orientation and basic training are successfully completed, a caregiver may not provide hands-on personal care to a resident without on-site supervision by a person who has successfully completed basic training or been exempted from the training pursuant to statute.

(17) The provider and resident manager must assure that there is:

(a) A mechanism to communicate with the resident in his or her primary language either through a qualified person on-site or readily available at all times, or other reasonable accommodations, such as language lines; and

(b) Staff on-site at all times capable of understanding and speaking English well enough to be able to respond appropriately to emergency situations and be able to read and understand resident care plans.

Sec. 705. RCW 70.128.230 and 2002 c 233 s 3 are each amended to read as follows:

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

(a) "Caregiver" includes all adult family home resident managers and any person who provides residents with hands-on personal care on behalf of an adult family home, except volunteers who are directly supervised.

(b) "Indirect supervision" means oversight by a person who has demonstrated competency in the core areas or has been fully exempted from the training requirements pursuant to this section and is quickly and easily available to the caregiver, but not necessarily on-site.

(2) Training must have three components: Orientation, basic training, and continuing education. All adult family home providers, resident managers, and employees, or volunteers who routinely interact with residents shall complete orientation. Caregivers shall complete orientation, basic training, and continuing education.

(3) Orientation consists of introductory information on residents' rights, communication skills, fire and life safety, and universal precautions. Orientation must be provided at the facility by appropriate adult family home staff to all adult family home employees before the employees have routine interaction with residents.

(4) Basic training consists of modules on the core knowledge and skills that caregivers need to learn and understand to effectively and safely provide care to residents. Basic training must be outcome-based, and the effectiveness of the basic training must be measured by demonstrated competency in the core areas through the use of a competency test. Basic training must be completed by caregivers within one hundred twenty days of the date on which they begin to provide hands-on care ((or within one hundred twenty days of September 1, 2002, whichever is later)). Until competency in the core areas has been demonstrated, caregivers shall not provide hands-on personal care to residents without indirect supervision.

(5) For adult family homes that serve residents with special needs such as dementia, developmental disabilities, or mental illness, specialty training is required of providers and resident managers.

(a) Specialty training consists of modules on the core knowledge and skills that providers and resident managers need to effectively and safely provide care to residents with special needs. Specialty training should be integrated into basic training wherever appropriate. Specialty training must be outcome-based, and the effectiveness of the specialty training measured by demonstrated competency in the core specialty areas through the use of a competency test.

(b) Specialty training must be completed by providers and resident managers before admitting and serving residents who have been determined to have special needs related to mental illness, dementia, or a developmental disability. Should a resident develop special needs while living in a home without specialty designation, the provider and resident manager have one hundred twenty days to complete specialty training.

(6) Continuing education consists of ongoing delivery of information to caregivers on various topics relevant to the care setting and care needs of residents. Competency testing is not required for continuing education. Continuing education is not required in the same calendar year in which basic or modified basic training is successfully completed. Continuing education is required in each calendar year thereafter. If specialty training is completed, the specialty training applies toward any continuing education requirement for up to two years following the completion of the specialty training.

(7) Persons who successfully challenge the competency test for basic training are fully exempt from the basic training requirements of this section. Persons who successfully challenge the specialty training competency test are fully exempt from the specialty training requirements of this section.

(8) Licensed persons who perform the tasks for which they are licensed are fully or partially exempt from the training requirements of this section, as specified by the department in rule.

(9) In an effort to improve access to training and education and reduce costs, especially for rural communities, the coordinated system of long-term care training and education must include the use of innovative types of learning strategies such as internet resources, videotapes, and distance learning using satellite technology coordinated through community colleges, private associations, or other entities, as defined by the department.

(10) Adult family homes that desire to deliver facility-based training with facility designated trainers, or adult family homes that desire to pool their resources to create shared training systems, must be encouraged by the department in their efforts. The department shall develop criteria for reviewing and approving trainers and training materials. The department may approve a curriculum based upon attestation by an adult family home administrator that the adult family home's training curriculum addresses basic and specialty training competencies identified by the department, and shall review a curriculum to verify that it meets these requirements. The department may conduct the review as part of the next regularly scheduled inspection authorized under RCW 70.128.070. The department shall rescind approval of any curriculum if it determines that the curriculum does not meet these requirements.

(11) The department shall adopt rules by September 1, 2002, for the implementation of this section.

(12)(a) Except as provided in (b) of this subsection, the orientation, basic training, specialty training, and continuing education requirements of this

section commence September 1, 2002, and shall be applied to $(((\frac{a}{a})))$ (i) employees hired subsequent to September 1, 2002; or $(((\frac{b}{a})))$ (ii) existing employees that on September 1, 2002, have not successfully completed the training requirements under RCW 70.128.120 or 70.128.130 and this section. Existing employees who have not successfully completed the training requirements under RCW 70.128.120 or 70.128.130 shall be subject to all applicable requirements of this section. ((However, until September 1, 2002, nothing in this section affects the current training requirements under RCW 70.128.120 and 70.128.130.))

(b) Beginning January 7, 2012, long-term care workers, as defined in RCW 74.39A.009, employed by an adult family home are also subject to the training requirements under RCW 74.39A.074.

Sec. 706. RCW 74.39A.010 and 1995 1st sp.s. c 18 s 14 are each amended to read as follows:

(1) To the extent of available funding, the department of social and health services may contract with licensed boarding homes under chapter 18.20 RCW and tribally licensed boarding homes for assisted living services and enhanced adult residential care. The department shall develop rules for facilities that contract with the department for assisted living services or enhanced adult residential care to establish:

(a) Facility service standards consistent with the principles in RCW ((74.39A.050)) <u>74.39A.051</u> and consistent with chapter 70.129 RCW;

(b) Standards for resident living areas consistent with RCW 74.39A.030;

(c) Training requirements for providers and their staff.

(2) The department's rules shall provide that services in assisted living and enhanced adult residential care:

(a) Recognize individual needs, privacy, and autonomy;

(b) Include, but not be limited to, personal care, nursing services, medication administration, and supportive services that promote independence and self-sufficiency;

(c) Are of sufficient scope to assure that each resident who chooses to remain in the assisted living or enhanced adult residential care may do so, to the extent that the care provided continues to be cost-effective and safe and promote the most appropriate level of physical, mental, and psychosocial well-being consistent with client choice;

(d) Are directed first to those persons most likely, in the absence of enhanced adult residential care or assisted living services, to need hospital, nursing facility, or other out-of-home placement; and

(e) Are provided in compliance with applicable facility and professional licensing laws and rules.

(3) When a facility contracts with the department for assisted living services or enhanced adult residential care, only services and facility standards that are provided to or in behalf of the assisted living services or enhanced adult residential care client shall be subject to the department's rules.

Sec. 707. RCW 74.39A.020 and 2004 c 142 s 15 are each amended to read as follows:

(1) To the extent of available funding, the department of social and health services may contract for adult residential care.

(2) The department shall, by rule, develop terms and conditions for facilities that contract with the department for adult residential care to establish:

(a) Facility service standards consistent with the principles in RCW ((74.39A.050)) <u>74.39A.051</u> and consistent with chapter 70.129 RCW; and

(b) Training requirements for providers and their staff.

(3) The department shall, by rule, provide that services in adult residential care facilities:

(a) Recognize individual needs, privacy, and autonomy;

(b) Include personal care and other services that promote independence and self-sufficiency and aging in place;

(c) Are directed first to those persons most likely, in the absence of adult residential care services, to need hospital, nursing facility, or other out-of-home placement; and

(d) Are provided in compliance with applicable facility and professional licensing laws and rules.

(4) When a facility contracts with the department for adult residential care, only services and facility standards that are provided to or in behalf of the adult residential care client shall be subject to the adult residential care rules.

(5) To the extent of available funding, the department may also contract under this section with a tribally licensed boarding home for the provision of services of the same nature as the services provided by adult residential care facilities. The provisions of subsections (2)(a) and (b) and (3)(a) through (d) of this section apply to such a contract.

Sec. 708. RCW 74.39A.250 and 2011 1st sp.s. c 21 s 8 are each amended to read as follows:

(1) The department shall provide assistance to consumers and prospective consumers in finding individual providers and prospective individual providers through the establishment of a referral registry of individual providers and prospective individual providers. Before placing an individual provider or prospective individual provider on the referral registry, the department shall determine that:

(a) The individual provider or prospective individual provider has met the minimum requirements for training set forth in RCW ((74.39A.050)) 74.39A.051;

(b) The individual provider or prospective individual provider has satisfactorily undergone a criminal background check conducted within the prior twelve months; and

(c) The individual provider or prospective individual provider is not listed on any long-term care abuse and neglect registry used by the department.

(2) The department shall remove from the referral registry any individual provider or prospective individual provider that does not meet the qualifications set forth in subsection (1) of this section or to have committed misfeasance or malfeasance in the performance of his or her duties as an individual provider. The individual provider or prospective individual provider, or the consumer to which the individual provider is providing services, may request a fair hearing to contest the removal from the referral registry, as provided in chapter 34.05 RCW.

(3) The department shall provide routine, emergency, and respite referrals of individual providers and prospective individual providers to consumers and

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prospective consumers who are authorized to receive long-term in-home care services through an individual provider.

(4) The department shall give preference in the recruiting, training, referral, and employment of individual providers and prospective individual providers to recipients of public assistance or other low-income persons who would qualify for public assistance in the absence of such employment.

Sec. 709. 2012 c 1 s 201 (uncodified) (Initiative Measure No. 1163) is amended to read as follows:

The state auditor shall conduct performance audits of the long-term in-home care program. The first audit must be completed within twelve months after January 7, 2012, and must be completed on a ((biannual)) biennial basis thereafter. As part of this auditing process, the state shall hire five additional fraud investigators to ensure that clients receiving services at taxpayers' expense are medically and financially qualified to receive the services and are actually receiving the services.

Sec. 710. 2012 c 1 s 303 (uncodified) (Initiative Measure No. 1163) is amended to read as follows:

Notwithstanding any action of the legislature during 2011, all long-term care workers as defined under RCW 74.39A.009(16), as it existed on April 1, 2011, are covered by sections 101 through 113 of this act or by the corresponding original versions of the statutes, as referenced in section 302 (1) through (13) on the schedules set forth in those sections, <u>as amended by chapter</u> ..., Laws of 2012 (this act), except that long-term care workers employed ((as)) by community residential service ((providers are covered by sections 101 through 113 of this act beginning January 1, 2016)) <u>businesses are exempt to the extent provided in RCW 18.88B.041, 74.39A.056, 74.39A.074, 74.39A.331, 74.39A.341, and 74.39A.351</u>.

<u>NEW SECTION.</u> Sec. 711. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House March 3, 2012.

Passed by the Senate February 29, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 165

[House Bill 2308]

PROFESSIONAL PEER REVIEW BODIES—ATTORNEYS' FEES AND COSTS

AN ACT Relating to awarding of costs, including attorneys' fees, in actions challenging actions taken by professional peer review bodies; amending RCW 7.71.030; and adding a new section to chapter 7.71 RCW.

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

Sec. 1. RCW 7.71.030 and 1987 c 269 s 3 are each amended to read as follows:

(1) This section shall provide the exclusive remedy for any action taken by a professional peer review body of health care providers as defined in RCW

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7.70.020, that is found to be based on matters not related to the competence or professional conduct of a health care provider.

(2) Actions shall be limited to appropriate injunctive relief, and damages shall be allowed only for lost earnings directly attributable to the action taken by the professional <u>peer</u> review body, incurred between the date of such action and the date the action is functionally reversed by the professional peer review body.

(3) Reasonable attorneys' fees and costs ((as approved by the court)) shall be awarded ((to the prevailing party, if any, as determined)) if approved by the court <u>under section 2 of this act</u>.

(4) The statute of limitations for actions under this section shall be one year from the date of the action of the professional <u>peer</u> review body.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 7.71 RCW to read as follows:

(1) Except as provided for in subsection (2) of this section, at the conclusion of an action under RCW 7.71.030 the court shall award to the substantially prevailing party the costs of the suit attributable to any claim or defense asserted in the action by the nonprevailing party, including reasonable attorneys' fees, if the nonprevailing party's claim, defense, or conduct was frivolous, unreasonable, without foundation, or in bad faith.

(2) At the conclusion of an action under RCW 7.71.030 the court shall award to the substantially prevailing defendant the cost of the suit, including reasonable attorneys' fees, if the nonprevailing plaintiff failed to first exhaust all administrative remedies available before the professional peer review body.

(3) A party shall not be considered to have substantially prevailed if the opposing party obtains an award for damages or permanent injunctive relief under this chapter.

Passed by the House March 5, 2012. Passed by the Senate March 2, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 166

[House Bill 2329]

STATE FOREST LANDS-REPLACEMENT

AN ACT Relating to replacing encumbered state forest lands for the benefit of multiple participating counties; amending RCW 79.02.010, 79.64.100, 79.64.110, and 79.22.060; reenacting and amending RCW 43.30.385; adding new sections to chapter 79.22 RCW; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. (1) The legislature finds:

(a) Compliance with the federal endangered species act on state forest lands within small, timber-dependent counties in southwest Washington is disproportionately burdensome when compared to the total budget in these counties;

(b) When compared to other forested parts of the state, there is a relatively small federal land base in these counties, which has resulted in substantial responsibility for endangered species act-related habitat conservation being borne by state forest lands;

(c) Within these counties, there is limited availability of private working forest land available for use as a replacement for encumbered state forest lands;

(d) Currently, county beneficiaries may not receive revenue derived from state forest lands located in any counties other than their own;

(e) Through the passing of chapter 354, Laws of 2009, the legislature established the need to relieve the impact of long-term endangered species-related encumbrances on state forest lands in small, timber-dependent counties in Washington;

(f) As a result of the implementation of chapter 354, Laws of 2009, replacement lands are to be purchased to maintain the land base and productivity of state forest lands in these counties;

(g) There is a need for timely reinvestment in the land base of state forest lands by replacing those transferred encumbered lands with new, productive, unencumbered forest land;

(h) The maintenance of a productive state forest land base in these counties is vital to maintaining a stable, viable natural resource economy that supports rural communities and creates local natural resource-based jobs; and

(i) These counties have articulated the need to reestablish sustainable longterm revenue from state forest lands through the acquisition of productive timber land beyond what will be funded by the land value of transferred encumbered lands under chapter 354, Laws of 2009.

(2) It is the intent of the legislature to authorize the board of natural resources to establish a state forest land pool for small, timber-dependent southwest Washington counties. This action allows the board of natural resources, if deemed appropriate after a required analysis, to use revenue designated for replacement of encumbered state forest land in one county to be pooled with other counties' land replacement funds to purchase forest land within any of the participating counties. This forest land would be managed as state forest land for the benefit of all counties participating in the pool, proportionate to their contribution of asset value to the land pool, according to a set of policy, administrative, and financial structures developed by the department of natural resources and adopted by the board of natural resources.

(3) It is the further intent of the legislature that the replacement forest lands purchased to be part of the land pool are to be maintained as working forest lands. For purposes of the land pool, the department of natural resources should seek out land threatened by encroaching development and land not likely to become further encumbered in an effort to preserve working forest land to the maximum extent possible.

Sec. 2. RCW 79.02.010 and 2011 c 216 s 17 are each amended to read as follows:

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

(1) "Aquatic lands" means all state-owned tidelands, shorelands, harbor areas, and the beds of navigable waters as defined in RCW 79.105.060 that are administered by the department.

(2) "Board" means the board of natural resources.

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

(4) "Community and technical college forest reserve lands" means lands managed under RCW 79.02.420.

(5) "Community forest trust lands" means those lands acquired and managed under the provisions of chapter 79.155 RCW.

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

(7)(a) "Forest biomass" means the by-products of: Current forest management activities; current forest protection treatments prescribed or permitted under chapter 76.04 RCW; or the by-products of forest health treatment prescribed or permitted under chapter 76.06 RCW.

(b) "Forest biomass" does not include wood pieces that have been treated with chemical preservatives such as: Creosote, pentachlorophenol, or copperchrome-arsenic; wood from existing old growth forests; wood required to be left on-site under chapter 76.09 RCW, the state forest practices act; and implementing rules, and other legal and contractual requirements; or municipal solid waste.

(8) "Improvements" means anything considered a fixture in law placed upon or attached to lands administered by the department that has changed the value of the lands or any changes in the previous condition of the fixtures that changes the value of the lands.

(9) "Land bank lands" means lands acquired under RCW 79.19.020.

(10) "Person" means an individual, partnership, corporation, association, organization, cooperative, public or municipal corporation, or agency of a federal, state, or local governmental unit, however designated.

(11) "Public lands" means lands of the state of Washington administered by the department including but not limited to state lands, state forest lands, <u>lands</u> included in a state forest land pool, and aquatic lands.

(12) "State forest lands" means lands acquired under RCW 79.22.010, 79.22.040, and 79.22.020.

(13) "State lands" includes:

(a) School lands, that is, lands held in trust for the support of the common schools;

(b) University lands, that is, lands held in trust for university purposes;

(c) Agricultural college lands, that is, lands held in trust for the use and support of agricultural colleges;

(d) Scientific school lands, that is, lands held in trust for the establishment and maintenance of a scientific school;

(e) Normal school lands, that is, lands held in trust for state normal schools;

(f) Capitol building lands, that is, lands held in trust for the purpose of erecting public buildings at the state capital for legislative, executive, and judicial purposes;

(g) Institutional lands, that is, lands held in trust for state charitable, educational, penal, and reformatory institutions; and

(h) Land bank, escheat, donations, and all other lands, except aquatic lands, administered by the department that are not devoted to or reserved for a particular use by law.

(14) "Valuable materials" means any product or material on the lands, such as forest products, forage or agricultural crops, stone, gravel, sand, peat, and all other materials of value except: (a) Mineral, coal, petroleum, and gas as

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provided for under chapter 79.14 RCW; and (b) forest biomass as provided for under chapter 79.150 RCW.

(15) "State forest land pool" or "land pool" means state forest lands acquired and managed under section 3 of this act.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 79.22 RCW under the subchapter heading "Part 1 General Provisions" to read as follows:

(1) The board may create a state forest land pool, to be managed in accordance with this section, if the board determines that creation of a land pool is in the best interest of the state or affected trust, based on an analysis prepared by the department under section 4 of this act. The land pool may not contain more than ten thousand acres of state forest land at any one time.

(2) A county is eligible to participate in a land pool if the board determines it:

(a) Has a population of twenty-five thousand or less; and

(b) Has existing state forest lands encumbered with timber harvest deferrals, associated with wildlife species listed under the federal endangered species act, more than thirty years in length.

(3) All lands in the land pool are state forest lands and must be managed in the same manner and with the same responsibilities as other state forest lands. Proceeds from the state forest land pool must, except as provided in RCW 79.64.110, be distributed under RCW 79.22.010 and 79.22.040.

(4)(a) A county may participate in the land pool only if it is eligible, as determined under subsection (2) of this section, and the board receives a written request to do so by the legislative authority of that county.

(b) The board shall end any further participation of a county in the land pool if it receives a written request to do so by the legislative authority of that county. If the board receives such a request, that county's interest in the land pool as a beneficiary remains, but no new contributions of asset value may be made to the land pool on behalf of the county and no new lands may be purchased in that county for the land pool.

(5)(a) If a land pool is created by the board, the department and the participating counties must develop a funding strategy for acquiring land to include in the land pool.

(b) The department and participating counties may pursue funding for the transfer of state forest land encumbered by long-term wildlife-related harvest deferrals within the participating counties into status as a natural resources conservation area under chapter 79.71 RCW, and use the value of the transferred land to acquire working forest lands to include in the land pool.

(c) The department and participating counties may pursue other land acquisition funding strategies.

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 79.22 RCW under the subchapter heading "Part 1 General Provisions" to read as follows:

(1) Upon the request of the board in its consideration of creating a state forest land pool under section 3 of this act, the department must conduct an analysis that includes, at a minimum, the following elements:

(a) An evaluation of how the proposed land pool would benefit the requesting counties, including revenue predictability and long-term revenue projections;

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(b) The development and proposal of a set of policy, administrative, and financial structures necessary for the department to establish the land pool, including a method to determine the percentage of revenue to be distributed to each county participating in the land pool that is based on each county's proportionate contribution of asset value to the land pool;

(c) An estimation of the administrative costs of creating and maintaining the land pool; and

(d) Any additional information requested by the board.

(2) The department may coordinate its analysis with affected counties or an association representing the affected counties.

Sec. 5. RCW 79.64.100 and 2003 c 334 s 219 are each amended to read as follows:

(1) There is created a forest development account in the state treasury. The state treasurer shall keep an account of all sums deposited ((therein and)), expended, or withdrawn ((therefrom)) from the account.

(2)(a) Any sums placed in the forest development account shall be pledged for the purpose of:

(i) Paying interest and principal on the bonds issued by the department under RCW 79.22.080 and 79.22.090 and the provisions of this chapter((;)); and ((for)) (ii) The purchase of land for growing timber.

(b) Any bonds issued shall constitute a first and prior claim and lien against the account for the payment of principal and interest.

(3) No sums for the ((above)) purposes <u>identified in subsection (2) of this</u> <u>section</u> shall be withdrawn or paid out of the account except upon approval of the department.

(4) Appropriations may be made by the legislature from the forest development account to the department for the purpose of:

(a) Carrying on the activities of the department on state forest lands((;));

(b) Establishing a state forest land pool under section 3 of this act and carrying on the activities of the department on lands included in the land pool;

(c) Carrying on the activities of the department on lands managed on a sustained yield basis as provided for in RCW $79.10.320((_7))$; and

((for)) <u>(d) R</u>eimbursement of expenditures that have been made or may be made from the resource management cost account <u>created in RCW 79.64.020</u> in the management of state forest lands.

Sec. 6. RCW 79.64.110 and 2009 c 354 s 8 are each amended to read as follows:

(1) Any moneys derived from the lease of state forest lands or from the sale of valuable materials, oils, gases, coal, minerals, or fossils from those lands, 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:

(((1))) (a) For state forest lands acquired through RCW 79.22.040 or by exchange for lands acquired through RCW 79.22.040:

(((a))) (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 ((the state general fund)) RCW 79.64.100.

(((b))) (<u>ii</u>) Any balance remaining must be paid to the county in which the land is located <u>or</u>, for counties participating in a land pool created under section 3 of this act, 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.

(((c))) (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.

(((d))) (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.

 $((\frac{2}))$ (b) For state forest lands acquired through RCW 79.22.010 or by exchange for lands acquired through RCW 79.22.010, except as provided in RCW 79.64.120:

(((a))) (i) Fifty percent shall be placed in the forest development account.

(((b))) (ii) Fifty percent shall be prorated and distributed to the state general fund, to be dedicated for the benefit of the public schools, ((and)) to the county in which the land is located or, for counties participating in a land pool created under section 3 of this act, 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 and the levy rate for any maintenance and operation special school levies. With regard to the portion to be distributed to the counties, the department shall certify to the state treasurer the amounts to be distributed within seven working days of receipt of the money. The state treasurer shall distribute funds to the counties four times per month, with no more than ten days between each payment date. The money distributed to the county must be paid, distributed, and prorated to the various other funds in the same manner as general taxes are paid and distributed during the year of payment.

(((3))) (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. 7. RCW 79.22.060 and 2009 c 354 s 7 are each amended to read as follows:

(1) With the approval of the board, the department may directly transfer or dispose of state forest lands without public auction, if the lands:

(a) Consist of ten contiguous acres or less;

(b) Have a value of twenty-five thousand dollars or less; or

(c) Are located in a county with a population of twenty-five thousand or less and are encumbered with timber harvest deferrals, associated with wildlife species listed under the federal endangered species act, greater than thirty years in length. (2) Disposal under this section may only occur in the following circumstances:

(a) Transfers in lieu of condemnation;

(b) Transfers to resolve trespass and property ownership disputes; or

(c) In counties with a population of twenty-five thousand or less, transfers to public agencies.

(3) Real property to be transferred or disposed of under this section shall be transferred or disposed of only after appraisal and for at least fair market value, and only if the transaction is in the best interest of the state or affected trust. Valuable materials attached to lands transferred to public agencies under subsection (2)(c) of this section must be appraised at the fair market value without consideration of management or regulatory encumbrances associated with wildlife species listed under the federal endangered species act.

(4)(a) Except as provided in (b) of this subsection, the proceeds from real property transferred or disposed of under this section shall be deposited into the park land trust revolving fund and be solely used to buy replacement land within the same county as the property transferred or disposed.

(b) The proceeds from real property transferred or disposed of under subsections (1)(c) and (2)(c) of this section for the purpose of participating in the state forest land pool created under section 3 of this act must be deposited into the park land trust revolving fund and used to buy replacement forest land for the benefit of that county as provided in RCW 79.64.110 and located within any county participating in the land pool.

(c) Except as otherwise provided in this subsection, in counties with a population of twenty-five thousand or less, the portion of the proceeds associated with valuable materials on ((the transferred)) state forest land transferred under subsections (1)(c) and (2)(c) of this section must be distributed as provided in RCW 79.64.110. If requested in writing by the legislative authority of a county participating in the state forest land pool created under section 3 of this act, the portion of the proceeds associated with valuable materials on state forest land transferred under subsections (1)(c) and (2)(c) of this section must be deposited in the park land trust revolving fund and used to buy replacement forest land for the benefit of that county as provided in RCW 79.64.110 and located within any county participating in the land pool.

Sec. 8. RCW 43.30.385 and 2011 c 320 s 21 and 2011 c 216 s 14 are each reenacted and amended to read as follows:

(1) The park land trust revolving fund is to be utilized by the department for the purpose of acquiring real property, including all reasonable costs associated with these acquisitions, as a replacement for the property transferred to the state parks and recreation commission, as directed by the legislature in order to maintain the land base of the affected trusts or under RCW 79.22.060 and to receive voluntary contributions for the purpose of operating and maintaining public use and recreation facilities, including trails, managed by the department.

(2) In addition to the other purposes identified in this section, the park land trust revolving fund may be utilized by the department to hold funding for future acquisition of lands for the community forest trust program from willing sellers under RCW 79.155.040.

(3)(a) Proceeds from transfers of real property to the state parks and recreation commission or other proceeds identified from transfers of real

property as directed by the legislature shall be deposited in the park land trust revolving fund.

(b) Except as otherwise provided in this subsection, the proceeds from real property transferred or disposed under RCW 79.22.060 must be used solely to purchase replacement forest land, that must be actively managed as a working forest, within the same county as the property transferred or disposed. If the real property was transferred under RCW 79.22.060 (1)(c) and (2)(c) from within a county participating in the state forest land pool created under section 3 of this act, replacement forest land may be located within any county participating in the land pool.

(c) Disbursement from the park land trust revolving fund to acquire replacement property and for operating and maintaining public use and recreation facilities shall be on the authorization of the department.

(d) The proceeds from the recreation access pass account created in RCW 79A.80.090 must be solely used for the purpose of operating and maintaining public use and recreation facilities, including trails, managed by the department.

(4) In order to maintain an effective expenditure and revenue control, the park land trust revolving fund is 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) The department is authorized to solicit and receive voluntary contributions for the purpose of operating and maintaining public use and recreation facilities, including trails, managed by the department. The department may seek voluntary contributions from individuals and organizations for this purpose. Voluntary contributions will be deposited into the park land trust revolving fund and used solely for the purpose of public use and recreation facilities operations and maintenance. Voluntary contributions are not considered a fee for use of these facilities.

Passed by the House March 5, 2012.

Passed by the Senate February 24, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 167

[Substitute House Bill 2349]

BEAVER MANAGEMENT

AN ACT Relating to the management of beavers; adding a new section to chapter 77.32 RCW; adding a new section to chapter 77.36 RCW; creating new sections; and providing an expiration date.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that beavers have historically played a significant role in maintaining the health of watersheds in the Pacific Northwest and act as key agents in riparian ecology. The live trapping and relocating of beavers has long been recognized as a beneficial wildlife management practice, and has been successfully utilized to restore and maintain stream ecosystems for over fifty years. The benefits of active beaver populations include reduced stream sedimentation, stream temperature moderation, higher dissolved oxygen levels, overall improved water quality,

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increased natural water storage capabilities within watersheds, and reduced stream velocities. These benefits improve and create habitat for many other species, including endangered salmon, river otters, sandhill cranes, trumpeter swans, and other riparian and aquatic species. Relocating beavers into their historic habitat provides a natural mechanism for improving the environmental conditions in Washington's riparian ecosystems without having to resort to governmental regulation or expensive publicly funded engineering projects.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 77.32 RCW to read as follows:

(1) The department shall permit the release of wild beavers on public and private lands with agreement from the property owner.

(2) The department may limit the release of wild beavers to areas of the state where:

(a) There is a low probability of released beavers becoming a nuisance or causing damage;

(b) Conditions exist for released beavers to improve, maintain, or manage stream or riparian ecosystem functions; and

(c) There is evidence of historic endemic beaver populations.

(3) The department may condition the release of beaver to maximize the relocation's success and minimize risk. Factors that the department may condition include:

(a) Stream gradient;

(b) Sufficiency of the water supply;

(c) Stream geomorphology;

(d) Adequacy of a food source;

(e) Proper site elevation and valley width;

(f) Age of the beavers relocated;

(g) Times of year for capture and relocation;

(h) Requirements for the capture, handling, and transport of the live beavers;

(i) Minimum and maximum numbers of beavers that can be relocated in one area; and

(j) Requirements for the permit holder to initially provide supplemental food and lodge building materials.

(4) The department may require specific training for those involved with capture, handling, and release of beavers.

(5) Nothing in this section creates any liability against the state or those releasing beavers nor authorizes any private right of action for any damages subsequently caused by beavers released pursuant to this section.

(6) For the purposes of this section, "beaver" means the American beaver (*Castor canadensis*).

(7) For the purposes of this section, beavers may only be released to carry out relocation: (a) Between two areas east of the crest of the Cascade mountains; or (b) from an area west of the crest of the Cascade mountains to an area east of the crest of the Cascade mountains.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 77.36 RCW to read as follows:

(1) Whenever the department receives a request for relocating beaver, the department must inform the requesting party of locations, if available, of surplus beaver available for capture and relocation. The department may identify nuisance beaver or areas with thriving beaver populations as a source population for capturing and relocating beaver.

(2) The department shall post on the agency's web site quarterly reports of nuisance beaver activity, beaver trapping, and beaver relocations reported to the department.

<u>NEW SECTION</u>. Sec. 4. (1) The department of fish and wildlife must initiate a beaver management stakeholder's forum by January 1, 2013, and report the outcomes of the forum to the legislature consistent with RCW 43.01.036.

(2) This section expires July 31, 2014.

Passed by the House March 6, 2012.

Passed by the Senate February 29, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 168

[House Bill 2456]

PUBLIC RECORDS—EXEMPTIONS—AGRICULTURE AND LIVESTOCK INFORMATION

AN ACT Relating to information regarding agriculture and livestock; and amending RCW 42.56.380.

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

Sec. 1. RCW 42.56.380 and 2010 c 128 s 2 are each amended to read as follows:

The following information relating to agriculture and livestock is exempt from disclosure under this chapter:

(1) Business-related information under RCW 15.86.110;

(2) Information provided under RCW 15.54.362;

(3) Production or sales records required to determine assessment levels and actual assessment payments to commodity boards and commissions formed under chapters 15.24, 15.26, 15.28, 15.44, 15.65, 15.66, 15.74, 15.88, 15.115, 15.100, 15.89, and 16.67 RCW or required by the department of agriculture to administer these chapters or the department's programs;

(4) Consignment information contained on phytosanitary certificates issued by the department of agriculture under chapters 15.13, 15.49, and 15.17 RCW or federal phytosanitary certificates issued under 7 C.F.R. 353 through cooperative agreements with the animal and plant health inspection service, United States department of agriculture, or on applications for phytosanitary certification required by the department of agriculture;

(5) Financial and commercial information and records supplied by persons (a) to the department of agriculture for the purpose of conducting a referendum for the potential establishment of a commodity board or commission; or (b) to the department of agriculture or commodity boards or commissions formed under chapter 15.24, 15.28, 15.44, 15.65, 15.66, 15.74, 15.88, 15.115, 15.100, 15.89, or 16.67 RCW with respect to domestic or export marketing activities or individual producer's production information;

(6) Information obtained regarding the purchases, sales, or production of an individual American ginseng grower or dealer, except for providing reports to the United States fish and wildlife service under RCW 15.19.080;

(7) Information collected regarding packers and shippers of fruits and vegetables for the issuance of certificates of compliance under RCW 15.17.140(2) and 15.17.143;

(8) Financial statements obtained under RCW 16.65.030(1)(d) for the purposes of determining whether or not the applicant meets the minimum net worth requirements to construct or operate a public livestock market;

(9) Information submitted by an individual or business to the department of agriculture under the requirements of chapters 16.36, 16.57, and 43.23 RCW for the purpose of ((participating in a state or national animal identification system)) herd inventory management for animal disease traceability. This information includes animal ownership, numbers of animals, locations, contact information, movements of livestock, financial information, the purchase and sale of livestock, account numbers or unique identifiers issued by government to private entities, and information related to livestock disease or injury that would identify an animal, a person, or location. Disclosure to local, state, and federal officials is not public disclosure. This exemption does not affect the disclosure of information used in reportable animal health investigations under chapter 16.36 RCW once they are complete; ((and))

(10) Results of testing for animal diseases ((not required to be reported under chapter 16.36 RCW that is done at the request of)) from samples submitted by or at the direction of the animal owner or his or her designee that can be identified to a particular business or individual:

(11) Records of international livestock importation that can be identified to a particular animal, business, or individual received from the United States department of homeland security or the United States department of agriculture that are not disclosable by the federal agency under federal law including 5 U.S.C. Sec. 552; and

(12) Records related to the entry of prohibited agricultural products imported into Washington state or that had Washington state as a final destination received from the United States department of homeland security or the United States department of agriculture that are not disclosable by the federal agency under federal law including 5 U.S.C. Sec. 552.

Passed by the House February 10, 2012. Passed by the Senate February 29, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 169

[Engrossed House Bill 2469] BOATYARD STORM WATER TREATMENT SYSTEMS

AN ACT Relating to boatyard storm water treatment systems; and amending RCW 90.58.355.

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

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Sec. 1. RCW 90.58.355 and 1994 c 257 s 20 are each amended to read as follows:

((The procedural requirements of this chapter)) Requirements to obtain a substantial development permit, conditional use permit, or variance shall not apply to any person:

(1) Conducting a remedial action at a facility pursuant to a consent decree, order, or agreed order issued pursuant to chapter 70.105D RCW, or to the department of ecology when it conducts a remedial action under chapter 70.105D RCW. The department ((of ecology shall)) must ensure compliance with the substantive requirements of this chapter through the consent decree, order, or agreed order issued pursuant to chapter 70.105D RCW, or during the department-conducted remedial action, through the procedures developed by the department pursuant to RCW 70.105D.090; or

(2) Installing site improvements for storm water treatment in an existing boatyard facility to meet requirements of a national pollutant discharge elimination system storm water general permit. The department must ensure compliance with the substantive requirements of this chapter through the review of engineering reports, site plans, and other documents related to the installation of boatyard storm water treatment facilities.

Passed by the House March 3, 2012.

Passed by the Senate February 29, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

CHAPTER 170

[Engrossed Substitute House Bill 2502] COMPENSATING TAXES—FOREST LAND—EXCEPTIONS

AN ACT Relating to modifying exceptions to the compensating tax provisions for removal from forest land classification to more closely parallel open space property tax provisions; amending RCW 84.33.145; and reenacting and amending RCW 84.33.140.

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

Sec. 1. RCW 84.33.140 and 2009 c 354 s 2, 2009 c 255 s 3, and 2009 c 246 s 2 are each reenacted and amended to read as follows:

(1) When land has been designated as forest land under RCW 84.33.130, a notation of the designation ((shall)) <u>must</u> be made each year upon the assessment and tax rolls. A copy of the notice of approval together with the legal description or assessor's parcel numbers for the land ((shall)) <u>must</u>, at the expense of the applicant, be filed by the assessor in the same manner as deeds are recorded.

(2) In preparing the assessment roll as of January 1, 2002, for taxes payable in 2003 and each January 1st thereafter, the assessor ((shall)) must list each parcel of designated forest land at a value with respect to the grade and class provided in this subsection and adjusted as provided in subsection (3) of this section. The assessor ((shall)) must compute the assessed value of the land using the same assessment ratio applied generally in computing the assessed value of other property in the county. Values for the several grades of bare forest land ((shall be)) are as follows:

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LAND GRADE	OPERABILITY CLASS	VALUES PER ACRE
1	1	\$234
	2	229
	3	217
2	4	157
	1	198
	2	190
	3	183
	4	132
3	1	154
	2	149
	3	148
4	4	113
	1	117
	2	114
	3	113
	4	86
5	1	85
	2	78
	3	77
	4	52
6	1	43
	2	39
	3	39
	4	37
7	1	21
	2	21
	3	20
	4	20
8		1

(3) On or before December 31, 2001, the department ((shall)) <u>must</u> adjust by rule under chapter 34.05 RCW, the forest land values contained in subsection (2) of this section in accordance with this subsection, and ((shall)) <u>must</u> certify the adjusted values to the assessor who will use these values in preparing the assessment roll as of January 1, 2002. For the adjustment to be made on or before December 31, 2001, for use in the 2002 assessment year, the department ((shall)) <u>must</u>:

(a) Divide the aggregate value of all timber harvested within the state between July 1, 1996, and June 30, 2001, by the aggregate harvest volume for the same period, as determined from the harvester excise tax returns filed with the department under RCW 84.33.074; and

(b) Divide the aggregate value of all timber harvested within the state between July 1, 1995, and June 30, 2000, by the aggregate harvest volume for the same period, as determined from the harvester excise tax returns filed with the department under RCW 84.33.074; and

(c) Adjust the forest land values contained in subsection (2) of this section by a percentage equal to one-half of the percentage change in the average values of harvested timber reflected by comparing the resultant values calculated under (a) and (b) of this subsection.

(4) For the adjustments to be made on or before December 31, 2002, and each succeeding year thereafter, the same procedure described in subsection (3) of this section ((shall)) <u>must</u> be followed using harvester excise tax returns filed under RCW 84.33.074. However, this adjustment ((shall)) <u>must</u> be made to the prior year's adjusted value, and the five-year periods for calculating average harvested timber values ((shall)) <u>must</u> be successively one year more recent.

(5) Land graded, assessed, and valued as forest land ((shall)) <u>must</u> continue to be so graded, assessed, and valued until removal of designation by the assessor upon the occurrence of any of the following:

(a) Receipt of notice from the owner to remove the designation;

(b) Sale or transfer to an ownership making the land exempt from ad valorem taxation;

(c) Sale or transfer of all or a portion of the land to a new owner, unless the new owner has signed a notice of forest land designation continuance, except transfer to an owner who is an heir or devisee of a deceased owner, ((shall)) does not, by itself, result in removal of designation. The signed notice of continuance ((shall)) must be attached to the real estate excise tax affidavit provided for in RCW 82.45.150. The notice of continuance ((shall)) must be on a form prepared by the department. If the notice of continuance is not signed by the new owner and attached to the real estate excise tax affidavit, all compensating taxes calculated under subsection (11) of this section ((shall become)) are due and payable by the seller or transferor at time of sale. The auditor ((shall)) may not accept an instrument of conveyance regarding designated forest land for filing or recording unless the new owner has signed the notice of continuance or the compensating tax has been paid, as evidenced by the real estate excise tax stamp affixed thereto by the treasurer. The seller, transferor, or new owner may appeal the new assessed valuation calculated under subsection (11) of this section to the county board of equalization in accordance with the provisions of RCW 84.40.038. Jurisdiction is hereby conferred on the county board of equalization to hear these appeals;

(d) Determination by the assessor, after giving the owner written notice and an opportunity to be heard, that:

(i) The land is no longer primarily devoted to and used for growing and harvesting timber. However, land ((shall)) <u>may</u> not be removed from designation if a governmental agency, organization, or other recipient identified in subsection (13) or (14) of this section as exempt from the payment of compensating tax has manifested its intent in writing or by other official action

to acquire a property interest in the designated forest land by means of a transaction that qualifies for an exemption under subsection (13) or (14) of this section. The governmental agency, organization, or recipient ((shall)) <u>must</u> annually provide the assessor of the county in which the land is located reasonable evidence in writing of the intent to acquire the designated land as long as the intent continues or within sixty days of a request by the assessor. The assessor may not request this evidence more than once in a calendar year;

(ii) The owner has failed to comply with a final administrative or judicial order with respect to a violation of the restocking, forest management, fire protection, insect and disease control, and forest debris provisions of Title 76 RCW or any applicable rules under Title 76 RCW; or

(iii) Restocking has not occurred to the extent or within the time specified in the application for designation of such land.

(6) Land ((shall)) <u>may</u> not be removed from designation if there is a governmental restriction that prohibits, in whole or in part, the owner from harvesting timber from the owner's designated forest land. If only a portion of the parcel is impacted by governmental restrictions of this nature, the restrictions cannot be used as a basis to remove the remainder of the forest land from designation under this chapter. For the purposes of this section, "governmental restrictions" includes: (a) Any law, regulation, rule, ordinance, program, or other action adopted or taken by a federal, state, county, city, or other governmental entity; or (b) the land's zoning or its presence within an urban growth area designated under RCW 36.70A.110.

(7) The assessor ((shall have)) has the option of requiring an owner of forest land to file a timber management plan with the assessor upon the occurrence of one of the following:

(a) An application for designation as forest land is submitted; or

(b) Designated forest land is sold or transferred and a notice of continuance, described in subsection (5)(c) of this section, is signed.

(8) If land is removed from designation because of any of the circumstances listed in subsection (5)(a) through (c) of this section, the removal ((shall apply)) applies only to the land affected. If land is removed from designation because of subsection (5)(d) of this section, the removal ((shall apply)) applies only to the actual area of land that is no longer primarily devoted to the growing and harvesting of timber, without regard to any other land that may have been included in the application and approved for designation, as long as the remaining designated forest land meets the definition of forest land contained in RCW 84.33.035.

(9) Within thirty days after the removal of designation as forest land, the assessor ((shall)) <u>must</u> notify the owner in writing, setting forth the reasons for the removal. The seller, transferor, or owner may appeal the removal to the county board of equalization in accordance with the provisions of RCW 84.40.038.

(10) Unless the removal is reversed on appeal a copy of the notice of removal with a notation of the action, if any, upon appeal, together with the legal description or assessor's parcel numbers for the land removed from designation ((shall)) <u>must</u>, at the expense of the applicant, be filed by the assessor in the same manner as deeds are recorded and a notation of removal from designation ((shall)) <u>must</u> immediately be made upon the assessment and tax rolls. The

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assessor ((shall)) <u>must</u> revalue the land to be removed with reference to its true and fair value as of January 1st of the year of removal from designation. Both the assessed value before and after the removal of designation ((shall)) <u>must</u> be listed. Taxes based on the value of the land as forest land ((shall be)) <u>are</u> assessed and payable up until the date of removal and taxes based on the true and fair value of the land ((shall be)) <u>are</u> assessed and payable from the date of removal from designation.

(11) Except as provided in subsection (5)(c), (13), or (14) of this section, a compensating tax ((shall be)) is imposed on land removed from designation as forest land. The compensating tax ((shall be)) is due and payable to the treasurer thirty days after the owner is notified of the amount of this tax. As soon as possible after the land is removed from designation, the assessor ((shall)) must compute the amount of compensating tax and mail a notice to the owner of the amount of compensating tax ((shall be)) is equal to the difference between the amount of tax last levied on the land as designated forest land and an amount equal to the new assessed value of the land multiplied by the dollar rate of the last levy extended against the land, multiplied by a number, in no event greater than nine, equal to the number of years for which the land was designated as forest land, plus compensating taxes on the land at forest land values up until the date of removal and the prorated taxes on the land at true and fair value from the date of removal to the end of the current tax year.

(12) Compensating tax, together with applicable interest thereon, ((shall)) becomes a lien on the land, which ((shall attach)) attaches at the time the land is removed from designation as forest land and ((shall have)) has priority ((to)) and ((shall)) <u>must</u> be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the land may become charged or liable. The lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes as provided in RCW 84.64.050. Any compensating tax unpaid on its due date ((shall)) will thereupon become delinquent. From the date of delinquency until paid, interest ((shall be)) is charged at the same rate applied by law to delinquent ad valorem property taxes.

(13) The compensating tax specified in subsection (11) of this section (($\frac{11}{100}$) may not be imposed if the removal of designation under subsection (5) of this section resulted solely from:

(a) Transfer to a government entity in exchange for other forest land located within the state of Washington;

(b) A taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power;

(c) A donation of fee title, development rights, or the right to harvest timber, to a government agency or organization qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections, or the sale or transfer of fee title to a governmental entity or a nonprofit nature conservancy corporation, as defined in RCW 64.04.130, exclusively for the protection and conservation of lands recommended for state natural area preserve purposes by the natural heritage council and natural heritage plan as defined in chapter 79.70

RCW or approved for state natural resources conservation area purposes as defined in chapter 79.71 RCW. At such time as the land is not used for the purposes enumerated, the compensating tax specified in subsection (11) of this section ((shall be)) is imposed upon the current owner;

(d) The sale or transfer of fee title to the parks and recreation commission for park and recreation purposes;

(e) Official action by an agency of the state of Washington or by the county or city within which the land is located that disallows the present use of the land;

(f) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120;

(g) The creation, sale, or transfer of a conservation easement of private forest lands within unconfined channel migration zones or containing critical habitat for threatened or endangered species under RCW 76.09.040;

(h) The sale or transfer of land within two years after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as classified forest land, designated as forest land under this chapter, or classified under chapter 84.34 RCW continuously since 1993. The date of death shown on a death certificate is the date used for the purposes of this subsection (13)(h); or

(i)(i) The discovery that the land was designated under this chapter in error through no fault of the owner. For purposes of this subsection (13)(i), "fault" means a knowingly false or misleading statement, or other act or omission not in good faith, that contributed to the approval of designation under this chapter or the failure of the assessor to remove the land from designation under this chapter.

(ii) For purposes of this subsection (13), the discovery that land was designated under this chapter in error through no fault of the owner is not the sole reason for removal of designation under subsection (5) of this section if an independent basis for removal exists. An example of an independent basis for removal includes the land no longer being devoted to and used for growing and harvesting timber.

(14) In a county with a population of more than six hundred thousand inhabitants <u>or in a county with a population of at least two hundred forty-five</u> thousand inhabitants that borders Puget Sound as defined in RCW 90.71.010, the compensating tax specified in subsection (11) of this section ((shall)) <u>may</u> not be imposed if the removal of designation as forest land under subsection (5) of this section resulted solely from:

(a) An action described in subsection (13) of this section; or

(b) A transfer of a property interest to a government entity, or to a nonprofit historic preservation corporation or nonprofit nature conservancy corporation, as defined in RCW 64.04.130, to protect or enhance public resources, or to preserve, maintain, improve, restore, limit the future use of, or otherwise to conserve for public use or enjoyment, the property interest being transferred. At such time as the property interest is not used for the purposes enumerated, the compensating tax ((shall be)) is imposed upon the current owner.

Sec. 2. RCW 84.33.145 and 2009 c 354 s 4 are each amended to read as follows:

(1) If no later than thirty days after removal of designation the owner applies for classification under RCW 84.34.020 (1), (2), or (3), then the designated

forest land ((shall)) may not be considered removed from designation for purposes of the compensating tax under RCW 84.33.140 until the application for current use classification under chapter 84.34 RCW is denied or the property is removed from classification under RCW 84.34.108. Upon removal of classification under RCW 84.34.108, the amount of compensating tax due under this chapter ((shall be)) is equal to:

(a) The difference, if any, between the amount of tax last levied on the land as designated forest land and an amount equal to the new assessed valuation of the land when removed from classification under RCW 84.34.108 multiplied by the dollar rate of the last levy extended against the land, multiplied by

(b) A number equal to:

(i) The number of years the land was designated under this chapter, if the total number of years the land was designated under this chapter and classified under chapter 84.34 RCW is less than ten; or

(ii) Ten minus the number of years the land was classified under chapter 84.34 RCW, if the total number of years the land was designated under this chapter and classified under chapter 84.34 RCW is at least ten.

(2) Nothing in this section authorizes the continued designation under this chapter or defers or reduces the compensating tax imposed upon forest land not transferred to classification under subsection (1) of this section which does not meet the definition of forest land under RCW 84.33.035. Nothing in this section affects the additional tax imposed under RCW 84.34.108.

(3) In a county with a population of more than six hundred thousand inhabitants or in a county with a population of at least two hundred forty-five thousand inhabitants that borders Puget Sound as defined in RCW 90.71.010, no amount of compensating tax is due under this section if the removal from classification under RCW 84.34.108 results from a transfer of property described in RCW 84.34.108(6).

Passed by the House February 10, 2012. Passed by the Senate March 2, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 171

[Engrossed Substitute House Bill 2545] LOCAL GOVERNMENTS—FUEL USAGE

AN ACT Relating to fuel usage by local governments; and amending RCW 43.19.648.

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

Sec. 1. RCW 43.19.648 and 2011 c 353 s 4 are each amended to read as follows:

(1) Effective June 1, 2015, all state agencies, to the extent determined practicable by the rules adopted by the department of commerce pursuant to RCW 43.325.080, are required to satisfy one hundred percent of their fuel usage for operating publicly owned vessels, vehicles, and construction equipment from electricity or biofuel. <u>Compressed natural gas</u>, liquefied natural gas, or propane may be substituted for electricity or biofuel if the department of commerce determines that electricity and biofuel are not reasonably available.

(2) Effective June 1, 2018, all local government subdivisions of the state, to the extent determined practicable by the rules adopted by the department of commerce pursuant to RCW 43.325.080, are required to satisfy one hundred percent of their fuel usage for operating publicly owned vessels, vehicles, and construction equipment from electricity or biofuel. <u>Transit agencies using compressed natural gas on June 1, 2018, are exempt from this requirement.</u> Compressed natural gas, liquefied natural gas, or propane may be substituted for electricity or biofuel if the department of commerce determines that electricity and biofuel are not reasonably available.

(3) In order to phase in this transition for the state, all state agencies, to the extent determined practicable by the department of commerce by rules adopted pursuant to RCW 43.325.080, are required to achieve forty percent fuel usage for operating publicly owned vessels, vehicles, and construction equipment from electricity or biofuel by June 1, 2013. <u>Compressed natural gas, liquefied natural gas, or propane may be substituted for electricity or biofuel if the department of commerce determines that electricity and biofuel are not reasonably available. The department of ((general administration)) enterprise services, in consultation with the department of commerce, shall report to the governor and the legislature by December 1, 2013, on what percentage of the state's fuel usage is from electricity or biofuel.</u>

(4) Except for cars owned or operated by the Washington state patrol, when tires on vehicles in the state's motor vehicle fleet are replaced, they must be replaced with tires that have the same or better rolling resistance as the original tires.

(5) By December 31, 2015, the state must, to the extent practicable, install electrical outlets capable of charging electric vehicles in each of the state's fleet parking and maintenance facilities.

(6) The department of transportation's obligations under subsection (3) of this section are subject to the availability of amounts appropriated for the specific purpose identified in subsection (3) of this section.

(7) The department of transportation's obligations under subsection (5) of this section are subject to the availability of amounts appropriated for the specific purpose identified in subsection (5) of this section unless the department receives federal or private funds for the specific purpose identified in subsection (5) of this section.

(8) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Battery charging station" means an electrical component assembly or cluster of component assemblies designed specifically to charge batteries within electric vehicles, which meet or exceed any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

(b) "Battery exchange station" means a fully automated facility that will enable an electric vehicle with a swappable battery to enter a drive lane and exchange the depleted battery with a fully charged battery through a fully automated process, which meets or exceeds any standards, codes, and regulations set forth by chapter 19.28 RCW and consistent with rules adopted under RCW 19.27.540. Passed by the House February 9, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 172

[Engrossed House Bill 2671]

LOCAL SHORELINE MASTER PROGRAMS—DEPARTMENT OF ECOLOGY ACTION

AN ACT Relating to clarifying procedures for appealing department of ecology final action on a local shoreline master program by ensuring consistency with existing procedural provisions of the growth management act, chapter 36.70A RCW, the administrative procedure act, chapter 34.05 RCW, and the state environmental policy act, chapter 43.21C RCW; and amending RCW 90.58.190.

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

Sec. 1. RCW 90.58.190 and 2011 c 277 s 5 are each amended to read as follows:

(1) The appeal of the department's decision to adopt a master program or amendment pursuant to RCW 90.58.070(2) or 90.58.090(5) is governed by RCW 34.05.510 through 34.05.598.

(2)(a) The department's final decision to approve or reject a proposed master program or master program amendment by a local government planning under RCW 36.70A.040 shall be appealed to the growth management hearings board by filing a petition as provided in RCW 36.70A.290.

(b) If the appeal to the growth management hearings board concerns shorelines, the growth management hearings board shall review the proposed master program or amendment solely for compliance with the requirements of this chapter, the policy of RCW 90.58.020 and the applicable guidelines, the internal consistency provisions of RCW 36.70A.070, 36.70A.040(4), 35.63.125, and 35A.63.105, and chapter 43.21C RCW as it relates to the adoption of master programs and amendments under chapter 90.58 RCW.

(c) If the appeal to the growth management hearings board concerns a shoreline of statewide significance, the board shall uphold the decision by the department unless the board, by clear and convincing evidence, determines that the decision of the department is ((inconsistent)) noncompliant with the policy of RCW 90.58.020 ((and)) or the applicable guidelines, or chapter 43.21C RCW as it relates to the adoption of master programs and amendments under this chapter.

(d) The appellant has the burden of proof in all appeals to the growth management hearings board under this subsection.

(e) Any party aggrieved by a final decision of the growth management hearings board under this subsection may appeal the decision to superior court as provided in RCW 36.70A.300.

(3)(a) The department's final decision to approve or reject a proposed master program or master program amendment by a local government not planning under RCW 36.70A.040 shall be appealed to the shorelines hearings board by filing a petition within thirty days of the date that the department publishes notice of its final decision under RCW 90.58.090(8).

(b) In an appeal relating to shorelines, the shorelines hearings board shall review the proposed master program or master program amendment and, after

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full consideration of the presentations of the ((local government and the department)) <u>parties</u>, shall determine the validity of the local government's master program or amendment in light of the policy of RCW 90.58.020 and the applicable guidelines, and chapter 43.21C RCW as it relates to the adoption of master programs and amendments under this chapter.

(c) In an appeal relating to shorelines of statewide significance, the shorelines hearings board shall uphold the decision by the department unless the board determines, by clear and convincing evidence that the decision of the department is ((inconsistent)) noncompliant with the policy of RCW 90.58.020 ((and)) or the applicable guidelines, or chapter 43.21C RCW as it relates to the adoption of master programs and amendments under this chapter.

(d) Review by the shorelines hearings board shall be considered an adjudicative proceeding under chapter 34.05 RCW, the administrative procedure act. The ((aggrieved local government)) appellant shall have the burden of proof in all such reviews.

(e) Whenever possible, the review by the shorelines hearings board shall be heard within the county where the land subject to the proposed master program or master program amendment is primarily located. The department and any ((local government)) party aggrieved by a final decision of the hearings board may appeal the decision to superior court as provided in chapter 34.05 RCW.

(4) A master program amendment shall become effective after the approval of the department or after the decision of the growth management hearings board or shorelines hearings board to uphold the master program or master program amendment, provided that either the growth management hearings board or the shorelines hearings board may remand the master program or master program ((adjustment)) amendment to the local government or the department for modification prior to the final adoption of the master program or master program amendment.

Passed by the House February 13, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 173

[Engrossed Substitute House Bill 2747] FIRE SERVICE TRAINING ACCOUNT

AN ACT Relating to modifying the use of funds in the fire service training account; and amending RCW 43.43.944.

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

Sec. 1. RCW 43.43.944 and 2011 1st sp.s. c 48 s 7026 are each amended to read as follows:

(1) The fire service training account is hereby established in the state treasury. <u>The primary purpose of the account is firefighter training for both volunteer and career firefighters.</u> The fund shall consist of:

(a) All fees received by the Washington state patrol for fire service training;(b) All grants and bequests accepted by the Washington state patrol under RCW 43.43.940;

(c) Twenty percent of all moneys received by the state on fire insurance premiums; and

(d) General fund-state moneys appropriated into the account by the legislature.

(2) Moneys in the account may be appropriated ((only)) for: (a) Fire service training; (b) school fire prevention activities within the Washington state patrol; and (c) the maintenance, operations, and capital projects of the state fire training academy. However, expenditures for purposes of (b) and (c) of this subsection may only be made to the extent that these expenditures do not adversely affect expenditures for the purpose of (a) of this subsection. The state patrol may use amounts appropriated from the fire service training account under this section to contract with the Washington state firefighters apprenticeship trust for the operation of the firefighter joint apprenticeship training program. The contract may call for payments on a monthly basis. ((During the 2009 2011 fiscal biennium, the legislature may appropriate funds from this account for school fire prevention activities within the Washington state patrol and for repairs of the burn building. During the 2011-2013 fiscal biennium, the legislature may appropriate funds from this account for school fire prevention activities within the Washington state patrol and repairs of the burn building.)

(3) Any general fund—state moneys appropriated into the account shall be allocated solely to the firefighter joint apprenticeship training program. The Washington state patrol may contract with outside entities for the administration and delivery of the firefighter joint apprenticeship training program.

Passed by the House February 11, 2012. Passed by the Senate March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 174

[Substitute Senate Bill 5766] FIRE PROTECTION DISTRICT COMMISSIONERS

AN ACT Relating to fire protection district commissioners; and amending RCW 52.14.010, 52.14.020, 52.14.013, 52.14.015, and 52.14.017.

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

Sec. 1. RCW 52.14.010 and 2007 c 469 s 2 are each amended to read as follows:

The affairs of the district shall be managed by a board of fire commissioners composed <u>initially</u> of three registered voters residing in the district except as provided in RCW 52.14.015 and 52.14.020. Each member shall each receive $((\frac{ninety}{)})$ <u>one hundred four</u> dollars per day or portion thereof, not to exceed $((\frac{eight}{)})$ <u>nine</u> thousand $((\frac{six}{)})$ <u>nine</u> hundred $((\frac{forty}{)})$ <u>eighty-four</u> dollars per year, for time spent in actual attendance at official meetings of the board or in performance of other services or duties on behalf of the district.

In addition, they shall receive necessary expenses incurred in attending meetings of the board or when otherwise engaged in district business, and shall be entitled to receive the same insurance available to all firefighters of the district: PROVIDED, That the premiums for such insurance, except liability insurance, shall be paid by the individual commissioners who elect to receive it.

Any commissioner may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the secretary as provided in this section. The waiver, to be effective, must be filed any time after the commissioner's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

The board shall fix the compensation to be paid the secretary and all other agents and employees of the district. The board may, by resolution adopted by unanimous vote, authorize any of its members to serve as volunteer firefighters without compensation. A commissioner actually serving as a volunteer firefighter may enjoy the rights and benefits of a volunteer firefighter.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

Sec. 2. RCW 52.14.020 and 1984 c 230 s 29 are each amended to read as follows:

(1) In a fire protection district maintaining a fire department consisting wholly of personnel employed on a full-time, fully-paid basis, there shall be five fire commissioners. A fire protection district with an annual budget of ten million dollars or more may have seven fire commissioners. ((The))

(2)(a) If two positions <u>are</u> created on boards of fire commissioners by this section. <u>such positions</u> shall be filled initially as for a vacancy, except that the appointees shall draw lots, one appointee to serve until the next general fire district election after the appointment, at which two commissioners shall be elected for six-year terms, and the other appointee to serve until the second general fire district election after the appointment, at which two commissioners shall be elected for six-year terms.

(b) If four positions are created on boards of fire commissioners by this section, such positions shall be filled initially as for a vacancy, except that the appointees shall draw lots, three appointees to serve until the next general fire district election after the appointment, at which three commissioners shall be elected for four-year terms, and the other appointee to serve until the second general fire district election after the appointment, at which two commissioners shall be elected for six-year terms.

Sec. 3. RCW 52.14.013 and 1994 c 223 s 49 are each amended to read as follows:

The board of fire commissioners of a fire protection district may adopt a resolution by unanimous vote causing a ballot proposition to be submitted to voters of the district authorizing the creation of commissioner districts. The board of fire commissioners shall create commissioner districts if the ballot proposition authorizing the creation of commissioner districts is approved by a simple majority vote of the voters of the fire protection district voting on the proposition. Three commissioner districts shall be created for a fire protection district with three commissioners, ((and)) five commissioner districts shall be created for a fire protection district with five commissioners. No two commissioners may reside in the same commissioner district.

No change in the boundaries of any commissioner district shall be made within one hundred twenty days next before the date of a general district election, nor within twenty months after the commissioner districts have been established or altered. However, if a boundary change results in one commissioner district being represented by two or more commissioners, those commissioners having the shortest unexpired terms shall be assigned by the commissioner so assigned shall be deemed to be residents of the commissioner districts to which they are assigned for purposes of determining whether those positions are vacant.

The population of each commissioner district shall include approximately equal population. Commissioner districts shall be redrawn as provided in chapter ($(\frac{29.70}{2}))$ <u>29A.76</u> RCW. Commissioner districts shall be used as follows: (1) Only a registered voter who resides in a commissioner district may be a candidate for, or serve as, a commissioner of the commissioner district; and (2) only voters of a commissioner district may vote at a primary to nominate candidates for a commissioner of the commissioner district. Voters of the entire fire protection district may vote at a general election to elect a person as a commissioner of the commissioner district.

When a board of fire commissioners that has commissioner districts has been increased to five <u>or seven</u> members under RCW 52.14.015, the board of fire commissioners shall divide the fire protection district into five <u>or seven</u> commissioner districts before it appoints the two <u>or four</u> additional fire commissioners. The two <u>or four</u> additional fire commissioners who are appointed shall reside in separate commissioner districts in which no other fire commissioner resides.

Sec. 4. RCW 52.14.015 and 1994 c 223 s 50 are each amended to read as follows:

In the event a three member board of commissioners of any fire protection district determines by resolution that it would be in the best interest of the district to increase the number of commissioners from three to five <u>or seven</u>, or in the event the board is presented with a petition signed by ten percent of the registered voters resident within the district who voted in the last general municipal election calling for such an increase in the number of commissioners of the district, the board shall submit a resolution to the county legislative authority or authorities of the county or counties in which the district is located requesting that an election be held. Upon receipt of the resolution, the legislative authority or authorities of the county or counties shall call a special election to be held within the fire protection district at which election the following proposition shall be submitted to the voters substantially as follows:

Shall the board of commissioners of county fire protection district no. be increased from three members to five (or seven) members?

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Yes . . . . .
No . . . . .
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If the fire protection district is located in more than a single county, this proposition shall indicate the name of the district.

If the proposition receives a majority approval at the election, the board of commissioners of the fire protection district shall be increased to five <u>or seven</u> members. The two <u>or four</u> additional members shall be appointed in the same manner as provided in RCW 52.14.020.

Sec. 5. RCW 52.14.017 and 1997 c 43 s 1 are each amended to read as follows:

Except as provided in RCW 52.14.020, in the event a five-member <u>or seven-member</u> board of commissioners of any fire protection district determines by resolution that it would be in the best interest of the fire <u>protection</u> district to decrease the number of commissioners from five to three <u>or from seven to five</u>, or in the event the board is presented with a petition signed by ten percent of the registered voters resident within the district who voted in the last general municipal election calling for such a decrease in the number of commissioners of the district, the board shall submit a resolution to the county legislative authority or authorities of the county or counties in which the district is located requesting that an election be held. Upon receipt of the resolution, the legislative authority or authorities of the county or counties shall call a special election to be held within the fire protection district at which election the following proposition shall be submitted to the voters substantially as follows:

Shall the board of commissioners of county fire protection district no... be decreased from five (seven) members to three (five) members?

Yes . . . No . . .

If the fire protection district has commissioner districts, the commissioners of the district must pass a resolution, before the submission of the proposition to the voters, to either redistrict from five <u>or seven</u> commissioner districts to three <u>or five</u> commissioner districts or eliminate the commissioner districts. The resolution takes effect upon approval of the proposition by the voters.

If the fire protection district is located in more than a single county, this proposition shall indicate the name of the district.

If the proposition receives a majority approval at the election, the board of commissioners of the fire protection district shall be decreased to <u>five or</u> three members. The two members shall be decreased in accordance with RCW 52.06.085.

Passed by the Senate March 8, 2012. Passed by the House February 27, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 175

[Substitute Senate Bill 6116]

ON-SITE SEWAGE PROGRAM MANAGEMENT PLANS

AN ACT Relating to on-site sewage program management plans; and adding a new section to chapter 70.05 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 70.05 RCW to read as follows:

(1) A local board of health in the twelve counties bordering Puget Sound implementing an on-site sewage program management plan may:

(a) Impose and collect reasonable rates or charges in an amount sufficient to pay for the actual costs of administration and operation of the on-site sewage program management plan; and

(b) Contract with the county treasurer to collect the rates or charges imposed under this section in accordance with RCW 84.56.035.

(2) In executing the provisions in subsection (1) of this section, a local board of health does not have the authority to impose a lien on real property for failure to pay rates and charges imposed by this section.

(3) Nothing in this section provides a local board of health with the ability to impose and collect rates and charges related to the implementation of an on-site sewage program management plan beyond those powers currently designated under RCW 70.05.060(7).

Passed by the Senate March 3, 2012. Passed by the House March 1, 2012. Approved by the Governor March 29, 2012. Filed in Office of Secretary of State March 29, 2012.

CHAPTER 176

[Substitute Senate Bill 6135] FISH AND WILDLIFE ENFORCEMENT

AN ACT Relating to fish and wildlife enforcement; amending RCW 7.84.030, 7.84.020, 77.15.030, 77.15.050, 77.15.075, 77.15.080, 77.15.100, 77.15.110, 77.15.130, 77.15.160, 77.15.170, 77.15.190, 77.15.240, 77.15.260, 77.15.280, 77.15.290, 77.15.370, 77.15.380, 77.15.390, 77.15.400,

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77.15.410, 77.15.430, 77.15.460, 77.15.610, 77.15.620, 77.15.630, 77.15.640, 77.15.650, 77.15.660, 77.15.700, 77.15.720, and 77.15.740; reenacting and amending RCW 9.94A.515 and 77.08.010; adding a new section to chapter 77.08 RCW; adding new sections to chapter 77.15 RCW; repealing RCW 77.12.315, 77.15.140, 77.15.220, and 77.15.330; and prescribing penalties.

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

Sec. 1. RCW 7.84.030 and 2011 c 320 s 14 are each amended to read as follows:

(1) An infraction proceeding is initiated by the issuance and service of a printed notice of infraction and filing of a printed or electronic copy of the notice of infraction.

(2)(a) A notice of infraction may be issued by a person authorized to enforce the provisions of the title or chapter in which the infraction is established, or by a person authorized by an interlocal agreement entered into under RCW 7.84.140, when the infraction occurs in that person's presence.

(b) A person who is a peace officer as defined in chapter 10.93 RCW may detain the person receiving the infraction for a reasonable period of time necessary to identify the person, check for outstanding warrants, and complete and issue a notice of infraction under RCW 7.84.050. A person who is to receive a notice of infraction is required to identify himself or herself to the peace officer by giving the person's name, address, and date of birth. Upon request, the person shall produce reasonable identification, which may include a driver's license or identicard. Any person who fails to comply with the requirement to identify himself or herself and give the person's current address may be found to have committed an infraction.

(3) A court may issue a notice of infraction if a person authorized to enforce the provisions of the title or chapter in which the infraction is established, or by a person authorized by an interlocal agreement entered into under RCW 7.84.140, files with the court a written statement that the infraction was committed in that person's presence or that the officer has reason to believe an infraction was committed.

(4) Service of a notice of infraction issued under subsection (2) or (3) of this section shall be as provided by court rule.

(5) A notice of infraction shall be filed with a court having jurisdiction within five days of issuance, excluding Saturdays, Sundays, and holidays.

Sec. 2. RCW 7.84.020 and 2003 c 39 s 3 are each amended to read as follows:

((Unless the context clearly requires otherwise,)) The definition in this section applies throughout this chapter <u>unless the context clearly requires</u> <u>otherwise</u>.

"Infraction" means an offense which, by the terms of Title 76, 77, 79, or 79A RCW or ((chapter 43.30 RCW)) <u>RCW 7.84.030(2)(b)</u> and rules adopted under these titles and ((chapters)) section, is declared not to be a criminal offense and is subject to the provisions of this chapter.

Sec. 3. RCW 9.94A.515 and 2010 c 289 s 11 and 2010 c 227 s 9 are each reenacted and amended to read as follows:

TABLE 2

CRIMES INCLUDED WITHIN EACH SERIOUSNESS LEVEL

- XVI Aggravated Murder 1 (RCW 10.95.020)
- XV Homicide by abuse (RCW 9A.32.055) Malicious explosion 1 (RCW 70.74.280(1)) Murder 1 (RCW 9A.32.030)
- XIV Murder 2 (RCW 9A.32.050) Trafficking 1 (RCW 9A.40.100(1))
- XIII Malicious explosion 2 (RCW 70.74.280(2))

Malicious placement of an explosive 1 (RCW 70.74.270(1))

 XII Assault 1 (RCW 9A.36.011)
 Assault of a Child 1 (RCW 9A.36.120)
 Malicious placement of an imitation device 1 (RCW 70.74.272(1)(a))

> Promoting Commercial Sexual Abuse of a Minor (RCW 9.68A.101)

Rape 1 (RCW 9A.44.040) Rape of a Child 1 (RCW 9A.44.073) Trafficking 2 (RCW 9A.40.100(2))

- XI Manslaughter 1 (RCW 9A.32.060) Rape 2 (RCW 9A.44.050) Rape of a Child 2 (RCW 9A.44.076)
- X Child Molestation 1 (RCW 9A.44.083) Criminal Mistreatment 1 (RCW 9A.42.020) Indecent Liberties (with forcible

compulsion) (RCW 9A.44.100(1)(a))

Kidnapping 1 (RCW 9A.40.020)

Leading Organized Crime (RCW 9A.82.060(1)(a))

Malicious explosion 3 (RCW 70.74.280(3))

Sexually Violent Predator Escape (RCW 9A.76.115) IX Abandonment of Dependent Person 1 (RCW 9A.42.060) Assault of a Child 2 (RCW 9A.36.130) Explosive devices prohibited (RCW 70.74.180) Hit and Run-Death (RCW 46.52.020(4)(a)) Homicide by Watercraft, by being under the influence of intoxicating liquor or any drug (RCW 79A.60.050) Inciting Criminal Profiteering (RCW 9A.82.060(1)(b)) Malicious placement of an explosive 2 (RCW 70.74.270(2)) Robbery 1 (RCW 9A.56.200) Sexual Exploitation (RCW 9.68A.040) Vehicular Homicide, by being under the influence of intoxicating liquor or any drug (RCW 46.61.520) VIII Arson 1 (RCW 9A.48.020) Commercial Sexual Abuse of a Minor (RCW 9.68A.100) Homicide by Watercraft, by the operation of any vessel in a reckless manner (RCW 79A.60.050) Manslaughter 2 (RCW 9A.32.070) Promoting Prostitution 1 (RCW 9A.88.070) Theft of Ammonia (RCW 69.55.010) Vehicular Homicide, by the operation of any vehicle in a reckless manner (RCW 46.61.520) VII Burglary 1 (RCW 9A.52.020) Child Molestation 2 (RCW 9A.44.086) Civil Disorder Training (RCW 9A.48.120)

[1224]

Dealing in depictions of minor engaged in sexually explicit conduct 1 (RCW 9.68A.050(1)) Drive-by Shooting (RCW 9A.36.045) Homicide by Watercraft, by disregard for the safety of others (RCW 79A.60.050) Indecent Liberties (without forcible compulsion) (RCW 9A.44.100(1) (b) and (c)) Introducing Contraband 1 (RCW 9A.76.140) Malicious placement of an explosive 3 (RCW 70.74.270(3)) Negligently Causing Death By Use of a Signal Preemption Device (RCW 46.37.675) Sending, bringing into state depictions of minor engaged in sexually explicit conduct 1 (RCW 9.68A.060(1)) Unlawful Possession of a Firearm in the first degree (RCW 9.41.040(1)) Use of a Machine Gun in Commission of a Felony (RCW 9.41.225) Vehicular Homicide, by disregard for the safety of others (RCW 46.61.520) VI Bail Jumping with Murder 1 (RCW 9A.76.170(3)(a)) Bribery (RCW 9A.68.010) Incest 1 (RCW 9A.64.020(1)) Intimidating a Judge (RCW 9A.72.160) Intimidating a Juror/Witness (RCW 9A.72.110, 9A.72.130) Malicious placement of an imitation device 2 (RCW 70.74.272(1)(b)) Possession of Depictions of a Minor Engaged in Sexually Explicit Conduct 1 (RCW 9.68A.070(1)) Rape of a Child 3 (RCW 9A.44.079)

[1225]

Theft of a Firearm (RCW 9A.56.300) Unlawful Storage of Ammonia (RCW 69.55.020) V Abandonment of Dependent Person 2 (RCW 9A.42.070) Advancing money or property for extortionate extension of credit (RCW 9A.82.030) Bail Jumping with class A Felony (RCW 9A.76.170(3)(b)) Child Molestation 3 (RCW 9A.44.089) Criminal Mistreatment 2 (RCW 9A.42.030) Custodial Sexual Misconduct 1 (RCW 9A.44.160) Dealing in Depictions of Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68A.050(2)) Domestic Violence Court Order Violation (RCW 10.99.040, 10.99.050, 26.09.300, 26.10.220, 26.26.138, 26.50.110, 26.52.070, or 74.34.145) Driving While Under the Influence (RCW 46.61.502(6)) Extortion 1 (RCW 9A.56.120) Extortionate Extension of Credit (RCW 9A.82.020) Extortionate Means to Collect Extensions of Credit (RCW 9A.82.040) Incest 2 (RCW 9A.64.020(2)) Kidnapping 2 (RCW 9A.40.030) Perjury 1 (RCW 9A.72.020) Persistent prison misbehavior (RCW 9.94.070) Physical Control of a Vehicle While Under the Influence (RCW 46.61.504(6))

[1226]

Possession of a Stolen Firearm (RCW 9A.56.310) Rape 3 (RCW 9A.44.060) Rendering Criminal Assistance 1 (RCW 9A.76.070) Sending, Bringing into State Depictions of Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68A.060(2)) Sexual Misconduct with a Minor 1 (RCW 9A.44.093) Sexually Violating Human Remains (RCW 9A.44.105) Stalking (RCW 9A.46.110) Taking Motor Vehicle Without Permission 1 (RCW 9A.56.070) IV Arson 2 (RCW 9A.48.030) Assault 2 (RCW 9A.36.021) Assault 3 (of a Peace Officer with a Projectile Stun Gun) (RCW 9A.36.031(1)(h)) Assault by Watercraft (RCW 79A.60.060) Bribing a Witness/Bribe Received by Witness (RCW 9A.72.090, 9A.72.100) Cheating 1 (RCW 9.46.1961) Commercial Bribery (RCW 9A.68.060) Counterfeiting (RCW 9.16.035(4)) Endangerment with a Controlled Substance (RCW 9A.42.100) Escape 1 (RCW 9A.76.110) Hit and Run—Injury (RCW 46.52.020(4)(b)) Hit and Run with Vessel-Injury Accident (RCW 79A.60.200(3)) Identity Theft 1 (RCW 9.35.020(2)) Indecent Exposure to Person Under Age Fourteen (subsequent sex offense) (RCW 9A.88.010)

[1227]

Influencing Outcome of Sporting Event (RCW 9A.82.070) Malicious Harassment (RCW 9A.36.080) Possession of Depictions of a Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68(([A])) <u>A</u>.070(2)) Residential Burglary (RCW 9A.52.025) Robbery 2 (RCW 9A.56.210) Theft of Livestock 1 (RCW 9A.56.080) Threats to Bomb (RCW 9.61.160) Trafficking in Stolen Property 1 (RCW 9A.82.050) Unlawful factoring of a credit card or payment card transaction (RCW 9A.56.290(4)(b)) Unlawful transaction of health coverage as a health care service contractor (RCW 48.44.016(3)) Unlawful transaction of health coverage as a health maintenance organization (RCW 48.46.033(3)) Unlawful transaction of insurance business (RCW 48.15.023(3)) Unlicensed practice as an insurance professional (RCW 48.17.063(2)) Use of Proceeds of Criminal Profiteering (RCW 9A.82.080(1) and (2)Vehicular Assault, by being under the influence of intoxicating liquor or any drug, or by the operation or driving of a vehicle in a reckless manner (RCW 46.61.522) Viewing of Depictions of a Minor Engaged in Sexually Explicit Conduct 1 (RCW 9.68A.075(1)) Willful Failure to Return from Furlough (RCW 72.66.060)

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[1228]

III Animal Cruelty 1 (Sexual Conduct or Contact) (RCW 16.52.205(3)) Assault 3 (Except Assault 3 of a Peace Officer With a Projectile Stun Gun) (RCW 9A.36.031 except subsection (1)(h)) Assault of a Child 3 (RCW 9A.36.140) Bail Jumping with class B or C Felony (RCW 9A.76.170(3)(c)) Burglary 2 (RCW 9A.52.030) Communication with a Minor for Immoral Purposes (RCW 9.68A.090) Criminal Gang Intimidation (RCW 9A.46.120) Custodial Assault (RCW 9A.36.100) Cyberstalking (subsequent conviction or threat of death) (RCW 9.61.260(3)) Escape 2 (RCW 9A.76.120) Extortion 2 (RCW 9A.56.130) Harassment (RCW 9A.46.020) Intimidating a Public Servant (RCW 9A.76.180) Introducing Contraband 2 (RCW 9A.76.150) Malicious Injury to Railroad Property (RCW 81.60.070) Mortgage Fraud (RCW 19.144.080) Negligently Causing Substantial Bodily Harm By Use of a Signal Preemption Device (RCW 46.37.674) Organized Retail Theft 1 (RCW 9A.56.350(2)) Perjury 2 (RCW 9A.72.030) Possession of Incendiary Device (RCW 9.40.120)

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Possession of Machine Gun or Short-Barreled Shotgun or Rifle (RCW 9.41.190) Promoting Prostitution 2 (RCW 9A.88.080) Retail Theft with Extenuating Circumstances 1 (RCW 9A.56.360(2)) Securities Act violation (RCW 21.20.400) Tampering with a Witness (RCW 9A.72.120) Telephone Harassment (subsequent conviction or threat of death) (RCW 9.61.230(2)) Theft of Livestock 2 (RCW 9A.56.083) Theft with the Intent to Resell 1 (RCW 9A.56.340(2)) Trafficking in Stolen Property 2 (RCW 9A.82.055) Unlawful Hunting of Big Game 1 (RCW 77.15.410(3)(b)) Unlawful Imprisonment (RCW 9A.40.040) Unlawful possession of firearm in the second degree (RCW 9.41.040(2)) Unlawful Taking of Endangered Fish or Wildlife 1 (RCW 77.15.120(3)(b)) Unlawful Trafficking in Fish, Shellfish, or Wildlife 1 (RCW 77.15.260(3)(b)) Unlawful Use of a Nondesignated Vessel (RCW 77.15.530(4)) Vehicular Assault, by the operation or driving of a vehicle with disregard for the safety of others (RCW 46.61.522) Willful Failure to Return from Work Release (RCW 72.65.070) II Commercial Fishing Without a License 1 (RCW 77.15.500(3)(b))

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Computer Trespass 1 (RCW 9A.52.110) Counterfeiting (RCW 9.16.035(3)) Engaging in Fish Dealing Activity Unlicensed 1 (RCW 77.15.620(3)) Escape from Community Custody (RCW 72.09.310) Failure to Register as a Sex Offender (second or subsequent offense) (((RCW 9A.44.130(11)(a)))) (RCW 9A.44.132(1)(b)) Health Care False Claims (RCW 48.80.030) Identity Theft 2 (RCW 9.35.020(3)) Improperly Obtaining Financial Information (RCW 9.35.010) Malicious Mischief 1 (RCW 9A.48.070) Organized Retail Theft 2 (RCW 9A.56.350(3)) Possession of Stolen Property 1 (RCW 9A.56.150) Possession of a Stolen Vehicle (RCW 9A.56.068) Retail Theft with Extenuating Circumstances 2 (RCW 9A.56.360(3)) Theft 1 (RCW 9A.56.030) Theft of a Motor Vehicle (RCW 9A.56.065) Theft of Rental, Leased, or Leasepurchased Property (valued at one thousand five hundred dollars or more) (RCW 9A.56.096(5)(a)) Theft with the Intent to Resell 2 (RCW 9A.56.340(3)) Trafficking in Insurance Claims (RCW 48.30A.015) Unlawful factoring of a credit card or payment card transaction (RCW 9A.56.290(4)(a))

[1231]

Unlawful Participation of Non-Indians in Indian Fishery (RCW 77.15.570(2)) Unlawful Practice of Law (RCW 2.48.180) Unlicensed Practice of a Profession or Business (RCW 18.130.190(7)) Unlawful Purchase or Use of a License (RCW 77.15.650(3)(b)) Unlawful Trafficking in Fish, Shellfish, or Wildlife 2 (RCW 77.15.260(3)(a)) Voyeurism (RCW 9A.44.115) I Attempting to Elude a Pursuing Police Vehicle (RCW 46.61.024) False Verification for Welfare (RCW 74.08.055) Forgery (RCW 9A.60.020) Fraudulent Creation or Revocation of a Mental Health Advance Directive (RCW 9A.60.060) Malicious Mischief 2 (RCW 9A.48.080) Mineral Trespass (RCW 78.44.330) Possession of Stolen Property 2 (RCW 9A.56.160) Reckless Burning 1 (RCW 9A.48.040) Spotlighting Big Game 1 (RCW 77.15.450(3)(b)) Suspension of Department Privileges 1 (RCW 77.15.670(3)(b)) Taking Motor Vehicle Without Permission 2 (RCW 9A.56.075) Theft 2 (RCW 9A.56.040) Theft of Rental, Leased, or Leasepurchased Property (valued at two hundred fifty dollars or more but less than one thousand five hundred dollars) (RCW 9A.56.096(5)(b))

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[1232]

Transaction of insurance business beyond the scope of licensure (RCW 48.17.063)

Unlawful Fish and Shellfish Catch Accounting (RCW 77.15.630(3)(b))

Unlawful Issuance of Checks or Drafts (RCW 9A.56.060)

Unlawful Possession of Fictitious Identification (RCW 9A.56.320)

Unlawful Possession of Instruments of Financial Fraud (RCW 9A.56.320)

Unlawful Possession of Payment Instruments (RCW 9A.56.320)

Unlawful Possession of a Personal Identification Device (RCW 9A.56.320)

Unlawful Production of Payment Instruments (RCW 9A.56.320)

Unlawful Release of Deleterious Exotic Wildlife (RCW 77.15.250(2)(b))

Unlawful Trafficking in Food Stamps (RCW 9.91.142)

Unlawful Use of Food Stamps (RCW 9.91.144)

Unlawful Use of Net to Take Fish 1 (RCW 77.15.580(3)(b))

<u>Unlawful Use of Prohibited Aquatic</u> <u>Animal Species (RCW</u>

77.15.253(3))

Vehicle Prowl 1 (RCW 9A.52.095)

Violating Commercial Fishing Area or <u>Time 1 (RCW 77.15.550(3)(b))</u>

Sec. 4. RCW 77.08.010 and 2011 c 324 s 3 are each reenacted and amended to read as follows:

The definitions in this section apply throughout this title or rules adopted under this title unless the context clearly requires otherwise.

(1) "Angling gear" means a line attached to a rod and reel capable of being held in hand while landing the fish or a hand-held line operated without rod or reel.

(2) "Aquatic invasive species" means any invasive, prohibited, regulated, unregulated, or unlisted aquatic animal or plant species as defined under subsections (3), (28), (40), (44), (60), and (61) of this section, aquatic noxious weeds as defined under RCW 17.26.020(5)(c), and aquatic nuisance species as defined under RCW 77.60.130(1).

(3) "Aquatic plant species" means an emergent, submersed, partially submersed, free-floating, or floating-leaving plant species that grows in or near a body of water or wetland.

(4) "Bag limit" means the maximum number of game animals, game birds, or game fish which may be taken, caught, killed, or possessed by a person, as specified by rule of the commission for a particular period of time, or as to size, sex, or species.

(5) "Closed area" means a place where the hunting of some or all species of wild animals or wild birds is prohibited.

(6) "Closed season" means all times, manners of taking, and places or waters other than those established by rule of the commission as an open season. "Closed season" also means all hunting, fishing, taking, or possession of game animals, game birds, game fish, food fish, or shellfish that do not conform to the special restrictions or physical descriptions established by rule of the commission as an open season or that have not otherwise been deemed legal to hunt, fish, take, harvest, or possess by rule of the commission as an open season.

(7) "Closed waters" means all or part of a lake, river, stream, or other body of water, where fishing or harvesting is prohibited.

(8) "Commercial" means related to or connected with buying, selling, or bartering.

(9) "Commission" means the state fish and wildlife commission.

(10) "Concurrent waters of the Columbia river" means those waters of the Columbia river that coincide with the Washington-Oregon state boundary.

(11) "Contraband" means any property that is unlawful to produce or possess.

(12) "Deleterious exotic wildlife" means species of the animal kingdom not native to Washington and designated as dangerous to the environment or wildlife of the state.

(13) "Department" means the department of fish and wildlife.

(14) "Director" means the director of fish and wildlife.

(15) "Endangered species" means wildlife designated by the commission as seriously threatened with extinction.

(16) "Ex officio fish and wildlife officer" means ((a commissioned officer of a municipal, county, state, or federal agency having as its primary function the enforcement of criminal laws in general, while the officer is in the appropriate jurisdiction. The term "ex officio fish and wildlife officer" includes special agents of the national marine fisheries service, state parks commissioned officers, United States fish and wildlife special agents, department of natural resources enforcement officers, and United States forest service officers, while the agents and officers are within their respective jurisdictions)):

(a) A commissioned officer of a municipal, county, or state agency having as its primary function the enforcement of criminal laws in general, while the officer is acting in the respective jurisdiction of that agency;

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(b) An officer or special agent commissioned by one of the following: The national marine fisheries service; the Washington state parks and recreation commission; the United States fish and wildlife service; the Washington state department of natural resources; the United States forest service; or the United States parks service, if the agent or officer is in the respective jurisdiction of the primary commissioning agency and is acting under a mutual law enforcement assistance agreement between the department and the primary commissioning agency;

(c) A commissioned fish and wildlife peace officer from another state who meets the training standards set by the Washington state criminal justice training commission pursuant to RCW 10.93.090, 43.101.080, and 43.101.200, and who is acting under a mutual law enforcement assistance agreement between the department and the primary commissioning agency; or

(d) A Washington state tribal police officer who successfully completes the requirements set forth under RCW 43.101.157, is employed by a tribal nation that has complied with RCW 10.92.020(2) (a) and (b), and is acting under a mutual law enforcement assistance agreement between the department and the tribal government.

(17) "Fish" includes all species classified as game fish or food fish by statute or rule, as well as all fin fish not currently classified as food fish or game fish if such species exist in state waters. The term "fish" includes all stages of development and the bodily parts of fish species.

(18) "Fish and wildlife officer" means a person appointed and commissioned by the director, with authority to enforce this title and rules adopted pursuant to this title, and other statutes as prescribed by the legislature. Fish and wildlife officer includes a person commissioned before June 11, 1998, as a wildlife agent or a fisheries patrol officer.

(19) "Fish broker" means a person whose business it is to bring a seller of fish and shellfish and a purchaser of those fish and shellfish together.

(20) "Fishery" means the taking of one or more particular species of fish or shellfish with particular gear in a particular geographical area.

(21) "Freshwater" means all waters not defined as saltwater including, but not limited to, rivers upstream of the river mouth, lakes, ponds, and reservoirs.

(22) "Fur-bearing animals" means game animals that shall not be trapped except as authorized by the commission.

(23) "Game animals" means wild animals that shall not be hunted except as authorized by the commission.

(24) "Game birds" means wild birds that shall not be hunted except as authorized by the commission.

(25) "Game farm" means property on which wildlife is held ((or)), <u>confined</u>, <u>propagated</u>, <u>hatched</u>, <u>fed</u>, <u>or otherwise</u> raised for commercial purposes, trade, or gift. The term "game farm" does not include publicly owned facilities.

(26) "Game reserve" means a closed area where hunting for all wild animals and wild birds is prohibited.

(27) "Illegal items" means those items unlawful to be possessed.

(28) "Invasive species" means a plant species or a nonnative animal species that either:

(a) Causes or may cause displacement of, or otherwise threatens, native species in their natural communities;

(b) Threatens or may threaten natural resources or their use in the state;

(c) Causes or may cause economic damage to commercial or recreational activities that are dependent upon state waters; or

(d) Threatens or harms human health.

(29) "License year" means the period of time for which a recreational license is valid. The license year begins April 1st, and ends March 31st.

(30) "Limited-entry license" means a license subject to a license limitation program established in chapter 77.70 RCW.

(31) "Money" means all currency, script, personal checks, money orders, or other negotiable instruments.

(32) "Nonresident" means a person who has not fulfilled the qualifications of a resident.

(33) "Offshore waters" means marine waters of the Pacific Ocean outside the territorial boundaries of the state, including the marine waters of other states and countries.

(34) "Open season" means those times, manners of taking, and places or waters established by rule of the commission for the lawful hunting, fishing, taking, or possession of game animals, game birds, game fish, food fish, or shellfish that conform to the special restrictions or physical descriptions established by rule of the commission or that have otherwise been deemed legal to hunt, fish, take, harvest, or possess by rule of the commission. "Open season" includes the first and last days of the established time.

(35) "Owner" means the person in whom is vested the ownership dominion, or title of the property.

(36) "Person" means and includes an individual; a corporation; a public or private entity or organization; a local, state, or federal agency; all business organizations, including corporations and partnerships; or a group of two or more individuals acting with a common purpose whether acting in an individual, representative, or official capacity.

(37) "Personal property" or "property" includes both corporeal and incorporeal personal property and includes, among other property, contraband and money.

(38) "Personal use" means for the private use of the individual taking the fish or shellfish and not for sale or barter.

(39) "Predatory birds" means wild birds that may be hunted throughout the year as authorized by the commission.

(40) "Prohibited aquatic animal species" means an invasive species of the animal kingdom that has been classified as a prohibited aquatic animal species by the commission.

(41) "Protected wildlife" means wildlife designated by the commission that shall not be hunted or fished.

(42) "Raffle" means an activity in which tickets bearing an individual number are sold for not more than twenty-five dollars each and in which a permit or permits are awarded to hunt or for access to hunt big game animals or wild turkeys on the basis of a drawing from the tickets by the person or persons conducting the raffle.

(43) "Recreational and commercial watercraft" includes the boat, as well as equipment used to transport the boat, and any auxiliary equipment such as attached or detached outboard motors.

(44) "Regulated aquatic animal species" means a potentially invasive species of the animal kingdom that has been classified as a regulated aquatic animal species by the commission.

(45) "Resident" ((means:

(a) A person who has maintained a permanent place of abode within the state for at least ninety days immediately preceding an application for a license, has established by formal evidence an intent to continue residing within the state, and who is not licensed to hunt or fish as a resident in another state; and

(b) A person age eighteen or younger who does not qualify as a resident under (a) of this subsection, but who has a parent that qualifies as a resident under (a) of this subsection)) has the same meaning as defined in section 5 of this act.

(46) "Retail-eligible species" means commercially harvested salmon, crab, and sturgeon.

(47) "Saltwater" means those marine waters seaward of river mouths.

(48) "Seaweed" means marine aquatic plant species that are dependent upon the marine aquatic or tidal environment, and exist in either an attached or free floating form, and includes but is not limited to marine aquatic plants in the classes Chlorophyta, Phaeophyta, and Rhodophyta.

(49) "Senior" means a person seventy years old or older.

(50) "Shark fin" means a raw, dried, or otherwise processed detached fin or tail of a shark.

(51)(a) "Shark fin derivative product" means any product intended for use by humans or animals that is derived in whole or in part from shark fins or shark fin cartilage.

(b) "Shark fin derivative product" does not include a drug approved by the United States food and drug administration and available by prescription only or medical device or vaccine approved by the United States food and drug administration.

(52) "Shellfish" means those species of marine and freshwater invertebrates that have been classified and that shall not be taken except as authorized by rule of the commission. The term "shellfish" includes all stages of development and the bodily parts of shellfish species.

(53) "State waters" means all marine waters and fresh waters within ordinary high water lines and within the territorial boundaries of the state.

(54) "To fish," "to harvest," and "to take," and their derivatives means an effort to kill, injure, harass, or catch a fish or shellfish.

(55) "To hunt" and its derivatives means an effort to kill, injure, capture, or harass a wild animal or wild bird.

(56) "To process" and its derivatives mean preparing or preserving fish, wildlife, or shellfish.

(57) "To trap" and its derivatives means a method of hunting using devices to capture wild animals or wild birds.

(58) "Trafficking" means offering, attempting to engage, or engaging in sale, barter, or purchase of fish, shellfish, wildlife, or deleterious exotic wildlife.

(59) "Unclaimed" means that no owner of the property has been identified or has requested, in writing, the release of the property to themselves nor has the owner of the property designated an individual to receive the property or paid the required postage to effect delivery of the property.

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(60) "Unlisted aquatic animal species" means a nonnative animal species that has not been classified as a prohibited aquatic animal species, a regulated aquatic animal species, or an unregulated aquatic animal species by the commission.

(61) "Unregulated aquatic animal species" means a nonnative animal species that has been classified as an unregulated aquatic animal species by the commission.

(62) "Wholesale fish dealer" means a person who, acting for commercial purposes, takes possession or ownership of fish or shellfish and sells, barters, or exchanges or attempts to sell, barter, or exchange fish or shellfish that have been landed into the state of Washington or entered the state of Washington in interstate or foreign commerce.

(63) "Wild animals" means those species of the class Mammalia whose members exist in Washington in a wild state ((and the species Rana catesbeiana (bullfrog))). The term "wild animal" does not include feral domestic mammals or old world rats and mice of the family Muridae of the order Rodentia.

(64) "Wild birds" means those species of the class Aves whose members exist in Washington in a wild state.

(65) "Wildlife" means all species of the animal kingdom whose members exist in Washington in a wild state. This includes but is not limited to mammals, birds, reptiles, amphibians, fish, and invertebrates. The term "wildlife" does not include feral domestic mammals, old world rats and mice of the family Muridae of the order Rodentia, or those fish, shellfish, and marine invertebrates classified as food fish or shellfish by the director. The term "wildlife" includes all stages of development and the bodily parts of wildlife members.

(66) "Youth" means a person fifteen years old for fishing and under sixteen years old for hunting.

(67) "Anadromous game fish buyer" means a person who purchases or sells steelhead trout and other anadromous game fish harvested by Indian fishers lawfully exercising fishing rights reserved by federal statute, treaty, or executive order, under conditions prescribed by rule of the director.

(68) "Building" means a private domicile, garage, barn, or public or commercial building.

(69) "Fish buyer" means a person engaged by a wholesale fish dealer to purchase food fish or shellfish from a licensed commercial fisher.

(70) "Food, food waste, or other substance" includes human and pet food or other waste or garbage that could attract large wild carnivores.

(71) "Fur dealer" means a person who purchases, receives, or resells raw furs for commercial purposes.

(72)(a) "Intentionally feed, attempt to feed, or attract" means to purposefully or knowingly provide, leave, or place in, on, or about any land or building any food, food waste, or other substance that attracts or could attract large wild carnivores to that land or building.

(b) "Intentionally feed, attempt to feed, or attract" does not include keeping food, food waste, or other substance in an enclosed garbage receptacle or other enclosed container unless specifically directed by a fish and wildlife officer or animal control authority to secure the receptacle or container in another manner.

(73) "Large wild carnivore" includes wild bear, cougar, and wolf.

(74) "Natural person" means a human being.

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(75)(a) "Negligently feed, attempt to feed, or attract" means to provide, leave, or place in, on, or about any land or building any food, food waste, or other substance that attracts or could attract large wild carnivores to that land or building, without the awareness that a reasonable person in the same situation would have with regard to the likelihood that the food, food waste, or other substance could attract large wild carnivores to the land or building.

(b) "Negligently feed, attempt to feed, or attract" does not include keeping food, food waste, or other substance in an enclosed garbage receptacle or other enclosed container unless specifically directed by a fish and wildlife officer or animal control authority to secure the receptacle or container in another manner.

(76) "Taxidermist" means a person who, for commercial purposes, creates lifelike representations of fish and wildlife using fish and wildlife parts and various supporting structures.

(77) "Wildlife meat cutter" means a person who packs, cuts, processes, or stores wildlife for consumption for another for commercial purposes.

<u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 77.08 RCW to read as follows:

For the purposes of this title or rules adopted under this title, "resident" means:

(1) A natural person who has maintained a permanent place of abode within the state for at least ninety days immediately preceding an application for a license, has established by formal evidence an intent to continue residing within the state, is not licensed to hunt or fish as a resident in another state or country, and is not receiving resident benefits of another state or country.

(a) For purposes of this section, "permanent place of abode" means a residence in this state that a person maintains for personal use.

(b) A natural person can demonstrate that the person has maintained a permanent place of abode in Washington by showing that the person:

(i) Uses a Washington state address for federal income tax or state tax purposes;

(ii) Designates this state as the person's residence for obtaining eligibility to hold a public office or for judicial actions;

(iii) Is a registered voter in the state of Washington; or

(iv) Is a custodial parent with a child attending prekindergarten, kindergarten, elementary school, middle school, or high school in this state.

(c) A natural person can demonstrate the intent to continue residing within the state by showing that he or she:

(i) Has a valid Washington state driver's license; or

(ii) Has a valid Washington state identification card, if the person is not eligible for a Washington state driver's license; and

(iii) Has registered the person's vehicle or vehicles in Washington state.

(2) The spouse of a member of the United States armed forces if the member qualifies as a resident under subsection (1), (3), or (4) of this section, or a natural person age eighteen or younger who does not qualify as a resident under subsection (1) of this section, but who has a parent or legal guardian who qualifies as a resident under subsection (1), (3), or (4) of this section.

(3) A member of the United States armed forces temporarily stationed in Washington state on predeployment orders. A copy of the person's military orders is required to meet this condition.

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(4) A member of the United States armed forces who is permanently stationed in Washington state or who designates Washington state on their military "state of legal residence certificate" or enlistment or re-enlistment documents. A copy of the person's "state of legal residence certificate" or enlistment or re-enlistment documents is required to meet the conditions of this subsection.

Sec. 6. RCW 77.15.030 and 1999 c 258 s 1 are each amended to read as follows:

Except as provided in RCW 77.15.260(2)(b), where it is unlawful to hunt, take, fish, possess, or traffic in big game or protected or endangered fish or wildlife, then each individual animal unlawfully taken or possessed is a separate offense.

Sec. 7. RCW 77.15.050 and 2009 c 333 s 1 are each amended to read as follows:

(1) Unless the context clearly requires otherwise, as used in this chapter, "conviction" means((:

(a))) <u>a</u> final conviction in a state or municipal court((;

(b) A failure to appear at a hearing to contest an infraction or criminal citation; or

(c) An unvacated forfeiture of bail paid as a final disposition for an offense)).

(2) A plea of guilty((,)) or a finding of guilt for a violation of this title or <u>department</u> rule ((of the commission or director)) constitutes a conviction regardless of whether the imposition of sentence is deferred or the penalty is suspended.

Sec. 8. RCW 77.15.075 and 2009 c 204 s 1 are each amended to read as follows:

(1) Fish and wildlife officers ((and ex officio fish and wildlife officers shall enforce this title, rules of the department, and other statutes as prescribed by the legislature. Fish and wildlife officers who are not ex officio officers)) shall have and exercise, throughout the state, such police powers and duties as are vested in sheriffs and peace officers generally. Fish and wildlife officers are general authority Washington peace officers.

(2) An applicant for a fish and wildlife officer position must be a citizen of the United States of America who can read and write the English language. ((All fish and wildlife officers employed after June 13, 2002, must successfully complete the basic law enforcement academy course, known as the basic course, sponsored by the criminal justice training commission, or the basic law enforcement equivalency certification, known as the equivalency course, provided by the criminal justice training commission. All officers employed on June 13, 2002, must have successfully completed the basic course, the equivalency course, or the supplemental course in criminal law enforcement, known as the supplemental course in criminal law enforcement, known as the supplemental course, offered under chapter 155, Laws of 1985. Any officer who has not successfully completed the basic course, the equivalency course, or the supplemental course must complete the basic course or the equivalency course within fifteen months of June 13, 2002.

(2) Fish and wildlife officers are peace officers)) Before a person may be appointed to act as a fish and wildlife officer, the person shall meet the minimum

standards for employment with the department, including successful completion of a psychological examination and polygraph examination or similar assessment procedure administered in accordance with the requirements of RCW 43.101.095(2).

(3) Any liability or claim of liability under chapter 4.92 RCW that arises out of the exercise or alleged exercise of authority by a fish and wildlife officer rests with the department unless the fish and wildlife officer acts under the direction and control of another agency or unless the liability is otherwise assumed under an agreement between the department and another agency.

(4) ((Fish and wildlife officers may serve and execute warrants and processes issued by the courts.

(5))) The department may utilize the services of a volunteer chaplain as provided under chapter 41.22 RCW.

Sec. 9. RCW 77.15.080 and 2002 c 281 s 8 are each amended to read as follows:

(1) Based upon articulable facts that a person is engaged in fishing, harvesting, or hunting activities, fish and wildlife officers and ex officio fish and wildlife officers have the authority to temporarily stop the person and check for valid licenses, tags, permits, stamps, or catch record cards, and to inspect all fish, shellfish, seaweed, and wildlife in possession as well as the equipment being used to ensure compliance with the requirements of this title(($\frac{-}{-}$ and $\frac{-}{-}$)). Fish and wildlife officers and ex officio fish and wildlife officers also may request that the person (($\frac{+}{+}$)) write his or her signature for comparison with the signature on (($\frac{+}{+}$)) his or her fishing, harvesting, or hunting license. Failure to comply with the request is prima facie evidence that the person is not the person named on the license. ((For licenses purchased over the internet or telephone,)) Fish and wildlife officers may require the person, if age (($\frac{-}{+}$)) sixteen or older, to exhibit a driver's license or other photo identification.

(2) Based upon articulable facts that a person is transporting a prohibited aquatic animal species or any aquatic plant, fish and wildlife officers and ex officio fish and wildlife officers have the authority to temporarily stop the person and inspect the watercraft to ensure that the watercraft and associated equipment are not transporting prohibited aquatic animal species or aquatic plants.

Sec. 10. RCW 77.15.100 and 2009 c 333 s 39 are each amended to read as follows:

(1) ((Unless otherwise provided in this title,)) <u>F</u>ish, shellfish, ((or wildlife unlawfully taken or possessed, or involved in a violation shall be forfeited to the state upon conviction. Unless already held by, sold, destroyed, or disposed of by the department, the court shall order such fish or wildlife to be delivered to the department. Where delay will cause loss to the value of the property and a ready wholesale buying market exists, the department may sell property to a wholesale buyer at a fair market value.

(2) When seized property is forfeited to the department, the department may retain it for official use unless the property is required to be destroyed, or upon application by any law enforcement agency of the state, release the property to the agency for the use of enforcing this title, or sell such property and deposit the proceeds into the fish and wildlife enforcement reward account established under RCW 77.15.425. Any sale of other property shall be at public auction or

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after public advertisement reasonably designed to obtain the highest price. The time, place, and manner of holding the sale shall be determined by the director. The director may contract for the sale to be through the department of general administration as state surplus property, or, except where not justifiable by the value of the property, the director shall publish notice of the sale once a week for at least two consecutive weeks before the sale in at least one newspaper of general circulation in the county in which the sale is to be held)) and wildlife are property of the state under RCW 77.04.012. Fish and wildlife officers may sell seized, commercially harvested fish and shellfish to a wholesale buyer and deposit the proceeds into the fish and wildlife enforcement reward account under RCW 77.15.425. Seized, recreationally harvested fish, shellfish, and wildlife may be donated to nonprofit charitable organizations. The charitable organization must qualify for tax-exempt status under 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code.

(2) Unless otherwise provided in this title, fish, shellfish, or wildlife taken, possessed, or harvested in violation of this title or department rule shall be forfeited to the state upon conviction or any outcome in criminal court whereby a person voluntarily enters into a disposition that continues or defers the case for dismissal upon the successful completion of specific terms or conditions. For criminal cases resulting in other types of dispositions, the fish, shellfish, or wildlife may be returned, or its equivalent value paid, if the fish, shellfish, or wildlife have already been donated or sold.

<u>NEW SECTION.</u> Sec. 11. A new section is added to chapter 77.15 RCW to read as follows:

(1) A person is guilty of unlawfully hunting on, or retrieving hunted wildlife from, the property of another if the person knowingly enters or remains unlawfully in or on the premises of another for the purpose of hunting for wildlife or retrieving hunted wildlife.

(2) In any prosecution under this section, it is a defense that:

(a) The premises were at the time open to members of the public for the purpose of hunting, and the actor complied with all lawful conditions imposed on access to or remaining on the premises;

(b) The actor reasonably believed that the owner of the premises, or other person empowered to license access thereto, would have licensed him or her to enter or remain on the premises for the purpose of hunting or retrieving hunted wildlife;

(c) The actor reasonably believed that the premises were not privately owned; or

(d) The actor, after making all reasonable attempts to contact the owner of the premises, retrieved the hunted wildlife for the sole purpose of avoiding a violation of the prohibition on the waste of fish and wildlife as provided in RCW 77.15.170. The defense in this subsection only applies to the retrieval of hunted wildlife and not to the actual act of hunting itself.

(3) Unlawfully hunting on or retrieving hunted wildlife from the property of another is a misdemeanor.

(4) If a person unlawfully hunts and kills wildlife, or retrieves hunted wildlife that he or she has killed, on the property of another, then, upon conviction of unlawfully hunting on, or retrieving hunted wildlife from, the property of another, the department shall revoke all hunting licenses and tags and order a suspension of the person's hunting privileges for two years.

(5) Any wildlife that is unlawfully hunted on or retrieved from the property of another must be seized by fish and wildlife officers. Forfeiture and disposition of the wildlife is pursuant to RCW 77.15.100.

<u>NEW SECTION.</u> Sec. 12. A new section is added to chapter 77.15 RCW to read as follows:

When seized property, other than fish, shellfish, and wildlife, is judicially forfeited to the department, the department may: (1) Retain it for official use unless the property is required to be destroyed; (2) upon application by any law enforcement agency of the state, release the property to the agency for use in enforcing this title; (3) donate the property as provided under RCW 77.130.060; or (4) sell the property and deposit the proceeds into the fish and wildlife enforcement reward account created in RCW 77.15.425. Any sale of the property must be done in accordance with RCW 77.130.010(1) and 77.130.020. However, the requirement in those sections for notice to owners does not apply.

Sec. 13. RCW 77.15.110 and 2002 c 127 s 2 are each amended to read as follows:

(1) For purposes of this chapter, a person acts for commercial purposes if the person engages in conduct that relates to commerce in fish, seaweed, shellfish, or wildlife or any parts thereof. Commercial conduct may include taking, delivering, selling, buying, or trading fish, seaweed, shellfish, or wildlife where there is present or future exchange of money, goods, or any valuable consideration. Evidence that a person acts for commercial purposes includes, but is not limited to, the following conduct:

(a) Using gear typical of that used in commercial fisheries;

(b) Exceeding the bag or possession limits for personal use by taking or possessing more than three times the amount of fish, seaweed, shellfish, or wildlife allowed;

(c) Delivering or attempting to deliver fish, seaweed, shellfish, or wildlife to a person who sells or resells fish, seaweed, shellfish, or wildlife including any licensed or unlicensed wholesaler;

(d) Taking fish or shellfish using a vessel designated on a commercial fishery license or using gear not authorized in a personal use fishery;

(e) Using a commercial fishery license;

(f) Selling or dealing in raw furs for a fee or in exchange for goods or services; ((or))

(g) Performing taxidermy service on fish, shellfish, or wildlife belonging to another person for a fee or receipt of goods or services; or

(h) Packs, cuts, processes, or stores the meat of wildlife for consumption, for a fee or in exchange for goods or services.

(2) For purposes of this chapter, the value of any fish, seaweed, shellfish, or wildlife may be proved based on evidence of legal or illegal sales involving the person charged or any other person, of offers to sell or solicitation of offers to sell by the person charged or by any other person, or of any market price for the fish, seaweed, shellfish, or wildlife including market price for farm-raised game animals. The value assigned to specific fish, seaweed, shellfish, or wildlife by RCW 77.15.420 may be presumed to be the value of such fish, seaweed,

shellfish, or wildlife. It is not relevant to proof of value that the person charged misrepresented that the fish, seaweed, shellfish, or wildlife was taken in compliance with law if the fish, seaweed, shellfish, or wildlife was unlawfully taken and had no lawful market value.

Sec. 14. RCW 77.15.130 and 1998 c 190 s 14 are each amended to read as follows:

(1) A person is guilty of unlawful taking of protected fish or wildlife if:

(a) The person hunts, fishes, possesses, or maliciously kills protected fish or wildlife, or the person possesses or maliciously destroys the eggs or nests of protected fish or wildlife, and the taking has not been authorized by rule of the commission; or

(b) The person violates any rule of the commission regarding the taking, harming, harassment, possession, or transport of protected fish or wildlife.

(2) Unlawful taking of protected fish or wildlife is a misdemeanor.

(3) In addition to the penalties set forth in subsection (2) of this section, if a person is convicted of violating this section and the violation results in the death of protected wildlife listed in this subsection, the court shall require payment of the following amounts for each animal killed or possessed. This is a criminal wildlife penalty assessment that must be paid to the clerk of the court and distributed each month to the state treasurer for deposit in the fish and wildlife enforcement reward account created in RCW 77.15.425:

(a) Ferruginous hawk, two thousand dollars;

(b) Common loon, two thousand dollars;

(c) Bald eagle, two thousand dollars;

(d) Golden eagle, two thousand dollars; and

(e) Peregrine falcon, two thousand dollars.

(4) If two or more persons are convicted under subsection (1) of this section, and subsection (3) of this section is applicable, the criminal wildlife penalty assessment must be imposed against the persons jointly and separately.

(5)(a) The criminal wildlife penalty assessment under subsection (3) of this section must be imposed regardless of and in addition to any sentence, fines, or costs otherwise provided for violating any provision of this section. The criminal wildlife penalty assessment must be included by the court in any pronouncement of sentence and may not be suspended, waived, modified, or deferred in any respect.

(b) This subsection may not be construed to abridge or alter alternative rights of action or remedies in equity or under common law or statutory law, criminal or civil.

(6) A defaulted criminal wildlife penalty assessment authorized under subsection (3) of this section may be collected by any means authorized by law for the enforcement of orders of the court or collection of a fine or costs, including but not limited to vacation of a deferral of sentencing or vacation of a suspension of sentence.

(7) The department shall revoke the hunting license and suspend the hunting privileges of a person assessed a criminal wildlife penalty assessment under this section until the penalty assessment is paid through the registry of the court in which the penalty assessment was assessed.

(8) The criminal wildlife penalty assessments provided in subsection (3) of this section must be doubled in the following instances:

(a) When a person commits a violation that requires payment of a criminal wildlife penalty assessment within five years of a prior gross misdemeanor or felony conviction under this title; or

(b) When the person killed the protected wildlife in question with the intent of bartering, selling, or otherwise deriving economic profit from the wildlife or wildlife parts.

Sec. 15. RCW 77.15.160 and 2000 c 107 s 237 are each amended to read as follows:

((A person is guilty of an infraction, which shall)) The following acts are infractions and must be cited and punished as provided under chapter 7.84 RCW((, if the person)):

(1) ((Fails to immediately record a catch of fish or shellfish on a catch record card required by RCW 77.32.430, or required by rule of the commission under this title; or

(2) Fishes for personal use using barbed hooks in violation of any rule; or

(3) Violates any other rule of the commission or director that is designated by rule as an infraction)) Fishing and shellfishing infractions:

(a) Barbed hooks: Fishing for personal use with barbed hooks in violation of any department rule.

(b) Catch recording: Failing to immediately record a catch of fish or shellfish on a catch record card as required by RCW 77.32.430 or department rule.

(c) Catch reporting: Failing to return a catch record card to the department for other than Puget Sound Dungeness crab, as required by department rule.

(d) Recreational fishing: Fishing for fish or shellfish and, without yet possessing fish or shellfish, the person:

(i) Owns, but fails to have in the person's possession the license or the catch record card required by chapter 77.32 RCW for such an activity; or

(ii) Violates any department rule regarding seasons, closed areas, closed times, or any other rule addressing the manner or method of fishing for fish or shellfish. This subsection does not apply to use of a net to take fish under RCW 77.15.580 or the unlawful use of shellfish gear for personal use under RCW 77.15.382.

(e) Seaweed: Taking, possessing, or harvesting less than two times the daily possession limit of seaweed:

(i) While owning, but not having in the person's possession, the license required by chapter 77.32 RCW; or

(ii) In violation of any rule of the department or the department of natural resources regarding seasons, closed areas, closed times, or any other rule addressing the manner or method of taking, possessing, or harvesting of seaweed.

(f) Unclassified fish or shellfish: Taking unclassified fish or shellfish in violation of any department rule by killing, fishing, taking, holding, possessing, or maliciously injuring or harming fish or shellfish that is not classified as game fish, food fish, shellfish, protected fish, or endangered fish.

(g) Wasting fish or shellfish: Killing, taking, or possessing fish or shellfish having a value of less than two hundred fifty dollars and allowing the fish or shellfish to be wasted.

(2) Hunting infractions:

(a) Eggs or nests: Maliciously, and without permit authorization, destroying, taking, or harming the eggs or active nests of a wild bird not classified as endangered or protected. For purposes of this subsection, "active nests" means nests that contain eggs or fledglings.

(b) Unclassified wildlife: Taking unclassified wildlife in violation of any department rule by killing, hunting, taking, holding, possessing, or maliciously injuring or harming wildlife that is not classified as big game, game animals, game birds, protected wildlife, or endangered wildlife.

(c) Wasting wildlife: Killing, taking, or possessing wildlife that is not classified as big game and has a value of less than two hundred fifty dollars, and allowing the wildlife to be wasted.

(d) Wild animals: Hunting for wild animals not classified as big game and, without yet possessing the wild animals, the person owns, but fails to have in the person's possession, all licenses, tags, or permits required by this title.

(e) Wild birds: Hunting for and, without yet possessing a wild bird or birds, the person:

(i) Owns, but fails to have in the person's possession, all licenses, tags, stamps, and permits required under this title; or

(ii) Violates any department rule regarding seasons, closed areas, closed times, or any other rule addressing the manner or method of hunting wild birds.

(3) Trapping, taxidermy, fur dealing, and wildlife meat cutting infractions:

(a) Recordkeeping and reporting: If a person is a taxidermist, fur dealer, or wildlife meat cutter who is processing, holding, or storing wildlife for commercial purposes, failing to:

(i) Maintain records as required by department rule; or

(ii) Report information from these records as required by department rule.

(b) Trapper's report: Failing to report trapping activity as required by department rule.

(4) Other infractions:

(a) Contests: Conducting, holding, or sponsoring a hunting contest, a fishing contest involving game fish, or a competitive field trial using live wildlife.

(b) Other rules: Violating any other department rule that is designated by rule as an infraction.

(c) Posting signs: Posting signs preventing hunting or fishing on any land not owned or leased by the person doing the posting, or without the permission of the person who owns, leases, or controls the land posted.

(d) Scientific permits: Using a scientific permit issued by the director for fish, shellfish, or wildlife, but not including big game or big game parts, and the person:

(i) Violates any terms or conditions of the scientific permit; or

(ii) Violates any department rule applicable to the issuance or use of scientific permits.

(e) Transporting aquatic plants: Transporting aquatic plants on any state or public road, including forest roads. However:

(i) This subsection does not apply to plants that are:

(A) Being transported to the department or to another destination designated by the director, in a manner designated by the department, for purposes of identifying a species or reporting the presence of a species; (B) Legally obtained for aquarium use, wetland or lakeshore restoration, or ornamental purposes;

(C) Located within or on a commercial aquatic plant harvester that is being transported to a suitable location to remove aquatic plants:

(D) Being transported in a manner that prevents their unintentional dispersal, to a suitable location for disposal, research, or educational purposes; or

(E) Being transported in such a way as the commission may otherwise prescribe; and

(ii) This subsection does not apply to a person who:

(A) Is stopped at an aquatic invasive species check station and possesses a recreational or commercial watercraft that is contaminated with an aquatic invasive plant species if that person complies with all department directives for the proper decontamination of the watercraft and equipment; or

(B) Has voluntarily submitted a recreational or commercial watercraft for inspection by the department or its designee and has received a receipt verifying that the watercraft has not been contaminated since its last use.

Sec. 16. RCW 77.15.170 and 1999 c 258 s 5 are each amended to read as follows:

(1) A person is guilty of waste of fish and wildlife ((in the second degree)) if:

(a) ((The person kills, takes, or possesses fish, shellfish, or wildlife and the value of the fish, shellfish, or wildlife is greater than twenty dollars but less than two hundred fifty dollars; and

(b) The person recklessly allows such fish, shellfish, or wildlife to be wasted.

(2) A person is guilty of waste of fish and wildlife in the first degree if:

(a))) The person kills, takes, or possesses fish, shellfish, or wildlife having a value of two hundred fifty dollars or more or wildlife classified as big game; and

(b) The person recklessly allows such fish, shellfish, or wildlife to be wasted.

(((3)(a) Waste of fish and wildlife in the second degree is a misdemeanor.

(b))) (2) Waste of fish and wildlife ((in the first degree)) is a gross misdemeanor. Upon conviction, the department shall revoke any license or tag used in the crime and shall order suspension of the person's privileges to engage in the activity in which the person committed waste of fish and wildlife ((in the first degree)) for a period of one year.

(((4))) (3) It is prima facie evidence of waste if:

(a) A processor purchases or engages a quantity of food fish, shellfish, or game fish that cannot be processed within sixty hours after the food fish, game fish, or shellfish are taken from the water, unless the food fish, game fish, or shellfish are preserved in good marketable condition; or

(b) A person brings a big game animal to a wildlife meat cutter and then abandons the animal. For purposes of this subsection (3)(b), a big game animal is deemed to be abandoned when its carcass is placed in the custody of a wildlife meat cutter for butchering and processing and:

(i) Having been placed in such custody for an unspecified period of time, the meat is not removed within thirty days after the wildlife meat cutter gives notice to the person who brought in the carcass or, having been so notified, the person

who brought in the carcass refuses or fails to pay the agreed upon or reasonable charges for the butchering or processing of the carcass; or

(ii) Having been placed in such custody for a specified period of time, the meat is not removed at the end of the specified period or the person who brought in the carcass refuses to pay the agreed upon or reasonable charges for the butchering or processing of the carcass.

Sec. 17. RCW 77.15.190 and 1999 c 258 s 9 are each amended to read as follows:

(1) A person is guilty of unlawful trapping if the person:

(a) Sets out traps that are capable of taking wild animals, game animals, or furbearing mammals and does not possess all licenses, tags, or permits required under this title;

(b) Violates any <u>department</u> rule ((of the commission or director)) regarding seasons, bag or possession limits, closed areas including game reserves, closed times, or any other rule governing the trapping of wild animals, with the exception of reporting rules; or

(c) Fails to identify the owner of the traps or devices by neither (i) attaching a metal tag with the owner's department-assigned identification number or the name and address of the trapper legibly written in numbers or letters not less than one-eighth inch in height nor (ii) inscribing into the metal of the trap such number or name and address.

(2) Unlawful trapping is a misdemeanor.

Sec. 18. RCW 77.15.240 and 1998 c 190 s 30 are each amended to read as follows:

(1) A person is guilty of unlawful use of dogs if the person:

(a) Negligently fails to prevent a dog under the person's control from pursuing, harassing, attacking, or $((\frac{\text{injuring}}))$ killing deer, elk, moose, caribou, mountain sheep, or $((\frac{\text{an}}))$ animals classified as endangered under this title; or

(b) Uses the dog to hunt deer or elk((; or

(c) During the closed season for a species of game animal or game bird, negligently fails to prevent the dog from pursuing such animal or destroying the nest of a game bird)).

(2) For purposes of this section, a dog is "under a person's control" if the dog is owned or possessed by, or in the custody of, a person.

(3) Unlawful use of dogs is a misdemeanor. ((A dog that is the basis for a violation of this section may be declared a public nuisance.))

(4)(a) Based on a reasonable belief that a dog is pursuing, harassing, attacking, or killing a snow bound deer, elk, moose, caribou, mountain sheep, or animals classified as protected or endangered under this title, fish and wildlife officers and ex officio fish and wildlife officers may:

(i) Lawfully take a dog into custody; or

(ii) If necessary to avoid repeated harassment, injury, or death of wildlife under this section, destroy the dog.

(b) Fish and wildlife officers and ex officio fish and wildlife officers who destroy a dog pursuant to this section are immune from civil or criminal liability arising from their actions.

Sec. 19. RCW 77.15.260 and 2001 c 253 s 33 are each amended to read as follows:

(1) A person is guilty of unlawful trafficking in fish, shellfish, or wildlife in the second degree if the person traffics in fish, shellfish, or wildlife with a wholesale value of less than two hundred fifty dollars and:

(a) The fish or wildlife is classified as game, food fish, shellfish, game fish, or protected wildlife and the trafficking is not authorized by statute or <u>department</u> rule ((of the department)); or

(b) The fish, shellfish, or wildlife is unclassified and the trafficking violates any <u>department</u> rule ((of the department)).

(2)(a) A person is guilty of unlawful trafficking in fish, shellfish, or wildlife in the first degree if the person commits the act described by subsection (1) of this section and:

(((a))) (i) The fish, shellfish, or wildlife has a value of two hundred fifty dollars or more; or

(((b))) (ii) The fish, shellfish, or wildlife is designated as an endangered species or deleterious exotic wildlife and such trafficking is not authorized by any statute or <u>department</u> rule ((of the department)).

(b) For purposes of this subsection (2), whenever any series of transactions that constitute unlawful trafficking would, when considered separately, constitute unlawful trafficking in the second degree due to the value of the fish, shellfish, or wildlife, and the series of transactions are part of a common scheme or plan, then the transactions may be aggregated in one count and the sum of the value of all the transactions considered when determining the degree of unlawful trafficking involved.

(3)(a) Unlawful trafficking in fish, shellfish, or wildlife in the second degree is a ((gross misdemeanor)) class C felony.

(b) Unlawful trafficking in fish, shellfish, or wildlife in the first degree is a class $((\mathbf{C}))$ <u>B</u> felony.

Sec. 20. RCW 77.15.280 and 2008 c 244 s 2 are each amended to read as follows:

(1) A person is guilty of violating rules requiring reporting of fish or wildlife harvest if the person:

(a) Fails to make a harvest log report of a commercial fish or shellfish catch in violation of any <u>department</u> rule ((of the commission or the director)); or

(b) ((Fails to maintain a trapper's report or taxidermist ledger in violation of any rule of the commission or the director;

(e))) Fails to submit any portion of a big game animal for ((a required)) an inspection as required by department rule ((of the commission or the director; or

(d) Fails to return a catch record card to the department as required by rule of the commission or director, except for eatch record cards officially endorsed for Puget Sound Dungeness crab)).

(2) Violating rules requiring reporting of fish or wildlife harvest is a misdemeanor.

Sec. 21. RCW 77.15.290 and 2007 c 350 s 6 are each amended to read as follows:

(1) A person is guilty of unlawful transportation of fish or wildlife in the second degree if the person:

(a) Knowingly imports, moves within the state, or exports fish, shellfish, or wildlife in violation of any <u>department</u> rule ((of the commission or the director))

governing the transportation or movement of fish, shellfish, or wildlife and the transportation does not involve big game, endangered fish or wildlife, deleterious exotic wildlife, or fish, shellfish, or wildlife having a value greater than two hundred fifty dollars; or

(b) Possesses but fails to affix or notch a big game transport tag as required by <u>department</u> rule ((of the commission or director)).

(2) A person is guilty of unlawful transportation of fish or wildlife in the first degree if the person:

(a) Knowingly imports, moves within the state, or exports fish, shellfish, or wildlife in violation of any <u>department</u> rule ((of the commission or the director)) governing the transportation or movement of fish, shellfish, or wildlife and the transportation involves big game, endangered fish or wildlife, deleterious exotic wildlife, or fish, shellfish, or wildlife with a value of two hundred fifty dollars or more; or

(b) Knowingly transports shellfish, shellstock, or equipment used in commercial culturing, taking, handling, or processing shellfish without a permit required by authority of this title.

(3)(a) Unlawful transportation of fish or wildlife in the second degree is a misdemeanor.

(b) Unlawful transportation of fish or wildlife in the first degree is a gross misdemeanor.

(4) ((A person is guilty of unlawful transport of aquatic plants if the person transports aquatic plants on any state or public road, including forest roads, except as provided in this section.

(5) Unless otherwise prohibited by law, a person may transport aquatic plants:

(a) To the department, or to another destination designated by the director, in a manner designated by the department, for purposes of identifying a species or reporting the presence of a species;

(b) When legally obtained for aquarium use, wetland or lakeshore restoration, or ornamental purposes;

(c) When transporting a commercial aquatic plant harvester to a suitable location for purposes of removing aquatic plants;

(d) In a manner that prevents their unintentional dispersal, to a suitable location for disposal, research, or educational purposes; or

(e) As the commission may otherwise prescribe.

(6) Unlawful transport of aquatic plants is a misdemeanor.

(7))) This section does not apply to: (a) Any person stopped at an aquatic invasive species check station who possesses a recreational or commercial watercraft that is contaminated with an aquatic invasive species if that person complies with all department directives for the proper decontamination of the watercraft and equipment; or (b) any person who has voluntarily submitted a recreational or commercial watercraft for inspection by the department or its designee and has received a receipt verifying that the watercraft has not been contaminated since its last use.

Sec. 22. RCW 77.15.370 and 2009 c 333 s 17 are each amended to read as follows:

(1) A person is guilty of unlawful recreational fishing in the first degree if:

(a) The person takes, possesses, or retains two times or more than the bag limit or possession limit of fish or shellfish allowed by any rule of the director or commission setting the amount of food fish, game fish, or shellfish that can be taken, possessed, or retained for noncommercial use;

(b) The person fishes in a fishway;

(c) The person shoots, gaffs, snags, snares, spears, dipnets, or stones fish or shellfish in state waters, or possesses fish or shellfish taken by such means, unless such means are authorized by express <u>department</u> rule ((of the commission or director));

(d) The person fishes for or possesses a fish listed as threatened or endangered in 50 C.F.R. Sec. $((\frac{17.11}{2002})))$ 223.102 (2006) or Sec. 224.101 (2010), unless fishing for or possession of such fish is specifically allowed under federal or state law; $((\frac{10}{2}))$

(e) The person possesses a sturgeon measuring in excess of the maximum size limit as established by rules adopted by the department: or

(f) The person possesses a salmon or steelhead during a season closed for that species.

(2) Unlawful recreational fishing in the first degree is a gross misdemeanor.

Sec. 23. RCW 77.15.380 and 2010 c 193 s 5 are each amended to read as follows:

(1) A person is guilty of unlawful recreational fishing in the second degree if the person fishes for((5)) fish or shellfish and, whether or not the person possesses fish or shellfish, the person has not purchased the appropriate fishing or shellfishing license and catch record card issued to Washington residents or nonresidents under chapter 77.32 RCW.

(2) A person is guilty of unlawful recreational fishing in the second degree if the person takes, possesses, or harvests fish or shellfish and:

(a) The person <u>owns, but</u> does not have ((and possess)) in the person's possession, the license or the catch record card required by chapter 77.32 RCW for such activity; or

(b) The action violates any <u>department</u> rule ((of the commission or the director)) regarding seasons, bag or possession limits but less than two times the bag or possession limit, closed areas, closed times, or any other rule addressing the manner or method of fishing or possession of fish((, except for)). This section does not apply to use of a net to take fish ((as provided for in)) under RCW 77.15.580 ((and)) or the unlawful use of shellfish gear for personal use ((as provided in)) under RCW 77.15.382.

 $((\frac{(2)}{2}))$ (3) Unlawful recreational fishing in the second degree is a misdemeanor.

Sec. 24. RCW 77.15.390 and 2001 c 253 s 40 are each amended to read as follows:

(1) A person is guilty of unlawful taking of seaweed if the person takes, possesses, or harvests seaweed and:

(a) The person ((does not have and possess the license required by chapter 77.32 RCW for taking seaweed)) has not purchased a personal use shellfish and seaweed license issued to Washington residents or nonresidents under chapter 77.32 RCW; or

(b) The ((action violates any rule of the department or the department of natural resources regarding seasons, possession limits, closed areas, closed times, or any other rule addressing the manner or method of taking, possessing, or harvesting)) person takes, possesses, or harvests seaweed in an amount that is two times or more of the daily possession limit of seaweed.

(2) Unlawful taking of seaweed is a misdemeanor. This does not affect rights of the state to recover civilly for trespass, conversion, or theft of state-owned valuable materials.

Sec. 25. RCW 77.15.400 and 2006 c 148 s 1 are each amended to read as follows:

(1) A person is guilty of unlawful hunting of wild birds in the second degree if the person <u>hunts for wild birds and</u>, whether or not the person possesses wild <u>birds</u>, the person has not purchased the appropriate hunting license issued to <u>Washington residents or nonresidents under chapter 77.32 RCW</u>.

(2) A person is guilty of unlawful hunting of wild birds in the second degree if the person takes or possesses less than two times the bag or possession limit of wild birds and the person:

(a) ((Hunts for, takes, or possesses a wild bird and the person does not have and possess)) Owns, but does not have in the person's possession, all licenses, tags, stamps, and permits required under this title; or

(b) ((Maliciously destroys, takes, or harms the eggs or nests of a wild bird except when authorized by permit;

(c))) Violates any <u>department</u> rule ((of the commission or director)) regarding seasons, bag or possession limits ((but less than two times the bag or possession limit)), closed areas, closed times, or ((other rule addressing)) the manner or method of hunting or possession of wild birds((; or

(d) Possesses a wild bird taken during a closed season for that wild bird or taken from a closed area for that wild bird)).

 $((\frac{2}))$ (3) A person is guilty of unlawful hunting of wild birds in the first degree if the person takes or possesses two times or more than the possession or bag limit for wild birds allowed by <u>department</u> rule ((of the commission or director)).

(((3))) (4)(a) Unlawful hunting of wild birds in the second degree is a misdemeanor.

(b) Unlawful hunting of wild birds in the first degree is a gross misdemeanor.

(((4))) (5) In addition to the penalties set forth in this section, if a person, other than a youth as defined in RCW 77.08.010 for hunting purposes, violates a <u>department</u> rule ((adopted by the commission under the authority of this title)) that requires the use of nontoxic shot, upon conviction:

(a) The court shall require a payment of one thousand dollars as a criminal wildlife penalty assessment that must be paid to the clerk of the court and distributed to the state treasurer for deposit in the fish and wildlife enforcement reward account created in RCW 77.15.425. The criminal wildlife penalty assessment must be imposed regardless of and in addition to any sentence, fine, or costs imposed for violating this section. The criminal wildlife penalty assessment must be included by the court in any pronouncement of sentence and may not be suspended, waived, modified, or deferred in any respect; and

(b) The department shall revoke the hunting license of the person and order a suspension of small game hunting privileges for two years.

Sec. 26. RCW 77.15.410 and 2011 c 133 s 1 are each amended to read as follows:

(1) A person is guilty of unlawful hunting of big game in the second degree if the person:

(a) Hunts for, takes, or possesses big game and the person does not have and possess all licenses, tags, or permits required under this title; or

(b) Violates any <u>department</u> rule ((of the commission or director)) regarding seasons, bag or possession limits, closed areas including game reserves, closed times, or any other rule governing the hunting, taking, or possession of big game((; or

(c) Possesses big game taken during a closed season for that big game or taken from a closed area for that big game)).

(2) A person is guilty of unlawful hunting of big game in the first degree if the person commits the act described in subsection (1) of this section and:

(a) The person hunts for, takes, or possesses three or more big game animals within the same course of events; or

(b) The act occurs within five years of the date of a prior conviction under this title involving unlawful hunting, killing, possessing, or taking big game.

(3)(a) Unlawful hunting of big game in the second degree is a gross misdemeanor. Upon conviction of an offense involving killing or possession of big game taken during a closed season, closed area, ((or taken)) without the proper license, tag, or permit using an unlawful method, or in excess of the bag or possession limit, the department shall revoke all of the person's hunting licenses and tags and order a suspension of the person's hunting privileges for two years.

(b) Unlawful hunting of big game in the first degree is a class C felony. Upon conviction, the department shall revoke all of the person's hunting licenses or tags and order the person's hunting privileges suspended for ten years.

(4) For the purposes of this section, "same course of events" means within one twenty-four hour period, or a pattern of conduct composed of a series of acts that are unlawful under subsection (1) of this section, over a period of time evidencing a continuity of purpose.

Sec. 27. RCW 77.15.430 and 1999 c 258 s 4 are each amended to read as follows:

(1) A person is guilty of unlawful hunting of wild animals in the second degree if the person <u>hunts for wild animals not classified as big game and</u>, whether or not the person possesses the wild animals, the person has not purchased the appropriate hunting license issued to Washington residents or nonresidents under chapter 77.32 RCW.

(2) A person is guilty of unlawful hunting of wild animals in the second degree if the person:

(a) $((\frac{\text{Hunts for}}{)}) \underline{\text{Takes}}((,))$ or possesses a wild animal that is not classified as big game, and <u>owns, but</u> does not have $((\frac{\text{and possess}}{)})$ in the person's <u>possession</u>, all licenses, tags, or permits required by this title; or

(b) Violates any <u>department</u> rule ((of the commission or director)) regarding seasons, bag or possession limits but less than two times the bag or possession

limit, closed areas including game reserves, closed times, or <u>any</u> other rule addressing the manner or method of hunting or possession of wild animals not classified as big game((; or

(c) Possesses a wild animal that is not classified as big game taken during a closed season for that wild animal or from a closed area for that wild animal)).

 $((\frac{2}))$ (3) A person is guilty of unlawful hunting of wild animals in the first degree if the person takes or possesses two times or more than the possession or bag limit for wild animals that are not classified as big game animals as allowed by <u>department</u> rule ((of the commission or director)).

(((3))) (4)(a) Unlawful hunting of wild animals in the second degree is a misdemeanor.

(b) Unlawful hunting of wild animals in the first degree is a gross misdemeanor.

Sec. 28. RCW 77.15.460 and 1999 c 258 s 7 are each amended to read as follows:

(1) A person is guilty of unlawful possession of a loaded ((firearm in a motor vehicle)) rifle or shotgun in a motor vehicle, as defined in RCW 46.04.320, or upon an off-road vehicle, as defined in RCW 46.04.365, if:

(a) The person carries, transports, conveys, possesses, or controls a rifle or shotgun in ((or on)) a motor vehicle, or upon an off-road vehicle, except as allowed by department rule; and

(b) The rifle or shotgun contains shells or cartridges in the magazine or chamber, or is a muzzle-loading firearm that is loaded and capped or primed.

(2) A person is guilty of unlawful use of a loaded firearm if:

(a) <u>The person negligently ((shoots)) discharges</u> a firearm from, across, or along the maintained portion of a public highway<u>; or</u>

(b) The person discharges a firearm from within a moving motor vehicle or from upon a moving off-road vehicle.

(3) Unlawful possession of a loaded ((firearm in)) <u>rifle or shotgun in</u> a motor vehicle or <u>upon an off-road vehicle</u>, and unlawful use of a loaded firearm ((is a)) <u>are misdemeanors</u>.

(4) This section does not apply if the person:

(a) Is a law enforcement officer who is authorized to carry a firearm and is on duty within the officer's respective jurisdiction;

(b) Possesses a disabled hunter's permit as provided by RCW 77.32.237 and complies with all rules of the department concerning hunting by persons with disabilities; or

(c) Discharges the rifle or shotgun from upon a nonmoving motor vehicle or a nonmoving off-road vehicle, as long as the engine is turned off and the motor vehicle or off-road vehicle is not parked on or beside the maintained portion of a public road, except as authorized by the commission by rule.

(5) For purposes of <u>subsection (1) of</u> this section, a ((firearm)) <u>rifle or</u> <u>shotgun</u> shall not be considered loaded if the detachable clip or magazine is not inserted in or attached to the ((firearm)) <u>rifle or shotgun</u>.

Sec. 29. RCW 77.15.610 and 2009 c 333 s 5 are each amended to read as follows:

(1) A person who holds a fur ((buyer's)) <u>dealer's</u> license or taxidermy license is guilty of unlawful use of a commercial wildlife license if the person((÷

(a))) <u>fails</u> to <u>purchase and</u> have <u>in</u> the ((license in)) <u>person's</u> possession <u>the</u> <u>required license</u> while engaged in fur buying or practicing taxidermy for commercial purposes((; or

(b) Violates any rule of the department regarding reporting requirements or the use, possession, display, or presentation of the taxidermy or fur buyer's license)).

(2) Unlawful use of a commercial wildlife license is a misdemeanor.

Sec. 30. RCW 77.15.620 and 2009 c 333 s 20 are each amended to read as follows:

(1) A person is guilty of engaging in fish dealing activity without a license in the second degree if the person:

(a) Engages in the commercial processing of fish or shellfish, including custom canning or processing of personal use fish or shellfish and does not hold a wholesale dealer's license required by RCW 77.65.280(1) or 77.65.480 for anadromous game fish, or a direct retail endorsement under RCW 77.65.510;

(b) Engages in the wholesale selling, buying, or brokering of food fish or shellfish and does not hold a wholesale dealer's or buying license required by RCW 77.65.280(2) or 77.65.480 for anadromous game fish;

(c) Is a fisher who lands and sells his or her catch or harvest in the state to anyone other than a licensed wholesale dealer within or outside the state and does not hold a direct retail endorsement required by RCW 77.65.510; or

(d) Engages in the commercial manufacture or preparation of fertilizer, oil, meal, caviar, fish bait, or other by-products from food fish or shellfish and does not hold a wholesale dealer's license required by RCW 77.65.280(4) or 77.65.480 for anadromous game fish.

(2) ((Engaging in fish dealing activity without a license in the second degree is a gross misdemeanor.

(3))) A person is guilty of engaging in fish dealing activity without a license in the first degree if the person commits the act described by subsection (1) of this section and the violation involves((: (a))) <u>f</u>ish or shellfish worth two hundred fifty dollars or more((; (b) a failure to document such fish or shellfish with a fish receiving ticket or other documentation required by statute or rule of the department; or (c) violates [a violation of] any other rule of the department regarding wholesale fish buying and dealing)).

(3)(a) Engaging in fish dealing activity without a license in the second degree is a gross misdemeanor.

(b) Engaging in fish dealing activity without a license in the first degree is a class C felony.

Sec. 31. RCW 77.15.630 and 2000 c 107 s 254 are each amended to read as follows:

(1) A person who ((holds a fish dealer's license required by RCW 77.65.280, an anadromous game fish buyer's license required by RCW 77.65.480, or a fish buyer's license required by RCW 77.65.340 is guilty of unlawful use of fish buying and dealing licenses)) acts in the capacity of a wholesale fish dealer, anadromous game fish buyer, or a fish buyer is guilty of unlawful fish and shellfish catch accounting in the second degree if the person:

(a) Possesses or receives fish or shellfish for commercial purposes worth less than two hundred fifty dollars; and

(b) Fails to document such fish or shellfish with a fish-receiving ticket <u>or</u> <u>other documentation</u> required by statute or <u>department</u> rule ((of the department)); or

(c) Fails to sign the fish receiving ticket or other required documentation, fails to provide all of the information required by statute or department rule on the fish receiving ticket or other documentation, or both.

(2) A person is guilty of unlawful ((use of fish buying and dealing licenses)) fish and shellfish catch accounting in the first degree if the person commits the act described by subsection (1) of this section and:

(a) The violation involves fish or shellfish worth two hundred fifty dollars or more;

(b) The person acted with knowledge that the fish or shellfish were taken from a closed area, at a closed time, or by a person not licensed to take such fish or shellfish for commercial purposes; or

(c) The person acted with knowledge that the fish or shellfish were taken in violation of any tribal law.

(3)(a) Unlawful ((use of fish buying and dealing licenses)) <u>fish and shellfish</u> <u>catch accounting</u> in the second degree is a gross misdemeanor.

(b) Unlawful ((use of fish buying and dealing licenses)) fish and shellfish catch accounting in the first degree is a class C felony. Upon conviction, the department shall suspend all privileges to engage in fish buying or dealing for two years.

Sec. 32. RCW 77.15.640 and 2002 c 301 s 8 are each amended to read as follows:

(1) A person who holds a wholesale fish dealer's license required by RCW 77.65.280, an anadromous game fish buyer's license required by RCW 77.65.480, a fish buyer's license required by RCW 77.65.340, or a direct retail endorsement under RCW 77.65.510 is guilty of ((violating rules governing)) unlawful wholesale fish buying and dealing if the person:

(a) Fails to possess or display his or her license when engaged in any act requiring the license; or

(b) Fails to display or uses the license in violation of any <u>department</u> rule ((of the department;

(c) Files a signed fish-receiving ticket but fails to provide all information required by rule of the department; or

(d) Violates any other rule of the department regarding wholesale fish buying and dealing)).

(2) ((Violating rules governing)) <u>Unlawful</u> wholesale fish buying and dealing is a gross misdemeanor.

Sec. 33. RCW 77.15.650 and 2008 c 10 s 2 are each amended to read as follows:

(1) A person is guilty of unlawful purchase or use of a license in the second degree if the person buys, holds, uses, displays, transfers, or obtains any license, tag, permit, or approval required by this title and the person:

(a) Uses false information to buy, hold, use, display, or obtain a license, permit, tag, or approval;

(b) Acquires, holds, or buys in excess of one license, permit, or tag for a license year if only one license, permit, or tag is allowed per license year;

(c) Except as authorized under RCW 77.32.565, uses or displays a license, permit, tag, or approval that was issued to another person;

(d) Except as authorized under RCW 77.32.565, permits or allows a license, permit, tag, or approval to be used or displayed by another person not named on the license, permit, tag, or approval;

(e) Acquires or holds a license while privileges for the license are revoked or suspended:

(f) Holds a resident license from another state or country. This subsection (1)(f) only applies if the Washington license, tag, permit, or approval that the person buys, holds, uses, displays, transfers, or obtains is a resident license. It is prima facie evidence of a violation of this section if any person who has a resident license from another state or country purchases a resident license, tag, permit, or approval in Washington. This subsection does not apply to individuals who meet the definition of "resident" in section 5(2), (3), and (4) of this act.

(2) A person is guilty of unlawful purchase or use of a license in the first degree if the person commits the act described by subsection (1) of this section and the person was acting with intent that the license, permit, tag, or approval be used for any commercial purpose. A person is presumed to be acting with such intent if the violation involved obtaining, holding, displaying, or using a license or permit for participation in any commercial fishery issued under this title or a license authorizing fish or wildlife buying, trafficking, or wholesaling.

(3)(a) Unlawful purchase or use of a license in the second degree is a gross misdemeanor. Upon conviction, the department shall revoke any unlawfully used or held licenses and order a two-year suspension of participation in the activities for which the person unlawfully obtained, held, or used a license, permit, tag, or approval.

(b) Unlawful purchase or use of a license in the first degree is a class C felony. Upon conviction, the department shall revoke any unlawfully used or held licenses and order a five-year suspension of participation in any activities for which the person unlawfully obtained, held, or used a license, permit, tag, or approval.

(4) For purposes of this section, a person "uses" a license, permit, tag, or approval if the person engages in any activity authorized by the license, permit, tag, or approval held or possessed by the person. Such uses include but are not limited to fishing, hunting, taking, trapping, delivery or landing fish or wildlife, and selling, buying, or wholesaling of fish or wildlife.

(5) Any license obtained in violation of this section is void upon issuance and is of no legal effect.

Sec. 34. RCW 77.15.660 and 1998 c 190 s 55 are each amended to read as follows:

(1) A person is guilty of unlawful use of a scientific permit if the permit issued by the director is for big game or big game parts, and the person:

(a) Violates any terms or conditions of ((a)) <u>the</u> scientific permit ((issued by the director));

(b) Buys or sells ((fish or wildlife taken)) big game or big game parts that were taken or acquired with a scientific permit; or

(c) Violates any <u>department</u> rule ((of the commission or the director)) applicable to the issuance or use of scientific permits.

(2) Unlawful use of a scientific permit is a gross misdemeanor.

Sec. 35. RCW 77.15.700 and 2009 c 333 s 2 are each amended to read as follows:

(1) The department shall ((impose revocation and suspension of)) revoke a person's recreational license or licenses and suspend a person's recreational license privileges in the following circumstances:

(a) Upon conviction, if directed by statute for an offense.

(b) Upon conviction ((of a violation not involving commercial fishing)), failure to appear at a hearing to contest an infraction or criminal charge, or an unvacated payment of a fine or a finding of committed as a final disposition for any infraction, if the department finds that actions of the defendant demonstrated a willful or wanton disregard for conservation of fish or wildlife. Suspension of privileges under this subsection may be permanent.

(c) If a person is convicted, fails to appear at a hearing to contest an infraction or criminal citation, or has an unvacated payment of a fine or a finding of committed as a final disposition for any infraction, twice within ten years for a violation involving unlawful hunting, killing, or possessing big game. Revocation and suspension under this subsection must be ordered for all hunting privileges for two years.

(d) If a person violates, three times or more in a ten-year period, recreational hunting or fishing laws or rules for which the person: (i) Is convicted of an offense; (ii) has an ((uncontested notice of)) unvacated payment of a fine or a finding of committed as a final disposition for any infraction; or (iii) fails to appear at a hearing to contest ((a fish and wildlife infraction; or (iv) is found to have committed)) an infraction or a criminal citation. Revocation and suspension under this subsection must be ordered of all recreational hunting and fishing privileges for two years.

(2)(a) A violation punishable as an infraction counts towards the revocation and suspension of recreational hunting and fishing privileges under this section if that violation is:

(i) Punishable as a crime on July 24, 2005, and is subsequently decriminalized; or

(ii) One of the following violations, as they exist on July 24, 2005: RCW 77.15.160; WAC 220-56-116; WAC 220-56-315(11); or WAC 220-56-355 (1) through (4).

(b) The commission may, by rule, designate infractions that do not count towards the revocation and suspension of recreational hunting and fishing privileges.

(3) If either the deferred education licensee or the required nondeferred accompanying person, hunting under the authority of RCW 77.32.155(2), is convicted of a violation of this title, <u>fails to appear at a hearing to contest a fish and wildlife infraction or a criminal citation, or has an unvacated payment of a fine or a finding of committed as a final disposition for any fish and wildlife infraction, except for a violation of RCW 77.15.400 (1) through (((3))) (4), the department may revoke all hunting licenses and tags and may order a suspension of either or both the deferred education licensee's and the nondeferred accompanying person's hunting privileges for one year.</u>

(4) A person who has a recreational license revoked and privileges suspended under this section may file an appeal with the department pursuant to chapter 34.05 RCW. An appeal must be filed within twenty days of notice of license revocation and privilege suspension. If an appeal is filed, the revocation and suspension issued by the department do not take effect until twenty-one days after the department has delivered an opinion. If no appeal is filed within twenty days of notice of license revocation and suspension, the right to an appeal is waived, and the revocation and suspension take effect twenty-one days following the notice of revocation and suspension.

(5) A recreational license revoked and privilege suspended under this section is in addition to the statutory penalties assigned to the underlying violation.

Sec. 36. RCW 77.15.720 and 2000 c 107 s 258 are each amended to read as follows:

(1)(a) If a person ((shoots)) discharges a firearm, bow, or crossbow while hunting and in a manner that injures, or that a reasonable person would believe is likely to injure, another person ((or domestic livestock while hunting)), the director shall revoke all <u>of the shooter's</u> hunting licenses and suspend all hunting privileges for three years. If the shooting ((of another person or livestock is the result of criminal negligence or reckless or intentional conduct, then the person's)) kills or results in the death of another person, then the director shall revoke all of the shooter's hunting licenses and suspend all of the person's hunting privileges ((shall be suspended)) for ten years. ((The))

(b) If a person, with malice, discharges a firearm, bow, or crossbow while hunting and in a manner that kills or causes substantial bodily harm to livestock belonging to another person, the director shall revoke all of the shooter's hunting licenses and suspend all hunting privileges for three years. For the purposes of this subsection (1)(b), "malice" has the same meaning as provided in RCW 9A.04.110 but applies to acts against livestock.

(2) A suspension <u>under subsection (1) of this section</u> shall be continued beyond ((these)) <u>the applicable</u> periods if damages owed to the victim or livestock owner have not been paid by the suspended person. ((A)) <u>In such a case, no</u> hunting license shall ((not)) be reissued to the suspended person unless authorized by the director.

(((2) Within twenty days of service of an order suspending privileges or imposing conditions under this section or RCW 77.15.710, a person may petition for administrative review under chapter 34.05 RCW by serving the director with a petition for review. The order is final and unappealable if there is no timely petition for administrative review.)) (3) A person who is notified of a license revocation under this section may request an appeal hearing under chapter 34.05 RCW.

(((3))) (4) The commission may by rule authorize petitions for reinstatement of administrative suspensions and define circumstances under which such a reinstatement will be allowed.

Sec. 37. RCW 77.15.740 and 2008 c 225 s 2 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, it is unlawful to:

(a) ((Approach, by any means, within three hundred feet of a southern resident orea whale (*Oreinus orea*);

(b) Cause a vessel or other object to approach within three hundred feet of a southern resident orca whale;

(c) Intercept a southern resident orca whale. A person intercepts a southern resident orca whale when that person places a vessel or allows a vessel to remain in the path of a whale and the whale approaches within three hundred feet of that vessel;

(d) Fail to disengage the transmission of a vessel that is within three hundred feet of a southern resident orca whale, for which the vessel operator is strictly liable; or

(e) Feed a southern resident orca whale, for which any person feeding a southern resident orca whale is strictly liable.

(2) A person is exempt from subsection (1) of this section where:

(a) A reasonably prudent person in that person's position would determine that compliance with the requirements of subsection (1) of this section will threaten the safety of the vessel, the vessel's crew or passengers, or is not feasible due to vessel design limitations, or because the vessel is restricted in its ability to maneuver due to wind, current, tide, or weather;

(b) That person is lawfully participating in a commercial fishery and is engaged in actively setting, retrieving, or closely tending commercial fishing gear;

(c) That person is acting in the course of official duty for a state, federal, tribal, or local government agency; or

(d) That person is acting pursuant to and consistent with authorization from a state or federal government agency.

(3) Nothing in this section is intended to conflict with existing rules regarding safe operation of a vessel or vessel navigation rules.

(4))) <u>Cause a vessel or other object to approach, in any manner, within two</u> <u>hundred yards of a southern resident orca whale;</u>

(b) Position a vessel to be in the path of a southern resident orca whale at any point located within four hundred yards of the whale. This includes intercepting a southern resident orca whale by positioning a vessel so that the prevailing wind or water current carries the vessel into the path of the whale at any point located within four hundred yards of the whale:

(c) Fail to disengage the transmission of a vessel that is within two hundred yards of a southern resident orca whale; or

(d) Feed a southern resident orca whale.

(2) A person is exempt from subsection (1) of this section if that person is:

(a) Operating a federal government vessel in the course of his or her official duties, or operating a state, tribal, or local government vessel when engaged in official duties involving law enforcement, search and rescue, or public safety;

(b) Operating a vessel in conjunction with a vessel traffic service established under 33 C.F.R. and following a traffic separation scheme, or complying with a vessel traffic service measure of direction. This also includes support vessels escorting ships in the traffic lanes, such as tug boats;

(c) Engaging in an activity, including scientific research, pursuant to a permit or other authorization from the national marine fisheries service and the department;

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(d) Lawfully engaging in a treaty Indian or commercial fishery that is actively setting, retrieving, or closely tending fishing gear;

(e) Conducting vessel operations necessary to avoid an imminent and serious threat to a person, vessel, or the environment, including when necessary for overall safety of navigation and to comply with state and federal navigation requirements; or

(f) Engaging in rescue or clean-up efforts of a beached southern resident orca whale overseen, coordinated, or authorized by a volunteer stranding network.

(3) For the purpose of this section, "vessel" includes aircraft, canoes, fishing vessels, kayaks, personal watercraft, rafts, recreational vessels, tour boats, whale watching boats, vessels engaged in whale watching activities, or other small craft including power boats and sailboats.

 $((\frac{(5)}{2}))$ (4)(a) A violation of this section is a natural resource infraction punishable under chapter 7.84 RCW.

(b) A person who qualifies for an exemption under subsection (2) of this section may offer that exemption as an affirmative defense, which that person must prove by a preponderance of the evidence.

<u>NEW SECTION.</u> Sec. 38. A new section is added to chapter 77.15 RCW to read as follows:

(1) A person may not negligently feed or attempt to feed large wild carnivores or negligently attract large wild carnivores to land or a building.

(2) If a fish and wildlife officer, ex officio fish and wildlife officer, or animal control authority, as defined in RCW 16.30.010, has probable cause to believe that a person is negligently feeding, attempting to feed, or attracting large wild carnivores to land or a building by placing or locating food, food waste, or other substance in, on, or about any land or building, and the food, food waste, or other substance poses a risk to the safety of any person, livestock, or pet because it is attracting or could attract large wild carnivores to the land or building, that person commits an infraction under chapter 7.84 RCW.

(3) Subsection (2) of this section does not apply to:

(a) A person who is engaging in forest practices in accordance with chapter 76.09 RCW or in hunting or trapping wildlife in accordance with all other applicable provisions of this title or rules of the commission or the director;

(b) A person who is engaging in a farming or ranching operation that is using generally accepted farming or ranching practices consistent with Titles 15 and 16 RCW;

(c) Waste disposal facilities that are operating in accordance with applicable federal, state, and municipal laws;

(d) Entities listed in RCW 16.30.020(1) (a) through (j) and scientific collection permit holders; or

(e) A fish and wildlife officer or employee or agent of the department operating under the authority of or upon request from an officer conducting authorized wildlife capture activities to address a threat to human safety or a wildlife interaction as defined in RCW 77.36.010.

(4) For persons and entities listed in subsection (3) of this section, a fish and wildlife officer, ex officio fish and wildlife officer, or animal control authority, as defined in RCW 16.30.010, may issue a written warning to the person or entity if:

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(a) The officer or animal control authority can articulate facts to support that the person or entity has placed or is responsible for placing food, food waste, or other substance in, on, or about the person's or entity's land or buildings; and

(b) The food, food waste, or other substance poses a risk to the safety of any person, livestock, or pet because the food, food waste, or other substance is attracting or could attract large wild carnivores to the land or buildings.

(5)(a) Any written warning issued under subsection (4) of this section requires the person or entity placing or otherwise responsible for placing the food, food waste, or other substance to contain, move, or remove that food, food waste, or other substance within two days.

(b) If a person who is issued a written warning under (a) of this subsection fails to contain, move, or remove the food, food waste, or other substance as directed, the person commits an infraction under chapter 7.84 RCW.

<u>NEW SECTION.</u> Sec. 39. A new section is added to chapter 77.15 RCW to read as follows:

(1) A person may not intentionally feed or attempt to feed large wild carnivores or intentionally attract large wild carnivores to land or a building.

(2) A person who intentionally feeds, attempts to feed, or attracts large wild carnivores to land or a building is guilty of a misdemeanor.

(3) A person who is issued an infraction under section 38 of this act for negligently feeding, attempting to feed, or attracting large wild carnivores to land or a building, and who fails to contain, move, or remove the food, food waste, or other substance within twenty-four hours of being issued the infraction, is guilty of a misdemeanor.

<u>NEW SECTION.</u> Sec. 40. The following acts or parts of acts are each repealed:

(1) RCW 77.12.315 (Dogs harassing deer and elk—Declaration of emergency—Taking dogs into custody or destroying—Immunity) and 2000 c 107 s 221, 1987 c 506 s 40, 1980 c 78 s 49, & 1971 ex.s. c 183 s 1;

(2) RCW 77.15.140 (Unclassified fish or wildlife—Unlawful taking—Penalty) and 1998 c 190 s 15;

(3) RCW 77.15.220 (Unlawful posting—Penalty) and 1998 c 190 s 25; and

(4) RCW 77.15.330 (Unlawful hunting or fishing contests—Penalty) and 2001 c 253 s 36 & 1998 c 190 s 56.

<u>NEW SECTION.</u> Sec. 41. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed by the Senate March 8, 2012.

Passed by the House March 7, 2012.

Approved by the Governor March 29, 2012.

Filed in Office of Secretary of State March 29, 2012.

AUTHENTICATION

I, K. Kyle Thiessen, Code Reviser of the State of Washington, certify that, with the exception of such corrections as I have made in accordance with the powers vested in me by RCW 44.20.060, the laws published in this volume are a true and correct reproduction of the copies of the enrolled laws of the 2011 second special session (62nd Legislature), chapters 1 through 9, and the 2012 session (62nd Legislature), chapters 1 through 176, 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 19nd day of June, 2012.

K. Kyle Thiesse

K. KYLE THIESSEN Code Reviser