The House was called to order at 10:00 a.m. by the Speaker (Representative Lovick presiding). The Clerk called the roll and a quorum was present.

The flag was escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Anna Grazankowski and Charlie Thompson. The Speaker (Representative Lovick presiding) led the Chamber in the Pledge of Allegiance. Prayer was offered by Jim Cammack, the Bahai's of Mason County.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

MESSAGES FROM THE SENATE
March 1, 2006

Mr. Speaker:

The Senate has passed:
SUBSTITUTE HOUSE BILL NO. 2723,
HOUSE BILL NO. 3001,
and the same are herewith transmitted.
Thomas Hoemann, Secretary
March 1, 2006

Mr. Speaker:

The Senate has passed:
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2651,
SUBSTITUTE HOUSE BILL NO. 2691,
and the same are herewith transmitted.
Thomas Hoemann, Secretary
March 1, 2006

Mr. Speaker:

The Senate has passed:
ENGROSSED HOUSE BILL NO. 1383,
HOUSE BILL NO. 2328,
HOUSE BILL NO. 2330,
HOUSE BILL NO. 2562,
HOUSE BILL NO. 2874,
SUBSTITUTE HOUSE BILL NO. 3087,
SUBSTITUTE HOUSE BILL NO. 3185,
and the same are herewith transmitted.
Thomas Hoemann, Secretary
March 1, 2006

INTRODUCTION & FIRST READING

HB 3319   By Representatives Grant, Armstrong and Newhouse

AN ACT Relating to application of the Washington clean indoor air act; amending RCW 70.160.020, 70.160.030, 70.160.050, and 70.160.070; adding new sections to chapter 70.160 RCW; and creating a new section.

Referred to Committee on Health Care.

There being no objection, the bill listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated.

RESOLUTION

HOUSE RESOLUTION NO. 2006-4696, By Representatives Green, Eriks, Hankins and Skinner

WHEREAS, Colorectal cancer is second to lung cancer in the number of deaths it causes in the United States; and
WHEREAS, In the United States alone, over 145,000 people are diagnosed with and over 55,000 people die of colorectal cancer every year; and
WHEREAS, It is estimated that in Washington State 3,000 people are diagnosed with and 1,000 people will die every year of colorectal cancer; and
WHEREAS, Colorectal cancer can affect anyone of any age, race, or sex. Nine out of ten diagnoses will occur in people aged 50 and older. Men are slightly more likely to be diagnosed with colorectal cancer than women. Also, African-Americans are 10% more likely to be diagnosed with colorectal cancer than Caucasians and 30% more likely to die of the disease; and
WHEREAS, Despite its high incidence, colorectal cancer is one of the most detectable and, if found early, most treatable forms of cancer. Ninety percent of those diagnosed early, while the cancer is still localized, survive more than five years. Sadly, only 37% of all colorectal cancers are detected early enough for survival to occur. When the cancer is diagnosed at a more advanced stage, having spread to the surrounding region, the five-year survival rate drops from 90% to 65%. When diagnosed at an advanced stage, having spread to distant organs, the five-year survival rate is only 9%; and
WHEREAS, Early detection is still our best defense against this devastating disease and regular screening can prevent over half of all colon cancer deaths in the United
States. Yet, a majority of Americans are not being screened on a regular basis early enough to catch the cancer while it is still localized. In a recent survey, the Centers for Disease Control found that only 40% of all Americans reported having ever used the most inferior of screening methods and just 42% reported having used a more advanced screening. This compares to 85% of all women who had been screened for breast cancer; and

WHEREAS, Low screening rates for colorectal cancer are due to many factors, including a lack of public awareness about colorectal cancer and of the benefits of regular screening, negative attitudes towards the screening procedures, the complete lack of symptoms in most cases, and the absence of social support for openly discussing and doing something about this particular disease; and

WHEREAS, The United States Senate has designated March as National Colorectal Cancer Awareness Month;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State House of Representatives recognize the month of March as Colorectal Cancer Awareness Month, and hereby urge Washingtonians to become more aware of the risks facing them regarding this disease and actively fight it by getting regular screenings for colorectal cancer; and

BE IT FURTHER RESOLVED, That copies of this resolution be immediately transmitted by the Chief Clerk of the House of Representatives to the American Cancer Society.

Representative Green moved the adoption of the resolution.

Representatives Green and Hinkle spoke in favor of the adoption of the resolution.

HOUSE RESOLUTION NO. 4696 was adopted.

SECOND READING

SUBSTITUTE SENATE BILL NO. 5236, By Senate Committee on Ways & Means (originally sponsored by Senators Kohl-Welles, Parlette, Keiser, Fraser, Honeyford and Kline; by request of Department of Labor & Industries)

Providing additional funding to the prevailing wage program of the department of labor and industries by discontinuing the transfer of moneys from the public works administration account to the general fund-state account.

The bill was read the second time.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 5236.

MOTION

On motion of Representative Hunt, Representative Dunshee was excused.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5236 and the bill passed the House by the following vote: Yeas - 96, Nays - 1, Absent - 0, Excused - 1.


Voting nay: Representative Hankins - 1.

Excused: Representative Dunshee - 1.

SUBSTITUTE SENATE BILL NO. 5236, having received the necessary constitutional majority, was declared passed.

ENGROSSED SENATE BILL NO. 5330, By Senators Shin, Rasmussen, Berkey, McAuliffe and Kohl-Welles

Creating the economic development grants program.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Economic Development, Agriculture & Trade was adopted. (For Committee amendment, see Journal, 47th Day, February 24, 2006.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.
Representatives Linville, Kristiansen and Dunn spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Senate Bill No. 5330, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Senate Bill No. 5330, as amended by the House and the bill passed the House by the following vote: Yeas - 86, Nays - 11, Absent - 0, Excused - 1.


Excused: Representative Dunshee - 1.

ENGROSGED SENATE BILL NO. 5330, as amended by the House, having received the necessary constitutional majority, was declared passed.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5385, By Senate Committee on Natural Resources, Ocean & Recreation (originally sponsored by Senators Jacobsen, Oke, Fraser, Swecker and Kline)

Creating the Washington invasive species council.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Natural Resources, Ecology & Parks was adopted. (For Committee amendment, see Journal, 46th Day, February 23, 2006.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives B. Sullivan, Buck and Dunn spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5385, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5385, as amended by the House and the bill passed the House by the following vote: Yeas - 90, Nays - 7, Absent - 0, Excused - 1.


Excused: Representative Dunshee - 1.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5535, By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Franklin, Brandland, Berkey, Spanel, Schoesler, Rockefeller, Delvin, Kohl-Welles, Oke and Shin)

Modifying optometry licensing requirements.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Health Care was adopted. (For Committee amendment, see Journal, 44th Day, February 21, 2006.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Clibborn and Curtis spoke in favor of passage of the bill.
The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5535, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5535, as amended by the House and the bill passed the House by the following vote: Yeas - 97, Nays - 0, Absent - 0, Excused - 1.


Excused: Representative Dunshee - 1.

ENGROSGSED SUBSTITUTE SENATE BILL NO. 5535, as amended by the House, having received the necessary constitutional majority, was declared passed.

SENATE BILL NO. 6059, By Senators Berkey, Haugen, Mc Auliffe, Franklin, Rockefeller, Schoesler, Eide, Weinstein, Rasmussen, Shin, Delvin, M ulliken, Oke, Parlette and Kohl-Welles.

Authorizing state agencies to create sick leave pools for employees.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on State Government, Operations & Accountability was before the House for purpose of amendment. (For Committee amendment, see Journal, 47th Day, February 24, 2006.)

Representative Kenney moved the adoption of amendment (1019) to the committee amendment:

On page 1, line 6 of the amendment, after "rules" insert "or policies"

On page 1, line 10 of the amendment, after "leave" insert ", annual leave, and compensatory leave"

On page 1, line 13 of the amendment, after "personnel" insert "and other personnel authorities"

On page 1, line 22 of the amendment, after "(2)" strike "Rules adopted by the department shall provide:" and insert "The department and other personnel authorities, except the personnel authorities for higher education institutions, shall adopt rules which provide:"

On page 2, after line 30 of the amendment, insert: "(3) Personnel authorities for higher education institutions shall adopt policies consistent with the needs of the employees under their respective jurisdictions."

Representatives Kenney and Nixon spoke in favor of the adoption of the amendment to the committee amendment.

The amendment to the committee amendment was adopted.

The committee amendment as amended was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives McDermott and Nixon spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Senate Bill No. 6059, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 6059, as amended by the House and the bill passed the House by the following vote: Yeas - 95, Nays - 2, Absent - 0, Excused - 1.


Excused: Representative Dunshee - 1.
SENATE BILL NO. 6059, as amended by the House, having received the necessary constitutional majority, was declared passed.

The Speaker assumed the chair.

SECOND READING

SECOND SUBSTITUTE SENATE BILL NO. 6193, as amended by the House, having received the necessary constitutional majority, was declared passed.

SECOND SUBSTITUTE SENATE BILL NO. 6197, By Senate Committee on Ways & Means (originally sponsored by Senators Franklin, Regala, Keiser, Eide, Prentice, Rasmussen, Jacobsen, Fairley, McAuliffe, Fraser, Brown, Kline, Kohl-Welles, Parlette and Shin)

Requiring surveys of health professions workforce supply and demographics.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Health Care was adopted. (For Committee amendment, see Journal, 47th Day, February 24, 2006.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Morrell and Hinkle spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Second Substitute Senate Bill No. 6193, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute Senate Bill No. 6193, as amended by the House and the bill passed the House by the following vote: Yeas - 75, Nays - 23, Absent - 0, Excused - 0.


SECOND SUBSTITUTE SENATE BILL NO. 6193, as amended by the House, having received the necessary constitutional majority, was declared passed.

SECOND SUBSTITUTE SENATE BILL NO. 6197, By Senate Committee on Ways & Means (originally sponsored by Senators Franklin, Regala, Eide, Prentice, Fraser, Brown, Kline, Kohl-Welles and Shin)

Creating the governor's interagency coordinating council on health disparities.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Appropriations was adopted. (For Committee amendment, see Journal, 50th Day, February 27, 2006.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representative Morrell spoke in favor of passage of the bill.

Representative Hinkle spoke against the passage of the bill.

The Speaker stated the question before the House to be the final passage of Second Substitute Senate Bill No. 6197, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute Senate Bill No. 6197, as amended by the House and the bill passed the House by the following vote: Yeas - 58, Nays - 40, Absent - 0, Excused - 0.


Voting nay: Representatives Ahern, Alexander, Anderson, Armstrong, Bailey, Buck, Buri, Chandler, Clements, Condotta, Cox, Crouse, Curtis, DeBolt, Dunn, Ericksen, Haler, Hankins, Hinkle, Holmquist, Kretz, Kristiansen, McCune, McDonald,

SECOND SUBSTITUTE SENATE BILL NO. 6197, as amended by the House, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 6234, By Senate Committee on Financial Institutions, Housing & Consumer Protection (originally sponsored by Senators Fairley, Keiser, Spanel and Esser; by request of Insurance Commissioner)

Creating the insurance fraud program.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Appropriation was adopted. (For Committee amendment, see Journal, 50th Day, February 27, 2006.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Kirby and Roach spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute Senate Bill No. 6234, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6234, as amended by the House and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.


Voting nay: Representative Williams - 1.

SUBSTITUTE SENATE BILL NO. 6246, as amended by the House, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 6246, By Senate Committee on Government Operations & Elections (originally sponsored by Senators Kastama, Roach, Eide, Pflug and Shin; by request of Lieutenant Governor)

Outlining the duties of the lieutenant governor.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Green and Nixon spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute Senate Bill No. 6246.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6246 and the bill passed the House by the following vote: Yeas - 97, Nays - 1, Absent - 0, Excused - 0.


Voting nay: Representative Williams - 1.

SUBSTITUTE SENATE BILL NO. 6246, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 6308, By Senate Committee on Human Services & Corrections (originally sponsored by Senators Carrell, Stevens, Regala, Schoesler, Schmidt, Oke and Rasmussen)
Creating a joint select committee on offenders programs, sentencing, and supervision.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Criminal Justice & Corrections was before the House for purpose of amendment. (For Committee amendment, see Journal, 47th Day, February 24, 2006.)

Representative O'Brien moved the adoption of amendment (1033) to the committee amendment:

On page 1, line 18, after "appoint" strike "two members" and insert "one member"

On page 1, line 21, after "appoint" strike "two members" and insert "one member"

Representatives O'Brien and Pearson spoke in favor of the adoption of the amendment to the committee amendment.

The amendment to the committee amendment was adopted.

Representative Green moved the adoption of amendment (1077) to the committee amendment:

On page 3, line 10 of the amendment, after "community;" strike "and"

On page 3, line 13 of the amendment, after "recidivism" insert "; and"

(6) The operation of inmate work release programs and on how such work release programs are sited and placed throughout the state

Representatives Green and Pearson spoke in favor of the adoption of the amendment to the committee amendment.

The amendment to the committee amendment was adopted.

The committee amendment as amended was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives O'Brien, Pearson and Dunn spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute Senate Bill No. 6308, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6308, as amended by the House and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.


SUBSTITUTE SENATE BILL NO. 6308, as amended by the House, having received the necessary constitutional majority, was declared passed.

The Speaker called upon Representative Lovick to preside.

SECOND READING

SECONDSUBSTITUTE SENATE BILL NO. 6319, By Senate Committee on Ways & Means (originally sponsored by Senators Regala, Brandland, Stevens, Kline, Weinstein, Doumit, Carrell, Keiser, Rockefeller, Berkey, Haugen, Fairley, Spanel, Pflug, Sheldon, Rasmussen, McAuliffe, Shin, Roach and Benton)

Changing provisions for sex offender registration.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Appropriations was adopted. (For Committee amendment, see Journal, 50th Day, February 27, 2006.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives O'Brien and Pearson spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Second Substitute Senate Bill No. 6319, as amended by the House.
ROLL CALL

The Clerk called the roll on the final passage of Second Substitute Senate Bill No. 6319, as amended by the House and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.


SECOND SUBSTITUTE SENATE BILL NO. 6319, as amended by the House, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 6320, By Senate Committee on Human Services & Corrections (originally sponsored by Senators Regala, Swecker, Kastama and Rasmussen)

Concerning campaign finance disclosure.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on State Government, Operations & Accountability was adopted. (For Committee amendment, see Journal, 44th Day, February 21, 2006.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Hunt and Nixon spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 6320, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6320 and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Appleton, Armstrong, Bailey, Blake, Buck, Buri, Campbell, Chandler, Chase, Clements, Clibborn, Cody, Conk, Cordy, Conway, Cox, Crouse, Curtis, Darneille, DeBolt, Dickerson, Dunn, Dunshee,

Voting nay: Representative Chandler - 1.

SUBSTITUTE SENATE BILL NO. 6323, as amended by the House, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 6330, By Senate Committee on International Trade & Economic Development (originally sponsored by Senators Shin, Kastama, Sheldon, Rasmussen, Doumit, Weinstein, Fraser, Swecker, McAuliffe, Oke, Eide, Honeyford, Franklin, Mulliken, Prentice, Pflug, Kohl-Welles, Jacobsen and Roach)

Establishing the Washington trade corps fellowship program.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Appropriations was adopted. (For Committee amendment, see Journal, 50th Day, February 27, 2006.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representative Linville spoke in favor of passage of the bill.

Representative Kristiansen spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 6330, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6330, as amended by the House and the bill passed the House by the following vote: Yeas - 65, Nays - 33, Absent - 0, Excused - 0.


SUBSTITUTE SENATE BILL NO. 6330, as amended by the House, having received the necessary constitutional majority, was declared passed.

ENGROSSED SUBSTITUTE SENATE BILL NO. 6428, By Senate Committee on Water, Energy & Environment (originally sponsored by Senators Pridemore, Esser, Poulsen, Morton, Schmidt, Fairley, Benson, Berkey, Regala, Kohl-Welles, Weinstein, Prentice, Kastama, Johnson, Thibaudeau, Kline, Eide, Shin, Rockefeller, Jacobsen, Haugen, Doumit, Oke, Franklin, Swecker, Carroll, Rasmussen, Spanel, Fraser, McAuliffe, Keiser, Brown, Finkbeiner, Brandland and Benton)

Providing for electronic product recycling.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Appropriations was adopted. (For Committee amendment, see Journal, 50th Day, February 27, 2006.)

Representative B. Sullivan moved the adoption of amendment (1094):

Representative B. Sullivan spoke in favor of the adoption of the amendment.

The amendment was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.
Representatives B. Sullivan, Eickmeyer, Priest and Upthegrove spoke in favor of passage of the bill.

Representatives Buck, Orcutt, Curtis and Armstrong spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 6428, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 6428, as amended by the House and the bill passed the House by the following vote: Yeas - 69, Nays - 29, Absent - 0, Excused - 0.


ENGROSSED SUBSTITUTE SENATE BILL NO.6428, as amended by the House, having received the necessary constitutional majority, was declared passed.

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6459, By Senate Committee on Ways & Means (originally sponsored by Senators Keiser, Brandland, Thibaudeau, Spanel, Rasmussen, Kline, Parlette and Kohl-Welles)

Supporting community-based health care solutions.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Morrell, Serben, Linville, Alexander and Ericksen spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Second Substitute Senate Bill No. 6459.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 6459 and the bill passed the House by the following vote: Yeas - 96, Nays - 2, Absent - 0, Excused - 0.


Voting nay: Representatives Chandler, and Dunn - 2.

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6459, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 6527, By Senate Committee on Transportation (originally sponsored by Senators Jacobsen, Mulliken, Haugen and Sheldon; by request of Department of Transportation)

Extending the negotiation period for the Milwaukee Road trail.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Transportation was adopted. (For Committee amendment, see Journal, 47th Day, February 24, 2006.)

There being no objection, the rules were suspended, the third reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Wallace and Woods spoke in favor of passage of the bill.
The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 6527, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6527, as amended by the House and the bill passed the House by the following vote: Yeas - 95, Nays - 3, Absent - 0, Excused - 0.


SUBSTITUTE SENATE BILL NO. 6527, as amended by the House, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 6555, AS AMENDED BY THE HOUSE

Providing research and services for special purpose districts.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Appropriations was adopted. (For Committee amendment, see Journal, 50th Day, February 27, 2006.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Simpson and Schindler spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 6555, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6555, as amended by the House and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.


SUBSTITUTE SENATE BILL NO. 6555, as amended by the House, having received the necessary constitutional majority, was declared passed.

SENATE BILL NO. 6568, BY SENATORS REGALA, CARRELL AND OKE

Modifying animal fighting provisions.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Judiciary was adopted. (For Committee amendment, see Journal, 47th Day, February 24, 2006.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Lantz and Serben spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Senate Bill No. 6568, as amended by the House.

ROLL CALL
The Clerk called the roll on the final passage of Senate Bill No. 6568, as amended by the House and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0.


Voting nay: Representatives Chandler, Dunn, Holmquist, Morris, and Nixon - 5.

SUBSTITUTE SENATE BILL NO. 6613, having received the necessary constitutional majority, was declared passed.

SENATE BILL NO. 6680, By Senators Brandland, Haugen and Rasmussen

Implementing a biometric matching system for driver’s licenses and identicards.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Transportation was adopted. (For Committee amendment, see Journal, 52nd Day, March 1, 2006.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Morris, Woods and Hunter spoke in favor of passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Senate Bill No. 6680, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 6680, as amended by the House and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.

ENGROSSED SENATE BILL NO. 6741, as amended by the House, having received the necessary constitutional majority, was declared passed.

SECOND SUBSTITUTE SENATE BILL NO. 6823, By Senate Committee on Ways & Means (originally sponsored by Senator Kohl-Welles; by request of Liquor Control Board)

Modifying provisions relating to the distribution of beer and wine.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Conway, Condotta, Armstrong and Newhouse spoke in favor of passage of the bill.

COLLOQUY

Representative Condotta: "The Liquor Control Board interprets this bill as treating all out-of-state wineries and breweries who choose to sell direct to retailers as though they are distributors. Is that consistent with the committee's intent in recommending passage of this bill?"

Representative Conway: "Yes. An out-of-state winery or brewery choosing to sell directly to retailers is choosing to act as a distributor, and this law will require them to comply with all the laws governing distributors."

Representative Condotta: "The Liquor Control Board interprets this bill as continuing the current prohibition against freight allowances with respect to sales to retailers. Is that consistent with the committee's intent in recommending passage of this bill?"

Representative Conway: "Yes. Current law requires in-state wineries and breweries selling direct to retailers to post prices as distributors and requires them to offer the same price to all retailers in the state, with no variations for freight or anything else. A producer acting as a distributor may post a price that does not include delivery so long as that price is the same for all retailers in the state. The laws governing distributor pricing prohibit freight allowances on sales to retailers, and this law will extend that prohibition to out-of-state wineries and breweries who choose to sell directly to retailers in Washington."

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Second Substitute Senate Bill No. 6823.
ROLL CALL

The Clerk called the roll on the final passage of Second Substitute Senate Bill No. 6823 and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.


SECOND SUBSTITUTE SENATE BILL NO. 6823, having received the necessary constitutional majority, was declared passed.

The Speaker (Representative Lovick presiding) called upon Representative Morris to preside.

SECOND READING

SECOND SUBSTITUTE SENATE BILL NO. 6241, By Senate Committee on Transportation (originally sponsored by Senators Haugen, Benson and Jacobsen; by request of Governor Gregoire)

Making 2006 supplemental transportation appropriations.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Transportation was before the House for purpose of amendment. (For Committee amendment, see Journal, 52nd Day, March 1, 2006.)

With the consent of the House, amendments (1095) and (1101) were withdrawn.

Representative Nixon moved the adoption of amendment (1091) to the committee amendment:

On page 6, line 5, increase the appropriation by $100,000
On page 8, after line 19, insert the following:

"(7) $100,000 of the motor vehicle account-state appropriation is provided solely to contract with the Washington institute for public policy for a study of the Washington state patrol salary structure. In consultation with the Washington association of sheriffs and police chiefs and the Washington state patrol, the institute shall develop standard categories of non-salary compensation of law enforcement officers that shall include, but not be limited to, insurance coverage, pensions, uniforms, vehicle use, and other benefits. The institute shall survey a statistically-valid sample of law enforcement agencies statewide, comparing overall compensation packages including both salary and non-salary compensation in all standard categories, of Washington state patrol troopers to those of local law enforcement officers. The institute shall submit a report detailing and summarizing the survey to the senate and house transportation committees by December 1, 2006."

Representatives Nixon and Woods spoke in favor of the adoption of the amendment to the committee amendment:

Representatives Simpson and Murray spoke against the adoption of the amendment to the committee amendment:

An electronic roll call was requested.

The Speaker (Representative Morris presiding) stated the question before the House to be a adoption of amendment (1091) to Substitute Senate Bill No. 6241.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1091) to Substitute Senate Bill No. 6241, and the amendment was not adopted by the following vote: Yeas - 46, Nays - 52, Absent - 0, Excused - 0, Not Voting - 0.


Representative Upthegrove moved the adoption of amendment (1093) to the committee amendment:

On page 18, after line 38 of the amendment, insert:
The amendment to the committee amendment was adopted.

Representative Takko moved the adoption of amendment (1103) to the committee amendment:

On page 40, line 29, increase the Transportation 2003 Account (Nickel Account)--State Appropriation by $5,692,000

On page 41, line 9, correct the total

On page 41, line 17, after "for: " insert "(i)"

On page 41, line 20, after "program" insert ", (ii) Add the Svensen's Curve safety project to the project list"

Representatives Takko, Orcutt and Murray spoke in favor of the adoption of the amendment to the committee amendment.

The amendment to the committee amendment was adopted.

Representative B. Sullivan moved the adoption of amendment (1097) to the committee amendment:

On page 18, after line 38 of the amendment, insert:
"(5) The department, prior to renewing the current contract with the vendor that provides driver's license and identification card services, shall consider new technologies for safeguarding identity and levels of funding needed to create driver's licenses and identification cards that are fraud and tamper proof. In considering new technologies, the department shall also consider the requirements of RCW 46.20.037 and the provisions of Title II of P.L. 109-13, improved security for driver's license and personal identification cards (Real ID), as passed by Congress May 10, 2005. The department shall report its findings to the senate and house transportation committees by December 1, 2006."

Representatives B. Sullivan and Woods spoke in favor of the adoption of the amendment to the committee amendment.

The amendment to the committee amendment was adopted.

Representative Ericksen moved the adoption of amendment (1098) to the committee amendment:

On page 40, line 29, strike "1,180,217,000" and insert "1,187,852,000"

On page 40, line 33, strike "390,742,000" and insert "384,307,000"

On page 41, line 17, after "for: " insert "(i)"

On page 41, line 20, after "program" insert ", (ii) Restore nickel funding to SR 543, I-5 to International Border project"

Representative Ericksen spoke in favor of the adoption of the amendment to the committee amendment.

Representative Murray spoke against the adoption of the amendment to the committee amendment.

An electronic roll call was requested.

The Speaker (Representative Morris presiding) stated the question before the House to be adoption of amendment (1098) to Substitute Senate Bill No. 6241.

ROLL CALL

The Clerk called the roll on the adoption of amendment (1098) to Substitute Senate Bill No. 6241, and the amendment was not adopted by the following vote: Yeas - 43, Nays - 55, Absent - 0, Excused - 0.


Representative Simpson moved the adoption of amendment (1083) to the committee amendment:
On page 40, line 31, increase the motor vehicle account--state appropriation by $500,000

On page 41, line 9, correct the total

On page 41, line 17, after "except for: " insert "(1)"

On page 41, line 20, after "program" insert ". (2) Add the SR 164 Bypass Feasibility Study to the project list"

Representatives Simpson and Shabro spoke in favor of the adoption of the amendment to the committee amendment.

The amendment to the committee amendment was adopted.

Representative Lovick moved the adoption of amendment (1086) to the committee amendment:

On page 40, line 31, increase the motor vehicle account--state appropriation by $700,000

On page 41, line 9, correct the total

On page 41, line 17, after "except for: " insert "(1)"

On page 41, line 20, after "program" insert ". (2) Add the US 2 route development plan project to the list"

Representatives Lovick, Kristiansen and Pearson spoke in favor of the adoption of the amendment to the committee amendment.

The amendment to the committee amendment was adopted.

Representative Murray moved the adoption of amendment (1090) to the committee amendment:

On page 45, line 24, after "(18)" strike all material through "hand" on line 27 and insert "No later than January 1, 2007, the office of financial management must review a finance plan for the Alaskan Way viaduct and Seattle seawall replacement project that clearly identifies secured and anticipated funding sources. Based on this review, the governor must make a finding of whether the finance plan is feasible and sufficient to complete the project as described in the draft environmental impact statement. Nothing in this subsection shall be interpreted to delay construction of the project"

Representatives Murray, Jarrett, Dickerson and Clements spoke in favor of the adoption of the amendment to the committee amendment.

The amendment to the committee amendment was adopted.

Representative Buri moved the adoption of amendment (1062) to the committee amendment:

On page 52, after line 27, insert the following: "(c) In order to maintain the operation of the Palouse River & Coulee City rail lines, the office of financial management is authorized to negotiate an agreement wherein they may forgive all or part of the existing freight rail assistance loan to the current operator of the Palouse River & Coulee City rail lines in exchange for good and valuable consideration."

Representatives Buri and Murray spoke in favor of the adoption of the amendment to the committee amendment.

The amendment to the committee amendment was adopted.

Representative Flannigan moved the adoption of amendment (1078) to the committee amendment:

On page 53, line 4, after "engineering" strike all material through "south" on line 6

Representatives Flannigan and Murray spoke in favor of the adoption of the amendment to the committee amendment.

Representatives Woods and Alexander spoke against the adoption of the amendment to the committee amendment

Division was demanded and the demand was sustained. The Speaker (Representative Morris presiding) divided the House. The results was 54 - YEAS; 44 -NAYS.

The amendment to the committee amendment was adopted.

Representative Grant moved the adoption of amendment (1082) to the committee amendment:

On page 53, line 8, after "solely for" insert "acquisition and"

Representatives Grant and Woods spoke in favor of the adoption of the amendment to the committee amendment.

The amendment to the committee amendment was adopted.

Representative Skinner moved the adoption of amendment (1084) to the committee amendment:

On page 53, line 30, increase the transportation 2003 account (nickel account)--state appropriation by $2,500,000

On page 53, line 34, increase the total appropriation by $2,500,000

On page 58, after line 12, insert the following:
"(16) $2,500,000 of the transportation 2003 account (nickel account)--state appropriation is provided solely for the Yakima downtown futures initiative safety improvements."

On page 41, line 17, after "except for," insert "(1)"

On page 41, line 20, after "progran" insert ", (2) total funding for the US 12/Old Naches Highway - Interchange project is reduced by $2,500,000"

Representatives Skinner and Murray spoke in favor of the adoption of the amendment to the committee amendment.

The amendment to the committee amendment was adopted.

The committee amendment as amended was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Murray, Woods, Kessler, Jarrett and Armstrong spoke in favor of passage of the bill.

Representatives Serben and Ericksen spoke against the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 6241, as amended by the House.

**ROLL CALL**

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6241, as amended by the House and the bill passed the House by the following vote: Yeas - 85, Nays - 13, Absent - 0, Excused - 0.


**SUBSTITUTE SENATE BILL NO. 6241,** as amended by the House, having received the necessary constitutional majority, was declared passed.

**ENGROSSED SUBSTITUTE SENATE BILL NO. 6839,** By Senate Committee on Transportation (originally sponsored by Senator Haugen)

Modifying transportation accounts and revenue distributions.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Transportation was adopted. (For Committee amendment, see Journal, 47th Day, February 24, 2006.)

With the consent of the House, amendment (1022) was withdrawn.

Representative Murray moved the adoption of amendment (1085):

On page 17, after line 5, insert the following:

"Sec. 12. RCW 46.68.080 and 1961 c 12 s 46.68.080 are each amended to read as follows:

((AH)) (1) Motor vehicle license fees ((and all motor vehicle)) collected under RCW 46.16.0621 and 46.16.070 and fuel taxes collected under RCW 82.36.025(1) and 82.38.030(1) and directly or indirectly paid by the residents of those counties composed entirely of islands and which have neither a fixed physical connection with the mainland nor any state highways on any of the islands of which they are composed, shall be paid into the motor vehicle fund of the state of Washington and shall monthly, as they accrue, and after deducting therefrom the expenses of issuing such licenses and the cost of collecting such ((motor)) vehicle fuel tax, be paid to the county treasurer of each such county to be by him disbursed as hereinafter provided.

(2) One-half of ((all)) the motor vehicle license fees ((and motor vehicle)) collected under RCW 46.16.0621 and 46.16.070 and one-half of the fuel taxes collected under RCW 82.36.025(1) and 82.38.030(1) and directly or indirectly paid by the residents of those counties composed entirely of islands and which have either a fixed physical connection with the mainland or state highways on any of the islands of which they are composed, shall be paid into the motor vehicle fund of the state of Washington and shall monthly, as they accrue, and after deducting therefrom the expenses of issuing such licenses and the cost of collecting such motor vehicle fuel tax, be paid to the county treasurer of each such county to be by him disbursed as hereinafter provided.

(3) All funds paid to the county treasurer of the counties of either class (above) referred to (as in this section provided)) in subsections (1) and (2) of this section, shall be by such county treasurer distributed and credited to the several road districts of each such county and paid to the city treasurer of each incorporated city and town within each such county, in the direct proportion that the assessed valuation of each such road district and incorporated city and town shall bear to the total assessed valuation of each such
The amendment was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Murray and Woods spoke in favor of passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 6839, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 6839, as amended by the House and the bill passed the House by the following vote: Yeas - 92, Nays - 6, Absent - 0, Excused - 0.


**ENGROSSED SUBSTITUTE SENATE BILL NO. 6839,** as amended by the House, having received the necessary constitutional majority, was declared passed.

**ENGROSSED SUBSTITUTE SENATE BILL NO. 6800,** By Senate Committee on Transportation (originally sponsored by Senators Haugen, Jacobsen and Rockefeller; by request of Governor Gregoire)

Refining the roles of the transportation commission and department of transportation.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Transportation was before the House for purpose of amendment. (For Committee amendment, see Journal, 47th Day, February 24, 2006.)

Representative Woods moved the adoption of amendment (1104) to the committee amendment:

On page 2, line 22 of the amendment, after "for cause" insert "No commissioner shall be appointed for more than two consecutive terms."

On page 4, line 20 of the amendment, after "To" strike "((prepare a))" and insert "prepare (a),"

On page 4, line 30 of the amendment, after "facilities))" strike all material through "47.01.101(12))" on line 31 of the amendment, and insert "which shall be subject to the approval of the legislature in the biennial transportation budget act"

On page 7, line 32 of the amendment, after "law" insert "and"

On page 7, line 36 of the amendment, after "assessments" strike all material through "input" on page 8, line 8 of the amendment.

On page 11, line 16 of the amendment, after "The" strike "(transportation commission) department, in consultation with the office of financial management," and insert "transportation commission"
On page 11, line 22 of the amendment, after "and the legislature" insert ", and is subject to the approval of the legislature in the biennial transportation budget act"

On page 11, line 23 of the amendment, after "the" strike "((transportation commission, in consultation with the Washington state)) department ((of transportation)))" and insert "transportation commission, in consultation with the Washington state department of transportation,"

On page 12, line 25 of the amendment, after "The" strike "(((transportation commission)) department" and insert "transportation commission"

Correct any internal references accordingly.

Representative Woods spoke in favor of the adoption of the amendment to the committee amendment.

Representative Wallace spoke against the adoption of the amendment to the committee amendment

The amendment to the committee amendment was not adopted.

The committee amendment was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Wallace and Appleton spoke in favor of passage of the bill.

Representative Woods spoke against the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 6800, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 6800, as amended by the House and the bill passed the House by the following vote: Yeas - 57, Nays - 41, Absent - 0, Excused - 0.


ENGROSSED SUBSTITUTE SENATE BILL NO. 6800, as amended by the House, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 6196, By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Franklin, Regala, Keiser, Eide, Rockefeller, Prentice, Thibault, Jacobsen, Fairley, McAuliffe, Fraser, Sheldon, Brown, Spanel, Kline, Kohl-Welles, Shin and Esser)

Including a health official from a federally recognized tribe on the state board of health.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Health Care was before the House for purpose of amendment. (For Committee amendment, see Journal, 47th Day, February 24, 2006.)

Representative Hinkle moved the adoption of amendment (1032) to the committee amendment:

On page 1, line 9 of the amendment, after "tribe" insert "that has agreed to comply with all rules adopted by the state board"

Representative Hinkle spoke in favor of the adoption of the amendment to the committee amendment.

Representative Morrell spoke against the adoption of the amendment to the committee amendment

Division was demanded and the demand was sustained. The Speaker (Representative Morris presiding) divided the House. The results was 43 - YEAS; 55 - NAYS.

The amendment to the committee amendment was not adopted.

Representative Tom moved the adoption of amendment (1067) to the committee amendment:

On page 1, line 9, after "tribe" insert "that has agreed to comply with and enforce the provisions of chapter 70.160 RCW"

Representatives Tom, Hinkle and Curtis spoke in favor of the adoption of the amendment to the committee amendment.
Representatives Morrell and Dunn spoke against the adoption of the amendment to the committee amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Morris presiding) divided the House. The results was 42 - YEAS; 56 -NAYS.

The amendment to the committee amendment was not adopted.

The committee amendment was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Morrell, McCoy, Schual-Berce, Santos and Kenney spoke in favor of passage of the bill.

Representative Hinkle, Bailey, Armstrong, Clements, Sump, Anderson, Buck, Orcutt, Chandler, Erickson, Ahern and Holmquist spoke against the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 6196, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6196, as amended by the House and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.


ENGROSSED SUBSTITUTE SENATE BILL NO. 6566, as amended by the House, having received the necessary constitutional majority, was declared passed.

SENATE BILL NO. 6618, By Senators McAuliffe and Schmidt

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 6566, as amended by the House and the bill passed the House by the following vote: Yeas - 98, Nays - 0, Absent - 0, Excused - 0.


ENGROSSED SUBSTITUTE SENATE BILL NO. 6566, as amended by the House, having received the necessary constitutional majority, was declared passed.
The bill was read the second time.

There being no objection, the committee amendment by the Committee on Appropriations was adopted. (For Committee amendment, see Journal, 47th Day, February 24, 2006.)

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives P. Sullivan and Haler spoke in favor of passage of the bill.

Representatives Anderson, Tom and Schindler spoke against the passage of the bill.

The Speaker (Representative Morris presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 6618, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6618, as amended by the House and the bill passed the House by the following vote: Yeas - 71, Nays - 27, Absent - 0, Excused - 0.


SUBSTITUTE SENATE BILL NO. 6618, as amended by the House, having received the necessary constitutional majority, was declared passed.

The Speaker assumed the chair.

SUBSTITUTE SENATE BILL NO. 6362, By Senate Committee on Government Operations & Elections (originally sponsored by Senators Kohl-Welles, Keiser, Jacobsen and Kline)

Modifying voter registration provisions.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on State Government, Operations & Accountability was adopted. (For Committee amendment, see Journal, 47th Day, February 24, 2006.)

With the consent of the House, amendment (1047) was withdrawn.

Representative Nixon moved the adoption of amendment (1107):

On page 1, beginning on line 6, strike all of section 1 and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 29A.08 RCW to read as follows:

The county auditor shall, within seventy-two hours of receipt, publish on the auditor's internet web site the entire content of any voter challenge filed under chapter 29A.08 RCW. Immediately after publishing any voter challenge, the county auditor shall notify any person who requests to receive such notifications on an ongoing basis."

On page 7, line 36, after "provide to" strike "each party representative" and insert "any person, upon request."

Representatives Nixon and Haigh spoke in favor of the adoption of the amendment.

The amendment was adopted.

Representative Nixon moved the adoption of amendment (1048):

On page 2, line 10, after "(3)" strike "Mailing address, if different from the residential address;"

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 2, after line 20 insert:

"The residential address provided must identify the actual physical residence of the voter in Washington, as defined in RCW 29A.04.151, with detail sufficient to allow the voter to be assigned to the proper precinct and to locate the voter to confirm his or her residence for purposes of verifying qualification to vote under Article VI, section 1 of the state Constitution. A residential address may be either a "traditional address" or a "non-traditional address." A traditional address consists of a street number and name, optional apartment number or unit number, and city or town, as assigned by a local government, which serves to identify the parcel or building of residence and the unit if a multi-unit residence. A non-traditional address consists of a narrative description of the location of the voter's residence, and may be used when a traditional address has not been assigned to the voter's residence. If the postal service does not deliver mail to the voter's residential address, or the voter prefers to
receive mail at a different address, the voter may separately provide the mailing address at which they receive mail. Any mailing address provided shall be used only for mail delivery purposes and not for precinct assignment or confirmation of residence for voter qualification purposes."

On page 3, line 1, after "the" strike all material through "residence. (" on line 3 and insert "county courthouse, city hall, or other public building near the area that the voter considers his or her residence:"

Representatives Nixon and Haigh spoke in favor of the adoption of the amendment.

The amendment was adopted.

Representative Nixon moved the adoption of amendment (1049):

On page 4, beginning on line 8, strike all of subsection (c) through "located" on line 22 and insert the following:

"(c) The challenged voter does not live at the residential address provided, in which case the challenger must either:

(i) Provide the challenged voter's actual residence; or

(ii) Submit evidence that he or she exercised due diligence to verify that the challenged voter does not reside at the address provided and to attempt to contact the challenged voter to learn the challenged voter's actual residence, including that the challenger personally:

(A) Sent a letter with return receipt requested to the challenged voter's residential address provided, and to the challenged voter's mailing address, if provided;

(B) Visited the residential address provided to contact persons at the address to determine whether the voter resides at the address and, if not, to attempt to obtain the voter's current address;

(C) Searched local telephone directories, including online directories, to determine whether the voter maintains a telephone listing at any address in the county;

(D) Searched county auditor property records to determine whether the challenged voter owns any property in the county; and

(E) Searched the statewide voter registration database to determine if the voter is registered at any other address in the state

Representatives Nixon and Haigh spoke in favor of the adoption of the amendment.

The amendment was adopted.

Representative Nixon moved the adoption of amendment (1051):

On page 6, line 12, after "special," insert "or within ten days of the voter being added to the voter registration database, whichever is later."

On page 6, line 20, after "made" insert "immediately"

Representatives Nixon and Haigh spoke in favor of the adoption of the amendment.

The amendment was adopted.

Representative Nixon moved the adoption of amendment (1052):

On page 9, line 10, after "available" insert ". A challenge is not required to be submitted on the provided voter challenge form, but may be prepared using an official electronic voter challenge form template provided by the auditor or secretary of state that has been printed and signed by the challenger for submission"

Representatives Nixon and Haigh spoke in favor of the adoption of the amendment.

The amendment was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Haigh and Nixon spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute Senate Bill No. 6362, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6362, as amended by the House and the bill passed the House by the following vote: Yeas - 94, Nays - 4, Absent - 0, Excused - 0.


Voting nay: Representatives Chandler, Crouse, Schindler and Serben - 4.

SUBSTITUTE SENATE BILL NO. 6362, as amended by the House, having received the necessary constitutional majority, was declared passed.

The Speaker assumed the chair.

ENGROSSED SUBSTITUTE SENATE BILL NO. 6885, By Senate Committee on Labor, Commerce, Research & Development (originally sponsored by Senators Kohl-Welles, McAuliffe, Thibaudeau, Keiser and Fairley)

Modifying unemployment insurance provisions.

The bill was read the second time.

Representative Conway moved the adoption of amendment (1108):

Strike everything after the enacting clause and insert the following:

"PART I - BENEFIT PROVISIONS

Sec. 1. RCW 50.20.120 and 2005 c 133 s 3 are each amended to read as follows:

(1)(a) Subject to the other provisions of this title, benefits shall be payable to any eligible individual during the individual's benefit year in a maximum amount equal to the lesser of thirty times the weekly benefit amount, as determined in subsection (2) of this section, or one-third of the individual's base year wages under this title: PROVIDED, That as to any weekly benefit amount payable to any eligible individual during the individual's benefit year in which such total wages were highest.

(b) With respect to claims that have an effective date on or after the first Sunday of the calendar month immediately following the month in which the commissioner finds that the state unemployment rate is six and eight-tenths percent or less, benefits shall be payable to any eligible individual during the individual's benefit year in a maximum amount equal to the lesser of twenty-six times the individual's benefit amount, as determined in subsection (2) of this section, or one-third of the individual's base year wages under this title.

(2)(a) For claims with an effective date before January 4, 2004 and before January 2, 2005, an individual's weekly benefit amount shall be an amount equal to one-twenty-fifth of the average quarterly wages of the individual's total wages during the three quarters of the individual's base year in which such total wages were highest.

(b) With respect to claims with an effective date on or after January 4, 2004, and before January 2, 2005, an individual's weekly benefit amount shall be an amount equal to one-twenty-fifth of the average quarterly wages of the individual's total wages during the three quarters of the individual's base year in which such total wages were highest.

(c)(i) With respect to claims with an effective date on or after January 2, 2005, except as provided in (c)(ii) of this subsection, an individual's weekly benefit amount shall be an amount equal to one percent of the total wages paid in the individual's base year.

(ii) With respect to claims with an effective date on or after the first Sunday following April 22, 2005, an individual's weekly benefit amount shall be an amount equal to three and eighty-five one-hundredths percent of the average quarterly wages of the individual's total wages during the two quarters of the individual's base year in which such total wages were highest.

(3) The maximum and minimum amounts payable weekly shall be determined as of each June 30th to apply to benefit years beginning in the twelve-month period immediately following such June 30th.

(a)(i) With respect to claims that have an effective date before January 4, 2004, the maximum amount payable weekly shall be seventy percent of the "average weekly wage" for the calendar year preceding such June 30th.

(ii) With respect to claims that have an effective date on or after January 4, 2004, the maximum amount payable weekly shall be either four hundred ninety-six dollars or sixty-three percent of the "average weekly wage" for the calendar year preceding such June 30th, whichever is greater.

(b) The minimum amount payable weekly shall be fifteen percent of the "average weekly wage" for the calendar year preceding such June 30th.

(4) If any weekly benefit, maximum benefit, or minimum benefit amount computed herein is not a multiple of one dollar, it shall be reduced to the next lower multiple of one dollar.

Sec. 2. RCW 50.20.050 and 2003 2nd sp.s. c 4 s 4 are each amended to read as follows:

(1) With respect to claims that have an effective date before January 4, 2004:

(a) An individual shall be disqualified from benefits beginning with the first day of the calendar week in which he or she has left work voluntarily without good cause and thereafter for seven calendar weeks and until he or she has obtained bona fide work in employment covered by this title and earned wages in that employment equal to seven times his or her weekly benefit amount.

The disqualification shall continue if the work obtained is a mere sham to qualify for benefits and is not bona fide work. In determining whether work is of a bona fide nature, the commissioner shall consider factors including but not limited to the following:

(i) The duration of the work;
(ii) The extent of direction and control by the employer over the work; and
(iii) The level of skill required for the work in light of the individual's training and experience.

(b) An individual shall not be considered to have left work voluntarily without good cause when:

(i) He or she has left work to accept a bona fide offer of bona fide work as described in (a) of this subsection;
(ii) The separation was because of the illness or disability of the claimant or the death, illness, or disability of a member of the claimant's immediate family if the claimant took all reasonable precautions, in accordance with any regulations that the commissioner may prescribe, to protect his or her employment status by having promptly notified the employer of the reason for the
abortion and by having promptly requested reemployment when again able to assume employment: PROV/IDED, That these precautions need not have been taken when they would have been a futile act, including those instances when the futility of the act was a result of a recognized labor/management dispatch system;

(iii) He or she has left work to relocate for the spouse's employment that is due to an employer-initiated mandatory transfer that is outside the existing labor market area if the claimant remained employed as long as was reasonable prior to the move; or

(iv) The separation was necessary to protect the claimant or the claimant's immediate family members from domestic violence, as defined in RCW 26.50.010, or stalking, as defined in RCW 9A.46.110.

(c) In determining under this subsection whether an individual has left work voluntarily without good cause, the commissioner shall only consider work-connected factors such as the degree of risk involved to the individual's health, safety, and morals, the individual's physical fitness for the work, the individual's ability to perform the work, and such other work connected factors as the commissioner may deem pertinent, including state and national emergencies. Good cause shall not be established for voluntarily leaving work because of its distance from an individual's residence where the distance was known to the individual at the time he or she accepted the employment and where, in the judgment of the department, the distance is customarily traveled by workers in the individual's job classification and labor market, nor because of any other significant work factor which was generally known and present at the time he or she accepted employment, unless the related circumstances have so changed as to amount to a substantial involuntary deterioration of the work factor or unless the commissioner determines that other related circumstances would work an unreasonable hardship on the individual were he or she required to continue in the employment.

(d) Subsection (1)(a) and (c) of this section shall not apply to an individual whose marital status or domestic responsibilities cause him or her to leave employment. Such an individual shall not be eligible for unemployment insurance benefits beginning with the first day of the calendar week in which he or she left work and thereafter for seven calendar weeks and until he or she has requalified, either by obtaining bona fide work in employment covered by this title and earning wages in that employment equal to seven times his or her weekly benefit amount or by reporting in person to the department during ten different calendar weeks and certifying on each occasion that he or she is ready, able, and willing to immediately accept any suitable work which may be offered, is actively seeking work pursuant to customary trade practices, and is utilizing such employment counseling and placement services as are available through the department. This subsection does not apply to individuals covered by (b)(ii) or (iii) of this subsection.

(2) With respect to claims that have an effective date on or after January 4, 2004:

(a) An individual shall be disqualified from benefits beginning with the first day of the calendar week in which he or she has left work voluntarily without good cause and thereafter for seven calendar weeks and until he or she has obtained bona fide work in employment covered by this title and earned wages in that employment equal to seven times his or her weekly benefit amount.

The disqualification shall continue if the work obtained is a mere sham to qualify for benefits and is not bona fide work. In determining whether work is of a bona fide nature, the commissioner shall consider factors including but not limited to the following:

(i) The duration of the work;

(ii) The extent of direction and control by the employer over the work; and

(iii) The level of skill required for the work in light of the individual's training and experience.

(b) An individual is not disqualified from benefits under (a) of this subsection when:

(i) He or she has left work to accept a bona fide offer of bona fide work as described in (a) of this subsection;

(ii) The separation was necessary because of the illness or disability of the claimant or the death, illness, or disability of a member of the claimant's immediate family if:

(A) The claimant pursued all reasonable alternatives to preserve his or her employment status by requesting a leave of absence, by having promptly notified the employer of the reason for the absence, and by having promptly requested reemployment when again able to assume employment. These alternatives need not be pursued, however, when they would have been a futile act, including those instances when the futility of the act was a result of a recognized labor/management dispatch system; and

(B) The claimant terminated his or her employment status, and is not entitled to be reinstated to the same position or a comparable or similar position;

(ii)(A) With respect to claims that have an effective date before July 2, 2006, he or she: (((AH))) (I) Left work to relocate for the spouse's employment that, due to a mandatory military transfer: (((HH))) (I) Is outside the existing labor market area; and (((HH))) (2) is in Washington or another state that, pursuant to statute, does not consider such an individual to have left work voluntarily without good cause; and (((HH))) (III) remained employed as long as was reasonable prior to the move;

(B) With respect to claims that have an effective date on or after July 2, 2006, he or she: (I) Left work to relocate for the spouse's employment that, due to a mandatory military transfer, is outside the existing labor market area; and (II) remained employed as long as was reasonable prior to the move;

(iv) The separation was necessary to protect the claimant or the claimant's immediate family members from domestic violence, as defined in RCW 26.50.010, or stalking, as defined in RCW 9A.46.110;

(v) The individual's usual compensation was reduced by twenty-five percent or more;

(vi) The individual's usual hours were reduced by twenty-five percent or more;

(vii) The individual's worksite changed, such change caused a material increase in distance or difficulty of travel, and, after the change, the commute was greater than is customary for workers in the individual's job classification and labor market;

(viii) The individual's worksite safety deteriorated, the individual reported such safety deterioration to the employer, and the employer failed to correct the hazards within a reasonable period of time;

(ix) The individual left work because of illegal activities in the individual's worksite, the individual reported such activities to the employer, and the employer failed to end such activities within a reasonable period of time; or

(x) The individual's usual work was changed to work that violates the individual's religious convictions or sincere moral beliefs.

NEW SECTION. Sec. 3. 2005 c 133 s 10 (uncodified) is repealed.

PART II - TAX PROVISIONS
FIFTY THIRD DAY, MARCH 2, 2006

**Sec. 4.** RCW 50.29.025 and 2005 c 133 s 5 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, the contribution rate for each employer subject to contributions under RCW 50.24.010 shall be determined under this subsection.

(a) A fund balance ratio shall be determined by dividing the balance in the unemployment compensation fund as of the September 30th immediately preceding the rate year by the total remuneration paid by all employers subject to contributions during the second calendar year preceding the rate year and reported to the department by the following March 31st. The division shall be carried to the fourth decimal place with the remaining fraction, if any, disregarded. The fund balance ratio shall be expressed as a percentage.

(b) The interval of the fund balance ratio, expressed as a percentage, shall determine which tax schedule in (e) of this subsection shall be in effect for assigning tax rates for the rate year. The intervals for determining the effective tax schedule shall be:

<table>
<thead>
<tr>
<th>Interval of the Fund Balance Ratio</th>
<th>Effective Tax Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expressed as a Percentage</td>
<td></td>
</tr>
<tr>
<td>2.90 and above</td>
<td>AA</td>
</tr>
<tr>
<td>2.10 to 2.89</td>
<td>A</td>
</tr>
<tr>
<td>1.70 to 2.09</td>
<td>B</td>
</tr>
<tr>
<td>1.40 to 1.69</td>
<td>C</td>
</tr>
<tr>
<td>1.00 to 1.39</td>
<td>D</td>
</tr>
<tr>
<td>0.70 to 0.99</td>
<td>E</td>
</tr>
<tr>
<td>Less than 0.70</td>
<td>F</td>
</tr>
</tbody>
</table>

(c) An array shall be prepared, listing all qualified employers in ascending order of their benefit ratios. The array shall show for each qualified employer: (i) Identification number; (ii) benefit ratio; (iii) taxable payrolls for the four calendar quarters immediately preceding the computation date and reported to the department by the cut-off date; (iv) a cumulative total of taxable payrolls consisting of the employer's taxable payroll plus the taxable payrolls of all other employers preceding him or her in the array; and (v) the percentage equivalent of the cumulative total of taxable payrolls.

(d) Each employer in the array shall be assigned to one of twenty rate classes according to the percentage intervals of cumulative taxable payrolls set forth in (c) of this subsection: PROVIDED, That if an employer's taxable payroll falls within two or more rate classes, the employer and any other employer with the same benefit ratio shall be assigned to the lowest rate class which includes any portion of the employer's taxable payroll.

(e) Except as provided in RCW 50.29.026, the contribution rate for each employer in the array shall be the rate specified in the following tables for the rate class to which he or she has been assigned, as determined under (d) of this subsection, within the tax schedule which is to be in effect during the rate year:

<table>
<thead>
<tr>
<th>Percent of Cumulative Taxable Payrolls</th>
<th>Schedules of Contributions Rates for Effective Tax Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate From To Class</td>
<td>AA</td>
</tr>
<tr>
<td>-------------------</td>
<td>----</td>
</tr>
<tr>
<td>0.00 5.00</td>
<td>1</td>
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<tr>
<td>0.00 2.50</td>
<td>2</td>
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<tr>
<td>0.00 1.50</td>
<td>3</td>
</tr>
<tr>
<td>0.00 1.00</td>
<td>4</td>
</tr>
</tbody>
</table>

(f) The contribution rate for each employer not qualified to be in the array shall be as follows:

(i) Employers who do not meet the definition of "qualified employer" by reason of failure to pay contributions when due shall be assigned a contribution rate two-tenths higher than that in rate class 20 for the applicable rate year, except employers who have an approved agency-deferred payment contract by September 30 of the previous rate year. If any employer with an approved agency-deferred payment contract fails to make any one of the succeeding deferred payments or fails to submit any succeeding tax report and payment in a timely manner, the employer's tax rate shall immediately revert to a contribution rate two-tenths higher than that in rate class 20 for the applicable rate year; and

(ii) For all other employers not qualified to be in the array, the contribution rate shall be a rate equal to the average industry rate as determined by the commissioner; however, the rate may not be less than one percent.

(2) Beginning with contributions assessed for rate year 2005, the contribution rate for each employer subject to contributions under RCW 50.24.010 shall be the sum of the array calculation factor rate and the graduated social cost factor rate determined under this subsection, and the solvency surcharge determined under RCW 50.29.041, if any.

(a) The array calculation factor rate shall be determined as follows:

(i) An array shall be prepared, listing all qualified employers in ascending order of their benefit ratios. The array shall show for each qualified employer: (A) Identification number; (B) benefit ratio; and (C) taxable payrolls for the four consecutive calendar quarters immediately preceding the computation date and reported to the employment security department by the cut-off date.

(ii) Each employer in the array shall be assigned to one of forty rate classes according to his or her benefit ratio as follows, and, except as provided in RCW 50.29.026, the array calculation factor rate for each employer in the array shall be the rate specified in the rate class to which the employer has been assigned:
(b) The graduated social cost factor rate shall be determined as follows:

(i) (A) Except as provided in (b)(ii)(B) and (C) of this subsection, the commissioner shall calculate the flat social cost factor for a rate year by dividing the total social cost by the total taxable payroll. The division shall be carried to the second decimal place with the remaining fraction disregarded unless it amounts to five hundredths or more, in which case the second decimal place shall be rounded to the next higher digit. The flat social cost factor shall be expressed as a percentage.

(B) If, on the cut-off date, the balance in the unemployment compensation fund is determined by the commissioner to be an amount that will provide:

(I) At least twelve months but less than fourteen months of unemployment benefits, the minimum shall be five-tenths of one percent; or

(II) At least fourteen months of unemployment benefits, the minimum shall be five-tenths of one percent, except that, for employers in rate class 1, the minimum shall be forty-five hundredths of one percent.

((D)) With respect to rate year 2007, the flat social cost factor shall be the lesser of:

(I) The flat social cost factor determined under (b)(ii)(A) through (C) of this subsection; or

(II) The flat social cost factor that would be determined under (b)(i)(A) through (C) of this subsection if RCW 50.20.120(2)(c)(i) had been in effect during the immediately preceding rate year.

(ii) (A) Except as provided in (b)(ii)(B) of this subsection, the graduated social cost factor rate for each employer in the array is the flat social cost factor multiplied by the percentage specified as follows for the rate class to which the employer has been assigned in (a)(ii) of this subsection, except that the sum of an employer's array calculation factor rate and the graduated social cost factor rate may not exceed six and five-tenths percent or, for employers whose North American industry classification system code is within "111," "112," "1141," "1141," "115," "3114," "3117," "42448," or "49312," may not exceed six percent through rate year 2007 and may not exceed five and seven-tenths percent for rate year 2008 and thereafter:

(I) Rate class 1 - 78 percent;

(II) Rate class 2 - 82 percent;

(III) Rate class 3 - 86 percent;

(IV) Rate class 4 - 90 percent;

(V) Rate class 5 - 94 percent;

(VI) Rate class 6 - 98 percent;

(VII) Rate class 7 - 102 percent;

(VIII) Rate class 8 - 106 percent;

(IX) Rate class 9 - 110 percent;

(X) Rate class 10 - 114 percent;

(XI) Rate class 11 - 118 percent; and

(XII) Rate classes 12 through 40 - 120 percent.

(B) For contributions assessed beginning July 1, 2005, through December 31, 2007, for employers whose North American industry classification system code is "111," "112," "1141," "115," "3114," "3117," "42448," or "49312," the graduated social cost factor rate is zero.

(iii) For the purposes of this section:

(A) "Total social cost" means:

(I) Except as provided in (b)(iii)(A)(II) of this subsection, the amount calculated by subtracting the array calculation factor contributions paid by all employers with respect to the four consecutive calendar quarters immediately preceding the computation date and paid to the employment security department by the cut-off date from the total unemployment benefits paid to claimants in the same four consecutive calendar quarters. To calculate the flat social cost factor for rate year 2005, the commissioner shall calculate the total social cost using the array calculation factor contributions that would have been required to be paid by all employers in the calculation period if (a) of this subsection had been in effect for the relevant period.

(II) For rate year 2007, the amount calculated under (b)(iii)(A) of this subsection reduced by the amount of benefits charged that exceeded the contributions paid in the four consecutive calendar quarters immediately preceding the applicable computation date because, as applicable, specified employers are subject to the
social cost contributions under (b)(ii)(D) of this subsection, and/or because the social cost factor contributions are paid under (b)(ii)(H) of this subsection))

(B) "Total taxable payroll" means the total amount of wages subject to tax, as determined under RCW 50.24.010, for all employers in the four consecutive calendar quarters immediately preceding the computation date and reported to the employment security department by the cut-off date.

(c) The array calculation factor rate for each employer not qualified to be in the array shall be as follows:

(i) Employers who do not meet the definition of "qualified employer" by reason of failure to pay contributions when due shall be assigned an array calculation factor rate two-tenths higher than that in rate class 40, except employers who have an approved agency-deferred payment contract by September 30th of the previous rate year. If any employer with an approved agency-deferred payment contract fails to make any one of the succeeding deferred payments or fails to submit any succeeding tax report and payment in a timely manner, the employer's tax rate shall immediately revert to an array calculation factor rate two-tenths higher than that in rate class 40; and

(ii) For all other employers not qualified to be in the array, the array calculation factor rate shall be a rate equal to the average industry array calculation factor rate as determined by the commissioner, plus fifteen percent of that amount; however, the rate may not be less than one percent or more than the array calculation factor rate in rate class 40.

(d) The graduated social cost factor rate for each employer not qualified to be in the array shall be as follows:

(i) For employers whose array calculation factor rate is determined under (c)(i) of this subsection, the social cost factor rate shall be the social cost factor rate assigned to rate class 40 under (b)(ii) of this subsection.

(ii) For employers whose array calculation factor rate is determined under (c)(ii) of this subsection, the social cost factor rate shall be a rate equal to the average industry social cost factor rate as determined by the commissioner, plus fifteen percent of that amount, but not more than the social cost factor rate assigned to rate class 40 under (b)(ii) of this subsection.

(3) Assignment of employers by the commissioner to industrial classification, for purposes of this section, shall be in accordance with established classification practices found in the "Standard Industrial Classification Manual" issued by the federal office of management and budget to the third digit provided in the standard industrial classification code, or in the North American industry classification system code.

Sec. 5. RCW 50.29.041 and 2003 sp.s. c 4 s 16 are each amended to read as follows:

Beginning with contributions assessed for rate year 2005, the contribution rate of each employer subject to contributions under RCW 50.24.010 shall include a solvency surcharge determined as follows:

1. This section shall apply to employers' contributions for a rate year immediately following a cut-off date only if, on the cut-off date, the balance in the unemployment compensation fund is determined by the commissioner to be an amount that will provide fewer than seven months of unemployment benefits.

2. The solvency surcharge shall be the lowest rate necessary, as determined by the commissioner, but not more than two-tenths of one percent, to provide revenue during the applicable rate year that will fund unemployment benefits for the number of months that is the difference between eight months and the number of months for which the balance in the unemployment compensation fund on the cut-off date will provide benefits.

3. The basis for determining the number of months of unemployment benefits shall be the same basis used in RCW 50.29.025(2)(b)(i)(B).

Sec. 6. RCW 50.29.021 and 2005 sp.s c 133 s 4 are each amended to read as follows:

1. This section applies to benefits charged to the experience rating accounts of employers for claims that have an effective date on or after January 1, 2004.

(a) An experience rating account shall be established and maintained for each employer, except employers as described in RCW 50.44.010 and 50.44.030 who have properly elected to make payments in lieu of contributions, taxable local government employers as described in RCW 50.44.035, and those employers who are required to make payments in lieu of contributions, based on existing records of the employment security department.

(b) Benefits paid to an eligible individual shall be charged to the experience rating accounts of each of such individual's employers during the individual's base year in the same ratio that the wages paid by each employer to the individual during the base year bear to the wages paid by all employers to that individual during that base year, except as otherwise provided in this section.

(c) When the eligible individual's separating employer is a covered contribution paying base year employer, benefits paid to the eligible individual shall be charged to the experience rating account of only the individual's separating employer if the individual qualifies for benefits under:

(i) RCW 50.20.050(2)(b)(i), as applicable, and became unemployed after having worked and earned wages in the bona fide work; or

(ii) RCW 50.20.050(2)(b)(v) through (x).

2. The legislature finds that certain benefit payments, in whole or in part, should not be charged to the experience rating accounts of employers except those employers described in RCW 50.44.010 and 50.44.030 who have properly elected to make payments in lieu of contributions, taxable local government employers described in RCW 50.44.035, and those employers who are required to make payments in lieu of contributions, as follows:

(a) Benefits paid to any individual later determined to be ineligible shall not be charged to the experience rating account of any contribution paying employer.

(b) Benefits paid to an individual filing under the provisions of chapter 50.06 RCW shall not be charged to the experience rating account of any contribution paying employer only if:

(i) The individual files under RCW 50.06.020(1) after receiving crime victims' compensation for a disability resulting from a nonwork-related occurrence; or

(ii) The individual files under RCW 50.06.020(2).

(c) Benefits paid which represent the state's share of benefits payable as extended benefits defined under RCW 50.22.010(6) shall not be charged to the experience rating account of any contribution paying employer.

(d) In the case of individuals who requalify for benefits under RCW 50.20.050 or 50.20.060, benefits based on wage credits earned prior to the disqualifying separation shall not be charged to the experience rating account of the contribution paying employer from whom that separation took place.

(e) Individuals who qualify for benefits under RCW 50.20.050(2)(b)(iv), as applicable, shall not have their benefits charged to the experience rating account of any contribution paying
employer.

(f) With respect to claims with an effective date on or after the first Sunday following April 22, 2005, ((and before July 1, 2007)) benefits paid that exceed the benefits that would have been paid if the weekly benefit amount for the claim had been determined as one percent of the total wages paid in the individual's base year shall not be charged to the experience rating account of any contribution paying employer.

(4)(a) A contribution paying base year employer, not otherwise eligible for relief of charges for benefits under this section, may receive such relief if the benefit charges result from payment to an individual who:

(i) Last left the employ of such employer voluntarily for reasons not attributable to the employer;
(ii) Was discharged for misconduct or gross misconduct connected with his or her work not a result of inability to meet the minimum job requirements;
(iii) Is unemployed as a result of closure or severe curtailment of operation at the employer's plant, building, worksite, or other facility. This closure must be for reasons directly attributable to a catastrophic occurrence such as fire, flood, or other natural disaster; or

(iv) Continues to be employed on a regularly scheduled permanent part-time basis by a base year employer and who at some time during the base year was concurrently employed and subsequently separated from at least one other base year employer. Benefit charge relief ceases when the employment relationship between the employer requesting relief and the claimant is terminated. This subsection does not apply to shared work employers under chapter 50.60 RCW.

(b) The employer requesting relief of charges under this subsection must request relief in writing within thirty days following mailing to the last known address of the notification of the valid initial determination of such claim, stating the date and reason for the separation or the circumstances of continued employment. The commissioner, upon investigation of the request, shall determine whether relief should be granted.

Sec. 7. RCW 50.16.030 and 2005 c 133 s 6 are each amended to read as follows:

(1)(a) Except as provided in (b) ((and (e))) of this subsection, money shall be requisitioned from this state's account in the unemployment trust fund solely for the payment of benefits and repayment of loans from the federal government to guarantee solvency of the unemployment compensation fund in accordance with regulations prescribed by the commissioner, except that money credited to this state's account pursuant to section 903 of the social security act, as amended, shall be used exclusively as provided in RCW 50.16.030(5). The commissioner shall from time to time requisition from the unemployment trust fund such amounts, not exceeding the amounts standing to its account therein, as he or she deems necessary for the payment of benefits for a reasonable future period. Upon receipt thereof the treasurer shall deposit such money in the benefit account and shall issue his or her warrants for the payment of benefits solely from such benefits account.

(b) Moneys for the payment of regular benefits as defined in RCW 50.22.010 shall be requisitioned during fiscal year(s) 2006 ((and 2005))) in the following order:

(i) First, from the moneys credited to this state's account in the unemployment trust fund pursuant to section 903 of the social security act, as amended in section 209 of the temporary extended unemployment compensation act of 2002 (42 U.S.C. Sec. 1103(d)), the amount equal to the amount of benefits charged that exceed the contributions paid in the four consecutive calendar quarters ending on June 30, 2006, ((for the fiscal year 2006 calculation, and ending on June 30, 2007, for the fiscal year 2007 calculation)) because the social cost factor contributions that employers are subject to under RCW 50.29.025(2)(b)(ii)(B) are less than the social cost factor contributions that these employers would have been subject to if RCW 50.29.025(2)(b)(ii)(A) had applied to these employers; and

(ii) Second, after the requisitioning required under (b)(i) of this subsection ((in the respective fiscal year)), from all other moneys credited to this state's account in the unemployment trust fund.

((c) After the requisitioning required under (b) of this subsection, if applicable, moneys for the payment of regular benefits as defined in RCW 50.22.010 shall be requisitioned during calendar year 2007 in the following order:

(i) First, from the moneys credited to this state's account in the unemployment trust fund pursuant to section 903 of the social security act, as amended in section 209 of the temporary extended unemployment compensation act of 2002 (42 U.S.C. Sec. 1103(d)), the amount equal to the amount of benefits paid under RCW 50.20.120(2)(c)(ii) beginning on the first Sunday following April 22, 2005, and ending on June 30, 2007, that exceeded the amount of benefits that would have been paid if the weekly benefit amount had been determined as one percent of the total wages paid in the individual's base year; and

(ii) Second, after the requisitioning required under (c)(i) of this subsection in the respective calendar year, from all other moneys credited to this state's account in the unemployment trust fund)

(2) Expenditures of such moneys in the benefit account and refunds from the clearing account shall not be subject to any provisions of law requiring specific appropriations or other formal release by state officers of money in their custody, and RCW 43.01.050, as amended, shall not apply. All warrants issued by the treasurer for the payment of benefits and refunds shall bear the signature of the treasurer and the countersignature of the commissioner, or his or her duly authorized agent for that purpose.

(3) Any balance of moneys requisitioned from the unemployment trust fund which remains unclaimed or unpaid in the benefit account after the expiration of the period for which sums were requisitioned shall either be deducted from estimates for, and may be utilized for the payment of, benefits during succeeding periods, or in the discretion of the commissioner, shall be redeposited with the secretary of the treasury of the United States of America to the credit of this state's account in the unemployment trust fund.

(4) Money credited to the account of this state in the unemployment trust fund by the secretary of the treasury of the United States of America pursuant to section 903 of the social security act, as amended, may be requisitioned and used for the payment of expenses incurred for the administration of this title pursuant to a specific appropriation by the legislature, provided that the expenses are incurred and the money is requisitioned after the enactment of an appropriation law which:

(a) Specifies the purposes for which such money is appropriated and the amounts appropriated therefor;

(b) Limits the period within which such money may be obligated to a period ending not more than two years after the date of the enactment of the appropriation law; and

(c) Limits the amount which may be obligated during a twelve-month period beginning on July 1st and ending on the next June 30th to an amount which does not exceed the amount by which (i) the aggregate of the amounts credited to the account of this state pursuant to section 903 of the social security act, as amended, during the same
twelve-month period and the thirty-four preceding twelve-month periods, exceeds (ii) the aggregate of the amounts obligated pursuant to RCW 50.16.030 (4), (5) and (6) and charged against the amounts credited to the account of this state during any of such thirty-five twelve-month periods. For the purposes of RCW 50.16.030 (4), (5) and (6), amounts obligated during any such twelve-month period shall be charged against equivalent amounts which were first credited and which are not already so charged; except that no amount obligated for administration during any such twelve-month period may be charged against any amount credited during such a twelve-month period earlier than the thirty-fourth twelve-month period preceding such period: PROVIDED, That any amount credited to this state's account under section 903 of the social security act, as amended, which has been appropriated for expenses of administration, whether or not withdrawn from the trust fund shall be excluded from the unemployment compensation fund balance for the purpose of experience rating credit determination.

(5) Money credited to the account of this state pursuant to section 903 of the social security act, as amended, may not be withdrawn or used except for the payment of benefits and for the payment of expenses of administration and of public employment offices pursuant to RCW 50.16.030 (4), (5) and (6). However, moneys credited because of excess amounts in federal accounts in federal fiscal years 1999, 2000, and 2001 shall be used solely for the administration of the unemployment compensation program and are not subject to appropriation by the legislature for any other purpose.

(6) Money requisitioned as provided in RCW 50.16.030 (4), (5) and (6) for the payment of expenses of administration shall be deposited in the unemployment compensation fund, but until expended, shall remain a part of the unemployment compensation fund. The commissioner shall maintain a separate record of the deposit, obligation, expenditure and return of funds so deposited. Any money so deposited which either will not be obligated within the period specified by the appropriation law or remains unobligated at the end of the period, and any money which has been obligated within the period but will not be expended, shall be returned promptly to the account of this state in the unemployment trust fund.

PART III - REENACTED PROVISIONS

Sec. 8. RCW 50.04.293 and 2003 2nd sp.s. c 4 s 5 are each reenacted to read as follows:

With respect to claims that have an effective date before January 4, 2004, "misconduct" means an employee's act or failure to act in willful disregard of his or her employer's interest where the effect of the employee's act or failure to act is to harm the employer's business.

Sec. 9. RCW 50.04.294 and 2003 2nd sp.s. c 4 s 6 are each reenacted to read as follows:

With respect to claims that have an effective date on or after January 4, 2004:

(1) "Misconduct" includes, but is not limited to, the following conduct by a claimant:

(a) Willful or wanton disregard of the rights, title, and interests of the employer or a fellow employee;
(b) Deliberate violations or disregard of standards of behavior which the employer has the right to expect of an employee;
(c) Carelessness or negligence that causes or would likely cause serious bodily harm to the employer or a fellow employee; or
(d) Carelessness or negligence of such degree or recurrence to show an intentional or substantial disregard of the employer's interest.

(2) The following acts are considered misconduct because the acts signify a willful or wanton disregard of the rights, title, and interests of the employer or a fellow employee. These acts include, but are not limited to:

(a) Insubordination showing a deliberate, willful, or purposeful refusal to follow the reasonable directions or instructions of the employer;
(b) Repeated inexcusable tardiness following warnings by the employer;
(c) Dishonesty related to employment, including but not limited to deliberate falsification of company records, theft, deliberate deception, or lying;
(d) Repeated and inexcusable absences, including absences for which the employee was able to give advance notice and failed to do so;
(e) Deliberate acts that are illegal, provoke violence or violation of laws, or violate the collective bargaining agreement. However, an employee who engages in lawful union activity may not be disqualified due to misconduct;
(f) Violation of a company rule if the rule is reasonable and if the claimant knew or should have known of the existence of the rule; or
(g) Violations of law by the claimant while acting within the scope of employment that substantially affect the claimant's job performance or that substantially harm the employer's ability to do business.

(3) "Misconduct" does not include:

(a) Inefficiency, unsatisfactory conduct, or failure to perform well as the result of inability or incapacity;
(b) Inadvertence or ordinary negligence in isolated instances;
(c) Good faith errors in judgment or discretion.

(4) "Gross misconduct" means a criminal act in connection with an individual's work for which the individual has been convicted in a criminal court, or has admitted committing, or conduct connected with the individual's work that demonstrates a flagrant and wanton disregard of and for the rights, title, or interest of the employer or a fellow employee.

Sec. 10. RCW 50.20.010 and 2003 2nd sp.s. c 4 s 3 are each reenacted to read as follows:

(1) An unemployed individual shall be eligible to receive waiting period credits or benefits with respect to any week in his or her eligibility period only if the commissioner finds that:

(a) He or she has registered for work at, and thereafter has continued to report at, an employment office in accordance with such regulation as the commissioner may prescribe, except that the commissioner may by regulation waive or alter either or both of the requirements of this subdivision as to individuals attached to regular jobs and as to such other types of cases or situations with respect to which the commissioner finds that the compliance with such requirements would be oppressive, or would be inconsistent with the purposes of this title;
(b) He or she has filed an application for an initial determination and made a claim for waiting period credit or for benefits in accordance with the provisions of this title;
(c) He or she is able to work, and is available for work in any trade, occupation, profession, or business for which he or she is reasonably fitted.

(i) With respect to claims that have an effective date before January 4, 2004, to be available for work an individual must be ready, able, and willing, immediately to accept any suitable work which may be offered to him or her and must be actively seeking work pursuant to customary trade practices and through other
methods when so directed by the commissioner or the commissioner's agents.

(ii) With respect to claims that have an effective date on or after January 4, 2004, to be available for work an individual must be ready, able, and willing, immediately to accept any suitable work which may be offered to him or her and must be actively seeking work pursuant to customary trade practices and through other methods so directed by the commissioner or the commissioner's agents. If a labor agreement or dispatch rules apply, customary trade practices must be in accordance with the applicable agreement or rules.

(d) He or she has been unemployed for a waiting period of one week;

(e) He or she participates in reemployment services if the individual has been referred to reemployment services pursuant to the profiling system established by the commissioner under RCW 50.20.011, unless the commissioner determines that:

(i) The individual has completed such services; or

(ii) There is justifiable cause for the claimant's failure to participate in such services; and

(f) As to weeks beginning after March 31, 1981, which fall within an extended benefit period as defined in RCW 50.22.010, the individual meets the terms and conditions of RCW 50.22.020 with respect to benefits claimed in excess of twenty-six times the individual's weekly benefit amount.

(2) An individual's eligibility period for regular benefits shall be coincident to his or her established benefit year. An individual's eligibility period for additional or extended benefits shall be the periods prescribed elsewhere in this title for such benefits.

Sec. 11. RCW 50.20.060 and 2003 2nd sp.s. c 4 s 7 are each reenacted to read as follows:

With respect to claims that have an effective date before January 4, 2004, an individual shall be disqualified from benefits beginning with the first day of the calendar week in which he or she has been discharged or suspended for misconduct connected with his or her work and thereafter for seven calendar weeks and until he or she has obtained bona fide work in employment covered by this title and earned wages in that employment equal to seven times his or her weekly benefit amount. Alcoholism shall not constitute a defense to disqualification from benefits due to misconduct.

Sec. 12. RCW 50.20.065 and 2003 2nd sp.s. c 4 s 8 are each reenacted to read as follows:

With respect to claims that have an effective date before January 4, 2004:

(1) An individual who has been discharged from his or her work because of a felony or gross misdemeanor of which he or she has been convicted, or has admitted committing to a competent authority, and that is connected with his or her work shall have all hourly wage credits based on that employment canceled.

(2) The employer shall notify the department of such an admission or conviction, not later than six months following the admission or conviction.

(3) The claimant shall disclose any conviction of the claimant of a work-connected felony or gross misdemeanor occurring in the previous two years to the department at the time of application for benefits.

(4) All benefits that are paid in error based on wage/hour credits that should have been removed from the claimant's base year are recoverable, notwithstanding RCW 50.20.190 or 50.24.020 or any other provisions of this title.

Sec. 13. RCW 50.20.066 and 2003 2nd sp.s. c 4 s 9 are each reenacted to read as follows:

With respect to claims that have an effective date on or after January 4, 2004:

(1) An individual shall be disqualified from benefits beginning with the first day of the calendar week in which he or she has been discharged or suspended for misconduct connected with his or her work and thereafter for ten calendar weeks and until he or she has obtained bona fide work in employment covered by this title and earned wages in that employment equal to ten times his or her weekly benefit amount. Alcoholism shall not constitute a defense to disqualification from benefits due to misconduct.

(2) An individual who has been discharged from his or her work because of gross misconduct shall have all hourly wage credits based on that employment or six hundred eighty hours of wage credits, whichever is greater, canceled.

(3) The employer shall notify the department of a felony or gross misdemeanor of which an individual has been convicted, or has admitted committing to a competent authority, not later than six months following the admission or conviction.

(4) The claimant shall disclose any conviction of the claimant of a work-connected felony or gross misdemeanor occurring in the previous two years to the department at the time of application for benefits.

(5) All benefits that are paid in error based on this section are recoverable, notwithstanding RCW 50.20.190 or 50.24.020 or any other provisions of this title.

Sec. 14. RCW 50.20.100 and 2004 c 110 s 2 are each reenacted to read as follows:

(1) Suitable work for an individual is employment in an occupation in keeping with the individual's prior work experience, education, or training and if the individual has no prior work experience, special education, or training for employment available in the general area, then employment which the individual would have the physical and mental ability to perform. In determining whether work is suitable for an individual, the commissioner shall also consider the degree of risk involved to the individual's health, safety, and morals, the individual's physical fitness, the individual's length of unemployment and prospects for securing local work in the individual's customary occupation, the distance of the available work from the individual's residence, and such other factors as the commissioner may deem pertinent, including state and national emergencies.

(2) For individuals with base year work experience in agricultural labor, any agricultural labor available from any employer shall be deemed suitable unless it meets conditions in RCW 50.20.110 or the commissioner finds elements of specific work opportunity unsuitable for a particular individual.

(3) For part-time workers as defined in RCW 50.20.119, suitable work includes suitable work under subsection (1) of this section that is for seventeen or fewer hours per week.

(4) For individuals who have qualified for unemployment compensation benefits under RCW 50.20.050 (1)(b)(iv) or (2)(b)(iv), as applicable, an evaluation of the suitability of the work must consider the individual's need to address the physical, psychological, legal, and other effects of domestic violence or stalking.

Sec. 15. RCW 50.20.119 and 2003 2nd sp.s. c 4 s 12 are each reenacted to read as follows:

(1) With respect to claims that have an effective date on or after January 2, 2005, an otherwise eligible individual may not be denied
benefits for any week because the individual is a part-time worker and is available for, seeks, applies for, or accepts only work of seventeen or fewer hours per week by reason of the application of RCW 50.20.010(1)(c), 50.20.080, or 50.22.020(1) relating to availability for work and active search for work, or failure to apply for or refusal to accept suitable work.

(2) For purposes of this section, "part-time worker" means an individual who: (a) Earned wages in "employment" in at least forty weeks in the individual's base year; and (b) did not earn wages in "employment" in more than seventeen hours per week in any weeks in the individual's base year.

Sec. 16. RCW 50.20.240 and 2004 c 110 s 1 are each reenacted to read as follows:

(1)(a) To ensure that following the initial application for benefits, an individual is actively engaged in searching for work, the employment security department shall implement a job search monitoring program. Effective January 4, 2004, the department shall contract with employment security agencies in other states to ensure that individuals residing in those states and receiving benefits under this title are actively engaged in searching for work in accordance with the requirements of this section. The department may use interactive voice technology and other electronic means to ensure that individuals are subject to comparable job search monitoring, regardless of whether they reside in Washington or elsewhere.

(b) Except for those individuals with employer attachment or union referral, individuals who qualify for unemployment compensation under RCW 50.20.050 (1)(b)(iv) or (2)(b)(iv), as applicable, and individuals in commissioner-approved training, an individual who has received five or more weeks of benefits under this title, regardless of whether the individual resides in Washington or elsewhere, must provide evidence of seeking work, as directed by the commissioner or the commissioner's agents, for each week beyond five in which a claim is filed. With regard to claims with an effective date before January 4, 2004, the evidence must demonstrate contacts with at least three employers per week or documented in-person job search activity at the local reemployment center. With regard to claims with an effective date on or after January 4, 2004, the evidence must demonstrate contacts with at least three employers per week or documented in-person job search activities at the local reemployment center at least three times per week.

(c) In developing the requirements for the job search monitoring program, the commissioner or the commissioner's agents shall utilize an existing advisory committee having equal representation of employers and workers.

(2) Effective January 4, 2004, an individual who fails to comply fully with the requirements for actively seeking work under RCW 50.20.010 shall lose all benefits for all weeks during which the individual was not in compliance; and the individual shall be liable for repayment of all such benefits under RCW 50.20.190.

Sec. 17. RCW 50.04.335 and 2003 2nd sp.s. c 4 s 2 are each reenacted to read as follows:

After December 31, 2003, for the purpose of the payment of contributions, the term "wages" does not include an employee's income attributable to the transfer of shares of stock to the employee pursuant to his or her exercise of a stock option granted for any reason connected with his or her employment.

Sec. 18. RCW 50.16.010 and 2005 c 518 s 933 are each reenacted to read as follows:

(1) There shall be maintained as special funds, separate and apart from all public moneys or funds of this state an unemployment compensation fund, an administrative contingency fund, and a federal interest payment fund, which shall be administered by the commissioner exclusively for the purposes of this title, and to which RCW 43.01.050 shall not be applicable.

(2)(a) The unemployment compensation fund shall consist of:

(i) All contributions collected under RCW 50.24.010 and payments in lieu of contributions collected pursuant to the provisions of this title;

(ii) Any property or securities acquired through the use of moneys belonging to the fund;

(iii) All earnings of such property or securities;

(iv) Any moneys received from the federal unemployment account in the unemployment trust fund in accordance with Title XII of the social security act, as amended;

(v) All money recovered on official bonds for losses sustained by the fund;

(vi) All money credited to this state's account in the unemployment trust fund pursuant to section 903 of the social security act, as amended;

(vii) All money received from the federal government as reimbursement pursuant to section 204 of the federal-state extended compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304); and

(viii) All moneys received for the fund from any other source.

(b) All moneys in the unemployment compensation fund shall be commingled and undivided.

(3)(a) Except as provided in (b) of this subsection, the administrative contingency fund shall consist of:

(i) All interest on delinquent contributions collected pursuant to this title;

(ii) All fines and penalties collected pursuant to the provisions of this title;

(iii) All sums recovered on official bonds for losses sustained by the fund; and

(iv) Revenue received under RCW 50.24.014.

(b) All fees, fines, forfeitures, and penalties collected or assessed by a district court because of the violation of this title or rules adopted under this title shall be remitted as provided in chapter 3.62 RCW.

(c) Moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014(1)(a), shall be expended upon the direction of the commissioner, with the approval of the governor, whenever it appears to him or her that such expenditure is necessary solely for:

(i) The proper administration of this title and no federal funds are available for the specific purpose to which such expenditure is to be made, provided, the moneys are not substituted for appropriations from federal funds which, in the absence of such moneys, would be made available.

(ii) The proper administration of this title for which purpose appropriations from federal funds have been requested but not yet received, provided, the administrative contingency fund will be reimbursed upon receipt of the requested federal appropriation.

(iii) The proper administration of this title for which compliance and audit issues have been identified that establish federal claims requiring the expenditure of state resources in resolution. Claims must be resolved in the following priority: First priority is to provide services to eligible participants within the state; second priority is to provide substitute services or program support; and last priority is the direct payment of funds to the federal government.

(d) During the 2005-2007 fiscal biennium, the cost of the job
skills program at community and technical colleges as appropriated by the legislature.

Money in the special account created under RCW 50.24.014(1)(a) may only be expended, after appropriation, for the purposes specified in this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014, 50.44.053, and 50.22.010.

Sec. 19. RCW 50.16.015 and 2003 2nd sp.s. c 4 s 24 are each reenacted to read as follows:

A separate and identifiable fund to provide for the payment of interest on advances received from this state's account in the federal unemployment trust fund shall be established and administered under the direction of the commissioner. This fund shall be known as the federal interest payment fund and shall consist of contributions paid under RCW 50.16.070. All money in this fund shall be expended solely for the payment of interest on advances received from this state's account in the federal unemployment trust fund and for no other purposes whatsoever.

Sec. 20. RCW 50.24.014 and 2003 2nd sp.s. c 4 s 25 are each reenacted to read as follows:

(1)(a) A separate and identifiable account to provide for the financing of special programs to assist the unemployed is established in the administrative contingency fund. All money in this account shall be expended solely for the purposes of this title and for no other purposes whatsoever. Contributions to this account shall accrue and become payable by each employer, except employers as described in RCW 50.44.010 and 50.44.030 who have properly elected to make payments in lieu of contributions, taxable local government employers as described in RCW 50.44.035, and those employers who are required to make payments in lieu of contributions, at a basic rate of two one-hundredths of one percent. The amount of wages subject to tax shall be determined under RCW 50.24.010.

(b) A separate and identifiable account is established in the administrative contingency fund for financing the employment security department's administrative cost under RCW 50.22.150 and the costs under RCW 50.22.150(9). All money in this account shall be expended solely for the purposes of this title and for no other purposes whatsoever. Contributions to this account shall accrue and become payable by each employer, except employers as described in RCW 50.44.010 and 50.44.030 who have properly elected to make payments in lieu of contributions, taxable local government employers as described in RCW 50.44.035, and those employers who are required to make payments in lieu of contributions, those employers described under RCW 50.29.025(1)(f)(ii), and those qualified employers assigned rate class 20 or rate class 40, as applicable, under RCW 50.29.025, at a basic rate of one one-hundredth of one percent. The amount of wages subject to tax shall be determined under RCW 50.24.010. Any amount of contributions payable under this subsection (1)(b) that exceeds the amount that would have been collected at a rate of four one-thousandths of one percent must be deposited in the unemployment compensation trust fund.

(c) For the first calendar quarter of 1994 only, the basic two one-hundredths of one percent contribution payable under (a) of this subsection shall be increased by one-hundredth of one percent to a total rate of three one-hundredths of one percent. The proceeds of this incremental one-hundredth of one percent shall be used solely for the purposes described in section 22, chapter 483, Laws of 1993, and for the purposes of conducting an evaluation of the call center approach to unemployment insurance under section 5, chapter 161, Laws of 1998. During the 1997-1999 fiscal biennium, any surplus from contributions payable under this subsection (c) may be deposited in the unemployment compensation trust fund, used to support tax and wage automated systems projects that simplify and streamline employer reporting, or both.

(2)(a) Contributions under this section shall become due and be paid by each employer under rules as the commissioner may prescribe, and shall not be deducted, in whole or in part, from the remuneration of individuals in the employ of the employer. Any deduction in violation of this section is unlawful.

(b) In the payment of any contributions under this section, a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to one cent.

(3) If the commissioner determines that federal funding has been increased to provide financing for the services specified in chapter 50.62 RCW, the commissioner shall direct that collection of contributions under this section be terminated on the following January 1st.

Sec. 21. RCW 50.20.190 and 2005 c 518 s 934 are each reenacted to read as follows:

(1) An individual who is paid any amount as benefits under this title to which he or she is not entitled shall, unless otherwise relieved pursuant to this section, be liable for repayment of the amount overpaid. The department shall issue an overpayment assessment setting forth the reasons for the amount of the overpayment. The amount assessed, to the extent not collected, may be deducted from any future benefits payable to the individual: PROVIDED, That in the absence of a back pay award, a settlement affecting the allowance of benefits, fraud, misrepresentation, or willful nondisclosure, every determination of liability shall be mailed or personally served not later than two years after the close of or final payment made on the individual's applicable benefit year for which the purported overpayment was made, whichever is later, unless the merits of the claim are subjected to administrative or judicial review in which event the period for serving the determination of liability shall be extended to allow service of the determination of liability during the six-month period following the final decision affecting the claim.

(2) The commissioner may waive an overpayment if the commissioner finds that the overpayment was not the result of fraud, misrepresentation, willful nondisclosure, or fault attributable to the individual and that the recovery thereof would be against equity and good conscience: PROVIDED, HOWEVER, That the overpayment so waived shall be charged against the individual's applicable entitlement for the eligibility period containing the weeks to which the overpayment was attributed as though such benefits had been properly paid.

(3) Any assessment herein provided shall constitute a determination of liability from which an appeal may be had in the same manner and to the same extent as provided for appeals relating to determinations in respect to claims for benefits: PROVIDED, That an appeal from any determination covering overpayment only shall be deemed to be an appeal from the determination which was the basis for establishing the overpayment unless the merits involved in the issue set forth in such determination have already been heard and passed upon by the appeal tribunal. If no such appeal is taken to the appeal tribunal by the individual within thirty days of the delivery of the notice of determination of liability, or within thirty days of the mailing of the notice of determination, whichever is the earlier, the determination of liability shall be deemed conclusive and final. Whenever any such notice of determination of liability becomes conclusive and final, the commissioner, upon giving at least twenty days notice by certified mail return receipt requested to the individual's last known address of the intended action, may file with
the superior court clerk of any county within the state a warrant in the amount of the notice of determination of liability plus a filing fee under RCW 36.18.012(10). The clerk of the county where the warrant is filed shall immediately designate a superior court cause number for the warrant, and the clerk shall cause to be entered in the judgment docket under the superior court cause number assigned to the warrant, the name of the person(s) mentioned in the warrant, the amount of the notice of determination of liability, and the date when the warrant was filed. The amount of the warrant as docketed shall become a lien upon the title to, and any interest in, all real and personal property of the person(s) against whom the warrant is issued, the same as a judgment in a civil case duly docketed in the office of such clerk. A warrant so docketed shall be sufficient to support the issuance of writs of execution and writs of garnishment in favor of the state in the manner provided by law for a civil judgment. A copy of the warrant shall be mailed to the person(s) mentioned in the warrant by certified mail to the person's last known address within five days of its filing with the clerk.

(4) On request of any agency which administers an employment security law of another state, the United States, or a foreign government and which has found in accordance with the provisions of such law that a claimant is liable to repay benefits received under such law, the commissioner may collect the amount of such benefits from the claimant to be refunded to the agency. In any case in which under this section a claimant is liable to repay any amount to the agency of another state, the United States, or a foreign government, such amounts may be collected without interest by civil action in the name of the commissioner acting as agent for such agency if the other state, the United States, or the foreign government extends such collection rights to the employment security department of the state of Washington, and provided that the court costs be paid by the governmental agency benefiting from such collection.

(5) Any employer who is a party to a back pay award or settlement due to loss of wages shall, within thirty days of the award or settlement, report to the department the amount of the award or settlement, the name and social security number of the recipient of the award or settlement, and the period for which it is awarded. When an individual has been awarded or receives back pay, for benefit purposes the amount of the back pay shall constitute wages paid in the period for which it was awarded. For contribution purposes, the back pay award or settlement shall constitute wages paid in the period in which it was actually paid. The following requirements shall also apply:

(a) The employer shall reduce the amount of the back pay award or settlement by an amount determined by the department based upon the amount of unemployment benefits received by the recipient of the award or settlement during the period for which the back pay award or settlement was awarded;

(b) The employer shall pay to the unemployment compensation fund, in a manner specified by the commissioner, an amount equal to the amount of such reduction;

(c) The employer shall also pay to the department any taxes due for unemployment insurance purposes on the entire amount of the back pay award or settlement notwithstanding any reduction made pursuant to (a) of this subsection;

(d) If the employer fails to reduce the amount of the back pay award or settlement as required in (a) of this subsection, the department shall issue an overpayment assessment against the recipient of the award or settlement in the amount that the back pay award or settlement should have been reduced; and

(e) If the employer fails to pay to the department an amount equal to the reduction as required in (b) of this subsection, the department shall issue an assessment of liability against the employer which shall be collected pursuant to the procedures for collection of assessments provided herein and in RCW 50.24.110.

(6) When an individual fails to repay an overpayment assessment that is due and fails to arrange for satisfactory repayment terms, the commissioner shall impose an interest penalty of one percent per month of the outstanding balance. Interest shall accrue immediately on overpayments assessed pursuant to RCW 50.20.070 and shall be imposed when the assessment becomes final. For any other overpayment, interest shall accrue when the individual has missed two or more of the individual's monthly payments either partially or in full. The interest penalty shall be used, first, to fully fund either social security number cross-match audits or other more effective activities that ensure that individuals are entitled to all amounts of benefits that they are paid, second, to fund other detection and recovery of overpayment and collection activities, and third, during the 2005-07 fiscal biennium, the cost of the job skills program at community and technical colleges as appropriated by the legislature.

Sec. 22. RCW 50.04.206 and 2003 2nd sp.s. c 4 s 27 are each reenacted to read as follows:

The term "employment" shall not include service that is performed by a nonresident alien for the period he or she is temporarily present in the United States as a nonimmigrant under subparagraph (F), (H)(ii), (H)(iii), or (J) of section 101(a)(15) of the federal immigration and naturalization act, as amended, and that is performed to carry out the purpose specified in the applicable subparagraph of the federal immigration and naturalization act.

NEW SECTION. Sec. 23. (1) Sections 8 through 13 and 16 of this act apply retroactively to claims that have an effective date on or after January 4, 2004.

(2) Sections 14 and 15 of this act apply retroactively to claims that have an effective date on or after January 2, 2005.

(3) Sections 17 through 22 of this act apply retroactively to June 20, 2003.

PART IV - MISCELLANEOUS

NEW SECTION. Sec. 24. The employment security department shall study the following and report its findings and recommendations, if any, to the unemployment insurance advisory committee and to the house of representatives commerce and labor committee and the senate labor, commerce, research, and development committee, or their successor committees, by December 1, 2006:

(1) Employment patterns involving repeat episodes of unemployment to achieve improved employer retention rates, improved claimant placement rates, and increased employment opportunities;

(2) Employers in rate class 40, including types of industries, sizes of employers, contributions paid, and benefit charges attributable to such employers;

(3) Reasons for the unusually high rate of employer turnover among Washington employers, which leads to a high volume of charges against inactive accounts and increases socialized costs; and

(4) Fraud prevention methods such as corporate officer eligibility for unemployment insurance, and personal liability of corporate officers for failure to accurately report employee information or pay taxes owed.
NEW SECTION. Sec. 25. Part headings used in this act are not any part of the law.

NEW SECTION. Sec. 26. Sections 4 and 5 of this act apply to rate years beginning on or after January 1, 2007.

NEW SECTION. 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.

NEW SECTION. Sec. 28. 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 or the eligibility of employers in this state for federal unemployment tax credits, the conflicting part of this act is inoperative solely to the extent of the conflict, and the finding or determination does not affect the operation of the remainder of this act. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state or the granting of federal unemployment tax credits to employers in this state."

Correct the title.

Representatives Conway and Condotta spoke in favor of the adoption of the amendment.

The amendment was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House was placed on final passage.

Representatives Conway, Condotta, Clibborn and Dunn spoke in favor of passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 6885, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 6885, as amended by the House and the bill passed the House by the following vote: Yeas - 97, Nays - 1, Absent - 0, Excused - 0.


Voting nay: Representative Woods - 1.

ENGROSSED SUBSTITUTE SENATE BILL NO. 6885, as amended by the House, having received the necessary constitutional majority, was declared passed.

POINT OF PERSONAL PRIVILEGE

Representative Conway

There being no objection, the Rules Committee was relieved of the following bills, and the bills was placed on the Second Reading calendar:

- SENATE BILL NO. 5106,
- SUBSTITUTE SENATE BILL NO. 5126,
- SUBSTITUTE SENATE BILL NO. 6141,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 6151,
- SENATE BILL NO. 6162,
- ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6175,
- SUBSTITUTE SENATE BILL NO. 6201,
- SUBSTITUTE SENATE BILL NO. 6221,
- ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6239,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 6255,
- SENATE BILL NO. 6264,
- SUBSTITUTE SENATE BILL NO. 6287,
- SUBSTITUTE SENATE BILL NO. 6325,
- SECOND SUBSTITUTE SENATE BILL NO. 6326,
- SUBSTITUTE SENATE BILL NO. 6344,
- SUBSTITUTE SENATE BILL NO. 6364,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 6366,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 6396,
- SUBSTITUTE SENATE BILL NO. 6412,
- SUBSTITUTE SENATE BILL NO. 6418,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 6427,
- SUBSTITUTE SENATE BILL NO. 6429,
- SUBSTITUTE SENATE BILL NO. 6453,
- SECOND SUBSTITUTE SENATE BILL NO. 6460,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 6475,
- SUBSTITUTE SENATE BILL NO. 6512,
- SUBSTITUTE SENATE BILL NO. 6676,
- SUBSTITUTE SENATE BILL NO. 6697,
- SUBSTITUTE SENATE BILL NO. 6717,
- SUBSTITUTE SENATE BILL NO. 6826,
- SUBSTITUTE SENATE BILL NO. 6368,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 6244,

There being no objection, the Committee on Appropriations was relieved of SENATE BILL NO. 6368, and the bill was placed on the Second Reading calendar.

There being no objection, the House advanced to the eleventh order of business.

There being no objection, the House adjourned until 9:30 a.m., March 3, 2006, the 53rd Day of the Regular Session.

FRANK CHOPP, Speaker
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**Notes:**
- Introductions and 1st Reading: 1 page
- Recognizing Colon Cancer: Introduced, Adopted
- Other Actions: 34 pages
- Second and Third Readings: Various pages
- Final Passage: Various pages
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